

aberdeen Investments

Aberdeen UK Smaller Companies Growth Trust plc

Annual Report 30 June 2026

Capturing the growth potential of UK smaller companies

aberdeenuksmallercompaniesgrowthtrust.co.uk





Contents

Overview
Performance Highlights 3

Strategic Report
Chair's Statement 6
Overview of Strategy 9
Promoting the Success of the Company 17
Performance 21
Investment Manager's Review 23
Investment Process 30

Portfolio
Ten Largest Investments 34
Investment Portfolio 35
Sector Distribution of Investments 37
Investment Portfolio by Sector 38
Market Cap Exposure 39
Investment Case Studies 40

Governance
Board of Directors 44
Directors' Report 47
Directors' Remuneration Report 57
Audit Committee's Report 61

Financial Statements
Statement of Directors' Responsibilities 66
Independent Auditor's Report 67
Statement of Comprehensive Income 75
Statement of Financial Position 76
Statement of Changes in Equity 77
Statement of Cash Flows 78
Notes to the Financial Statements 79
Alternative Performance Measures 95

Corporate Information
Information about the Investment Manager 99
Investor Information 100
Glossary of Terms 102
Share Capital History 105
AIFMD Disclosures (Unaudited) 108

General
Notice of Annual General Meeting 110
Contact Addresses 117

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

If you have sold or otherwise transferred all your Ordinary shares in Aberdeen UK Smaller Companies Growth Trust plc, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

To find out more about Aberdeen UK Smaller Companies Growth Trust plc, please visit:
aberdeenuksmallercompaniesgrowthtrust.co.uk

Performance Highlights

Net asset total return[AB]

-4.1%

2025 +6.8%

Share price total return[AB]

-3.6%

2025 +11.4%

Total dividends per share

14.00p

2025 13.20p

Discount to net asset value[AB]

8.7%

2025 9.0%

Revenue return per share

13.90p

2025 13.52p

Ongoing charges ratio[AB]

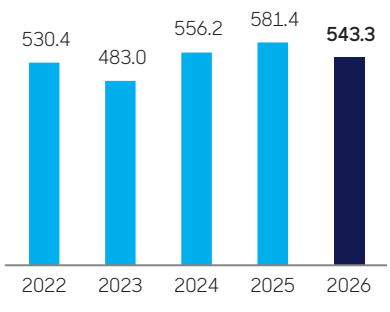
0.77%

2025 0.85%

[A] Considered to be an Alternative Performance Measure. See pages 95 to 97 for more information.
[B] A Key Performance Indicator ("KPI"). See page 10 for more information on the Company's KPIs.

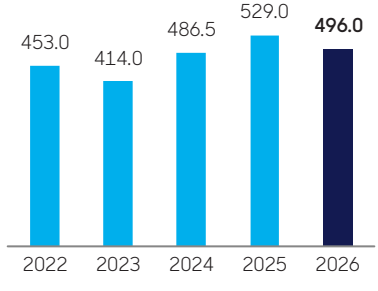
Net asset value per share

At 30 June – pence



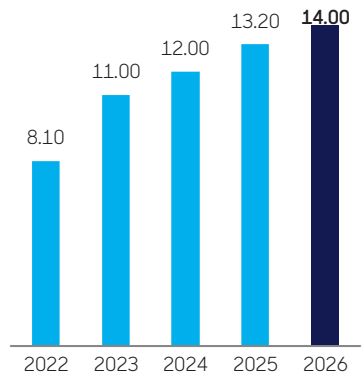
Share price

At 30 June – pence



Dividends per share

Year ended 30 June – pence



Performance Highlights

Continued

	30 June 2026	30 June 2025	% change
Capital return			
Total assets (as defined on page 104)	**£271.9m**	£399.2m	(31.9)%
Equity shareholders' funds	**£246.9m**	£359.2m	(31.3)%
Market capitalisation[A]	**£225.4m**	£326.8m	(31.0)%
Net asset value per share (as defined on page 103)	**543.31p**	581.37p	(6.5)%
Share price	**496.00p**	529.00p	(6.2)%
Discount to NAV[B]	**8.7%**	9.0%	
Net gearing[B]	**4.9%**	6.6%	
Reference index[C]	**5,957.22**	5,780.00	3.1%
Dividends and earnings			
Revenue return per share[D]	**13.90p**	13.52p	2.8%
Total dividends per share[E]	**14.00p**	13.20p	6.1%
Operating costs			
Ongoing charges ratio[BF]	**0.77%**	0.85%	

[A] Represents the number of Ordinary shares in issue in the Company multiplied by the Company's share price.
[B] Considered to be an Alternative Performance Measure, as defined on pages 95 and 96.
[C] Deutsche Numis Smaller Companies plus AIM (ex investment companies) Index.
[D] Measures the revenue earnings for the year divided by the weighted average number of Ordinary shares in issue (see Statement of Comprehensive Income).
[E] The figures for dividend per share reflect the years in which they were earned (see note 8 on page 85).
[F] Calculated in accordance with AIC guidance issued in October 2020.

Strategic Report

The Company is an investment trust and its Ordinary shares are listed on the London Stock Exchange.

The Company's objective is to achieve long-term capital growth by investment in UK-quoted smaller companies.



Investments in the Media sector represent 3.2% of the portfolio and include Bloomsbury Publishing.

Chair's Statement

Dear Shareholders

Proposed Combination with JPMorgan UK Small Cap Growth & Income plc

Following the end of our financial year, on 18 September 2026, the Board announced that it had agreed heads of terms with the board of JPMorgan UK Small Cap Growth & Income plc ("JUGI") for a combination of the Company and JUGI. The Board regularly evaluates both the Company's performance and the attractiveness and appeal of the Company to investors and this combination is the culmination of a competitive private review process undertaken by the Board.

The Board is conscious that over the past five years the Company has bought back more than half of its issued share capital, which has been essential to limit the discount and discount volatility. Whilst this has been in the best interests of shareholders, it has significantly reduced liquidity in the Company's shares and the Board is concerned about the impact that ongoing share buybacks are likely to continue to have on the size and scale of the Company, the liquidity in the Company's shares and the Company's ability to appeal to investors and grow over time. The Board has negotiated the investment management fee down on two occasions in the past few years, resulting in a reduction in the ongoing charges ratio ("OCR"). However, as a result of the continuing buyback, this improvement in the OCR will be difficult to sustain with the OCR expected to rise in the current financial year, further reducing the Company's attractiveness when compared to its peers.

Investment performance has also been challenging for a significant period during which time the Board, working with the Investment Manager, has robustly assessed and challenged the Company's portfolio managers and their investment process which has resulted in some changes in approach. Despite this, recent performance remains below both the reference index and a number of similar peers, limiting the appeal of the Company to potential investors.

The combination of the Company and JUGI will be implemented through a proposed members' voluntary winding up of the Company by way of a scheme of reconstruction of the Company under Section 110 of the Insolvency Act 1986 (the "Scheme"). Pursuant to the Scheme, the Company's shareholders will be entitled to receive new shares in JUGI or to elect some or all of their shares for cash (at a 2% discount to NAV less the costs of the transaction), subject to an aggregate limit of 35% of the Company's share capital.

Following implementation of the proposals, the enlarged JUGI will continue to be managed by JPMorgan Funds Limited in accordance with its existing investment objective and policy.

The Board considers that the proposals are in the best interests of shareholders, offering shareholders the opportunity to rollover their holdings into an investment trust with exceptional long-term performance within the UK Smaller Companies sector. Those who elect to do this will also benefit from holding shares in a larger, and so more cost efficient, company which should offer better trading liquidity.

The Company will publish a circular setting out full details of the proposals and convening the necessary general meetings to implement the Scheme. At the same time, JUGI will publish a circular to convene a general meeting of JUGI shareholders to approve the issue of new JUGI shares pursuant to the proposals. It is anticipated that such shareholder documentation will be published in late October/early November 2026.

Subject to the relevant conditions being satisfied, it is expected that the Scheme will be completed before the end of 2026, although the expected timetable in respect of the Scheme remains subject to change.

Performance

For the year ended 30 June 2026, the Company's net asset value ("NAV") total return, calculated on the basis that all dividends received are reinvested in additional shares, fell by 4.1%. The share price total return, calculated on the same basis, fell by 3.6%. These returns compare to a total return of 6.1% generated by the Deutsche Numis Smaller Companies plus AIM (ex investment companies) Index (the "reference index").

The Board is acutely aware that these are a disappointing set of results, particularly in terms of the performance relative to the reference index, as it extends the NAV underperformance record to cover one, three and five years. It notes that most of the other investment trusts with similar mandates also underperformed the index during the year, where a significant contribution came from the performance of the Precious Metals and Mining sector, which returned more than 60% over the year, driven in part by the performance of gold. However, the analysis shows that stock-specific issues were the major component to the Company's underperformance rather than asset allocation. As stated above, the Board has worked with the Investment Manager to understand the causes of underperformance. A detailed review of performance and investment activity for the year is included in the Investment Manager's Review.

Earnings and Dividends

The revenue return per share ("EPS") for the year ended 30 June 2026 was 13.90p (2025: 13.52p), an increase of 2.8% compared to the previous year. The Company has continued to benefit from strong earnings resilience from the underlying portfolio holdings. Recurring income is increasingly the predominant source of dividends, with only 6.4% of investment income for the year coming from special dividends. This can be compared to the position 10 years ago when the proportion of revenue generated from special dividends was higher, and illustrates a trend by companies to return capital to shareholders through share buy backs.

Due to the timing of the AGM this year (see Annual General Meeting below), the Board will be unable to seek shareholder approval for the payment of a final dividend in the usual manner. The Board is therefore declaring a second interim dividend for the financial year of 9.5p per share, which will take the full year dividend to 14.0p per share, an increase of 6.1% on the full year dividend paid in 2025. The second interim dividend will be paid on 27 November 2026 to shareholders on the register on 6 November 2026, with an associated ex-dividend date of 5 November 2026.

Gearing

The Board has given the Investment Manager discretion to vary the level of gearing between 5% net cash and 25% net gearing (at the time of drawdown). During the year, the Company repaid the £40 million revolving credit facility from The Royal Bank of Scotland International and negotiated a £40 million evergreen secured revolving credit facility with Bank of America. At the year end, the Company had drawn £25 million of this facility and, at that time, the gross level of borrowings was offset by cash and cash equivalents of £12.1 million resulting in net gearing of 4.9% (2025: 6.6%). The cost of borrowing at the year end was 4.73%.

Ongoing Charges

The ongoing charges ratio ("OCR") for the year ended 30 June 2026 was 0.77% (2025: 0.85%). The reduction is attributable to a lower management fee cost following the reduction that took place in April 2025 and lower administrative expenses compared to 2025.

Discount Control and Share Buy Backs

At the year end, the discount of the share price to the NAV was 8.7% (2025: 9.0%).

Over the year, the Company bought back 16.3 million shares, equating to 26.5% of the issued share capital, at a total cost of £83.7 million and a weighted average price of 509.5p per share. The weighted average discount at which the shares were repurchased was 9.2%. The Board calculates that this added 14.8p per share to the NAV per share for remaining shareholders. Since the year end, a further 2.7 million shares have been repurchased. All shares bought back are held in treasury.

The Board remains committed to its discount management policy and will continue to be active in the market if the discount exceeds 8% and it believes it to be in the best interests of shareholders to do so. The Board is pleased to note that the discount has narrowed over the last 12 months, although it remains frustrated that achieving this has required a significant reduction in the size of the Company.

The pace of buy backs meant that the Board convened a General Meeting on 31 March 2026 at which shareholders granted authority to the Board to renew the buy back authority for a further 14.99% of the issued share capital. The renewed authority will lapse at the AGM, at which time the Board will seek a renewed authority.

Full details of the Board's discount control policy can be found on page 15 and a five-year chart of the movement in the discount compared to the peer group and the discount control mechanism threshold can be found on page 22.

Chair's Statement

Continued

Annual General Meeting

The Company's Annual General Meeting ("AGM") has been convened to take place at 10.00am on Thursday 31 December 2026.

Under company law, the Company is required to hold an AGM before the end of December each year. However, as a result of the proposals for the Company to combine with JUGI as set out above, it is not anticipated that the AGM will be required, but it has been convened as a fall-back option should the Scheme not complete before the end of December. Accordingly, if the Scheme is implemented prior to the date of the AGM then the Meeting will be adjourned indefinitely.

The Notice of the Meeting is contained on pages 110 to 115.

Board Composition

The Board was pleased to welcome Steve Russell as an independent non-executive Director of the Company with effect from 1 April 2026. Steve was, until 2025, Investment Director and a member of the multi asset investment committee at Ruffer LLP, where he helped direct its investment strategy. Steve's biographical details are included on page 46 and he will stand for election at the AGM.

The Board has also previously announced that Tim Scholefield will retire as a Director with effect from the AGM. Tim has been a Director of the Company for over nine years, having been appointed in February 2017. Over this time, Tim has provided a significant contribution to the Board and we wish him well in future roles.

Following completion of the Scheme, it is expected that Manju Malhotra and Steve Russell will join the board of JUGI.

Agreement with Saba

Since the end of the financial year, in common with a number of other investment trusts managed by Aberdeen, the Company has entered into a three year standstill agreement with abrdn Fund Managers Limited and Saba Capital Management LP with full details set out in a formal announcement dated 3 August 2026.

The agreement does not restrict or prohibit Saba's ability to vote in favour of or accept any takeover offer for the Company, nor does it restrict Saba's ability to deal in the Company's shares (other than in any short selling).

Saba's offer to enter into the agreement with the Company was as a result of separate arrangements between Aberdeen and Saba, to which the Company was not party. The Company has given no monetary consideration to Saba or any of its affiliates in return for the benefits of the agreement, and such benefits do not restrict the Board's or the Company's independence in any way, although Aberdeen has done so.

The agreement lasts until the earlier of (a) conclusion of the Company's 2029 Annual General Meeting or (b) the date abrdn Fund Managers Limited ceases to be appointed as the Company's manager.

Outlook

Sentiment towards the UK economy has been negative for some time given the challenges it continues to face in terms of low GDP growth and high debt levels exacerbated by high interest rates. This shapes the outlook particularly for smaller UK companies which are more exposed to the domestic economy, including its high energy costs, than larger more globally oriented companies. Given the tight fiscal constraints, there is great uncertainty over how the government will tackle the policies needed to stimulate growth in the imminent Budget.

What is clear is that the valuations of these companies are at historic lows, and in many cases with yields as high as large companies. The attractions of the asset class are further evident from the string of bids we have seen for such companies over the past year. The Board is confident that the asset class contains significant opportunities for investors and that its recent recommendation to combine your Company into a larger, more cost effective, investment trust managed by JP Morgan Funds Limited offers shareholders an improved way to benefit from exposure to smaller UK companies over the period ahead.



Liz Airey
Chair
21 October 2026

Overview of Strategy

Business
The Company is an investment trust and its Ordinary shares are listed on the Main Market of the London Stock Exchange.

Investment Objective
The Company's objective is to achieve long-term capital growth by investment in UK-quoted smaller companies.

Investment Policy
The Company intends to achieve its investment objective by investing in a diversified portfolio consisting mainly of UK-quoted smaller companies. The portfolio will normally comprise approximately 50 individual holdings representing the Investment Manager's highest conviction investment ideas. In order to reduce risk in the Company without compromising flexibility, no holding within the portfolio should exceed 5% of total assets at the time of acquisition.

The Company may use derivatives for portfolio hedging purposes (i.e. only for the purpose of reducing, transferring or eliminating the investment risks in its investments in order to protect the Company's portfolio).

Within the Company's Articles of Association, the maximum level of gearing is 100% of net assets. The Directors have set parameters of between 5% net cash and 25% net gearing (at the time of drawdown) for the level of gearing that can be employed in normal market conditions. The Directors have delegated responsibility to the Investment Manager for the operation of the gearing level within the above parameters.

Board Investment Limits
The Directors have set additional guidelines in order to reduce the risk borne by the portfolio:

- Companies with a market capitalisation of below £50 million should not represent more than 5% of total assets.
- Companies involved in "Blue Sky" products (see definition on page 102) should not represent more than 5% of total assets.
- No more than 40% of the portfolio should be invested in companies that are constituents of the FTSE AIM All-Share Index.

Investment Process
The Investment Manager's investment process combines asset allocation, stock selection, portfolio construction, risk management, and dealing. The investment process is led by Quality, Growth and Momentum; with the focus on earnings momentum providing flexibility through economic cycles. The Investment Manager's stock selection led process involves using a proprietary screening tool, "the Matrix". The Matrix reflects Quality, Growth, Momentum and Valuation based factor analysis of the universe. That analysis is combined with extensive research and meetings with senior management of these potential investments. Final portfolios are compiled and managed with continued use of these insights, along with risk analysis and portfolio construction inputs.

Further information on the investment process is contained on pages 30 to 32.

Reference Index
The Company's reference index is the Deutsche Numis Smaller Companies plus AIM (ex investment companies) Index.

Delivering the Investment Objective
The Directors are responsible for determining the Company's investment objective and investment policy. Day-to-day management of the Company's assets has been delegated, via the Alternative Investment Fund Manager (the "AIFM"), to the Investment Manager.

Promoting the Success of the Company
The Board's statement on pages 17 to 20 describes how the Directors have discharged their duties and responsibilities over the course of the financial year under section 172 (1) of the Companies Act 2006 and how they have promoted the success of the Company for the benefit of the members as a whole.

Overview of Strategy

Continued

The Board believes that the success of the Company is best served through the measurement of Key Performance Indicators ("KPIs"), details of which are included below.

Key Performance Indicators ("KPIs")

The Board assesses the performance of the Company against the range of KPIs shown below over a variety of timeframes, but has particular focus on the long-term, which the Board considers to be at least five years.

KPI	Description
Net asset value ("NAV") total return performance	The Board measures the Company's NAV total return performance against the total return of the reference index (the Deutsche Numis Smaller Companies plus AIM (ex investment companies) Index) and the Close Peer Group. Performance figures for this year and for the past three, five and ten years are shown in the table on page 21.
Share price total return performance	The Board measures the Company's share price total return performance against the total return of the reference index and the Close Peer Group. Performance figures for this year and for the past three, five and ten years are shown in the table on page 21.
Discount/premium to NAV	The Board compares the discount or premium of the Ordinary share price to the NAV per share with the discount/premium of the peer group and also to the Company's committed discount target on a rolling 12 month basis. A summary of the discount for the past ten years is included in the table on page 22. A chart showing the discount over five years for the Company and the peer group, measured against the discount target, is shown on page 22. The average discount for the year was 9.0% (2025: 10.5%).
Ongoing charges	The Board monitors the Company's ongoing charges ratio ("OCR") against prior years and other similar sized companies in the Close Peer Group. A summary of the OCR for the past ten years is included in the table on page 22. The OCR for the year ended 30 June 2026 was 0.77% (2025: 0.85%).

Principal and Emerging Risks and Uncertainties

The Board carries out a regular review of the risk environment in which the Company operates, changes to the environment and individual risks.

The Board has carried out a robust assessment of the Company's principal and emerging risks, which include those that would threaten its business model, future performance, solvency, liquidity or reputation. The principal risks and uncertainties facing the Company at the current time, together with a description of the mitigating actions the Board has taken, are set out in the table below. In addition to these principal risks and uncertainties, the Board considers that the development of Artificial Intelligence ("AI") presents potential risks and opportunities to businesses in almost every sector. The extent of the risk presented by AI is extremely hard to assess at this point but the Board considers that it is an emerging risk and, together with the Manager, will monitor developments in this area.

The principal risks and uncertainties are reviewed by the Audit Committee in the form of a risk matrix and the Committee also gives consideration to the emerging risks facing the Company.

In terms of its appetite for risk, the Board has identified what it considers to be the key risks to which the Company is exposed and seeks to take a proportionate approach to the control of these risks. In particular, by considering the likelihood and impact of a specific risk, if the potential exposure is rated as Critical or Significant, the Board ensures that significant mitigation is in place to reduce the likelihood of occurrence whilst recognising that this may not be possible in all cases.

The principal risks associated with an investment in the Company's shares are published monthly in the Company's factsheet and they can be found in the pre-investment disclosure document ("PIDD") published by the Manager, both of which are available on the Company's website.

Risk	Trend	Mitigating Action
Strategy – the Company's objectives or the investment trust sector as a whole become unattractive to investors, or the Company becomes uncompetitive (including its size and costs), leading to a fall in demand for the Company's shares.	 Note 1	Through regular updates from the Manager, the Board monitors the discount/ premium at which the Company's shares trade relative to the NAV (further information included in "Share price" below) . It also holds an annual strategy meeting and receives feedback from the Company's Stockbroker and shareholders and updates from the Manager's investor relations team at Board meetings.
Investment performance – the appointment or continuing appointment of an investment manager with inadequate resources, skills or experience, the investment style or process being out of favour, or the adoption of inappropriate strategies in pursuit of the Company's objectives, could result in poor investment performance, a loss of value for shareholders and a widening discount.	 Note 2	The Board meets the Manager on a regular basis and keeps investment performance under close review. Representatives of the Investment Manager attend all Board meetings and a detailed formal appraisal of the Manager is carried out by the Management Engagement Committee on an annual basis. The Board sets and monitors the investment restrictions and guidelines and receives regular reports which include performance reporting on the implementation of the investment policy, the investment process, risk management and application of the investment guidelines.

Overview of Strategy

Continued

Risk	Trend	Mitigating Action
Staff turnover – the unmanaged departure of key members of the investment team or increased staff turnover within the team could impact on future investment performance and lead to loss of investor confidence.	⇔	The Board receives updates from the Manager on staff changes and succession planning within the investment team. The Investment Manager employs a standardised investment process for the management of the portfolio and the smaller companies team is well-resourced. These factors mitigate against the impact of the departure of any one member of the investment team. Biographies of the team members involved with the management of the Company's portfolio are included on page 99.
Share price – failure to manage the discount effectively or an inappropriate marketing strategy could lead to a fall in the share price relative to the NAV per share.	⇔	The Company operates a discount control mechanism and aims to maintain a discount level of less than 8% to the cum-income NAV under normal market conditions. Details of the discount control mechanism are contained on page 15. The Directors undertake a programme of inviting major shareholders to discuss issues of governance or strategy with the Chair or Senior Independent Director. In addition, the Company participates in the Manager's investment trust promotional programme where the Manager has an annual programme of meetings with institutional shareholders and reports back to the Board on these meetings.
Financial instruments – insufficient oversight or controls over financial risks, including market price risk, liquidity risk and credit risk could result in losses to the Company.	⇔	As stated above, the Board sets investment guidelines and restrictions which are reviewed regularly and the Manager reports on compliance with them at Board meetings. Further details of the Company's financial instruments and risk management are included in note 16 to the financial statements.
Financial obligations – inadequate controls over financial record keeping and forecasting, the setting of an inappropriate gearing strategy or the breaching of loan covenants could result in the Company being unable to meet its financial obligations, losses to the Company and impact its ability to continue trading as a going concern.	⇔	At each Board meeting, the Board reviews management accounts and receives a report from the Administrator, detailing any breaches in the internal controls during the period under review. The Board sets gearing limits and monitors the level of gearing and compliance with the main financial covenants at Board meetings. The Audit Committee meets representatives from the Manager's Compliance and Internal Audit teams on at least an annual basis and discusses any findings and recommendations relevant to the Company.
Regulatory – failure to comply with relevant laws and regulations could result in fines, loss of reputation and potential loss of investment trust status.	⇔	The Board receives updates on relevant changes in regulation from the Manager, industry bodies and external advisers. The Board and Audit Committee monitor compliance with regulations by review of checklists and internal control reports from the Manager. Directors keep up to date in a variety of ways, including attendance at training courses and seminars.

Risk	Trend	Mitigating Action
Operational – the Company is dependent on third parties for the provision of all systems and services (in particular those of the Manager and the Depositary) and any control failures and gaps in their systems and services could result in a loss or damage to the Company.	⇔	The Audit Committee reviews reports from the Manager on its internal controls and risk management (including an annual ISAE Report) and considers assurances from all its other significant service providers on at least an annual basis, including on matters relating to business continuity. Written agreements are in place with all third party service providers. The Audit Committee meets representatives from the Manager's Compliance and Internal Audit teams on at least an annual basis and discusses any findings and recommendations relevant to the Company. The Manager monitors closely the control environments and quality of services provided by third parties, through service level agreements, regular meetings and key performance indicators, and provides periodic updates to the Board on this work. A formal appraisal of the Company's main third party service providers is carried out by the Management Engagement Committee on an annual basis.
Cyber – control failures or the absence of adequate IT security systems of third party service providers (including the Manager and the Depositary) could result in losses or damage to the Company.	↗ Note 3	The Audit Committee receives reports from the Manager and other third party service providers on their internal controls and risk management processes, including on matters relating to cyber security. The Audit Committee also receives an annual presentation from the Manager's cyber security team. The Manager monitors closely the IT security controls of its outsourced service providers.
Geopolitical – the effects of geopolitical instability or change could have an adverse impact on stock markets and the value of the Company's investment portfolio.	↗ Note 4	Current geopolitical risks include the conflicts in Ukraine and the Middle East. The Investment Manager's focus on quality companies, the diversified nature of the portfolio and a managed level of gearing all serve to provide a degree of protection in times of market volatility.

Notes:

1. Strategy risk is heightened due to the volume of share buy backs undertaken by the Company to control the share price discount to NAV, and the recent increase in corporate activity and consolidation within the investment trust sector.
2. Investment performance risk is heightened due to the underperformance of the Company against the reference index.
3. Cyber risk is heightened due to the increased risk of cyber security incidents within the Company's main service providers, following cyber attacks against high profile businesses in the UK.
4. Geopolitical risk is heightened due to the increased volatility of the global political landscape which feeds into market volatility.

Overview of Strategy

Continued

Promotional Activities

The Board recognises the importance of promoting the Company to prospective investors both for improving liquidity and enhancing the rating of the Company's shares. The Board believes one effective way to achieve this is through subscription to, and participation in, the promotional programme run by the Manager on behalf of a number of investment trusts under its management. The Company also supports the Manager's investor relations programme which involves regional roadshows, promotional and public relations campaigns. The Manager's promotional and investor relations teams report to the Board on a quarterly basis giving analysis of the promotional activities as well as updates on the shareholder register and any changes in the make-up of that register.

The purpose of the promotional and investor relations programmes is both to communicate effectively with existing shareholders and to gain new shareholders, with the aim of improving liquidity and enhancing the value and rating of the Company's shares. Communicating the long-term attractions of the Company is key. The promotional programme includes commissioning independent paid for research on the Company, most recently from Kepler Trust Intelligence. A copy of the latest research note is available from the Company's website.

The cost to the Company of participating in these programmes is matched by the Manager through the provision of the necessary resources to carry out the marketing and promotional activities.

Employees and Human Rights

The Company has no employees as the Board has delegated the day to day management and administrative functions to the Manager. There are therefore no disclosures to be made in respect of employees or human rights.

Modern Slavery Act

Due to the nature of its business, being a company that does not offer goods and services to customers, the Board considers that the Company is not within the scope of the Modern Slavery Act 2015 because it has no turnover. The Company is therefore not required to make a slavery and human trafficking statement. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

Environmental, Social and Governance ("ESG") Matters

The Investment Manager's approach to ESG matters is included on page 32. The Board and Investment Manager are committed to investing in a responsible manner and the Investment Manager considers ESG factors as part of the investment decision-making process.

The UK Stewardship Code and Proxy Voting

The Company supports the UK Stewardship Code, and seeks to play its role in supporting good stewardship of the companies in which it invests. Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager. Aberdeen Group plc is a signatory of the UK Stewardship Code which aims to enhance the quality of engagement by investors with investee companies in order to improve their socially responsible performance and the long-term investment return to shareholders. While delivery of stewardship activities has been delegated to the Manager, the Board acknowledges its role in setting the tone for the effective delivery of stewardship on the Company's behalf.

The Board has also given discretionary powers to the Manager to exercise voting rights on resolutions proposed by the investee companies within the Company's portfolio. The Manager reports on a quarterly basis on stewardship (including voting) issues. Further details can be obtained on the Manager's website.

Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Task Force for Climate-Related Financial Disclosures ("TCFD")

Under Listing Rule 11.4.22(R), the Company, as a closed ended investment company, is exempt from complying with the Task Force on Climate-related Financial Disclosures ("TCFD").

Sustainability Disclosure Requirements ("SDR")

In November 2023, the Financial Conduct Authority ("FCA") published its sustainability disclosure requirements and investment labels regime ("SDR") to address concerns about misleading sustainability claims. SDR includes an opt-in labelling regime for sustainable investment products, additional disclosure requirements and restrictions on the use of sustainability terms. It also established anti-greenwashing ("AGW") rules. Investment trusts and their managers are in scope of the SDR. Although investment trusts are not directly in scope of the AGW requirements, the rules apply indirectly to them, mostly via obligations imposed on their managers.

Although Environmental, Social and Governance ("ESG") factors are taken into consideration by the Investment Manager as part of its investment analysis, the Company itself does not have an explicit sustainability objective and so under SDR is categorised as "Non-labelled" rather than "Labelled" or "Other".

Discount Control Policy

The Board operates a discount control mechanism which targets a maximum discount of the share price to the cum-income net asset value of 8% under normal market conditions. In pursuit of this objective, the Board closely monitors the level of the discount and buys back shares in the market when it believes it is in the best interests of shareholders as a whole to do so. At each Annual General Meeting, the Board seeks shareholder approval to buy back up to 14.99% of the Company's share capital. Share buy-backs will only be made where the Board believes it to be in the best interests of shareholders as a whole and the making and timing of share buy-backs will be at the discretion of the Board.

The Company has a tender offer mechanism in place and the Board intends to continue to seek shareholder approval at each Annual General Meeting to enable it to carry out tender offers on a discretionary basis in circumstances where the Board believes that share buy-backs are not sufficient to maintain the discount at an appropriate level, although it expects that buy-backs should be the primary mechanism for managing the discount.

Viability Statement

As set out in more detail in the Chair's Statement on page 6, it is proposed that the Company combines with JPMorgan UK Small Cap Growth & Income plc ("JUGI"). The combination, if approved by each company's shareholders, will be effected by way of a scheme of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 and the associated transfer of part of the assets and undertaking of the Company to JUGI in exchange for the issue of new ordinary shares in JUGI (the "Scheme"). The outcome of the general meetings to make the Scheme effective represents a material uncertainty in the context of the preparation of these financial statements on a going concern basis.

Notwithstanding this material uncertainty, for the purposes of this viability statement, the Board has decided that five years is an appropriate period over which to report. This takes into account that the Company, which does not have a fixed life, is a long-term investment vehicle and the Board considers that this period reflects a balance between looking out over a long-term horizon and the inherent uncertainties of looking out further than five years.

In assessing the viability of the Company over the review period, the Directors have focused upon the following factors:

- The principal risks and uncertainties detailed on pages 11 to 13 and the steps taken to mitigate these risks, together with the emerging risks identified by the Board.
- The Company is invested in listed securities that are readily-realisable in normal market conditions and there is a spread of investments held across a diversified range of sectors. This should enable the Company to meet any short-term liabilities if required.
- The Company is closed ended in nature and therefore it is not required to sell investments when shareholders wish to sell their shares.
- The level of share buy backs undertaken by the Company and the impact these have had on the Company's size.
- The ability of the Company to continue to buy back shares under the authorities provided by shareholders.
- The Company's long-term performance record as shown on page 22.

Overview of Strategy

Continued

- The Company's level of gearing. The Company had net gearing of 4.9% as at 30 June 2026. The Board has set overall limits for borrowing and reviews regularly the Company's level of gearing, cash flow projections and compliance with banking covenants. The Company has a £40 million secured facility with Bank of America which is typically drawn down for short term periods and can be repaid without any significant financial penalties. The facility is an 'evergreen' facility which will continue until such time as the Company or the lender provide notice of termination in accordance with the agreement.
- The Company has cash and money market funds which at 30 June 2026 amounted to £12.1 million. These balances allow the Company to meet liabilities as they fall due.
- The level of ongoing charges.
- There are no capital commitments currently foreseen that would alter the Board's view.
- The robustness of the operations of the Company's third party service suppliers.

The Directors have also reviewed the revenue and ongoing expenses forecasts for the coming year and considered the Company's Statement of Financial Position as at 30 June 2026 which shows net current liabilities of £13.3 million at that date, and do not consider this to be a concern due to the liquidity of the portfolio which should enable the Company to meet any short-term liabilities if required.

In assessing the Company's future viability, the Board has assumed that shareholders will wish to continue to have exposure to the Company's activities in the form of a closed ended entity and the Company will continue to have access to sufficient capital.

In making its assessment, the Board is also aware that there are other matters that could have an impact on the Company's prospects or viability in the future, including ongoing consolidation within the investment trust sector, further geo-political volatility, economic shocks or significant stock market volatility caused by other factors, and changes in regulation or investor sentiment.

Outlook

The Board's view on the general outlook for the Company can be found in the Chair's Statement on page 8.

On behalf of the Board
Liz Airey
Chair
21 October 2026

Promoting the Success of the Company

Introduction

Section 172 (1) of the Companies Act 2006 (the "Act") requires each Director to act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

The Board is required to describe to the Company's shareholders how the Directors have discharged their duties and responsibilities over the course of the financial year under that provision of the Act (the "Section 172 Statement"). This statement provides an explanation of how the Directors have promoted the success of the Company for the benefit of its members as a whole, taking into account, among other things, the likely long-term consequences of decisions, the need to foster relationships with all stakeholders and the impact of the Company's operations on the environment.

The Purpose of the Company and Role of the Board

The purpose of the Company is to act as an investment vehicle to provide, over time, financial returns (both income and capital) to its shareholders. Investment trusts, such as the Company, are long-term investment vehicles and are typically externally managed, have no employees, and are overseen by an independent non-executive board of directors.

The Board, which at the end of the year, comprised six independent non-executive Directors with a broad range of skills and experience across all major functions that affect the Company, retains responsibility for taking all decisions relating to the Company's investment objective and policy, gearing, corporate governance and strategy, and for monitoring the performance of the Company's service providers.

The Board's philosophy is that the Company should operate in a transparent culture where all parties are treated with respect and provided with the opportunity to offer practical challenge and participate in positive debate which is focused on the aim of achieving the expectations of shareholders and other stakeholders alike. The Board reviews the culture and manner in which the Manager and Investment Manager operate at its meetings and receives regular reporting and feedback from the other key service providers. The Board is very conscious of the ways it promotes the Company's culture and ensures as part of its regular oversight that the integrity of the Company's affairs is foremost in the way that the activities are managed and promoted. The Board works very closely with the Manager and Investment Manager in reviewing how stakeholder issues are handled, ensuring good governance and responsibility in managing the Company's affairs, as well as visibility and openness in how the affairs are conducted.

The Company's main stakeholders have been identified as its shareholders, the Manager (and Investment Manager), service providers, investee companies, debt providers and, more broadly, the environment and community at large.

How the Board Engages with Stakeholders

The Board considers its stakeholders at Board meetings and receives feedback on the Manager's interactions with them.

Promoting the Success of the Company

Continued

Stakeholder	How We Engage
Shareholders	Shareholders are key stakeholders and the Board places great importance on communication with them. The Board welcomes all shareholders' views and aims to act fairly to all shareholders. The Manager and Company's Stockbroker regularly meet with current and prospective shareholders to discuss performance and shareholder feedback is discussed by the Directors at Board meetings. Directors meet shareholders at the Annual General Meeting and the Chair is available to meet with the Company's larger shareholders to discuss their views. In addition, during the year the Board held an online shareholder presentation at which shareholders had the opportunity to ask questions of the Chair and Investment Manager. The Company participates in the Manager's investor relations programme as a means of communicating with the shareholder base. Regular updates are provided to shareholders through the Annual Report, Half Yearly Report, monthly factsheets, Company announcements, including daily net asset value announcements, and the Company's website. The Company's Annual General Meeting provides a forum, both formal and informal, for shareholders to meet and discuss issues with the Directors and Manager. The Board encourages shareholders to attend the Company's Annual General Meeting and to provide feedback on the Company.
Manager (and Investment Manager)	The Investment Manager's Review on pages 23 to 29 details the key investment decisions taken during the year. The Investment Manager has continued to manage the portfolio and other assets in accordance with the mandate agreed with the Company, with oversight provided by the Board. The Board regularly reviews the Company's performance against its investment objective and the Board undertakes an annual strategy review meeting to ensure that the Company is positioned well for the future delivery of its objective for its stakeholders. The Board receives presentations from the Investment Manager at every Board meeting to help it to exercise effective oversight of the Investment Manager and the Company's strategy. The Board, through the Management Engagement Committee, formally reviews the performance of the Manager (and Investment Manager) at least annually. More details are provided on page 52.
Service Providers	The Board seeks to maintain constructive relationships with the Company's service providers either directly or through the Manager with regular communications and meetings. The Management Engagement Committee conducts an annual review of the performance, terms and conditions of the Company's main service providers to ensure they are performing in line with Board expectations, carrying out their responsibilities and providing value for money.

Investee Companies	Responsibility for monitoring the activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager. The Board has also given discretionary powers to the Manager to exercise voting rights on resolutions proposed by the investee companies within the Company's portfolio. The Manager reports on a quarterly basis on stewardship (including voting) issues. Through engagement and exercising voting rights, the Investment Manager actively works with companies to improve corporate standards, transparency and accountability. Further details are provided on page 14. The Board monitors investments made and divested and provides constructive challenge to understand the rationale for investment and voting decisions made.
Debt Providers	On behalf of the Company, the Manager maintains a positive working relationship with the provider of the Company's loan facility, and provides regular updates on business activity and compliance with its loan covenants.
Environment and Community	The Board and Investment Manager are committed to investing in a responsible manner and the Investment Manager considers Environmental, Social and Governance ("ESG") factors as part of the investment decision-making process. Further details are provided on page 32.

Specific Examples of Stakeholder Consideration During the Year

The importance of giving due consideration to the Company's stakeholders is considered during every significant Board decision. The Directors were particularly mindful of stakeholder considerations as part of the following decisions made during the year ended 30 June 2026. Each of these decisions was made after taking into account the short and long-term benefits for stakeholders.

Dividends

The Board has declared a second interim dividend for the year of 9.50p per Ordinary share. Following payment of the second interim dividend, total dividends for the year will amount to 14.00p per Ordinary share, an increase of 6.1% compared to the previous year. Although the Company has a capital growth objective, the Board recognises the importance of dividends to shareholders.

Shareholder Engagement

During the year, the Board met shareholders at the Annual General Meeting ("AGM") and in advance of the AGM the Board held an online shareholder presentation at which shareholders had the opportunity to ask questions of the Chair and Investment Manager.

The Board considers that it is important to maintain an ongoing dialogue with shareholders to properly understand their views and to communicate the actions of the Board.

Share Buy Backs and Renewal of Authority at General Meeting

In accordance with the discount control policy included on page 15, during the year the Company bought back 16.3 million Ordinary shares to be held in treasury, providing an accretion to the NAV per share and a degree of liquidity to the market at times when the discount to the NAV per share has widened in normal market conditions.

At the Company's AGM held on 20 November 2025, shareholders gave authority to the Directors to buyback a total of 8,148,168 Ordinary shares representing 14.99% of the then issued share capital. As at 25 February 2026, the Company had bought back 5,670,814 Ordinary shares and therefore the authority granted at the AGM in 2025 had been substantially utilised. The Directors concluded that the remaining capacity under the authority was likely to have been fully utilised before the Company's next AGM, in 2026, if the purchases of shares were to continue at the same rate.

Promoting the Success of the Company

Continued

In order for the Board to continue to operate the discount control mechanism, the Directors therefore sought, and obtained, approval from shareholders, at a General Meeting of the Company held on 31 March 2026, to renew the Company's authority to buy back Ordinary Shares, with such renewed authority expiring at the conclusion of the AGM in 2026.

It is the view of the Board that the discount control policy and use of the Company's share buy back authority to provide liquidity to the market in the manner described above is in the interest of all shareholders.

Cancellation of Share Premium Account

Following shareholder approval at the General Meeting on 21 May 2025, the Company received court approval, by way of a court order dated 15 August 2025, for cancellation of the amount standing to the credit of the Share Premium Account. The court order was registered at Companies House on 20 August 2025 at which point cancellation of the entire amount standing to the credit of the Share Premium Account, being approximately £170 million, became effective. That amount has been credited to a special distributable reserve which is available to fund the cost of share buy backs and future dividend payments, if required.

The Board believes that it is in the Company's interest to have this flexibility in its reserves, although the Board has no current intention of using the new reserve for dividend payments which it expects will continue to be resourced through annual net revenues and revenue reserves.

Board Succession

As explained in the Directors' Report on page 48, having served as a Director for nine years, Tim Scholefield will retire at the Annual General Meeting. Following a formal recruitment process, the Board decided to appoint Mr Stephen Russell as an independent Director on 1 April 2026.

New Board appointments seek to achieve a good balance of skills, experience, gender and ethnicity. The Board believes that shareholders' interests are best served by ensuring a smooth and orderly refreshment of the Board which serves to provide continuity and maintain the Board's open and collegiate style.

Following completion of the combination with JUGI (see below), it is expected that Manju Malhotra and Steve Russell will join the board of JUGI.

Proposed Combination with JPMorgan UK Small Cap Growth & Income plc

As set out in more detail in the Chair's Statement on page 6, following the end of the financial year, on 18 September 2026, the Board announced a proposal for the Company to combine with JPMorgan UK Small Cap Growth & Income plc ("JUGI"). This combination, if approved by each company's shareholders, will be effected by way of a scheme of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 and the associated transfer of part of the assets and undertaking of the Company to JUGI in exchange for the issue of new ordinary shares in JUGI.

The Board considers that the proposals are in the best interests of shareholders, offering shareholders the opportunity to rollover their holdings into an investment trust with exceptional long-term performance within the UK Smaller Companies sector. Those who elect to do this will also benefit from holding shares in a larger, and so more cost efficient, company which should offer better trading liquidity.

On behalf of the Board
Liz Airey
Chair
21 October 2026

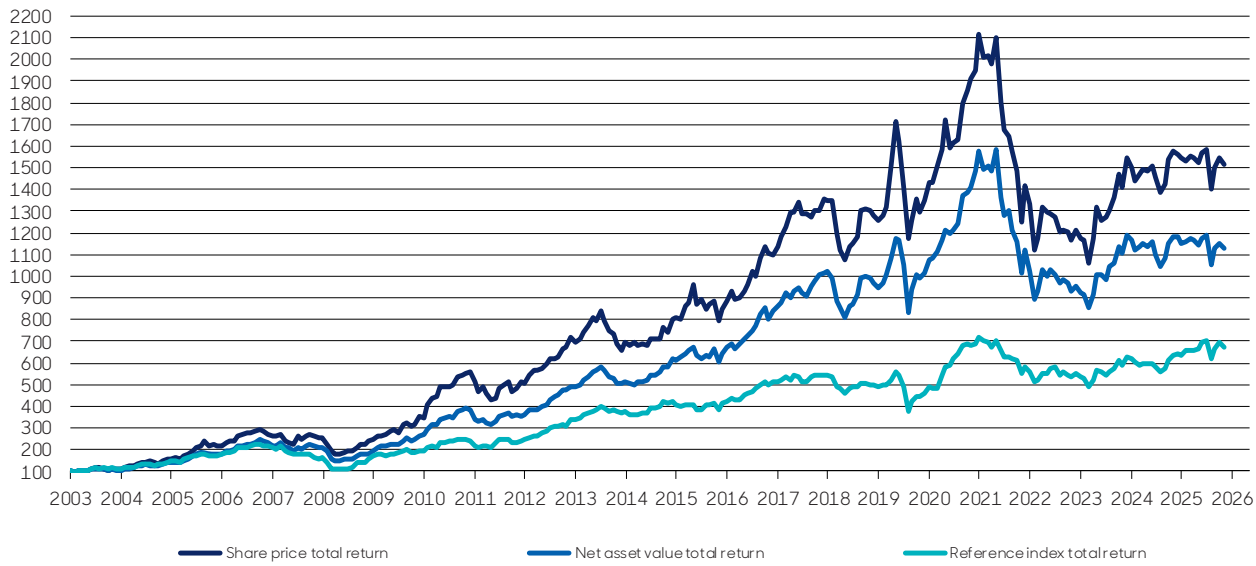
Performance

Performance (total return)

	1 year return %	3 years return %	5 years return %	10 years return %
Net asset value[AB]	-4.1	+20.9	-18.5	+87.4
Share price[B]	-3.6	+29.9	-20.5	+90.2
Reference Index[C]	+6.1	+25.8	-1.0	+74.8
Peer Group weighted average (NAV)	+4.6	+25.8	+12.5	+102.9
Peer Group weighted average (share price)	+8.8	+29.3	+9.5	+114.5

[A] Cum-income NAV with debt at fair value.
[B] Considered to be an Alternative Performance Measure (see pages 96 and 97).
[C] Deutsche Numis Smaller Companies plus AIM (ex investment companies) Index.
Source: Morningstar

Long Term Total return of NAV v Share Price v Reference Index
(rebased to 100 at 31 August 2003)



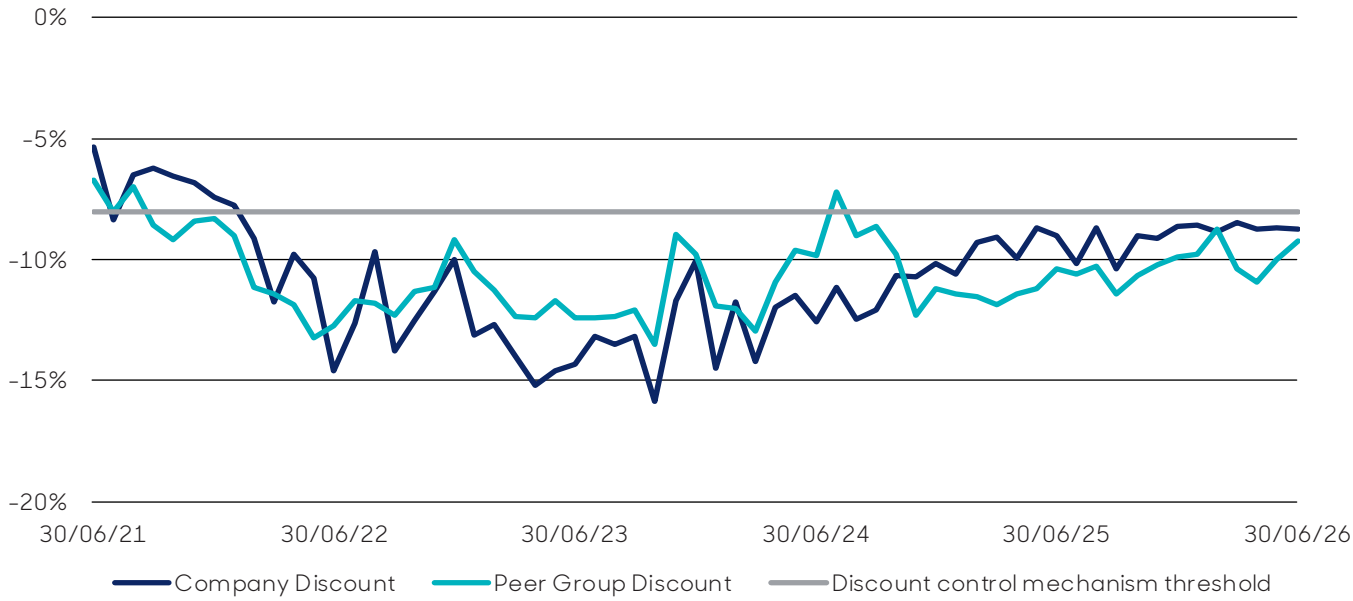
Source: Refinitiv Datastream

Performance

Continued

Discount of Share Price to NAV v Peer Group

Five years ended 30 June 2026



Source: Refinitiv Datastream

Ten Year Financial Record

Year to 30 June	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Per Ordinary share (p)										
Net revenue return	6.42	7.24	8.80	6.74	6.43	9.07	12.44	13.12	13.52	**13.90**
Ordinary dividends paid/proposed	6.70	7.00	7.70	7.70	7.70	8.10	11.00	12.00	13.20	**14.00**
Net asset value[A]	456.60	552.93	539.54	527.73	737.97	530.37	482.95	556.19	581.37	**543.31**
Share price	431.00	500.00	491.50	482.00	698.00	453.00	414.00	486.50	529.00	**496.00**
Discount (%)[A]	5.6	9.6	8.9	8.7	5.4	14.6	14.3	12.5	9.0	**8.7**
Ongoing charges ratio (%)[B]	1.08	1.04	0.90	0.91	0.88	0.82	0.95	0.92	0.85	**0.77**
Gearing ratio (%)[C]	1.7	3.6	1.5	(0.3)	5.7	5.1	2.5	5.8	6.6	**4.9**
Shareholders' funds (£m)[D]	324	408	543	528	728	499	427	413	359	**247**
Revenue reserves (£m)[E]	6.26	8.30	10.87	8.80	7.53	8.81	12.47	13.53	14.43	**14.28**

[A] Calculated with debt at par value and diluted for the effect of Convertible Unsecured Loan Stock conversion from 1 July 2016 until 30 June 2017. From 30 June 2018, net asset value is calculated with debt at par value.

[B] Calculated as an average of shareholders' funds throughout the year and in accordance with updated AIC guidance issued in October 2020, to include the Company's share of costs of holdings in investment companies on a look-through basis.

[C] Net gearing ratio calculated as debt less cash invested in AAA-rated money market funds and short-term deposits divided by net assets at the year end.

[D] Increase in 2018 included the effect of the merger with Dunedin Smaller Companies Investment Trust PLC.

[E] Revenue reserves are reported prior to paying the second interim or final dividend for the year.

Investment Manager's Review

How did the Company perform this financial year?

Over the year to 30 June 2026 the net asset value ("NAV") fell by 4.1% in total return terms compared to a positive total return of 6.1% from the Deutsche Numis Smaller Companies plus AIM (ex Investment Companies) Index (the "reference index"). We are obviously disappointed to underperform the reference index and to see a falling NAV at a time when the market has generated a positive return.

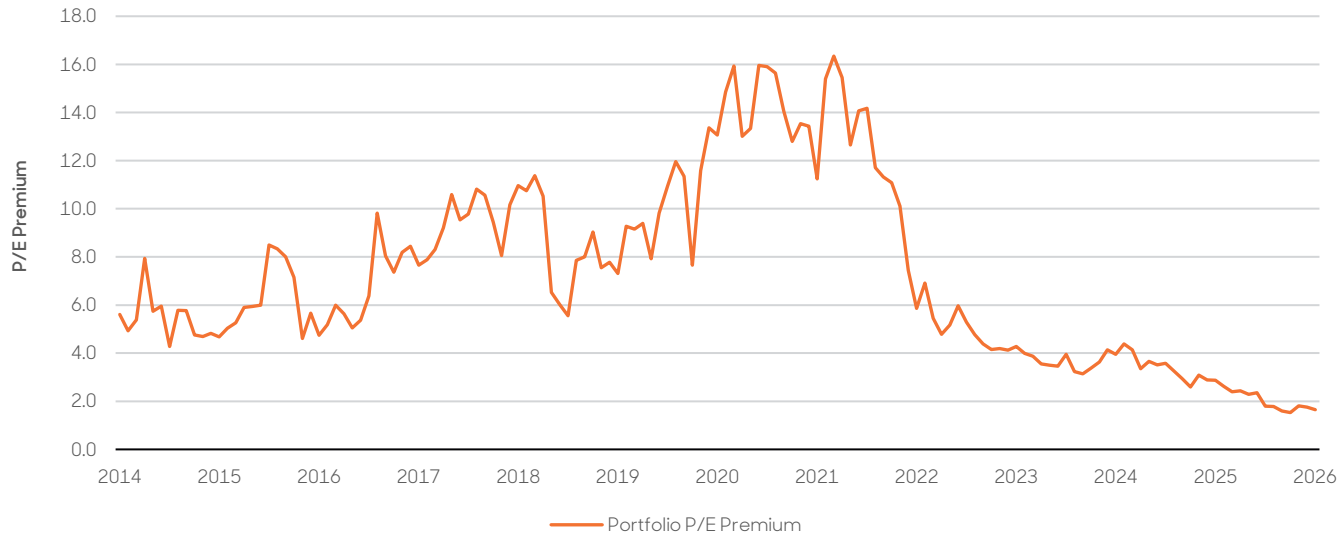
The majority of the underperformance was concentrated in the first half of the period, when a Value-led market weighed heavily on our Quality Growth & Momentum ("QMG") style; Quality was the worst-performing factor in the UK, and Growth remained out of favour, while the rally in lower quality, more cyclical companies ran directly counter to our positioning. Precious metal mining companies, which were not held in the portfolio during the first half of the year, also performed well during that period, increasing in significance in the reference index.

The second half of the year, whilst still challenging, was more encouraging, and we believe process enhancements (as described in greater detail below) have created a better balance to the portfolio. Reducing the portfolio's underweight exposure to Value has been positive as Value has continued to perform well, and the tilt towards Quality is now contributing more positively.

Disappointingly, there were a number of stock specific issues during the year that had a negative impact on performance. These are detailed below.

However, with the portfolio's valuation relative to the reference index at a multi-year low, we believe this provides a supportive foundation for future returns. We are encouraged that markets now appear to be refocussing on company fundamentals.

The portfolio relative valuation is at a multi-year low



Source: Aberdeen. FactSet, 30 June 2026.

Investment Manager's Review

Continued

What were the key drivers of performance?

The style tilts that come with our process had a negative impact on performance over the period, with these style headwinds delivering around half of the underperformance. The other half came from stock specifics.

Key positive drivers of performance were a cluster of high-conviction holdings that demonstrate the characteristics we look for. **Applied Nutrition** (+150%) was the standout holding as the market rewarded successive upgrades in revenue growth guidance and earnings expectations, execution of growth strategy across geographies globally, and the acquisition of US manufacturer Nutrablend. **Balfour Beatty** (+64%) was the next largest contributor, with strong execution across the business, supportive growth in infrastructure end markets, and strong order books providing good forward revenue visibility. **Hunting** (+51%) also performed well, delivering some attractive business wins and the quality of its business continues to improve with market leading propositions. **Volex** (+48%) also contributed strongly, supported by momentum in data centre related demand, as well as margin expansion. **Alpha Group** (+31%) also performed well following the announcement of its acquisition by Corpay.

On the negative side, **ME Group** (-54%) was the largest detractor, with a combination of a period undergoing strategic options of potential business sale, a delayed audit and end market headwinds all detrimental to what is typically a resilient business model. While frustrated about the self- inflicted share price weakness from the strategic review, we believe the outlook for ME Group is one of strong growth, particularly driven by the UK laundry rollout, and that trading in France will improve as already evidenced in more recent months. **Pan African Resources** (-32%) was exceptionally strong through the first half of the year, before we invested, and a large benchmark name given rising gold prices. We invested later in the period given our increasing comfort about the quality improvements of the business. However, with the price of gold falling more recently, the company's share price has also fallen. Meanwhile, start-up issues in the Australian side of the business have been frustrating. We continue to hold Pan African Resources, where the gold price has stabilised, South African operations have been reporting well, and we believe the company can resolve the Australian teething issues. **Mortgage Advice Bureau** (-39%) is a company well versed in tough end markets, namely the UK housing sector, but, added to that, the market has concerns over how a business such as this might be disintermediated by AI technology. We continue to invest in Mortgage Advice Bureau which, despite negative sentiment affecting its housing end markets, is expected to deliver strong growth, aided by the refinancing market. We believe its valuation is underpricing that growth. **Trustpilot** (-45%) was also a detractor, as the market was concerned in its ability both to remain relevant in an AI world and to create a brand in the US. We exited the holding mid-way through the period. **Jet2** (-29%) has suffered from negative sentiment surrounding UK consumer spending, with a late booking cycle for holidays making it more challenging to dynamically price to maximise profitability this summer. We continue to hold Jet2, where recent data has shown that, despite the late booking cycle, consumers are travelling. Jet2 continues to be a leader in its market, with high customer retention rates, and the likely acquisition of EasyJet by Apollo could create further opportunities for key air traffic slots or market share.

How challenging is lacklustre UK economic growth to the portfolio?

The UK stock market is not the UK economy. While UK GDP is forecast to grow by slightly more than 1% in 2026, the companies we hold are forecast to deliver much stronger growth and investors are being asked to pay very little for that growth. One reason for this more attractive growth rate is the diversification of revenue: approximately 50% of the portfolio's revenues are generated overseas, so many holdings are UK-listed but globally exposed businesses. Many UK smaller companies depend far more on their own end markets, structural growth themes and management execution, than on the domestic macro backdrop.

Our process deliberately targets exactly these characteristics - quality companies with pricing power, structural growth and strong balance sheets that can compound value and thrive even in a low-growth world. That said, subdued domestic GDP is not entirely without impact: sentiment towards the UK market has been negative, and particularly towards smaller companies given their more domestic tilt than their larger counterparts. This has been a headwind for demand for the asset class, and it has left it trading at historically depressed valuations as shown in the charts later in this review. We view that as an opportunity rather than a threat. This valuation depression is also a key driver of the degree of bid activity we have seen, and continue to see, across the asset class.

Approximately half of the portfolio's revenue is UK-generated and domestically exposed company valuations are already at low levels, meaning that even modest improvements in end markets can drive strong share-price reactions. Our focus is on businesses where we feel confident they can meet or beat earnings expectations, and we feel valuations are not reflecting the outlook we expect.

In short, weak GDP shapes sentiment more than it constrains the underlying earnings power of the portfolio holdings, and disciplined stock selection remains the most reliable driver of returns in this environment. The portfolio has delivered 16.3% earnings per share ("EPS") growth over the last year, compared to just 5.6% for the reference index.

Domestically exposed UK companies vs foreign-exposed UK companies



Performance ratio of UK-focused companies (FTSE 350 companies with >90% UK revenue) versus internationally-oriented companies (<25% UK revenue)
Source: Bank of America Global Research, LSEG Data & Analytics, June 2026

Investment Manager's Review

Continued

How has the Iran conflict impacted markets and companies?

The conflict in the Middle East was the defining macro event of the period, impacting markets primarily through the change in the oil price. A major escalation in March, centred on disruption to shipping through the Strait of Hormuz, sent Brent crude above $100 a barrel and reignited inflation fears just as price pressures had begun to stabilise. In the initial days of the conflict, the shock hit smaller companies share prices hardest, however, encouragingly, despite the macro economic volatility, smaller companies have outperformed larger companies since the conflict started, not just in the UK but in many other regions.

As the conflict de-escalated and progress was made towards a US-Iran deal to reopen the Strait, the oil price fell back from an April peak of nearly $120 to around $80, allowing risk appetite to return. Supply risks have not come to pass on oil and related commodities.

The episode has left a lasting mark on monetary policy: with inflation of 3.1% at 31 August 2026, the Bank of England has held interest rates at 3.75% and has raised the prospect that future rate increases may be needed if inflation pressures persist.

Our response has been consistent with our process; we have remained anchored in well financed businesses with pricing power, structural growth and strong management teams, which we believe are best placed to compound value through this kind of uncertain, headline driven backdrop.

What process enhancements have you made?

Our investment approach remains firmly anchored on the Quality, Growth & Momentum ("QGM") style. We have, however, refined aspects of the process to ensure stock selection, rather than factor exposure, is the primary driver of returns, particularly through the use of our extensive risk tools.

Specifically, we have made the following changes.

Firstly, we have taken a broader approach to what defines Quality; both quantitative and qualitative characteristics. This has been seen in portfolio actions, for example providing a better understanding of how sectors such as UK contractors and mining businesses have improved their Quality characteristics over recent periods and are now suitable candidates for our QGM process.

Secondly, we are controlling the extent of our factor exposures so that outcomes are increasingly determined by individual company fundamentals. That shift is already visible in the portfolio's risk profile, with stock-specific risk now more prominent than factor risk.

Thirdly, we have strengthened the integration of macro awareness through risk tools, reflecting the shifting interest rate environment and broader backdrop, including scenario analysis to understand how holdings behave under different conditions, such as stagflation. This aligns with the control of factor exposures, and increased awareness about how different macro environments may impact the portfolio.

Fourthly, while we retain our QGM tilts, we have enhanced the valuation discipline to mitigate the risk of de-rating even when earnings are delivered. In practice, this means being more sensitive to highly valued stocks where continued earnings upgrades become critical, and acting earlier and being more decisive in selling holdings that continue to underperform, or where the investment case has played out.

The Matrix remains central as a tool for identifying where the best QGM opportunities are evolving from, with earnings momentum a large influence.

Importantly, these are enhancements rather than a change of philosophy: the aim is for greater consistency in returns and better protection in tougher more macro driven market environments, giving our stock selection a fairer chance to shine. We believe the process enhancements created better balance in the portfolio during the second half of the year, which should benefit during periods where macro and style volatility are high and Value as a style is in favour. Investment decisions are made on a longer term view and we hope to see improved outcomes in the year ahead.

How is the portfolio positioned to navigate more volatile market conditions?

Building greater balance and resilience into the portfolio was a deliberate focus over the year and was a direct outcome of our process enhancements. We remain in volatile and ever changing stock markets, with factors such as inflation, interest rates, and global conflicts making the direction of markets less clear at both a style and sector level.

The risk profile of the portfolio at the end of the year was more prominent towards stock-specific than factor risk. We believe this means that performance should be driven more by individual company fundamentals rather than broad style, sector or market movements. Our risk tools have helped us to better understand the risk exposures at each stock level, helping portfolio construction.

That balance is reinforced by genuine diversification of revenue: approximately 50% of the portfolio's revenues are generated overseas, so many holdings are UK-listed but globally exposed.

We retain a healthy spread across structural themes including UK infrastructure, quality industrials, hard assets (those linked to assets such as commodities and infrastructure) and defensive, cash-generative compounders.

Given the combination of attractive valuations and more resilient outlooks in many of the UK domestic holdings, we feel confident they deserve a place in a balanced portfolio. This includes companies which are resilient and have end market strength (for example, UK contractors and food producers), as well as businesses going through a more challenging environment but where we believe that is reflected in outlooks and valuations (for example, travel companies such as Jet2 and On the Beach).

Importantly, this is a balance achieved without diluting our style: we retain our clear QGM tilts, but with tighter control of factor exposures and a greater emphasis on stock selection. We believe this positions the portfolio to be more resilient through volatile, macro-driven markets while still being able to deliver returns from businesses with strong balance sheets, pricing power and structural growth.

Portfolio turnover has been higher; is that a sign of enthusiasm for opportunities?

Turnover in the portfolio has averaged 25% over the last 5 years, reflecting our long-term buy-and-hold philosophy. However, turnover for the year ended 30 June 2026 was higher than usual, at 37%. Markets are currently in a period of shorter cycles, both economically and in terms of style performance. The decade of 2010-2020 of one macro environment is long behind us.

Last year's higher activity was driven by two related factors.

Firstly, genuine enthusiasm for new ideas: our research continues to generate a strong pipeline and there is healthy competition for capital within the portfolio, meaning new opportunities have to earn their place by displacing existing holdings. Given factor rotation in the market in recent years, we believe we are able to capture good QGM opportunities at very attractive valuations.

Secondly, and just as important, it reflects the deliberate portfolio actions that sit behind our process enhancements - controlling factor exposures, being more decisive in selling holdings that have continued to underperform or where valuations have become stretched, and taking earlier entry positions in companies where we see earnings momentum potential.

The higher turnover is not a change in philosophy; it is a combination of a rich opportunity set and a more decisive, disciplined approach to shaping the portfolio's risk profile, with the aim of letting stock selection drive returns. As referred to above, it is also impacted by the shorter cycles we are seeing in markets which could structurally increase turnover levels.

The "hard assets" exposures mentioned earlier were built up over the year. In the mining sector, we now hold **Pan African Resources** (a gold miner in South Africa and Australia), **Atalaya Mining** (a Spanish copper miner) and **Capital Drilling** (a drilling services company diversified by commodity and geography). We also bought into **Helios Towers**, an African telecoms tower infrastructure business. **Ashmore** is an emerging markets fund manager, where after many years of being out of favour, that asset class looks to be gathering momentum. **Softcat** and **Computacenter** are both IT services and software businesses, benefitting from AI capital expenditure. **Sigmaroc** is a lime/limestone business, with exposures across Europe dominated by construction and varied industrial end markets. **James Fisher** (defence, energy and maritime services) and **Greencore** (UK food producer) are companies we believe have improvement strategies

Investment Manager's Review

Continued

which can drive growth and margins. Finally, in the financials sector we added **Shawbrook** (the specialist UK lender) and **Plus 500** (a global multi-asset financial technology group).

Exits from the portfolio included a number of companies where we felt the outlook had deteriorated and was unlikely to improve in the near or even medium term, including **Breedon**, **Bellway**, **Big Yellow**, **GlobalData**, **Hilton Food Group**, **Bytes Technology** and **Telecom Plus**.

There have been an unprecedented number of bids for UK listed companies, and that trend continues. During the period there were completed bids within the portfolio for **JTC**, **Alpha Group** and the small holding in **International Personal Finance** (which we had just started building).

Themes across the UK smaller companies sector, in a diversified portfolio

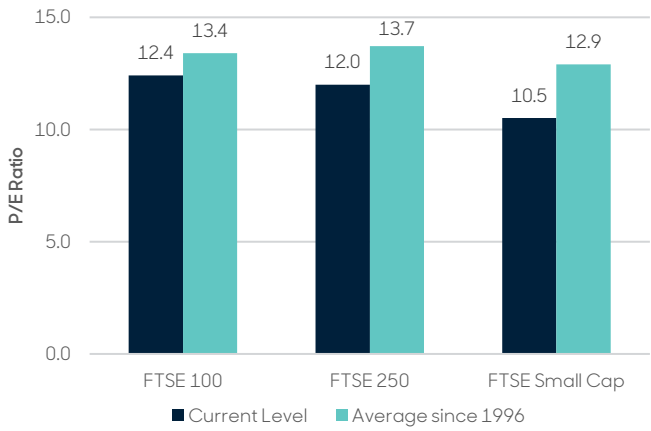


Source: Aberdeen. © owned by each of the corporate entities named in the respective logos.

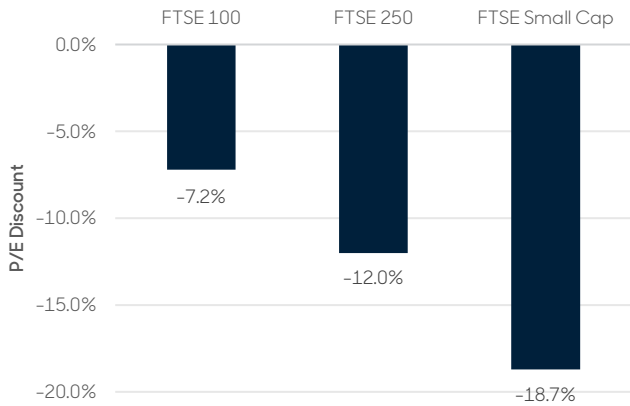
What conditions are supportive of the UK Smaller Companies market and the portfolio?

It has been encouraging to see that, despite the macro volatility, smaller companies in the UK have outperformed large companies since the US-Iran conflict began, as they have in many other regions over the same period. As shown in the charts below, valuations remain at historic discounts to large companies, as they also do to global peers.

12 month forward P/E ratio of UK indices



Index P/E discounts to long term averages



Source: Aberdeen, 30 June 2026.

We have recently undergone UK political leadership change and we await the Budget in October to see how decisions around taxation and spending will be likely to impact growth.

Smaller companies yield as much as their larger counterparts for the first time in over two decades, their valuations are significantly below long term averages, overseas investors are increasingly being seen investing in the sector, and there are continuous bids for UK businesses at significant premiums to current market values highlighting the inherent value opportunity.



Abby Glennie and Amanda Yeaman
Aberdeen
21 October 2026

Investment Process

Aberdeen UK Smaller Companies Growth Trust plc offers an actively managed portfolio of equity shares of smaller and mid-sized companies listed in the UK.

Management

The Company's Manager is abrdn Fund Managers Limited, a wholly owned subsidiary of Aberdeen Group plc. Abby Glennie joined Aberdeen in 2013 as a member of the UK Equities Team before moving to the Smaller Companies Team in 2016. She was appointed as Co-Manager of the Company in 2020 and Lead Manager in January 2023. Amanda Yeaman joined the team in 2019 and was appointed as Co-Manager in January 2023. They are both part of a team focusing on investing in smaller and mid-sized companies, globally.

Investment Philosophy and Process

The investment process adheres to the Aberdeen Smaller Companies' Quality, Growth and Momentum led philosophy. The Investment Manager aims to select high quality companies, where business momentum is strong or improving, with the potential for earnings upgrades. Valuation discipline is embedded throughout the process and considered in all investment decisions. The Investment Manager has a long-term investment horizon, with an awareness of economic cycles, and aim to maximise returns by running winners in the long-term and moving on from holdings when the investment case no longer stacks up. The investment process takes into account Aberdeen's Environmental, Social and Governance principles.

The Matrix

In managing the Company's investment portfolio, the Quality, Growth and Momentum philosophy is enhanced by using Aberdeen's proprietary screening tool, 'the Matrix', to focus research efforts and the stock selection process. The Matrix is a quantitative screening tool assessing potential and current investments on 12 separate proven indicators of financial performance. A key strength of the Matrix is its ability to identify Quality, Growth and Momentum stocks consistently throughout the market cycle, helping the Investment Manager remain disciplined in all market conditions. It is a powerful tool in helping the Investment Manager identify a shortlist of investable stocks for further analysis and objectively monitoring the performance and prospects of the portfolio. New stocks that are identified from a strong matrix score are then subjected to further analysis and may be selected for the portfolio following discussions with company management and fundamental research.

When building a portfolio, the Investment Manager screens stocks using the Matrix, considers a number of qualitative factors, and engages with management teams and the broader market, to help identify the best investment opportunities.

1. Sustainable growth
Consistency of growth provides opportunities for companies to compound growth at attractive rates, aligning with strong earnings and dividend growth.

2. Quality
Quality is not just about quantitative measures, but considers qualitative aspects such as relationships with its customers or clients, revenue visibility, pricing power, ability to grow market share, margin volatility over time, cash flow and balance sheet strength.

3. Buy for the long-term
Identify the great companies of tomorrow and then hold them for the long-term, whilst being aware of economic cycles. Running our winners also helps to control portfolio turnover levels over the long-term.

4. Concentrate the effort
The Matrix helps identify the likely candidates for inclusion in the portfolio, which exhibit quality growth and momentum characteristics, and reduces the risk that effort is spent on stocks that will not fulfil the investment criteria.

5. Management strength
Management teams with experience of successfully running businesses through a variety of market conditions help give us confidence as investors.

6. Valuation
Valuation is considered in all investments and is embedded within the Matrix and portfolio construction process.



We avoid:
- Loss-making or blue sky
- Highly leveraged
- Highly cyclical earnings
- Poor track record
- Dividend cuts

We avoid:
- Threat of new entrant
- Capacity to manage high growth
- Where growth entirely acquisitive

We avoid:
- Earnings downgrades
- Deteriorating Matrix scores

Source: Aberdeen.

Investment Process

Continued

The Company does not have an objective that promotes sustainable characteristics. Environmental, social and governance ("ESG") factors are, however, considered as part of the Investment Manager's process.

ESG Factors

The Investment Manager considers ESG risks and opportunities for all of its investments and thus ESG considerations are taken into account as part of the investment process. The Investment Manager is of the view that a full and thorough assessment of ESG factors, alongside other financial and fundamental factors, allows better investment decisions to be made.

ESG analysis is a core constituent in the "Quality" analysis of the Investment Manager's fundamental research. Especially for smaller companies, both risks and opportunities matter, and thus the research approach and analysis takes this into account.

Through the utilisation of a third party research provider such as MSCI and Aberdeen's in-house ESG rating tools, the Investment Manager is able to identify, where appropriate, leaders and laggards, areas of weakness and areas of strength. Ratings processes for smaller companies can be less accurate given data availability and coverage, and therefore the engagement and fundamental research the Investment Manager and its ESG equity analysts carry out with the investee companies is critical in adding value and ensuring the most important ESG risks and opportunities are well identified.

Finally, as part of broader stewardship activities, the Investment Manager participates actively in the voting process of the holdings in the portfolio, in line with best practice.

Portfolio

The Investment Manager has a long-term investment horizon, aiming to maximise returns by identifying the great companies of tomorrow and then holding them for the long-term, whilst being aware of economic cycles.

Investments in the Household Goods and Home Construction sector represent 2.9% of the portfolio and include Cairn Homes.



Ten Largest Investments

As at 30 June 2026

Morgan Sindall
A UK based construction and regeneration company.

AJ Bell
A UK based company that provides online investment platforms and stockbroker services.

Applied Nutrition
A leading UK based sports nutrition, health and wellness company.

Cairn Homes
An Irish based homebuilder, which is engaged in constructing new homes with an emphasis on design and customer service.

Tatton Asset Management
A UK based provider of on-platform only discretionary fund management, regulatory compliance and business consulting services, as well as a whole of market mortgage provision, to financial advisers across the UK.

Balfour Beatty
An international infrastructure group that operates across three divisions - construction services, support services, and infrastructure investments with exposure to the UK, US and Hong Kong.

Paragon Banking
A UK based company that provides specialist banking services.

Galliford Try
A leading UK based construction group.

Hill & Smith
An international group with leading positions in the supply of infrastructure products and galvanising services to global markets.

Volution
A leading supplier of ventilation products with primary markets in the UK, Continental Europe and Australasia.

Investment Portfolio

As at 30 June 2026

Company	Sector	Valuation 2026 £'000	Total portfolio %	Valuation 2025 £'000
Morgan Sindall	Construction and Materials	10,049	3.9	17,454
AJ Bell	Investment Banking and Brokerage Services	9,535	3.7	8,444
Applied Nutrition	Food Producers	7,653	2.9	4,244
Cairn Homes	Household Goods and Home Construction	7,591	2.9	11,073
Tatton Asset Management	Investment Banking and Brokerage Services	7,519	2.9	8,538
Balfour Beatty	Construction and Materials	7,366	2.8	-
Paragon Banking	Finance and Credit Services	7,304	2.8	14,832
Galliford Try	Construction and Materials	7,245	2.8	1,336
Hill & Smith	Industrial Metals and Mining	7,231	2.8	6,976
Volution	Construction and Materials	7,153	2.7	11,990
Top ten investments		**78,646**	**30.2**	
Cranswick	Food Producers	6,997	2.7	14,033
Sirius Real Estate	Real Estate Investment Trusts	6,088	2.3	9,207
Volex	Electronic and Electrical Equipment	6,073	2.3	5,513
Avon Technologies	Aerospace and Defense	6,033	2.3	11,829
Helios Towers	Telecommunications Service Providers	5,872	2.3	-
Bloomsbury Publishing	Media	5,351	2.1	4,567
Hunting	Oil, Gas and Coal	5,316	2.0	7,486
Plus500	Investment Banking and Brokerage Services	5,294	2.0	-
Computacenter	Software and Computer Services	5,134	2.0	-
Alfa	Software and Computer Services	5,090	2.0	5,344
Top twenty investments		**135,894**	**52.2**	
ME Group	Leisure Goods	4,988	1.9	12,780
Premier Foods	Food Producers	4,972	1.9	10,176
Mortgage Advice Bureau	Finance and Credit Services	4,669	1.8	11,538
Pan African Resources	Precious Metals and Mining	4,470	1.7	-
Jet2	Travel and Leisure	4,377	1.7	11,670
CVS	Health Care Providers	4,279	1.6	7,377
TBC Bank Group	Banks	4,219	1.6	-
Mitie Group	Industrial Support Services	4,026	1.6	-
Chemring	Aerospace and Defense	4,024	1.6	7,981
Auction Technology	Software and Computer Services	3,937	1.5	4,039
Top thirty investments		**179,855**	**69.1**	

Portfolio

Continued

As at 30 June 2026

Company	Sector	Valuation 2026 £'000	Total portfolio %	Valuation 2025 £'000
Ashtead Technology	Oil, Gas and Coal	3,915	1.5	7,789
XPS Pensions	Investment Banking and Brokerage Services	3,908	1.5	13,723
Atalaya Mining	Industrial Metals and Mining	3,815	1.5	-
Diploma	Industrial Support Services	3,789	1.5	7,481
Craneware	Health Care Providers	3,711	1.4	6,431
Renew Holdings	Construction and Materials	3,611	1.4	3,853
Greencore	Food Producers	3,533	1.4	-
Coats	General Industrials	3,499	1.3	6,122
Ashmore	Finance and Credit Services	3,480	1.3	-
Boku	Industrial Support Services	3,265	1.3	5,645
Top forty investments		**216,381**	**83.2**	
Softcat	Software and Computer Services	3,126	1.2	-
Rosebank Industries	Electronic and Electrical Equipment	3,062	1.2	-
Sigmaroc	Construction and Materials	3,047	1.2	-
Johnson Service	Industrial Support Services	2,951	1.1	8,756
Capital Drilling	Industrial Metals and Mining	2,920	1.1	-
Savills	Real Estate Investment and Services	2,864	1.1	5,081
Vesuvius	Industrial Engineering	2,842	1.1	-
Shawbrook	Banks	2,799	1.1	-
Dunelm Group	Retailers	2,720	1.0	-
Games Workshop	Leisure Goods	2,698	1.0	8,431
Top fifty investments		**245,410**	**94.3**	
GB Group	Software and Computer Services	2,608	1.0	-
Wickes	Retailers	2,580	1.0	2,484
Rotork	Electronic and Electrical Equipment	2,509	1.0	4,058
On the beach	Travel and Leisure	2,485	0.9	2,856
Next 15	Media	2,004	0.8	2,112
Fisher (James) & Sons	Industrial Transportation	1,749	0.7	-
LBG Media	Media	788	0.3	3,028
Total portfolio		**260,133**	**100.0**	

All investments are equity investments.

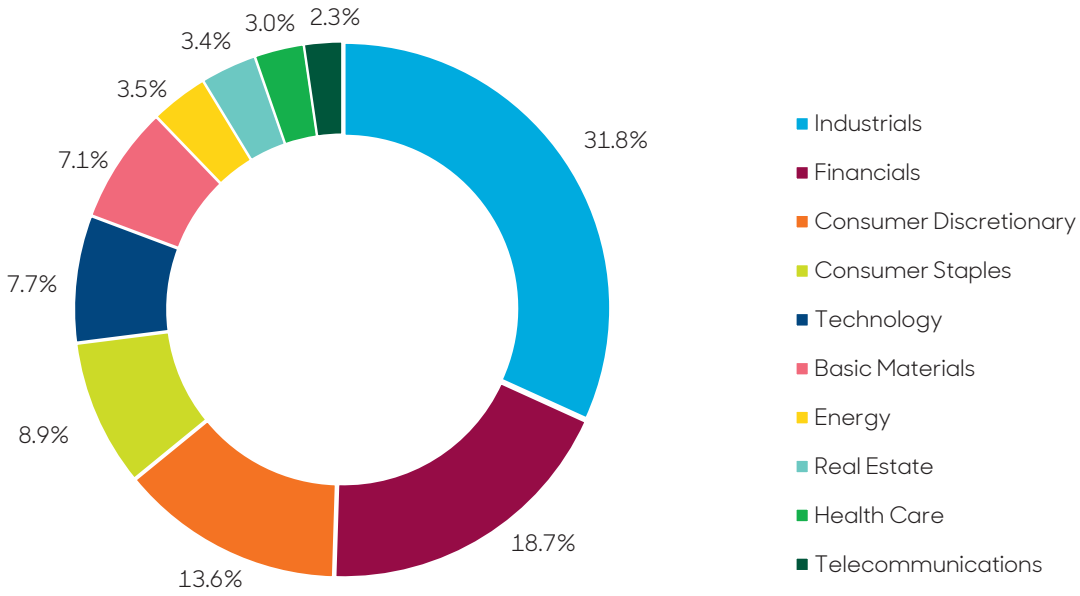
Sector Distribution of Investments

As at 30 June 2026

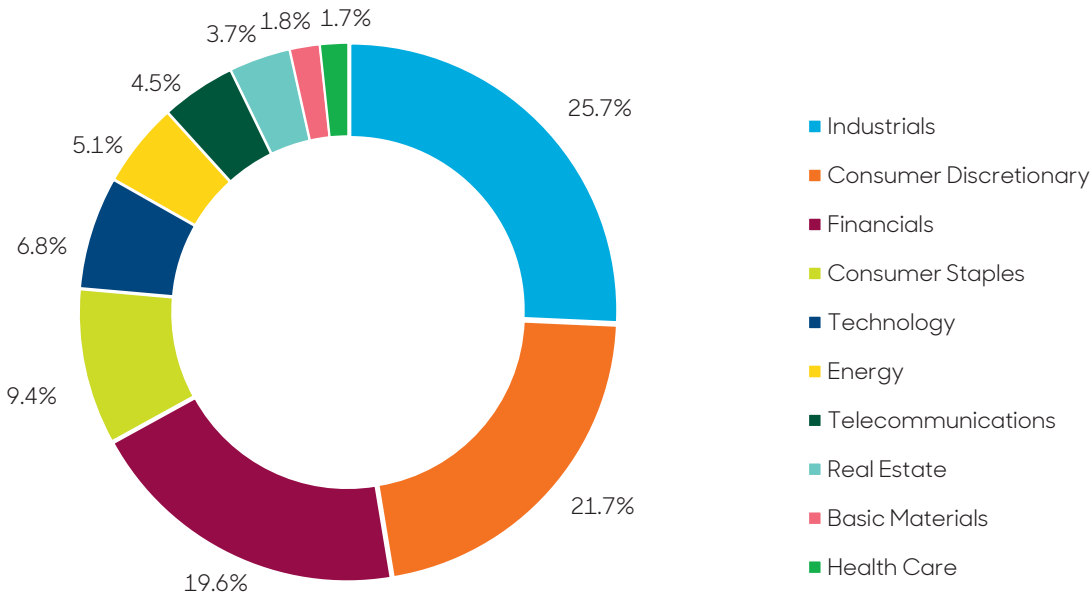
	Portfolio weighting 2026 %	2025 %
Basic Materials	**7.1**	1.8
Industrial Metals and Mining	**5.4**	1.8
Precious Metals and Mining	**1.7**	–
Consumer Discretionary	**13.6**	21.7
Consumer Services	**–**	1.9
Household Goods and Home Construction	**2.9**	5.0
Leisure Goods	**2.9**	5.5
Media	**3.2**	3.6
Retailers	**2.0**	0.6
Travel and Leisure	**2.6**	5.1
Consumer Staples	**8.9**	9.4
Food Producers	**8.9**	9.4
Energy	**3.5**	5.1
Oil, Gas and Coal	**3.5**	5.1
Financials	**18.7**	19.6
Banks	**2.7**	–
Finance and Credit Services	**5.9**	6.9
Investment Banking and Brokerage Services	**10.1**	12.7
Health Care	**3.0**	1.7
Health Care Providers	**3.0**	1.7
Industrials	**31.8**	25.7
Aerospace and Defense	**3.9**	5.2
Construction and Materials	**14.8**	10.6
Electronic and Electrical Equipment	**4.5**	2.6
General Industrials	**1.3**	1.6
Industrial Engineering	**1.1**	–
Industrial Support Services	**5.5**	5.7
Industrial Transportation	**0.7**	–
Real Estate	**3.4**	3.7
Real Estate Investment and Services	**1.1**	1.3
Real Estate Investment Trusts	**2.3**	2.4
Technology	**7.7**	6.8
Software and Computer Services	**7.7**	6.0
Technology Hardware and Equipment	**–**	0.8
Telecommunications	**2.3**	4.5
Telecommunications Service Providers	**2.3**	4.5
Total	**100.0**	100.0

Investment Portfolio by Sector

Sector Allocation 2026

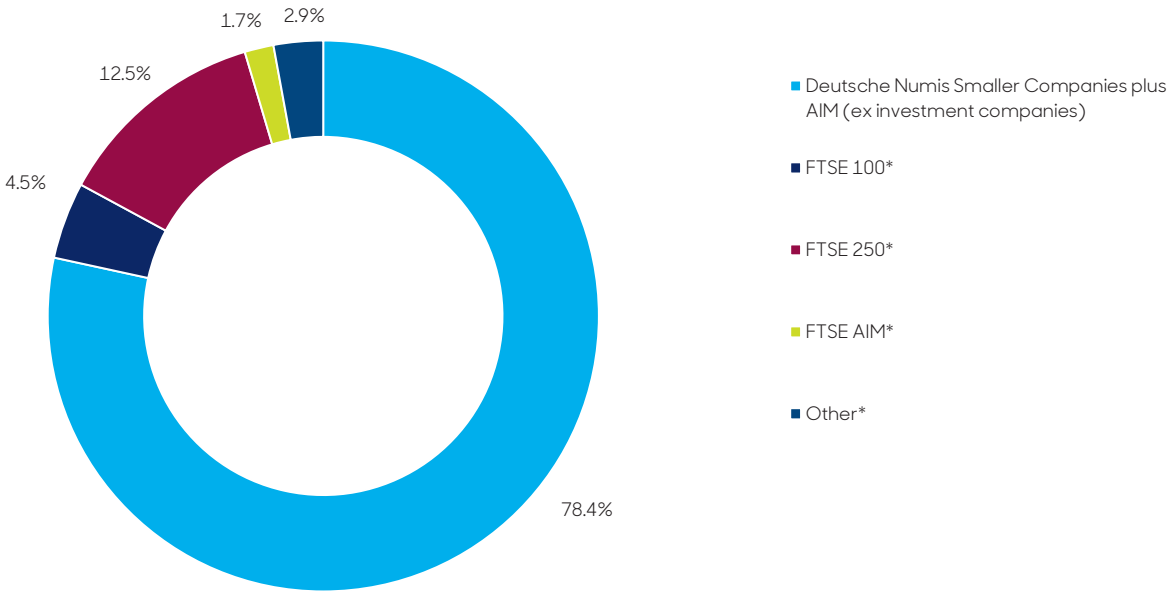


Sector Allocation 2025

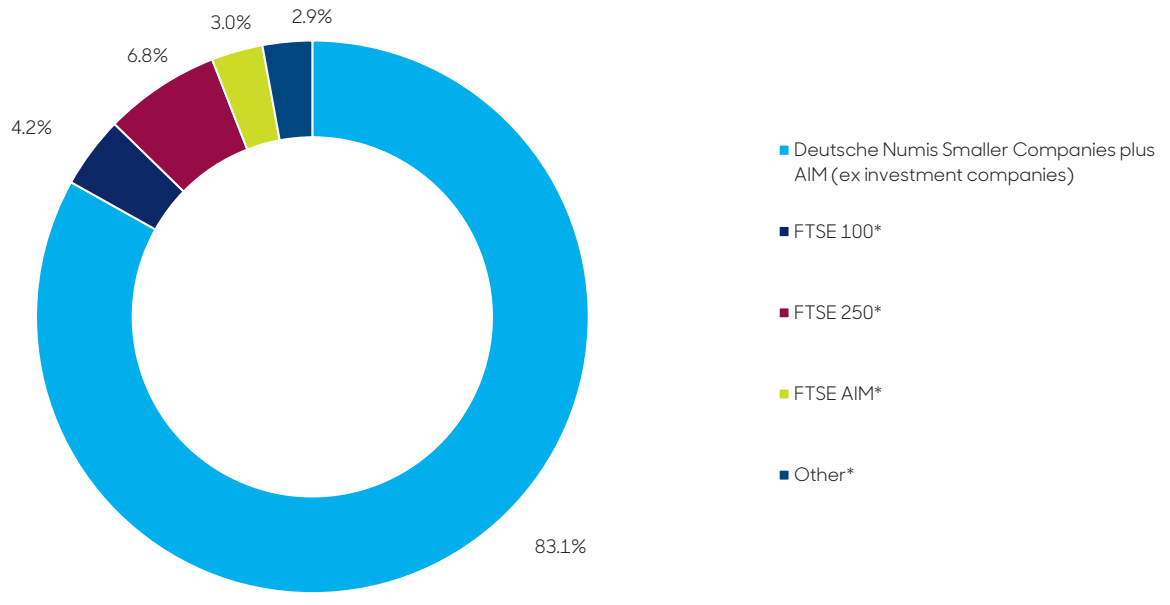


Market Cap Exposure

Market cap exposure 2026



Market cap exposure 2025



*Consists of holdings which are not constituents of the Deutsche Numis Smaller Companies plus AIM (ex investment companies) Index.

Investment Case Studies



Volex

Volex is a UK-based manufacturer of power and data connectivity solutions that has transformed itself from a traditional cable producer into a strategic partner for global technology companies. Its products are used in applications where reliability is critical, such as electric vehicles, medical equipment and AI data centres. This shift towards higher-value, "mission-critical" components has strengthened its position within global supply chains and increased its relevance as technology becomes more complex.

The company operates across five key markets - Electric Vehicles, Complex Industrial Technology, Medical, Off-Highway and Consumer Electricals - giving it a diversified revenue base. These markets share a common theme: growing technical complexity and rising performance requirements. By focusing on specialised, high-performance products rather than commoditised cables, Volex has built strong customer relationships and created higher barriers to entry.

Volex's growth strategy has combined steady organic expansion with targeted acquisitions. Over the past five years, it has more than doubled revenues while maintaining consistent operating margins of around 10%. This reflects a disciplined approach to cost control, product mix and capital allocation. Its global manufacturing footprint also enables it to serve multinational customers efficiently while remaining more flexible and cost competitive than larger peers.

Recent performance has been strong. Revenue exceeded $1 billion for the first time in FY2025. This growth has been driven by demand across core markets, particularly in data centres supporting artificial intelligence, where the need for high-speed connectivity products has increased sharply. Margins have remained stable despite expansion, supported by efficiency gains and a shift towards more complex, higher-value products.

Overall, Volex's transformation into a specialist provider of critical connectivity has underpinned a period of sustained growth. With exposure to long-term trends such as electrification and AI infrastructure, the company is well positioned to continue expanding while maintaining profitability.

Helios Towers

Helios Towers is a telecom infrastructure provider operating across Africa and the Middle East, focused on building and leasing mobile towers to network operators. Its model is simple but powerful: each site is built with an anchor tenant and generates increasingly attractive returns as additional tenants are added, creating strong operating leverage and high long-term returns.

The investment case is underpinned by structural growth in its end markets. Rapid population growth, rising mobile penetration and a sharp increase in data usage are driving sustained demand for connectivity. This is being reinforced by the rollout of 4G and 5G networks, which require greater site density and network coverage. As a result, Helios is positioned to benefit from a multi-decade expansion in telecom infrastructure demand.

In recent years, the company has shifted from heavy investment towards organic growth and cash generation. The focus is now on increasing tenants per tower, improving returns from its existing portfolio and delivering steady earnings growth under its IMPACT 2030 strategy. This approach has led to a meaningful inflection in free cash flow, enabling the business to become self-funding while continuing to grow

As the asset base matures, Helios is increasingly returning capital to shareholders through share buybacks and dividends, while maintaining flexibility to reinvest in high-return opportunities. Combined with long-term contracts, inflation-linked revenues and strong customer relationships, this supports a resilient and scalable model with a clear path to sustained cash generation and shareholder returns.



Governance

The Board is committed to high standards of corporate governance and applies the principles identified in the UK Corporate Governance Code and the AIC Corporate Governance Code.

All Directors are considered by the Board to be independent of the Company and the Manager.





Board of Directors



Liz Airey
Independent Non-Executive Chair

Experience:
Liz Airey was, until March 2020, non-executive Chair of Jupiter Fund Management plc. She is a non-executive director of BlackRock Frontiers Investment Trust plc and Noble Grossart Holdings Limited. She has previously been a non-executive director of Tate & Lyle plc, Dunedin Enterprise Investment Trust plc, JP Morgan European Smaller Companies Trust plc, Zetex plc and AMEC plc. In her executive career, Liz was Finance Director of Monument Oil and Gas plc, a post she held from 1990 until the sale of the company to Lasmo plc in 1999.

Length of service:
7 years, appointed a Director on 21 August 2019 and Chair on 31 March 2020

Committee membership:
Management Engagement Committee and Nomination Committee (Chair)

Contribution:
The Directors have reviewed the contribution of Liz Airey in light of her proposed re-election at the AGM and have concluded that she has continued to chair the Board expertly, fostering a collaborative spirit between the Board and Manager whilst ensuring that meetings remain focused on the key areas of stakeholder relevance. In addition, she has provided significant insight to the Board through her financial and corporate experience and knowledge of the investment management sector.



Ashton Bradbury
Independent Non-Executive Director

Experience:
Ashton Bradbury has previously held roles at Charterhouse Tilney, Hill Samuel Investment Management and HSBC Asset Management Europe and was, until 2014, a fund manager with Old Mutual Global Investors Limited where he established its Small and Mid-Cap equities team. Ashton holds a BSc in Banking and Finance from Loughborough University of Technology.

Length of service:
8 years, appointed a Director on 2 July 2018

Committee membership:
Audit Committee, Management Engagement Committee and Nomination Committee

Contribution:
The Board has reviewed the contribution of Ashton Bradbury in light of his proposed re-election at the AGM and has concluded that he continues to provide significant investment insight to the Board and knowledge of the asset class and investment management sector.



Alexa Henderson

Independent Non-Executive Director

Experience:

Alexa Henderson has over 30 years' experience in finance, accounting and audit having worked with KPMG, Arthur Andersen and Deutsche Bank (WM Company). She is a non-executive director of International Biotechnology Trust plc and WAM Leaders Limited, an Australian-listed investment company. Previous directorships include JPMorgan Japan Small Cap Growth & Income PLC, Dunedin Smaller Companies Investment Trust PLC, Scottish Building Society (which she chaired for four years) and Adam & Company Group PLC. She is a Chartered Accountant.

Length of service:

8 years, appointed a Director on 8 October 2018

Committee membership:

Audit Committee, Management Engagement Committee and Nomination Committee

Contribution:

The Board has reviewed the contribution of Alexa Henderson in light of her proposed re-election at the AGM and has concluded that she continues to provide significant financial and corporate insight to the Board and knowledge of the investment trust sector.



Manju Malhotra

Independent Non-Executive Director

Experience:

Manju Malhotra was, until December 2023, Chief Executive Officer of Harvey Nichols, having joined the business in 1998 and progressed through various roles including Chief Operating Officer and Chief Financial Officer. She is a non-executive director of Smiths News PLC and Workspace Group plc. She is a Chartered Accountant.

Length of service:

3 years, appointed a Director on 1 May 2023

Committee membership:

Audit Committee (Chair), Management Engagement Committee and Nomination Committee

Contribution:

The Board has reviewed the contribution of Manju Malhotra in light of her proposed re-election at the AGM and has concluded that she has continued to chair the Audit Committee expertly and continues to provide meaningful financial, business and corporate insight to the Board.

Board of Directors

Continued



Stephen (Steve) Russell

Independent Non-Executive Director

Experience:

Steve Russell was, until 2025, Investment Director and a member of the multi asset investment committee at Ruffer LLP, where he helped direct its investment strategy. He joined Ruffer in 2003 and managed its flagship pooled funds and developed its institutional pension fund offering into one of the largest multi asset/absolute return fund managers in the UK. Steve previously managed segregated pension funds at Sun Life of Canada and advised pension fund managers as a strategist at HSBC. He is a non-executive director of F&C Investment Trust PLC.

Length of service:

Appointed a Director on 1 April 2026

Committee membership:

Audit Committee, Management Engagement Committee and Nomination Committee

Contribution:

The Board has reviewed the contribution of Steve Russell in light of his proposed election at the AGM and has concluded that he provides significant investment insight to the Board and knowledge of the investment management and investment trust sectors.



Tim Scholefield

Senior Independent Non-Executive Director

Experience:

Tim Scholefield was, until 2014, Head of Equities at Baring Asset Management. He previously held roles at Royal Sun Alliance Investments and Scottish Widows Investment Partnership. Tim is Chair of Allianz Technology Trust PLC and Jupiter Unit Trust Managers Limited. He is also a consultant to Gresham House Asset Management.

Length of service:

9 years, appointed a Director on 20 February 2017 (will not seek re-election at the Annual General Meeting)

Committee membership:

Audit Committee, Management Engagement Committee (Chair) and Nomination Committee

Contribution:

The Board has reviewed the contribution of Tim Scholefield and has concluded that he has continued to chair the Management Engagement Committee expertly as well as acting as the Senior Independent Director. He has provided significant investment insight to the Board and knowledge of the investment management and investment trust sectors.

Directors' Report

The Directors present their report and the audited financial statements of the Company for the year ended 30 June 2026.

Results and Dividends

The financial statements for the year ended 30 June 2026 are contained on pages 75 to 94. A first interim dividend of 4.50p per Ordinary share was paid on 17 April 2026 and the Directors have declared a second interim dividend of 9.50p per Ordinary share, payable on 27 November 2026 to shareholders on the register on 6 November 2026. The ex-dividend date is 5 November 2026.

Principal Activity and Status

The Company is registered as a public limited company in Scotland under company number SC145455, is an investment company within the meaning of Section 833 of the Companies Act 2006 and carries on business as an investment trust.

The Company has been accepted as an investment trust under Sections 1158 and 1159 of the Corporation Tax Act 2010 and Part 2 Chapter 1 of Statutory Instrument 2011/2999. The Directors are of the opinion that the Company has conducted its affairs so as to be able to retain such approval.

The Company intends to manage its affairs so that its Ordinary shares continue to be a qualifying investment for inclusion in the stocks and shares component of an Individual Savings Account.

Capital Structure and Voting Rights

The Company's issued share capital at 30 June 2026 consisted of 45,440,230 (2025: 61,783,713) Ordinary shares of 25 pence each and there were 58,724,192 (2025: 42,380,709) Ordinary shares held in treasury.

During the year 16,343,483 Ordinary shares were bought back into treasury.

Since the year end, the Company has bought back a further 2,657,002 Ordinary shares into treasury. Accordingly, as at the date of this Report, the Company's issued share capital consisted of 42,783,228 Ordinary shares of 25 pence each and 61,381,194 Ordinary shares held in treasury.

Each ordinary shareholder is entitled to one vote on a show of hands and, on a poll, to one vote for every Ordinary share held.

Management Agreement

The Company has appointed abrdn Fund Managers Limited ("aFML"), a wholly owned subsidiary of Aberdeen Group plc, as its Alternative Investment Fund Manager (the "Manager"). aFML has been appointed to provide investment management, risk management, administration and company secretarial services, and promotional activities to the Company. The Company's portfolio is managed by abrdn Investment Management Limited (the "Investment Manager") by way of a group delegation agreement in place between it and aFML. In addition, aFML has sub-delegated administrative and secretarial services to Aberdeen Corporate Secretary Limited (previously abrdn Holdings Limited) and promotional activities to abrdn Investments Limited.

With effect from 1 July 2023, the management fee was calculated quarterly in arrears at a rate of 0.75% per annum on the first £175 million of the Company's net assets, 0.65% per annum on net assets above this threshold until £550 million, and 0.55% on net assets above this threshold.

With effect from 1 April 2025, the management fee is calculated at a rate of 0.60% per annum on the first £200 million of the Company's net assets and 0.55% on net assets above this threshold.

The Manager also receives a separate fee for the provision of promotional activities to the Company. Further details of the fees payable to the Manager are shown in notes 4 and 5 to the financial statements.

The management agreement is terminable on not less than six months' notice. In the event of termination by the Company on less than the agreed notice period, compensation is payable to the Manager in lieu of the unexpired notice period.

Directors' Report

Continued

Directors

Stephen Russell was appointed as an independent non-executive Director on 1 April 2026. At the year end, there were six independent non-executive Directors, whose biographies are shown on pages 44 to 46. Liz Airey is the Chair and Tim Scholefield is the Senior Independent Director.

Having served as a Director for nine years, Tim Scholefield will retire from the Board at the Annual General Meeting. All of the other Directors will retire and, being eligible, offer themselves for election/re-election at the Annual General Meeting.

The Directors attended scheduled Board and Committee meetings during the year ended 30 June 2026 as follows (with their eligibility to attend the relevant meetings in brackets):

	Board Meetings	Audit Committee Meetings	Management Engagement Committee Meetings	Nomination Committee Meetings
Liz Airey	4 (4)	- (-)[A]	1 (1)	1 (1)
Ashton Bradbury	4 (4)	2 (2)	1 (1)	1 (1)
Alexa Henderson	3 (4)	2 (2)	- (1)	- (1)
Manju Malhotra	4 (4)	2 (2)	1 (1)	1 (1)
Stephen Russell	1 (1)	- (-)	1 (1)	1 (1)
Tim Scholefield	4 (4)	2 (2)	1 (1)	1 (1)

[A] Liz Airey is not a member of the Audit Committee but attends the meetings by invitation

The Board meets more frequently when business needs require.

The Board believes that all the Directors seeking election/re-election remain independent of the Manager and free from any relationship which could materially interfere with the exercise of their judgement on issues of strategy, performance, resources and standards of conduct. The biographies of each of the Directors are shown on pages 44 to 46, setting out their range of skills and experience as well as length of service and their contribution to the Board during the year. The Board believes that each Director has the requisite high level and range of business, investment and financial experience which enables the Board to provide clear and effective leadership and proper governance of the Company. Following formal performance evaluations, each Director's performance continues to be effective and demonstrates commitment to the role, and their individual performances contribute to the long-term sustainable success of the Company. In addition, all Directors have demonstrated that they have sufficient time to fulfil their directorial roles with the Company. The Board therefore recommends the election/re-election of each of the Directors at the Annual General Meeting.

External Agencies

The Board has contractually delegated to external agencies, including the Manager and other service providers, certain services including: the management of the investment portfolio, the day-to-day accounting and company secretarial requirements, the depositary services (which include cash monitoring, the custody and safeguarding of the Company's financial instruments and monitoring the Company's compliance with investment limits and leverage requirements) and the share registration services. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered in so far as they relate to the affairs of the Company. In addition, ad hoc reports and information are supplied to the Board as requested.

Board Diversity

The Board recognises the importance of having a range of skilled and experienced individuals with the right knowledge represented on the Board in order to allow it to fulfil its obligations. The Board also recognises the benefits and is supportive of the principle of diversity in its recruitment of new Board members. The Board will not display any bias for age, gender, race, sexual orientation, socio-economic background, religion, ethnic or national origins or disability in considering the appointment of its Directors. In view of its size, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment. In doing so, the Board will take account of the targets set out in the FCA's Listing Rules, which are set out in the tables below.

The Board has resolved that the Company's year end date is the most appropriate date for disclosure purposes. The following information has been provided by each Director through the completion of questionnaires. There have been no changes since the year end.

Board Gender as at 30 June 2026

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (note 3)	Number in executive management	Percentage of executive management
Men	3	50%	2	n/a	n/a
Women	3	50% (note 1)	3		
Not specified/prefer not to say	-	-	-		

Board Ethnic Background as at 30 June 2026

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (note 3)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	5	83%	4	n/a	n/a
Asian/Asian British	1 (note 2)	17%	1		
Not specified/prefer not to say	-	-	-		

Notes:

1. Meets target that at least 40% of Directors are women as set out in LR 6.6.6R (9)(a)(i).
2. Meets target that at least one Director is from a minority ethnic background as set out in LR 6.6.6R (9)(a)(iii).
3. The Board considers that the role of Chair, Senior Independent Director ("SID"), and the chairs of the Audit Committee, Management Engagement Committee and Nomination Committee are senior Board positions. The Company is externally managed and does not have any executive staff. Specifically, it does not have either a CEO or CFO as set out in LR 6.6.6R (9)(a)(ii).

Board's Policy on Tenure

In normal circumstances, it is the Board's expectation that Directors will not serve beyond the Annual General Meeting following the ninth anniversary of their appointment. However, the Board takes the view that independence of individual Directors is not necessarily compromised by length of tenure on the Board and that continuity and experience can add significantly to the Board's strength. The Board believes that recommendation for re-election should be on an individual basis following a rigorous review which assesses the contribution made by the Director concerned, but also taking into account the need for regular refreshment and diversity.

It is the Board's policy that the Chair of the Board will not normally serve as a Director beyond the Annual General Meeting following the ninth anniversary of his or her appointment to the Board. However, this may be extended in certain circumstances or to facilitate effective succession planning and the development of a diverse Board. In such a situation the reasons for the extension will be fully explained to shareholders and a timetable for the departure of the Chair clearly set out.

The Role of the Chair and Senior Independent Director

The Chair is responsible for providing effective leadership to the Board, by setting the tone of the Company, demonstrating objective judgement and promoting a culture of openness and debate. The Chair facilitates the effective contribution and encourages active engagement by each Director. In conjunction with the Company Secretary, the Chair ensures that Directors receive accurate, timely and clear information to assist them with effective decision-making. The Chair acts upon the results of the Board evaluation process by recognising strengths and addressing any weaknesses and also ensures that the Board engages with major shareholders and that all Directors understand shareholder views.

The Senior Independent Director acts as a sounding board for the Chair and acts as an intermediary for other Directors, when necessary. Working closely with the Nomination Committee, the Senior Independent Director takes responsibility for an orderly succession process for the Chair, and leads the annual appraisal of the Chair's performance. The Senior Independent Director is also available to shareholders to discuss any concerns they may have.

Management of Conflicts of Interest

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest. As part of this process, each Director prepares a list of other positions held and all other conflict situations that may need to be authorised either in relation to the Director concerned or his or her connected persons. The Board considers each Director's situation and decides whether to approve any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with his or her wider duties is affected. Each Director is required to notify the Company Secretary of any potential, or actual, conflict situations that will need authorising by the Board. Authorisations given by the Board are reviewed at each Board meeting.

No Director has a service contract with the Company although all Directors are issued with letters of appointment. Other than the deeds of indemnity referred to on page 57, there were no contracts during, or at the end of the year, in which any Director was interested.

The Company has a policy of conducting its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and has procedures in place that are proportionate to the Company's circumstances to prevent them. The Manager also adopts a group-wide zero-tolerance approach and has its own detailed policy and procedures in place to prevent bribery and corruption. Copies of the Manager's anti-bribery and corruption policies are available on its website.

In relation to the corporate offence of failing to prevent tax evasion, it is the Company's policy to conduct all business in an honest and ethical manner. The Company takes a zero-tolerance approach to facilitation of tax evasion whether under UK law or under the law of any foreign country and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships.

Directors' and Officers' Liability Insurance

The Company's Articles of Association provide for each of the Directors to be indemnified out of the assets of the Company against any liabilities incurred by them as a Director of the Company in defending proceedings, or in connection with any application to the Court in which relief is granted. In addition, the Company has entered into separate deeds of indemnity with each of the Directors, reflecting the scope of the indemnity in the Articles. Directors' and Officers' liability insurance cover has been maintained throughout the financial year at the expense of the Company.

Corporate Governance

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company has applied the principles identified in the UK Corporate Governance Code as published in January 2024 (the "UK Code"), which is available on the Financial Reporting Council's (the "FRC") website: **frc.org.uk.**

The Board has also considered the principles and provisions of the AIC Corporate Governance Code as published in August 2024 (the "AIC Code"). The AIC Code addresses the principles and provisions set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to investment companies. The AIC Code is available on the AIC's website: **theaic.co.uk.** It includes an explanation of how the AIC Code adapts the principles and provisions set out in the UK Code to make them relevant for investment companies.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council ("FRC"), provides more relevant information to shareholders.

The Board confirms that, during the year, the Company complied with the principles and provisions of the AIC Code and the relevant provisions of the UK Code, except as set out below.

The UK Code includes provisions relating to:

- interaction with the workforce (provisions 2, 5 and 6);
- the role and responsibility of the chief executive (provisions 9 and 14);
- requirement of the chairman of a remuneration committee to have served on a remuneration committee for at least 12 months prior to appointment (provision 32); and
- executive directors' remuneration (provisions 33 and 36 to 41).

These provisions are not repeated in the AIC Code and the Board considers that they are not relevant to the position of the Company, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

Full details of the Company's compliance with AIC Code can be found on its website.

During the year, the Board addressed how it would comply with the updated provisions in the UK Code (provision 29) and the AIC Code (provision 34), which are effective for accounting periods beginning on or after 1 January 2026. These provisions relate to the reporting on the Board's monitoring and review of the Company's internal control framework and a declaration by the Board of the effectiveness of the material controls at the balance sheet date.

Matters Reserved for the Board

The Board sets the Company's objectives and ensures that its obligations to its shareholders are met. It has formally adopted a schedule of matters which are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues.

These matters include:

- the maintenance of clear investment objectives and risk management policies;
- the monitoring of the business activities of the Company ranging from analysis of investment performance through to review of quarterly management accounts;
- monitoring requirements such as approval of the Half-Yearly Report and Annual Report and financial statements and approval and recommendation of any dividends;
- setting the range of gearing in which the Manager may operate;
- major changes relating to the Company's structure including share buy-backs and share issuance;
- Board appointments and removals and the related terms;
- authorisation of Directors' conflicts or possible conflicts of interest;

- terms of reference and membership of Board Committees;
- appointment and removal of the Manager and the terms and conditions of the Management Agreement relating thereto; and
- London Stock Exchange/Financial Conduct Authority – responsibility for approval of all circulars, listing particulars and other releases concerning matters decided by the Board.

Full and timely information is provided to the Board to enable it to function effectively and to allow the Directors to discharge their responsibilities.

Board Committees

The Board has appointed a number of Committees, as set out below. Copies of their terms of reference, which clearly define the responsibilities and duties of each Committee, are available on the Company's website, or upon request from the Company. The terms of reference of each of the Committees are reviewed and re-assessed by the Board for their adequacy on an ongoing basis.

Audit Committee

The Audit Committee's Report is contained on pages 61 to 64.

Management Engagement Committee

The Management Engagement Committee comprises the full Board and during the year was chaired by Tim Scholefield. The main responsibilities of the Management Engagement Committee include:

- monitoring and evaluating the performance of the Manager;
- reviewing the Manager's assessment of value under the Consumer Duty;
- reviewing, at least annually, the continued retention of the Manager;
- reviewing, at least annually, the terms of appointment of the Manager including, but not limited to, the level and method of remuneration and the notice period of the Manager; and
- reviewing the performance and remuneration of the other key service providers to the Company.

Following a detailed review of performance and the terms of appointment of the Manager, during the year the Management Engagement Committee gave careful consideration as to whether the continuing appointment of the Manager was in the best interests of the shareholders and the Company as a whole.

As set out in more detail in the Chair's Statement on page 6, it is proposed that the Company combines with JPMorgan UK Small Cap Growth & Income plc ("JUGI"). The combination, if approved by each company's shareholders, will be effected by way of a scheme of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 and the associated transfer of part of the assets and undertaking of the Company to JUGI in exchange for the issue of new ordinary shares in JUGI (the "Scheme").

Nomination Committee

The Nomination Committee comprises the full Board and is chaired by Liz Airey. The main responsibilities of the Nomination Committee include:

- regularly reviewing the structure, size and composition (including the skills, knowledge, experience, diversity and gender) of the Board;
- undertaking succession planning, taking into account the challenges and opportunities facing the Company and identifying candidates to fill vacancies;
- recruiting new Directors, undertaking open advertising or engaging external advisers to facilitate the search, as appropriate, with a view to considering candidates from a wide range of backgrounds, on merit, and with due regard for the benefits of diversity on the Board, taking care to ensure that appointees have enough time available to devote to the position;
- ensuring that new appointees receive a formal letter of appointment and suitable induction and ongoing training;
- arranging for annual Board performance evaluations to ensure that Directors are able to commit the time required to properly discharge their duties;
- making recommendations to the Board as to the positions of Chair, Senior Independent Director and Chairs of the Nomination, Audit and Management Engagement Committees;
- assessing, on an annual basis, the independence of each Director;
- approving the re-election of any Director, subject to the UK Code, the AIC Code, or the Articles of Association, at the Annual General Meeting, having due regard to their

performance, ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board; and

- determining the Directors' remuneration policy and level of remuneration, including for the Chair.

During the year, the Nomination Committee undertook an annual appraisal of the Chair of the Board, individual Directors and the performance of Committees and the Board as a whole. This process involved the completion of questionnaires by each Director and follow-on discussions between the Chair and each Director. The appraisal of the Chair was undertaken by the Senior Independent Director. The results of the process, as well as a review of the prior year's action points, were discussed by the Board. It was agreed that the previous year's action points had been satisfactorily carried through in the year.

A key area of focus identified for the year ahead was monitoring the delivery of performance from the enhancements the Investment Manager has made to the investment process. In addition, the Board identified the need to have continued focus on the proactive implementation of share buy backs as the Board's preferred discount control mechanism, coupled with seeking the most cost-effective ways to increase demand for the Company's shares through the Manager's marketing and promotional programme.

Following the appraisal process, the Board concluded that it continues to operate well and effectively and is focussing on the right issues in its work to promote the success of the Company and that each Director makes a significant contribution to the Board.

In respect of the appointment of Stephen Russell, who was appointed as an independent non-executive Director on 1 April 2026, the Board used the services of an external search consultant, Cornforth Consulting Limited. Cornforth Consulting Limited does not have any other connections with the Company or individual Directors.

Substantial Interests

Information provided to the Company by major shareholders pursuant to the FCA's Disclosure, Guidance and Transparency Rules are published by the Company via a Regulatory Information Service.

The table below sets out the interests in 3% or more of the issued share capital of the Company, of which the Board was aware as at 30 June 2026.

Shareholder	Number of Ordinary shares	% held
Interactive Investor	9,281,066	20.4
Hargreaves Lansdown	5,687,893	12.5
RBC Brewin Dolphin	3,619,019	8.0
AJ Bell	2,792,204	6.1
Rathbones	2,154,085	4.7
Charles Stanley	1,758,718	3.9
West Yorkshire Pension Fund	1,559,694	3.4
HSDL Stockbrokers	1,375,869	3.0

The Company has not been notified of any changes to share holdings since the end of the year.

Going Concern

As set out in more detail in the Chair's Statement on page 6, it is proposed that the Company combines with JPMorgan UK Small Cap Growth & Income plc ("JUGI"). The combination, if approved by each company's shareholders, will be effected by way of a scheme of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 and the associated transfer of part of the assets and undertaking of the Company to JUGI in exchange for the issue of new ordinary shares in JUGI (the "Scheme"). The outcome of the general meetings to make the Scheme effective represents a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

Notwithstanding this material uncertainty, the Board has concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Board has come to the view that, as the Scheme is contingent on shareholder approval and the Company is considered solvent in all other regards, there is no irrevocable path to liquidation and thus going concern remains the most appropriate basis for preparation. In reaching this conclusion, the Board has also given due consideration to the risks associated with the Scheme.

The Board has also given consideration to the liquidity of the investment portfolio. The Company's assets consist mainly of equity shares in companies listed on recognised stock exchanges and are considered by the Board to be realisable within a short timescale under normal market conditions. The Board has set overall limits for borrowing and reviews regularly the Company's level of gearing, cash flow projections and compliance with banking covenants, including the headroom available. The Board has also performed stress testing and liquidity analysis.

The Directors are mindful of the Principal Risks and Uncertainties disclosed in the Strategic Report on pages 11 to 13 and they believe that the Company has adequate financial resources to continue in operational existence for a period of not less than 12 months from the date of approval of this Report. They have arrived at this conclusion having confirmed that the Company's diversified portfolio of realisable securities is sufficiently liquid and could be used to meet short-term funding requirements were they to arise, as well as share buy back commitments. The Directors have also reviewed the revenue and ongoing expenses forecasts for the coming year and considered the Company's Statement of Financial Position as at 30 June 2026 which shows net current liabilities of £13.3 million at that date, and do not consider this to be a concern due to the liquidity of the portfolio which would enable the Company to meet any short term liabilities if required.

Accountability and Audit

The respective responsibilities of the Directors and the Independent Auditor in connection with the financial statements appear on pages 66 and 67 to 74.

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Independent Auditor

The Company's Independent Auditor, Johnston Carmichael LLP, has indicated its willingness to remain in office. Resolutions to approve Johnston Carmichael LLP's re-appointment for the year to 30 June 2027 and to authorise the Directors to determine its remuneration will be proposed at the Annual General Meeting.

Financial Instruments

The financial risk management objectives and policies arising from financial instruments and the exposure of the Company to risk are disclosed in note 16 to the financial statements.

Relations with Shareholders

The Directors place a great deal of importance on communications with shareholders. Shareholders and investors may obtain up to date information on the Company through its website and from the Manager and Company Secretary (see Contact Addresses).

Aberdeen Corporate Secretary Limited (previously abrdn Holdings Limited) has been appointed Company Secretary to the Company. Whilst Aberdeen Corporate Secretary Limited is a wholly owned subsidiary of Aberdeen Group plc, there is a clear separation of roles between the Manager and Company Secretary with different board compositions and different reporting lines in place. The Board notes that, in accordance with Market Abuse Regulations, procedures are in place to control the dissemination of information within the Aberdeen Group when necessary. Where correspondence addressed to the Board is received there is full disclosure to the Board. This is kept confidential if the subject matter of the correspondence requires confidentiality.

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the management group (including the Company Secretary or the Manager) in situations where direct communication is required. In addition, representatives from the Manager meet with major shareholders on at least an annual basis in order to gauge their views, and report back to the Board on these meetings.

The Company's Annual General Meeting provides a forum for communication primarily with private shareholders and is attended by the Board. The Investment Manager makes a presentation at the meeting and all shareholders have the opportunity to put questions to both the Board and the Manager/Investment Manager at the meeting.

The notice of the Annual General Meeting is sent out at least 20 working days in advance of the meeting. All shareholders have the opportunity to put questions to the Board and Manager at the meeting.

Additional Information

Where not provided elsewhere in the Directors' Report, the following provides the additional information required to be disclosed by Part 15 of the Companies Act 2006.

There are no restrictions on the transfer of, or voting rights attaching to, Ordinary shares in the Company other than certain restrictions which may from time to time be imposed by law (for example, the Market Abuse Regulation). The Company is not aware of any agreements between shareholders that may result in a transfer of securities and/or voting rights.

The rules governing the appointment of Directors are set out in the Directors' Remuneration Report on pages 57 to 60. The Company's Articles of Association may only be amended by a special resolution passed at a general meeting of shareholders.

The Company is not aware of any significant agreements to which it is a party that take effect, alter or terminate upon a change of control of the Company following a takeover. Other than the management agreement with the Manager, further details of which are set out on page 47, the Company is not aware of any contractual or other agreements which are essential to its business which could reasonably be expected to be disclosed in the Directors' Report.

Annual General Meeting

The Notice of the Annual General Meeting ("AGM"), which has been convened for 10.00am on Thursday 31 December 2026, and related notes, may be found on pages 110 to 115.

If the proposed scheme for the Company to combine with JPMorgan UK Small Cap Growth & Income plc, as set out in the Chair's Statement on page 6, is implemented prior to the date of the AGM, then the meeting will be adjourned indefinitely.

Resolutions including the following business will be proposed at the AGM.

Issue of Ordinary Shares

Resolution 11, which is an ordinary resolution, will, if passed, renew the Directors' authority to allot new Ordinary shares up to 10% of the issued share capital of the Company (excluding treasury shares) as at the date of this Report.

Resolution 12, which is a special resolution, will, if passed, renew the Directors' existing authority to allot new Ordinary shares or sell treasury shares for cash without the new Ordinary shares first being offered to existing shareholders in proportion to their existing holdings. This will give the Directors authority to make limited allotments or sell shares from treasury on a non pre-emptive basis of up to 10% of the total ordinary issued share capital (excluding treasury shares) as at the date of this Report.

The authority to issue shares on a non pre-emptive basis includes shares held in treasury (if any) which the Company sells or transfers, including pursuant to the authority conferred by Resolution 11.

New Ordinary shares will only be issued at prices representing a premium to the last published net asset value per share.

The authorities being sought under Resolutions 11 and 12 shall expire at the conclusion of the Company's next AGM in 2027 or, if earlier, on the expiry of 15 months from the date of the passing of the resolutions, unless such authorities are renewed prior to such time. The Directors have no current intention to exercise these authorities and will only do so if they believe it is advantageous and in the best interests of shareholders.

Purchase of the Company's Ordinary Shares

At a General Meeting of the Company held on 31 March 2026, shareholders approved a special resolution to renew the authority of the Company to make market purchases of its Ordinary shares.

Resolution 13, which is a special resolution, seeks to renew the Board's authority to make market purchases of the Company's Ordinary shares in accordance with the provisions contained in the Companies Act 2006 and the FCA's Listing Rules. Accordingly, the Company will seek authority to purchase up to a maximum of 14.99% of the issued share capital (excluding treasury shares) at the date of passing of the resolution at a minimum price of 25 pence per share (being the nominal value). Under the Listing Rules, the maximum price that may be paid on the exercise of this authority must not exceed the higher of: (i) 105% of the average of the middle market quotations (as derived from the Daily Official List of the London Stock Exchange) for the shares over the five business days immediately preceding the date of purchase; and (ii) the higher of the last independent trade and the highest current independent bid on the trading venue on which the purchase is carried out.

The Board does not intend to use this authority to purchase the Company's Ordinary shares, unless to do so would result in an increase in the net asset value per Ordinary share and would be in the best interests of shareholders. Any Ordinary shares purchased shall either be cancelled or held in treasury. The authority being sought shall expire at the conclusion of the AGM in 2027 or, if earlier, on the expiry of 15 months from the date of the passing of the resolution unless such authority is renewed prior to such time.

The Company bought back 16,343,483 Ordinary shares during the year ended 30 June 2026, representing 26.5% of the opening issued share capital. These buy backs were conducted in accordance with the Company's discount control policy which is included on page 15. It is the view of the Board that this policy is in the best interests of shareholders as a whole. The use of the share buy back authority during the year is set out in the Chair's Statement on page 7.

Tender Offers

In addition to the authority that is being sought by the Company under Resolution 13 to purchase its own Ordinary shares of 25 pence each, Resolution 14, which is a special resolution, grants the Board the authority to implement one or more tender offers and to repurchase up to a maximum of 10% of the Company's issued share capital in the financial year prior to the conclusion of the next AGM. If Resolution 14 is passed, the tender offers will be structured by way of an on-market offer by a market-maker and the price will be an amount equal to the realisation value of the assets attributable to the shares tendered, as at the latest practicable date before such tender, less an exit charge of 2%. The shares will subsequently be bought back by the Company from the market-maker at the same price and cancelled or held in treasury.

If Resolution 14 is passed, such authority will expire at the conclusion of the Company's AGM in 2027 or, if earlier, on the expiry of 15 months from the date of the passing of the resolution unless renewed prior to that date.

Any future tender offers will be conducted at the Board's discretion in circumstances where the Board believes that share buy-backs are not sufficient to maintain the discount at an appropriate level. Any tender offers will be conducted in accordance with the FCA's Listing Rules and the rules of the London Stock Exchange. If the Board decides to implement a tender offer, shareholders will be notified prior to each tender offer of the full terms and conditions of the tender offer and the procedure for tendering shares.

Notice of Meeting

Under the Companies Act 2006, the notice period for the holding of general meetings of the Company is 21 clear days unless shareholders agree to a shorter notice period and certain other conditions are met. Resolution 15, which is a special resolution, will seek to authorise the Directors to call general meetings of the Company (other than Annual General Meetings) on not less than 14 clear days' notice, as permitted by the Companies Act 2006 as amended by the Companies (Shareholders' Rights) Regulations 2009.

It is currently intended that this flexibility to call general meetings on shorter notice will only be used for non-routine business and where it is considered to be in the interests of all shareholders. If Resolution 15 is passed, the authority to convene general meetings on not less than 14 clear days' notice will remain effective until the conclusion of the AGM in 2027.

Recommendation

The Board considers that the resolutions to be proposed at the AGM are in the best interests of the Company and most likely to promote the success of the Company for the benefit of its members as a whole. Accordingly, the Board recommends that shareholders vote in favour of the resolutions as they intend to do in respect of their own beneficial shareholdings, amounting to 78,134 Ordinary shares, representing 0.18% of the Company's issued share capital as at the date of this Report.

By order of the Board
Aberdeen Corporate Secretary Limited
Company Secretary
1 George Street
Edinburgh EH2 2LL
21 October 2026

Directors' Remuneration Report

This Directors' Remuneration Report comprises three parts:

1. a Remuneration Policy which is subject to a binding shareholder vote every three years (or sooner if varied during this interval) – most recently voted on at the Annual General Meeting on 23 November 2023;
2. an Implementation Report which is subject to an advisory vote on the level of remuneration paid during the year; and
3. an Annual Statement.

Company law requires the Company's Independent Auditor to audit certain of the disclosures provided in the Directors' Remuneration Report. Where disclosures have been audited, they are indicated as such. The Independent Auditor's report is included on pages 67 to 74.

As the Company has no employees, and the Board is comprised wholly of non-executive Directors, and given the size and nature of the Company, the Board has not established a separate Remuneration Committee. The Directors' Remuneration Policy and level of Directors' remuneration are determined by the Nomination Committee, which is chaired by Liz Airey and comprises all of the Directors.

The Directors' Remuneration Policy takes into consideration the principles of UK corporate governance and the AIC's recommendations regarding the application of those principles to investment companies.

No shareholder views have been sought in setting the remuneration policy and no communication was received from shareholders during the year regarding Directors' remuneration.

Remuneration Policy

The Company's policy is that the remuneration of the Directors, all of whom are non-executive, should reflect the experience of the Board as a whole and be fair and comparable to that of other investment trusts with a similar capital structure and similar investment objectives.

Directors are remunerated exclusively in the form of fees, payable monthly in arrears to the Director personally. The fees for the Directors are determined within the limits set out in this Remuneration Policy and the Company's Articles of Association which currently limit the aggregate of the fees payable to the Directors to £250,000 per annum.

It is intended that the fees payable to the Directors should reflect their duties, responsibilities, and the value and amount of time committed to the Company's affairs, and should also be sufficient to enable candidates of a high quality to be recruited and retained. There is no performance-related remuneration scheme and therefore the Directors do not receive bonuses, pension benefits, share options, long-term incentive schemes or other benefits, and the fees are not specifically related to the Directors' performance, either individually or collectively.

Appointment Terms

- The Company only intends to appoint non-executive Directors.
- All the Directors are non-executive and are appointed under the terms of letters of appointment.
- The terms of appointment provide that Directors should retire and be subject to election at the first Annual General Meeting after their appointment. The Company's Articles of Association require all Directors to retire by rotation at least every three years. However, the Board has agreed that all Directors should retire annually and, if appropriate, seek re-election at the AGM.
- Any Director newly appointed to the Board will receive the fee applicable to each of the other Directors at the time of appointment together with any other fee then currently payable in respect of a specific role which the new Director is to undertake for the Company. Fees are pro-rated where a change takes place during a financial year.
- No incentive or introductory fees will be paid to encourage a person to become a Director.
- Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.
- Directors are entitled to re-imbursement of out-of-pocket expenses incurred in connection with the performance of their duties, including travel expenses.
- The Company indemnifies its Directors under deeds of indemnity for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of duties as a Director of the Company.

Directors' Remuneration Report

Continued

Performance, Service Contracts, Compensation and Loss of Office

- Directors' remuneration is not subject to any performance related fee.
- No Director has a service contract.
- The terms of appointment provide that a Director may be removed without notice.
- There is no notice period and no provision for compensation upon early termination of appointment, save for any arrears of fees which may be due.
- No Director is entitled to any other monetary payment or any assets of the Company.

Directors' & Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

There were no changes to the Directors' Remuneration Policy during the year nor are there any proposals for changes in the foreseeable future.

Approval of Remuneration Policy and Statement of Voting at Annual General Meeting

At the Annual General Meeting held on 23 November 2023, shareholders approved the Directors' Remuneration Policy. 99.0% of proxy votes were in favour of the resolution and 1.0% were against. There were abstentions in respect of 73,107 shares.

A resolution to approve the Remuneration Policy will be proposed at the Annual General Meeting. The Remuneration Policy is reviewed by the Nomination Committee on an annual basis and it is the Committee's intention that this Remuneration Policy will apply for the three year period ending 30 June 2029.

Implementation Report

Review of Directors' Fees

The levels of fees at the year end are set out in the table below. Fees are reviewed annually and, if considered appropriate, increased accordingly

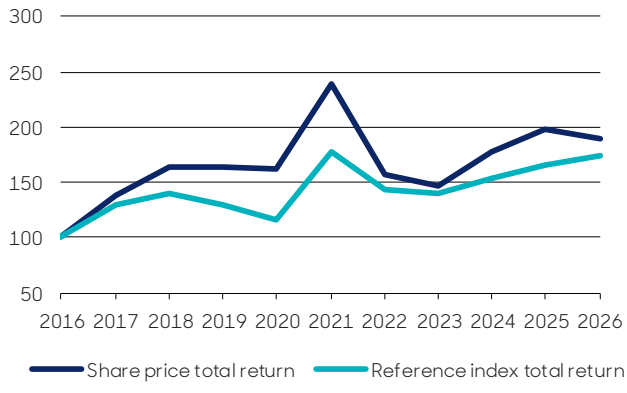
	30 June 2026 £	30 June 2025 £
Chair	**45,900**	43,700
Chair of the Audit Committee	**37,000**	35,200
Senior Independent Director	**33,000**	31,500
Director	**31,000**	29,500

The Nomination Committee carried out a review of the level of Directors' fees during the year, which included consideration of fees paid by comparable investment trusts and the sector as a whole, the responsibilities and time commitment of the Directors, their skills and experience, and the level of basic fee required to attract new Directors of sufficient calibre.

Following this review, the Nomination Committee concluded that fees would be increased with effect from 1 July 2026 to £46,750 for the Chair, £37,750 for the Chair of the Audit Committee, £33,500 for the Senior Independent Director and £31,500 for the other Directors. The Nomination Committee was not provided with advice or services by any person in respect of its consideration of the Directors' remuneration.

Company Performance

The graph below shows the share price total return (assuming all dividends are reinvested) to Ordinary shareholders compared to the total return from the Deutsche Numis Smaller Companies plus AIM (ex investment companies) Index for the ten year period to 30 June 2026 (rebased to 100 at 30 June 2016). This index was chosen for comparison purposes as it is the reference index used for investment performance measurement purposes.



Statement of Voting at Annual General Meeting

At the Company's last Annual General Meeting, held on 20 November 2025, shareholders approved the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) in respect of the year ended 30 June 2025. 98.6% of proxy votes were in favour of the resolution and 1.4% were against. There were abstentions in respect of 96,101 shares.

A resolution to approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) in respect of the year ended 30 June 2026 will be proposed at the Annual General Meeting.

Spend on Pay

As the Company has no employees, the Directors do not consider it appropriate to present a table comparing remuneration paid to employees with distributions to shareholders. The total fees paid to Directors are shown below.

Directors' Remuneration (audited)

The Directors who served during the year received the following emoluments in the form of fees and taxable expenses:

	Year ended 30 June 2026			Year ended 30 June 2025		
	Fees £	Taxable Expenses £	Total £	Fees £	Taxable Expenses £	Total £
Liz Airey	**45,900**	**388**	**46,288**	43,700	516	44,216
Ashton Bradbury	**31,000**	**402**	**31,402**	29,500	871	30,371
Alexa Henderson	**31,000**	**-**	**31,000**	29,500	-	29,500
Manju Malhotra	**37,000**	**293**	**37,293**	35,200	644	35,844
Stephen Russell[A]	**7,750**	**205**	**7,955**	-	-	-
Tim Scholefield	**33,000**	**264**	**33,264**	31,500	618	32,118
Total	**185,650**	**1,552**	**187,202**	169,400	2,649	172,049

[A] Appointed as a Director on 1 April 2026

The above amounts exclude any employers' national insurance contributions, if applicable. All fees are at a fixed rate and there is no variable remuneration. Fees are pro-rated where a change takes place during a financial year. There were no payments to third parties included in the fees referred to in the table above. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

Directors' Remuneration Report

Continued

Annual Percentage Change in Directors' Remuneration

The table below sets out the annual percentage change in Directors' fees for the past five years.

	Year ended 30 June 2026	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023	Year ended 30 June 2022
	Fees %	Fees %	Fees %	Fees %	Fees %
Liz Airey	5.0	7.4	5.7	2.9	6.9
Ashton Bradbury	5.1	7.3	5.8	2.8	6.8
Alexa Henderson	5.1	7.3	5.8	2.8	6.8
Manju Malhotra	5.1	14.7[A]	18.1[A]	n/a	n/a
Stephen Russell[B]	n/a	n/a	n/a	n/a	n/a
Tim Scholefield	4.8	7.1	5.9	2.8	7.1

[A] Pro-rated from date of appointment on 1 May 2023. Appointed as Chair of the Audit Committee on 23 November 2023
[B] Appointed as a Director on 1 April 2026

Directors' Interests in the Company (audited)

The Directors are not required to have a shareholding in the Company. The Directors (including their connected persons) at 30 June 2026 and 30 June 2025 had no interest in the share capital of the Company other than those interests, all of which are beneficial, shown in the following table.

	30 June 2026 Ordinary shares	30 June 2025 Ordinary shares
Liz Airey	**50,000**	50,000
Ashton Bradbury	**10,000**	10,000
Alexa Henderson	**9,934**	9,934
Manju Malhotra	**-**	-
Stephen Russell	**-**	-
Tim Scholefield	**8,200**	8,200

There have been no changes to the Directors' interests in the share capital of the Company since the year end up to the date of approval of this Report.

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, it is confirmed that the above Remuneration Report summarises, as applicable, for the year to 30 June 2026:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and decisions have been taken.

On behalf of the Board
Liz Airey
Chair
21 October 2026

Audit Committee's Report

The Audit Committee presents its Report for the year ended 30 June 2026.

Committee Composition

The Audit Committee comprises all of the non-executive Directors other than the Chair of the Board. The Audit Committee is chaired by Manju Malhotra who is a Chartered Accountant and has recent and relevant financial experience. The Board is satisfied that the Audit Committee as a whole has competence and experience relevant to the investment trust sector, enabling it to fulfil its responsibilities effectively.

Functions of the Audit Committee

The principal role of the Audit Committee is to assist the Board in relation to the reporting of financial information, the review of financial controls and the management of risk. The Audit Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on at least an annual basis. Copies of the terms of reference are published on the Company's website and are available from the Company on request.

The Committee's main functions are listed below:

- to review and monitor the internal control and risk management systems, including non-financial risks, on which the Company is reliant and internal audit and compliance reports relating thereto (the Directors' statement on the Company's internal controls and risk management is set out below);
- to consider whether there is a need for the Company to have its own internal audit function;
- to monitor the integrity of the half-yearly and annual financial statements of the Company and any formal announcements relating to the Company's financial performance, by reviewing, and challenging where necessary the actions and judgements of the Manager;
- to review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's annual financial statements, half-yearly financial reports, and any formal announcements relating to the Company's financial performance;
- to review the content of the Annual Report and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- to meet with the Independent Auditor to review the proposed audit programme and the findings of the Independent Auditor. The Audit Committee shall also use this as an opportunity to assess the effectiveness of the audit process;
- to develop and implement policy on the engagement of the Independent Auditor to supply non-audit services. All non-audit services must be approved in advance by the Audit Committee and will be reviewed in the light of relevant guidance and statutory requirements regarding the provision of non-audit services by the external audit firm, and the need to maintain the Auditor's independence. There were no non-audit fees paid to the Independent Auditor during the year under review or during the previous year;
- to obtain and review a statement from the Aberdeen Group detailing the arrangements in place whereby staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other issues;
- to make recommendations to the Board in relation to the appointment of the Independent Auditor and to approve the remuneration and terms of engagement of the Independent Auditor;
- to monitor and review the Auditor's independence, objectivity, effectiveness, resources and qualification, taking into consideration relevant UK professional and regulatory requirements; and
- to report to the Board on how it has discharged its responsibilities.

Activities During the Year

The Audit Committee met twice during the year when, amongst other things, it reviewed and updated the Company's risk matrix, with particular consideration given to material controls where it addressed how the Company would comply with the updated provisions in the UK Code (provision 29) and the AIC Code (provision 34), which are effective for accounting periods beginning on or after 1 January 2026. These provisions relate to the reporting on the Board's monitoring and review of the Company's internal control framework and a declaration by the Board of the effectiveness of the material controls at the balance sheet date.

Audit Committee's Report

Continued

At these meetings the Committee also considered in detail the Annual Report and the Half-Yearly Financial Report. Representatives of the Aberdeen Group's internal audit, risk and compliance departments reported to the Audit Committee at these meetings on matters such as internal control systems, risk management and the conduct of the business in the context of its regulatory environment. No significant weaknesses in the control environment were identified. The Committee therefore concluded that there were no significant issues which required to be escalated to the Board in respect of the Company's internal control and risk management framework.

Internal Controls and Risk Management

The Audit Committee confirms that there is an ongoing process for identifying, evaluating and managing the Company's significant business and operational risks. This process has been in place for the year ended 30 June 2026 and up to the date of approval of the Annual Report. It is regularly reviewed by the Audit Committee and accords with the Financial Reporting Council's ("FRC's") guidance on internal controls.

The Board has overall responsibility for ensuring that there is a system of internal controls and risk management in place and a process for reviewing its effectiveness. Day-to-day measures have been delegated to the Manager with an effective reporting process in place to enable supervision and oversight by the Board. The system of internal controls and risk management is designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, it is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and, by its nature, can only provide reasonable and not absolute assurance against material misstatement or loss.

The design, implementation and maintenance of controls and procedures to safeguard the assets of the Company and to manage its affairs properly extend to financial, operational and compliance controls and risk management. The Board, through the Audit Committee, has prepared its own risk register which lists potential risks as summarised in the Strategic Report on pages 11 to 13. The Audit Committee considers the potential causes and possible effect of these risks as well as reviewing the controls in place to mitigate them.

In advance of forthcoming changes to the UK Corporate Governance Code and the AIC Corporate Governance Code, the Audit Committee has begun preparatory work to support the Board's future assessment and disclosure of the effectiveness of material controls, building on existing risk management and internal control processes.

Clear lines of accountability have been established between the Board and the Manager. The Audit Committee receives regular reports covering key performance and risk indicators and considers control and compliance issues brought to its attention. In carrying out its review, the Audit Committee has had regard to the activities of the Aberdeen Group, including its internal audit and compliance functions.

The Audit Committee has reviewed the Aberdeen Group's process for identifying and evaluating the significant risks faced by the Company and the policies and procedures by which these risks are managed. The Audit Committee has also reviewed the effectiveness of the Aberdeen Group's system of internal control as it relates to the Company, including its annual internal controls report prepared in accordance with the International Auditing and Assurance Standards Board's International Standard on Assurances Engagements ("ISAE") 3402, "Assurance Reports on Controls at a Service Organization". Any weaknesses identified are reported to the Audit Committee and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback is provided to the Audit Committee.

The key components designed to provide effective internal control are outlined below:

- the Board and Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these matters, including performance statistics and investment valuations, are regularly submitted to the Board;
- written agreements are in place which clearly define the roles and responsibilities of the Manager and other third party service providers. These agreements are reviewed periodically by the Board;
- the Manager prepares forecasts and management accounts which enable the Board to assess the Company's activities and review its performance;
- as a matter of course the Aberdeen Group's internal audit and compliance departments continually review its operations;

- bi-annually, the Audit Committee carries out an assessment of internal controls by considering documentation from the Aberdeen Group, including reports provided by the internal audit and compliance functions; and
- the Audit Committee receives updates from the Manager on its reviews of the internal control reports provided by the Depositary.

The Audit Committee has considered the need for the Company to establish its own internal audit function. However, the Company has no employees and the day-to-day management of the Company's assets has been delegated to the Aberdeen Group which has its own compliance and internal control systems and internal audit department which provides reports to the Audit Committee for discussion. The Audit Committee has therefore decided to place reliance on those systems and internal audit procedures and has concluded that it is not necessary for the Company to have its own internal audit function.

Financial Statements and Significant Matters

During its review of the Company's financial statements for the year ended 30 June 2026, the Audit Committee considered the following significant matters, in particular those communicated by the Independent Auditor during its planning and reporting of the year end audit:

Valuation, Existence and Ownership of Investments

How the matter was addressed - the Company uses the services of an independent depositary (BNP Paribas SA, London Branch) (the "Depositary") to hold its assets. An annual internal control report is received from the Depositary, providing details of its control environment. This report is reviewed by the Manager who provides a summary to the Audit Committee.

The investment portfolio is reconciled regularly by the Manager and management accounts, including a full portfolio listing, are prepared quarterly and are considered at Board meetings. The valuation of investments is undertaken in accordance with the accounting policies disclosed in note 2 b) to the financial statements.

The Audit Committee satisfied itself that there were no issues associated with the valuation, existence or ownership of the investments which required to be addressed.

Recognition of Dividend Income

How the matter was addressed - the recognition of dividend income is undertaken in accordance with accounting policy note 2 c) to the financial statements. Special dividends are allocated to either the capital or revenue account depending on the nature of the payment and the specific circumstances. Management accounts are reviewed by the Directors at Board meetings and discussions take place with the Manager regarding the allocation of any special dividends received. The Audit Committee also considers the Independent Auditor's work and conclusions in this area. The Independent Auditor reviews the classification of all dividend income.

The Audit Committee is satisfied that there are no issues with how dividend income has been recognised.

Going Concern Basis of Accounting

How the matter was addressed - given the material uncertainty in relation to going concern surrounding the proposed merger of the Company with JPMorgan UK Small Cap Growth & Income plc, as set out in more detail in the Chair's Statement on page 6, the Audit Committee gave particular consideration to the appropriateness of the going concern basis of preparation of the financial statements. The Board's statement on going concern is included on pages 53 to 54.

Review of Financial Reporting

When considering the draft Annual Report and financial statements for the year ended 30 June 2026, the Audit Committee concluded that, taken as a whole, they are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy. In reaching this conclusion, the Audit Committee assumed that the reader of the Annual Report and financial statements would have a reasonable knowledge of the investment industry in general and of investment trusts in particular.

Review of Independent Auditor

The Audit Committee has reviewed the effectiveness of the Independent Auditor, Johnston Carmichael LLP ("Johnston Carmichael"), including:

- Independence - the Independent Auditor discusses with the Audit Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Audit Committee aware of any potential issues, explaining all relevant safeguards.

Audit Committee's Report

Continued

- Quality of audit work – including the ability to resolve issues in a timely manner (identified issues are satisfactorily and promptly resolved), its communications/presentation of outputs (the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible), and working relationship with management (the Independent Auditor has a constructive working relationship with the Manager).
- Quality of people – including continuity and succession plans (the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment trust sector as well as staff retention upon rotation of the audit partner).
- Fees – including current and proposed fees for future years.

The Independent Auditor's report is included on pages 67 to 74. Details of the amounts payable to Johnston Carmichael during the year for audit services are set out in note 5 to the financial statements.

Tenure of the Independent Auditor

Johnston Carmichael was appointed as the Company's Independent Auditor at the Annual General Meeting on 21 November 2024. In accordance with current professional guidelines the audit partner is rotated after no more than five years and the year ended 30 June 2026 is the second year for which the present audit partner, Bryan Shepka, has served.

In compliance with the appropriate regulations, the next audit tender of the Company is due to take place by 2034.

The Audit Committee is satisfied with the quality of the work and service carried out by Johnston Carmichael and with the level of fees. The Audit Committee is also satisfied that Johnston Carmichael is independent and therefore supports the recommendation to the Board that the re-appointment of Johnston Carmichael be put to shareholders for approval at the Annual General Meeting.

On behalf of the Audit Committee
Manju Malhotra
Chair of the Audit Committee
21 October 2026

Financial Statements



Investments in the Construction and Materials sector represent 14.8% of the portfolio and include Morgan Sindall.

Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable, relevant and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Statement of Corporate Governance that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, but not for the content of any information included on the website that has been prepared or issued by third parties. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility Statement of the Directors in Respect of the Annual Financial Report

The Directors confirm that to the best of their knowledge:

- the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces; and
- the Annual Report taken as a whole, is fair, balanced and understandable and it provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board
Liz Airey
Chair
21 October 2026

Independent Auditor's Report to the Members of Aberdeen UK Smaller Companies Growth Trust plc

Opinion

We have audited the financial statements of Aberdeen UK Smaller Companies Growth Trust plc (the "Company") for the year ended 30 June 2026, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2026 and of its return for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 2 (a) within the financial statements, which indicates that there is a proposal for the Company to combine with JPMorgan UK Small Cap Growth & Income plc ("JUGI"). The combination, if approved by each company's shareholders, will be effected by way of a scheme of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 and the associated transfer of part of the assets and undertaking of the Company to JUGI in exchange for the issue of new ordinary shares in JUGI (the "Scheme").

As stated in note 2 (a), these events indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- evaluating management's method of assessing going concern, including consideration of the Scheme, loan covenants and market conditions and uncertainties;
- assessing and challenging the forecast cashflows and associated sensitivity modelling used by management in support of their going concern assessment by reference to supporting documentation, Board approved budgets, our own understanding of the Company and the economic environment in which it operates, and the results of other audit work;
- assessing the accuracy of management's forecasting by comparing the reliability of past forecasts to actual results;
- performing arithmetical and consistency checks on management's base forecast;
- reviewing the adherence to loan covenants in place based on the forecasts and considered the likelihood of these being breached in the future via the sensitivity analyses performed;
- obtaining and recalculating management's assessment of the Company's ongoing maintenance of investment trust status; and
- assessing the adequacy of the Company's going concern and viability disclosures included in the Annual Report.

Independent Auditor's Report to the Members of Aberdeen UK Smaller Companies Growth Trust plc

Continued

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Our approach to the audit

We planned our audit by first obtaining an understanding of the Company and its environment, including its key activities delegated by the Board to relevant approved third-party service providers and the controls over provision of those services.

We conducted our audit using information maintained and provided by abrdn Investment Management Limited (the "Investment Manager"), abrdn Fund Managers Limited (the "Alternative Investment Fund Manager"), abrdn Holdings Limited (the "Company Secretary", and "Administrator"), BNP Paribas SA, London Branch (the "Depositary") and Computershare Investor Services PLC (the "Registrar") to whom the Company has delegated the provision of services.

We tailored the scope of our audit to reflect our risk assessment, taking into account such factors as the types of investments within the Company, the involvement of the Administrator, the accounting processes and controls, and the industry in which the Company operates.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in the evaluation of the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We summarise below the key audit matters in arriving at our audit opinion above, together with how our audit addressed these matters and the results of our audit work in relation to these matters.

Key audit matters	How our audit addressed the key audit matters and our conclusions
Valuation of investments (as per page 63 (Audit Committee's Report), pages 79 to 80 (Accounting Policies) and note 10. The valuation of investments held at fair value through profit or loss at 30 June 2026, which comprise wholly of listed investments, was £260.1 million (2025: £383.8 million). As the investment portfolio constitutes the most significant element of the Company's Statement of Financial Position and is a primary driver of both total assets and total return, this has been designated a key audit matter, being one of the most significant assessed risks of material	We assessed controls reports produced by the Administrator to evaluate the design of the process and implementation of key controls within the valuation process; we verified market prices applied to all Level 1 listed investments held at 30 June 2026 by comparing them to an independent third-party source and recalculated the investment valuations to confirm accuracy; we obtained management's active market assessment and assessed liquidity. Where trading volumes indicated lower levels of liquidity, we challenged management's assessment; and we prepared our own assessment of the investment portfolio's liquidity, using average trading volumes from a third-party source

misstatement due to error. Furthermore, there is a risk that certain investments held at fair value may not be actively traded, and, as such, the listed market prices may not be a reliable representation of their fair value.	for all listed investments held at 30 June 2026, to evidence an active market. From our completion of these procedures, we identified no material misstatements in relation to the valuation of the investments.
Revenue recognition, including allocation of special dividends as revenue or capital returns (as per page 63 (Audit Committee's Report), page 80 (Accounting Policies) and note 3. Income from investments recognised for the year to 30 June 2026 was £8.4 million (2025: £10.6 million) consisting predominantly of dividends received from quoted investments. Revenue-based performance metrics are often one of the key performance indicators for stakeholders. The investment income received by the Company during the year directly impacts these metrics and the minimum dividend required to be paid by the Company. There is a risk that revenue is incomplete, did not occur or is inaccurate through failure to recognise income entitlements or failure to appropriately account for their treatment. It has therefore been designated as a key audit matter being one of the most significant assessed risks of material misstatement due to error. There is a specific fraud risk of incorrect allocation of special dividends as revenue or capital returns as judgement is required in determining their allocation within the Statement of Comprehensive Income. We do not consider there to be a fraud risk in regard to dividend income other than in respect of special dividends.	We assessed controls reports provided produced by the Administrator to evaluate the design of the process and implementation of key controls within the revenue recognition process, including the process for allocating special dividends; we verified that income has been appropriately recognised and disclosed in accordance with the applicable financial reporting framework, including the AIC Statement of Recommended Practice (SORP) and the Company's accounting policies; we recalculated all dividend income due to the Company from investments, utilising the investment holdings throughout the year and dividend announcements issued by the respective investee companies; we traced a sample of dividend receipts to corresponding entries in bank statements to confirm their occurrence and accuracy; and we evaluated the completeness of the special dividend population by referencing third-party market data and assessing management's judgement in classifying special dividends as either revenue or capital returns, with consideration given to the underlying commercial rationale of each payment. From our completion of these procedures, we identified no material misstatements in relation to revenue recognition, including allocation of special dividends as revenue or capital returns.

Independent Auditor's Report to the Members of Aberdeen UK Smaller Companies Growth Trust plc

Continued

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature and extent of our work and in evaluating the results of that work.

Materiality measure	Value
Materiality for the financial statements as a whole We have set materiality as 1% of total assets as we believe that total assets is the primary performance measure used by investors and is the key driver of shareholder value. We determined the measurement percentage to be commensurate with the risk and complexity of the audit and the Company's listed status.	£2,738k (2025: £4,010k)
Performance materiality Performance materiality represents amounts set by the auditor at less than materiality for the financial statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In setting this we consider the Company's overall control environment, our past experience of the audit that indicates a lower risk of material misstatements. Based on our judgement of these factors, we have set performance materiality at 75% (2025: 50%) of our overall financial statement materiality. This has been increased from the prior year where performance materiality was set at 50% of our overall financial statement materiality. This re-evaluation reflects the understanding gained from the prior year audit, which was a first year audit, and takes into consideration the Company's overall control environment.	£2,053k (2025: £2,005k)
Specific materiality Recognising that there are transactions and balances of a lesser amount which could influence the understanding of users of the financial statements we calculate a lower level of materiality for testing such areas. Specifically, given the importance of the distinction between revenue and capital for the Company, we also applied a separate testing threshold for the revenue column of the Statement of Comprehensive Income, set as the higher of 5% of the revenue return before taxation and our Audit Committee Reporting Threshold. We have also set a separate specific materiality in respect of related party transactions and Directors' remuneration. We used our judgement in setting these thresholds and considered our past experience of the audit, the history of misstatements and industry benchmarks for specific materiality.	£365k (2025: £467k)
Audit Committee reporting threshold We agreed with the Audit Committee that we would report to them all differences in excess of 5% of overall materiality in addition to other identified misstatements that warranted reporting on qualitative grounds, in our view. For example, an immaterial misstatement as a result of fraud.	£137k (2025: £200k)

During the course of the audit, we reassessed initial materiality and found no reason to alter the basis of calculation used at year-end.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a corporate governance statement has not been prepared by the Company.

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the entity's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements, or our knowledge obtained during the audit:

- the Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 53 and 54;
- the Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 15;
- the Directors' statement on fair, balanced and understandable set out on page 66;

Independent Auditor's Report to the Members of Aberdeen UK Smaller Companies Growth Trust plc

Continued

- the Directors' statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on pages 53 and 54;
- the Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 11;
- the section of the Annual Report that describes the review of the effectiveness of risk management and internal control systems set out on pages 62 and 63; and
- the section describing the work of the Audit Committee set out on pages 61 to 64.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 66, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **http://www.frc.org.uk/auditorsresponsibilities.** This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- Companies Act 2006;
- Financial Conduct Authority (FCA) listing and Disclosure Guidance and Transparency Rules (DTR);
- the principles of the UK Corporate Governance Code applied by the AIC Code of Corporate Governance (the "AIC Code");
- industry practice represented by the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("the SORP") issued in July 2022;
- the Company's qualification as an investment trust under section 1158 of the Corporation Tax Act 2010; and

- UK Generally Accepted Accounting Practice.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- management override of controls; and
- the allocation of special dividends as revenue or capital returns.

Audit procedures performed in response to the risks relating to the allocation of special dividends as revenue or capital returns are set out in the section on key audit matters above, and audit procedures performed in response to the risk of management override of controls are included below.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- reviewing the level of and reasoning behind the Company's procurement of legal and professional services;
- performing audit procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, recalculating the investment management fee, evaluating the business rationale of significant transactions outside the normal course of business and assessing judgements made by management in their calculation of accounting estimates for potential management bias;
- completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006 and the Listing Rules; and
- agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Other matters which we are required to address

Following the recommendation of the Audit Committee, we were appointed by the Board on 9 January 2025 to audit the financial statements for the year ended 30 June 2025 and subsequent financial periods. The period of our total uninterrupted engagement is two years, covering the year ended 30 June 2025 to 30 June 2026.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

Independent Auditor's Report to the Members of Aberdeen UK Smaller Companies Growth Trust plc

Continued

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Bryan Shepka (Senior Statutory Auditor)

For and on behalf of Johnston Carmichael LLP
Statutory Auditor
Glasgow, United Kingdom
21 October 2026

Statement of Comprehensive Income

	Notes	Year ended 30 June 2026 Revenue £'000	Capital £'000	Total £'000	Year ended 30 June 2025 Revenue £'000	Capital £'000	Total £'000
Net (losses)/gains on investments held at fair value	10	**-**	**(25,792)**	**(25,792)**	-	11,512	11,512
Income	3	**8,877**	**-**	**8,877**	11,344	-	11,344
Investment management fee	4	**(402)**	**(1,207)**	**(1,609)**	(622)	(1,867)	(2,489)
Other administrative expenses	5	**(722)**	**(49)**	**(771)**	(781)	-	(781)
Net return before finance costs and taxation		**7,753**	**(27,048)**	**(19,295)**	9,941	9,645	19,586
Finance costs	6	**(455)**	**(1,365)**	**(1,820)**	(611)	(1,832)	(2,443)
Return before taxation		**7,298**	**(28,413)**	**(21,115)**	9,330	7,813	17,143
Taxation	7	**(11)**	**-**	**(11)**	-	-	-
Return after taxation		**7,287**	**(28,413)**	**(21,126)**	9,330	7,813	17,143
Return per Ordinary share (pence)	9	**13.90**	**(54.21)**	**(40.31)**	13.52	11.32	24.84

The total column of this statement represents the profit and loss account of the Company. The 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies.

All revenue and capital items in the above statement derive from continuing operations.

The accompanying notes on pages 79 to 94 are an integral part of the financial statements.

Statement of Financial Position

	Notes	As at 30 June 2026 £'000	As at 30 June 2025 £'000
Non-current assets			
Investments held at fair value through profit or loss	10	**260,133**	383,829
Current assets			
Debtors	11	**1,499**	951
Cash and cash equivalents		**12,136**	16,218
		13,635	17,169
Current liabilities			
Creditors: other amounts falling due within one year	12	**(1,884)**	(1,812)
Bank overdraft		**(2)**	–
Bank loan	12	**(25,000)**	(39,991)
		(26,886)	(41,803)
Net current liabilities		**(13,251)**	(24,634)
Total assets less current liabilities		**246,882**	359,195
Net assets		**246,882**	359,195
Capital and reserves			
Called-up share capital	13	**26,041**	26,041
Share premium account		**–**	170,146
Special distributable reserve		**102,640**	–
Capital reserve	14	**103,925**	148,574
Revenue reserve		**14,276**	14,434
Equity shareholders' funds		**246,882**	359,195
Net asset value per Ordinary share (pence)	15	**543.31**	581.37

The financial statements on pages 75 to 94 were approved by the Board of Directors on 21 October 2026 and were signed on its behalf by:

Liz Airey
Chair

The accompanying notes on pages 79 to 94 are an integral part of the financial statements.

Statement of Changes in Equity

For the year ended 30 June 2026

	Share capital £'000	Share premium account £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 June 2025	**26,041**	**170,146**	**–**	**148,574**	**14,434**	**359,195**
Return after taxation	**–**	**–**	**–**	**(28,413)**	**7,287**	**(21,126)**
Cancellation of share premium account	**–**	**(170,146)**	**170,146**	**–**	**–**	**–**
Buyback of Ordinary shares into Treasury (see note 13)	**–**	**–**	**(67,506)**	**(16,236)**	**–**	**(83,742)**
Dividends paid (see note 8)	**–**	**–**	**–**	**–**	**(7,445)**	**(7,445)**
Balance at 30 June 2026	**26,041**	**–**	**102,640**	**103,925**	**14,276**	**246,882**

For the year ended 30 June 2025

	Share capital £'000	Share premium account £'000	Special distributable reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 June 2024	26,041	170,146	–	203,375	13,527	413,089
Return after taxation	–	–	–	7,813	9,330	17,143
Buyback of Ordinary shares into Treasury (see note 13)	–	–	–	(62,614)	–	(62,614)
Dividends paid (see note 8)	–	–	–	–	(8,423)	(8,423)
Balance at 30 June 2025	26,041	170,146	–	148,574	14,434	359,195

The capital reserve at 30 June 2026 is split between realised of £92,417,000 and unrealised of £11,508,000 (30 June 2025 – realised £71,720,000 and unrealised of £76,854,000).

The Company's reserves available to be distributed by way of dividends or share buybacks which include the revenue reserve, the special distributable reserve and the realised element of the capital reserve amount to £209,333,000 (30 June 2025 – £86,154,000).

The accompanying notes on pages 79 to 94 are an integral part of the financial statements.

Statement of Cash Flows

	Year ended 30 June 2026 £'000	Year ended 30 June 2025 £'000
Operating activities		
Net return before taxation	**(21,115)**	17,143
Adjustment for:		
Losses/(gains) on investments	**25,792**	(11,512)
Decrease in accrued dividend and interest income	**238**	1,609
Finance costs	**1,820**	2,443
Increase in other debtors	**(1)**	(1)
Decrease in other creditors	**(130)**	(84)
Overseas withholding tax suffered	**(11)**	–
Net cash inflow from operating activities	**6,593**	9,598
Investing activities		
Purchases of investments	**(109,051)**	(119,283)
Sales of investments	**206,247**	183,672
Net cash inflow from investing activities	**97,196**	64,389
Financing activities		
Bank and loan interest paid	**(1,999)**	(2,496)
Repurchase of Ordinary shares into Treasury	**(83,429)**	(62,770)
Drawdown of loan	**25,000**	–
Repayment of loan	**(40,000)**	–
Equity dividends paid	**(7,445)**	(8,423)
Net cash outflow from financing activities	**(107,873)**	(73,689)
(Decrease)/increase in cash and cash equivalents	**(4,084)**	298
Analysis of changes in cash and cash equivalents during the year		
Opening balance	**16,218**	15,920
(Decrease)/increase in cash and cash equivalents as above	**(4,084)**	298
Closing balance	**12,134**	16,218
Represented by:		
Cash at bank and in hand	**(2)**	5
Investments in AAA-rated money market funds	**12,136**	16,213
	12,134	16,218

The accompanying notes on pages 79 to 94 are an integral part of the financial statements.

Notes to the Financial Statements

For the year ended 30 June 2026

1. Principal activity

The Company is a closed-end investment company, registered in Scotland No SC145455, with its Ordinary shares being listed on the London Stock Exchange.

2. Accounting policies

a) **Basis of accounting**. The financial statements have been prepared in accordance with Financial Reporting Standard 102 and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in July 2022. They have also been prepared on the assumption that approval as an investment trust will continue to be granted.

The accounting policies applied are unchanged from the prior year and have been applied consistently.

Going concern with a Material Uncertainty. As set out in more detail in the Chair's Statement on page 6, it is proposed that the Company combines with JP Morgan UK Small Cap Growth & Income plc (JUGI). The combination, if approved by each company's shareholders, will be effected by way of a scheme of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 and the associated transfer of part of the assets and undertaking of the Company to JUGI in exchange for the issue of new ordinary shares in JUGI (the "Scheme"). The outcome of the general meetings to make the Scheme effective represents a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

Notwithstanding this material uncertainty, the Board has concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Board has come to the view that, as the Scheme is contingent on shareholder approval and the Company is considered solvent in all other regards, there is no irrevocable path to liquidation and thus going concern remains the most appropriate basis for preparation. In reaching this conclusion, the Board has also given due consideration to the risks associated with the Scheme.

The Company's assets consist mainly of equity shares in companies listed on recognised stock exchanges and are considered by the Board to be realisable within a short timescale under normal market conditions. The Board has set overall limits for borrowing and reviews regularly the Company's level of gearing, cash flow projections and compliance with banking covenants. The Board has also performed stress testing and liquidity analysis.

As at 30 June 2026, the Company had drawn down £25 million from a £40 million 'evergreen' facility with Bank of America which will continue until such time as the Company or the lender provide notice of termination in accordance with the agreement.

The Directors are mindful of the Principal Risks and Uncertainties disclosed in the Strategic Report on pages 11 to 13 and they believe that the Company has adequate financial resources to continue in operational existence for a period of not less than 12 months from the date of approval of this Report. They have arrived at this conclusion having confirmed that the Company's diversified portfolio of realisable securities is sufficiently liquid and could be used to meet short-term funding requirements were they to arise. The Directors have also reviewed the revenue and ongoing expenses forecasts for the coming year and considered the Company's Statement of Financial Position as at 30 June 2026 which shows net current liabilities of £13.3 million at that date, and do not consider this to be a concern due to the liquidity of the portfolio which would enable the Company to meet any short-term liabilities if required.

b) **Investments**. Investments have been designated upon initial recognition as fair value through profit or loss.This is done because all investments are considered to form part of a group of financial assets which is evaluated on a fair value basis, in accordance with the Company's documented investment strategy, and information about the grouping is provided internally on that basis.

Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery to be made within the timeframe established by the market concerned, and are measured initially at fair value. Subsequent to initial recognition, investments are valued at fair value. For listed investments, this is deemed to be closing bid market prices or closing prices for SETS stocks sourced from the London Stock Exchange. SETS is the London Stock Exchange electronic trading service covering most of the market including all the FTSE All-Share and the most liquid AIM constituents.

Gains and losses arising from changes in fair value are included in net profit or loss for the period as a capital item in the Statement of Comprehensive Income and are ultimately recognised in the capital reserve.

c) I**ncome**. Income from equity investments, including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex-dividend. Special dividends are credited to revenue or capital in the Statement of Comprehensive Income, according to the circumstances of the underlying payment. Foreign income is converted at the exchange rate applicable at the time of receipt. Interest receivable on short-term deposits and money market funds is accounted for on an accruals basis under the effective interest method.

d) **Expenses and interest payable**. Expenses are accounted for on an accruals basis. Expenses are charged to the capital column of the Statement of Comprehensive Income when they are incurred in connection with the maintenance or enhancement of the value of investments. The investment management fee and relevant finance costs are allocated 25% to revenue and 75% to the capital columns of the Statement of Comprehensive Income in line with the Board's expectation of returns from the Company's investments over the long term in the form of revenue and capital respectively (see notes 4 and 6). Legal and Professional fees incurred in relation to the cancellation of the share premium account have been allocated 100% to capital.

Transaction costs incurred on the purchase and disposal of investments are recognised as a capital item in the Statement of Comprehensive Income.

e) **Dividends payable.** Dividends are recognised in the period in which they are paid.

f) **Nature and purpose of reserves**

Called-up share capital. The Ordinary share capital on the Statement of Financial Position relates to the number of shares in issue and in treasury. Only when the shares are cancelled, either from treasury or directly, is a transfer made to the capital redemption reserve. This reserve is not distributable.

Share premium account. The balance classified as share premium includes the premium above nominal value from the proceeds on issue of any equity share capital comprising Ordinary shares of 25p. This reserve is not distributable. Following shareholder approval at the General Meeting on 21 May 2025, the Company received court approval, by way of a court order dated 15 August 2025, for cancellation of the entire amount standing to the credit of the Share premium account, being approximately £170 million.

Special distributable reserve. Following cancellation of the share premium account,as described above, approximately £170 million was credited to a special distributable reserve which is available to fund the cost of share buy backs and future dividend payments, if required. The Board believes that it is in the Company's interest to have this flexibility in its reserves, although the Board has no current intention of using the new reserve for dividend payments which it expects will continue to be resourced through annual net revenues and revenue reserves.

Capital reserve. Gains or losses on disposal of investments and changes in fair values of investments are transferred to the capital reserve. The capital element of the management fee and relevant finance costs are charged to this reserve. Any associated tax relief is also credited to this reserve. The part of this reserve represented by realised capital gains is available for distribution by way of share buybacks and dividends.

Revenue reserve. Income and expenses which are recognised in the revenue column of the Statement of Comprehensive Income are transferred to the revenue reserve. The revenue reserve is available for distribution including by way of dividend.

g) **Taxation**. Tax expense represents the sum of tax currently payable and deferred tax. Any tax payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the year end date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the year end date where transactions or events that result in an obligation to pay more or a right to pay less tax in future have occurred at the year end date measured on an undiscounted basis and based on enacted tax rates. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the Financial Statements which are capable of reversal in one or more subsequent periods.

Owing to the Company's status as an investment trust company, and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

h) **Foreign currency**. Non-monetary assets and liabilities denominated in foreign currency carried at fair value through profit or loss are converted into Sterling at the rate of exchange ruling at the year end date. Transactions during the year involving foreign currencies are converted at the rate of exchange ruling at the transaction date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the Statement of Comprehensive Income.

i) **Cash and cash equivalents**. Cash comprises bank balances and cash held by the Company. Cash equivalents are short-term, highly liquid investments, including investments in AAA-rated money market funds, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j) **Bank borrowing**. Interest bearing bank loans and overdrafts are recorded initially at fair value, being the proceeds received, net of direct issue costs. They are subsequently measured at amortised cost. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the Statement of Comprehensive Income under the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

k) **Treasury shares**. When the Company purchases its Ordinary shares to be held in treasury, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effect, and is recognised as a deduction from the special distributable reserve or capital reserve. When these shares are sold subsequently, the amount received is recognised as an increase in equity, and any resulting surplus on the transaction is transferred to the share premium account and any resulting deficit is transferred from the special distributable reserve or capital reserve.

l) **Judgements and key sources of estimation uncertainty**. Disclosure is required of judgements and estimates made by management in applying the accounting policies that have a significant effect on the Financial Statements. Investments in AAA- rated money market funds are judged to be a cash or cash equivalent due to their short-term and highly liquid nature. There is also no significant risk that they will not be realised at their carrying value. Special dividends are assessed and credited to capital or revenue according to their circumstances and are considered to require significant judgement. The Directors do not consider there to be any significant estimates within the financial statements.

Notes to the Financial Statements

Continued

3. Income

	2026 £'000	2025 £'000
Income from investments		
UK dividend income	**7,081**	8,800
Property income distributions	**142**	112
Overseas dividend income	**676**	1,197
Special dividends	**536**	531
	8,435	10,640
Other income		
Interest from AAA-rated money market funds	**442**	704
Total income	**8,877**	11,344

4. Investment management fee

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	**402**	**1,207**	**1,609**	622	1,867	2,489

The balance due to abrdn Fund Managers Limited ("aFML") at the year end in respect of investment management fees was £715,000 (2025 – £519,000). The management fee was revised with effect from 1 April 2025. For further details see the Directors' Report on page 47 and note 20 on page 94.

5. Administrative expenses (inclusive of VAT)

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Promotional activities[A]	**131**	**-**	**131**	246	-	246
Directors' fees[B]	**186**	**-**	**186**	169	-	169
Auditor's remuneration:						
- fees payable to the Company's Independent Auditor for the audit of the annual accounts (excluding VAT)	**43**	**-**	**43**	42	-	42
- VAT on audit fees	**9**	**-**	**9**	8	-	8
Registrar's fees	**53**	**-**	**53**	42	-	42
Legal and professional fees[C]	**91**	**49**	**140**	56	-	56
Custody fees	**30**	**-**	**30**	32	-	32
Depositary fees	**35**	**-**	**35**	47	-	47
Other expenses	**144**	**-**	**144**	139	-	139
	722	**49**	**771**	781	-	781

[A] During the year ended 30 June 2026 the Company had an agreement with aFML for the provision of promotional activities. Costs relating to promotional activities during the year, inclusive of VAT, were £131,000 (2025 - £246,000) and the amount due to aFML at the year end was £50,000 (2025 - £365,000).

[B] Increase in 2026 includes the appointment of Mr Russell with effect from 1 April 2026.

[C] Legal and professional fees charged to capital relate to the cancellation of the share premium account.

6. Finance costs

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Bank loan interest	**451**	**1,353**	**1,804**	604	1,812	2,416
Non-utilisation fees	**2**	**5**	**7**	-	-	-
Amortisation of loan arrangement expenses	**2**	**7**	**9**	7	20	27
	455	**1,365**	**1,820**	611	1,832	2,443

7. Taxation

(a) Analysis of charge for year

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas withholding tax suffered	**11**	**-**	**11**	-	-	-
Total tax charge for the year	**11**	**-**	**11**	-	-	-

(b) **Provision for deferred taxation.** At 30 June 2026, the Company had unutilised management expenses and loan relationship losses of £93,478,000 (2025 - £89,863,000). A deferred tax asset has not been recognised on the unutilised management expenses and loan relationship losses as it is unlikely there will be suitable future taxable profits against which these tax losses could be deducted. Therefore, it is unlikely that the Company will generate future taxable revenue that would enable the existing tax losses to be utilised.

(c) **Factors affecting the tax charge for the year.** The tax charge for the year is higher (2025 – lower) than the standard rate of UK corporation tax for the period of 25% (2025 – 25%). The differences are explained in the following table:

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net return before taxation	**7,298**	**(28,413)**	**(21,115)**	9,330	7,813	17,143
Corporation tax at 25% (2025 - 25%)	**1,824**	**(7,103)**	**(5,279)**	2,333	1,953	4,286
Effects of:						
Non-taxable UK dividend income	**(1,894)**	**-**	**(1,894)**	(2,633)	-	(2,633)
Non-taxable overseas dividend income	**(179)**	**-**	**(179)**	-	-	-
Management expenses and loan relationship losses not utilised	**249**	**655**	**904**	300	925	1,225
Non-taxable losses/ (gains) on investments	**-**	**6,448**	**6,448**	-	(2,878)	(2,878)
Irrecoverable overseas withholding tax	**11**	**-**	**11**	-	-	-
Total tax charge	**11**	**-**	**11**	-	-	-

8. Dividends

	2026 £'000	2025 £'000
Amounts recognised as distributions to equity holders in the period:		
2025 final dividend of 9.50p per share (2024 - 8.30p) paid on 28 November 2025	**5,296**	6,003
2026 interim dividend of 4.50p per share (2025 - 3.70p) paid on 17 April 2026	**2,149**	2,420
	7,445	8,423

The second interim dividend in respect of the year has not been included as a liability in these financial statements.

Set out below are the total dividends paid and proposed in respect of the financial year, which is the basis on which the requirements of Section 1158-1159 of the Corporation Taxes Act 2010 are considered. The net revenue available for distribution by way of dividend for the year is £7,287,000 (2025 - £9,330,000).

	2026 £'000	2025 £'000
First interim dividend 2026 of 4.50p per share (2025 – 3.70p) paid on 17 April 2026	**2,149**	2,420
Second interim dividend 2026 of 9.50p per share (2025 final dividend – 9.50p) payable on 27 November 2026	**4,064**	5,538
	6,213	7,958

The amount payable for the second interim dividend is based on the Ordinary shares in issue as at the date of approval of this Report, 21 October 2026, which satisfies the requirement of Section 1159 of the Corporation Tax Act 2010.

9. Return per Ordinary share

	2026		2025	
	p	£000	p	£000
Basic				
Revenue return	**13.90**	**7,287**	13.52	9,330
Capital return	**(54.21)**	**(28,413)**	11.32	7,813
Total return	**(40.31)**	**(21,126)**	24.84	17,143
Weighted average number of Ordinary shares in issue		**52,407,920**		69,016,410

10. Investments held at fair value through profit or loss

	2026 £'000	2025 £'000
Opening book cost	**306,975**	343,678
Opening investment holdings gains	**76,854**	93,011
Opening fair value	**383,829**	436,689
Additions at cost	**109,128**	119,318
Disposals - proceeds	**(207,032)**	(183,690)
(Losses)/gains	**(25,792)**	11,512
Closing fair value	**260,133**	383,829

	2026 £'000	2025 £'000
Closing book cost	**248,625**	306,975
Closing investment holding gains	**11,508**	76,854
Closing fair value	**260,133**	383,829

All investments are in equity shares listed on the London Stock Exchange.

The Company received £207,032,000 (2025 - £183,690,000) from investments sold in the period. The book cost of these investments when they were purchased was £167,478,000 (2025 - £156,021,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Transaction costs. During the year, expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within net (losses)/gains on investments held at fair value in the Statement of Comprehensive Income. The total costs were as follows:

	2026 £'000	2025 £'000
Purchases	**516**	616
Sales	**110**	115
	626	731

11. Debtors

	2026 £'000	2025 £'000
Amounts due from brokers	**803**	18
Net dividends and interest receivable	**673**	911
Other debtors	**23**	22
	1,499	951

12. Creditors: amounts falling due within one year

	2026 £'000	2025 £'000
Amounts payable to brokers	**112**	35
Amounts payable in relation to share buybacks	**740**	427
Interest payable	**159**	347
Investment management fee payable	**715**	519
Sundry creditors	**158**	484
	1,884	1,812

Bank loan	2026 £'000	2025 £'000
Bank loan	**25,000**	40,000
Unamortised loan arrangement expenses	**-**	(9)
	25,000	39,991

On 13 August 2025, the Company entered into a new secured credit facility of £40 million with Bank of America. The new facility is an 'evergreen' facility which will continue until such time as the Company or the lender provide notice of termination in accordance with the agreement. At 30 June 2026, £25 million was drawn down at an interest rate of 4.73%. This facility replaced the previous three year revolving credit facility of £40 million (the "RCF") held with The Royal Bank of Scotland International Limited which was repaid in full on 13 August 2025.

There were no loan arrangement expenses associated with the new 'evergreen' secured credit facility. At 30 June 2025 the RCF was shown in the Statement of Financial Position net of unamortised expenses of £9,000.

The terms of the 'evergreen' facility contains covenants that the Net Asset Value must not be less than £125 million (previously £200 million until amended on 26 March 2026) and that the percentage of borrowings against the Adjusted Portfolio Value, defined in the agreement as the Total Net Asset Value adjusted for 100% of the aggregate market value of any Unlisted Investments, shall not exceed 30%. The Company complied with all covenants throughout the year.

13. Called-up share capital

	2026		2025	
	Number	£'000	Number	£'000
Authorised	**150,000,000**	**37,500**	150,000,000	37,500
Issued and fully paid:				
Ordinary shares of 25p each	**45,440,230**	**11,360**	61,783,713	15,446
Held in treasury:	**58,724,192**	**14,681**	42,380,709	10,595
	104,164,422	**26,041**	104,164,422	26,041

	Ordinary shares Number	Treasury shares Number	Total Number
Opening balance	**61,783,713**	42,380,709	104,164,422
Share buybacks	**(16,343,483)**	16,343,483	–
Closing balance	**45,440,230**	58,724,192	104,164,422

During the year the Company repurchased 16,343,483 (2025 – 12,486,822) Ordinary shares to treasury at a cost of £83,742,000 (2025 – £62,614,000).

Share buybacks were funded from the capital reserve up to and including 14 August 2025. From 15 August 2025, the effective date of when the share premium account was cancelled, share buybacks are funded from the special distributable reserve.

14. Capital reserve

	2026 £'000	2025 £'000
Opening balance	**148,574**	203,375
Unrealised losses on investment holdings	**(65,346)**	(16,157)
Gains on realisation of investments at fair value	**39,554**	27,669
Management fee charged to capital	**(1,207)**	(1,867)
Finance costs charged to capital	**(1,365)**	(1,832)
Expenses charged to capital	**(49)**	–
Buyback of Ordinary shares into treasury	**(16,236)**	(62,614)
Closing balance	**103,925**	148,574

The capital reserve includes investment holding gains amounting to £11,508,000 (2025 – gains of £76,854,000) as disclosed in note 10 on page 86.

15. Net asset value per share

Total shareholders' funds have been calculated in accordance with the provisions of applicable accounting standards. The analysis of total shareholders' funds on the face of the Statement of Financial Position reflects the rights, under the Articles of Association, of the Ordinary shareholders on a return of assets.

	2026	2025
Net assets attributable (£'000)	**246,882**	359,195
Number of Ordinary shares in issue at year end[A]	**45,440,230**	61,783,713
Net asset value per share	**543.31p**	581.37p

[A] Excluding shares held in treasury.

16. Financial instruments

The Company's financial instruments comprise securities and other investments, cash balances, loans and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company also has the ability to enter into derivative transactions for the purpose of managing currency and market risks arising from the Company's activities. No such transactions took place during the year.

The main risks the Company faces from its financial instruments are i) market price risk (comprising interest rate risk, currency risk and other price risk), ii) liquidity risk and iii) credit risk. There was no material currency risk to the Company for the period given its investing and financing activities are in the UK.

The Board regularly reviews and agrees policies for managing each of these risks. The Manager's policies for managing these risks are summarised below and have been applied throughout the year.

i) **Market price risk.** The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, currency risk and other price risk.

Interest rate risk

Interest rate movements may affect:

– the level of income receivable on cash deposits and money market funds;

– interest payable on the Company's variable rate borrowings.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

As at 30 June 2026, the Company had drawn down £25 million from the £40 million secured 'evergreen' credit facility with Bank of America (2025 – £40 million drawn down from revolving credit facility with The Royal Bank of Scotland International Limited).

Interest risk profile. The interest rate risk profile of the portfolio of financial assets and liabilities at the year end date was as follows:

As at 30 June 2026	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Investments in AAA-rated money market funds	-	3.96	-	12,136
Total assets	-	-	-	12,136
Liabilities				
Bank overdraft	-	7.23	-	2
Bank loan	0.12	4.73	25,000	-
Total liabilities	-	-	25,000	2

As at 30 June 2025	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Investments in AAA-rated money market funds	-	4.38	-	16,213
Cash at bank and in hand	-	2.72	-	5
Total assets	-	-	-	16,218
Liabilities				
Bank loan	0.10	5.76	40,000	-
Total liabilities	-	-	40,000	-

The weighted average interest rate is based on the current yield of each asset, weighted by its market value.

The floating rate assets consist of investments in AAA-rated money market funds and cash deposits on call earning interest at prevailing market rates.

All financial liabilities are measured at amortised cost.

Interest rate sensitivity. The sensitivity analyses below have been determined based on the exposure to interest rates at the year end date and with the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 100 basis points higher and all other variables were held constant, the Company's result for the year ended 30 June 2026 and net assets would increase by £121,000 (2025 – increase by £162,000). If interest rates had been 100 basis points lower and all other variables were held constant, the Company's result for the year ended 30 June 2026 and net assets would decrease by £121,000 (2025 – decrease by £162,000). This is mainly attributable to the Company's exposure to interest rates on its floating rate cash balances and money market funds.

Other price risk. Other price risks (ie changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments.

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular sector. The allocation of assets and the stock selection process, as detailed on pages 30 to 32, both act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are mainly listed on the London Stock Exchange.

Other price risk sensitivity. If market prices at the year end date had been 10% higher or lower while all other variables remained constant, the return attributable to Ordinary Shareholders for the year ended 30 June 2026 would have increased/decreased by £26,013,000 (2025 – increase/decrease of £38,383,000). This is based on the Company's equity portfolio held at each year end.

ii) **Liquidity risk.** This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities and AAA-rated money market funds, which can be sold to meet funding commitments if necessary. Subject to compliance with the terms of the 'evergreen' credit facility, including relevant covenant compliance, the Company has the ability to make future loan drawdowns during the period until such time as the Company or the lender provide notice of termination in accordance with the agreement. The maturity of the Company's existing borrowings is set out below.

As at 30 June 2026	Expected cash flows £'000	Due within 3 months £'000	Due between 3 months and 1 year £'000	Due after 1 year £'000
Bank loan	25,298	25,298	–	–

As at 30 June 2025	Expected cash flows £'000	Due within 3 months £'000	Due between 3 months and 1 year £'000	Due after 1 year £'000
Bank loan	40,581	40,581	–	–

iii) **Credit risk**. This is failure of the counter party to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

The risk is not significant, and is managed as follows:

– investment transactions are carried out with a number of brokers, whose credit-standing is reviewed periodically by the investment manager, and limits are set on the amount that may be due from any one broker;

– the risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by the review of failed trade reports on a monthly basis. In addition, both stock and cash reconciliations to the Custodians' records are performed on a daily basis to ensure discrepancies are investigated on a timely basis;

– cash is held only with reputable banks with high quality external credit enhancements.

None of the Company's financial assets are secured by collateral or other credit enhancements.

Credit risk exposure. In summary, compared to the amounts in the Statement of Financial Position, the maximum exposure to credit risk at 30 June was as follows:

	2026		2025	
Current assets	**Statement of Financial Position £'000**	**Maximum exposure £'000**	**Statement of Financial Position £'000**	**Maximum exposure £'000**
Debtors	**803**	**803**	18	18
Cash and cash equivalents	**12,136**	**12,136**	16,218	16,218
	12,939	**12,939**	16,236	16,236

None of the Company's financial assets is past due or impaired.

17. Analysis of changes in net debt

	At 30 June 2025 £'000	**Cash flows £'000**	**Non-cash movements £'000**	**At 30 June 2026 £'000**
Cash and cash equivalents	**16,218**	**(4,084)**	**-**	**12,134**
Debt due in less than one year	**(39,991)**	**15,000**	**(9)**	**(25,000)**
	(23,773)	**10,916**	**(9)**	**(12,866)**

	At 30 June 2024 £'000	**Cash flows £'000**	**Non-cash movements £'000**	**At 30 June 2025 £'000**
Cash and cash equivalents	15,920	298	-	16,218
Debt due in less than one year	(39,964)	-	(27)	(39,991)
	(24,044)	298	(27)	(23,773)

A statement reconciling the movement in net funds to the net cash flow has not been presented as there are no differences from the above analysis.

18. Capital management

The investment objective of the Company is to achieve long term capital growth by investment in UK quoted smaller companies.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to Shareholders through the optimisation of the debt and equity balance.

The Company's capital comprises the following:

	2026 £'000	2025 £'000
Equity		
Equity share capital	**26,041**	26,041
Reserves	**220,841**	333,154
Liabilities		
Bank overdraft	**2**	–
Bank loan	**25,000**	39,991
	271,884	399,186

The Company's net gearing comprises the following:

	2026 £'000	2025 £'000
Bank overdraft	**(2)**	–
Bank loan	**(25,000)**	(39,991)
Cash and cash equivalents	**12,136**	16,218
Amounts due from brokers	**803**	18
Amounts payable to brokers	**(112)**	(35)
Net gearing (borrowings less cash and money market fund investments)	**(12,175)**	(23,790)
Net assets	**246,882**	359,195
Net gearing (%)	**4.9**	6.6

The Board monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

– the planned level of gearing which takes account of the Investment Manager's views on the market;

– the level of equity shares;

– the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

The Company does not have any externally imposed capital requirements.

19. Fair value hierarchy

FRS 102 requires an entity to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following classifications:

Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly.

Level 3: inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

All of the Company's investments are in quoted equities (2025 – same) that are actively traded on recognised stock exchanges, with their fair value being determined by reference to their quoted closing bid prices at the reporting date. The total value of the investments of £260,133,000 (2025 – £383,829,000) have therefore been deemed as Level 1.

The fair value of the £25 million secured credit facility loan as at the 30 June 2026 is £25,000,000, due to it being short-term in nature, with a par value per Statement of Financial Position of £25,000,000. Under the fair value hierarchy in accordance with FRS 102, these borrowings can be classified at Level 2.

20. Transactions with the Manager

The Company has an agreement with abrdn Fund Managers Limited for the provision of management services. The management fee is calculated and payable quarterly in arrears at a rate of 0.60% per annum on the first £200 million of net assets and 0.55% on net assets above £200 million. Prior to 1 April 2025, the management fee was charged at 0.75% per annum on the first £175 million of net assets, 0.65% per annum on net assets between £175 million and £550 million and 0.55% on net assets above £550 million.

The Manager also receives a separate fee to cover the provision of promotional activities as disclosed in note 5 on page 83.

21. Related party transactions

The Directors of the Company received fees for their services. Further details are provided in the Directors' Remuneration Report on page 59. The Directors' shareholdings are detailed on page 60.

22. Subsequent events

On 18 September 2026 the Board announced that it had agreed heads of terms with the board of JP Morgan UK Small Cap Growth & Income plc ("JUGI") in respect of a proposed combination of the Company with JUGI. The combination, if approved by each company's shareholders, will be effected by way of a scheme of reconstruction and winding up of the Company under section 110 of the Insolvency Act 1986 with the associated transfer of part of the assets and undertaking of the Company to JUGI in exchange for the issue of new ordinary shares in JUGI (the "Scheme"). Under the terms of the Scheme an up to 35 per cent cash exit opportunity will be offered to the Company's shareholders to realise part of their investment in the Company at a 2% discount to the adjusted net asset value.

Subsequent to the year end, up to the date of approval of this Report, the Company repurchased a further 2,657,002 Ordinary shares to be held in treasury at a cost of £13,820,000.

Alternative Performance Measures

The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies. Where the calculation of an APM is not detailed within the financial statements, an explanation of the methodology employed is provided below:

Discount

A discount is the percentage by which the market price is lower than the Net Asset Value ("NAV") per share.

	30 June 2026	30 June 2025
Share price	**496.00p**	529.00p
Net Asset Value per share	**543.31p**	581.37p
Discount	**8.7%**	9.0%

Net gearing

Net gearing measures the total borrowings less cash and cash equivalents divided by shareholders' funds, expressed as a percentage. Under AIC reporting guidance cash and cash equivalents includes amounts due from and to brokers at the period end as well as cash and short-term deposits.

	30 June 2026 £'000	30 June 2025 £'000
Total borrowings [A]	**(25,000)**	(39,991)
Cash and short term deposits	**(2)**	5
Investments in AAA-rated money market funds	**12,136**	16,213
Amounts due from brokers	**803**	18
Amounts payable to brokers	**(112)**	(35)
Total cash and money market fund investments[B]	**12,825**	16,201
Net gearing (borrowings less cash and money market fund investments)[C=A+B]	**(12,175)**	(23,790)
Shareholders' funds[D]	**246,882**	359,195
Net gearing[C/D]	**4.9%**	6.6%

Alternative Performance Measures

Continued

Ongoing charges ratio

The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC, which is defined as the total of investment management fees and recurring administrative expenses and expressed as a percentage of the average of published daily net asset values throughout the year.

	30 June 2026 £'000	30 June 2025 £'000
Investment management fee[A]	**1,609**	2,489
Administrative expenses[B]	**771**	781
Less: non-recurring charges[C]	**(110)**	(11)
Ongoing charges	**2,270**	3,259
Average daily net assets	**293,250**	385,637
Ongoing charges ratio	**0.77%**	0.85%

[A] See note 4 on page 82.
[B] See note 5 on page 83.
[C] Comprises professional fees not expected to recur.

The ongoing charges ratio differs from the other ongoing costs figure reported in the Company's Key Information Document calculated in line with the PRIIPs regulations, which includes the ongoing charges ratio and the financing and transaction costs.

Total return

NAV and share price total returns show how the NAV and share price have performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. NAV total return assumes reinvesting the net dividend paid by the Company back into the NAV of the Company with debt at fair value on the date on which that dividend goes ex-dividend. Share price total return assumes reinvesting the net dividend back into the share price of the Company on the date on which that dividend goes ex-dividend.

NAV total return **Year ended 30 June 2026**	**2026**	**2025**
Opening NAV	**581.37p**	556.19p
Closing NAV	**543.31p**	581.37p
(Decrease)/increase in NAV	**(38.06)p**	25.18p
% (Decrease)/increase in NAV	**(6.5)%**	4.5%
Uplift from reinvestment of dividends[A]	**2.4%**	2.3%
NAV total return (decrease)/increase	**(4.1)%**	6.8%

[A] The uplift from reinvestment of dividends assumes that the dividends of 9.5p in November 2025 and 4.5p in April 2026 (8.3p and 3.7p in 2024/25) paid by the Company were reinvested in the NAV of the Company on the ex-dividend date.

Share price total return Year ended 30 June 2026	2026	2025
Opening share price	**529.00p**	486.50p
Closing share price	**496.00p**	529.00p
(Decrease)/increase in share price	**(33.00)p**	42.50p
% (Decrease)/increase in share price	**(6.2)%**	8.7%
Uplift from reinvestment of dividends[A]	**2.6%**	2.7%
Share price total return (decrease)/increase	**(3.6)%**	11.4%

[A] The uplift from reinvestment of dividends assumes that the dividends of 9.5p in November 2025 and 4.5p in April 2026 (8.3p and 3.7p in 2024/25) paid by the Company were reinvested in the shares of the Company on the ex-dividend date.



The investment management team is based in the Manager's Edinburgh office.

Corporate Information

The Company was incorporated in 1993 and has been managed by Aberdeen since August 2003.

Information about the Investment Manager

Aberdeen Group

The Company's Investment Manager is abrdn Investment Management Limited which is a wholly-owned subsidiary of Aberdeen Group plc. The group's assets under management and administration were £579.4 billion as at 30 June 2026, managed for a range of clients including nine UK-listed closed end investment companies.

The Investment Team Senior Managers



Abby Glennie

Deputy Head, Smaller Companies Team
Lead Manager of the Company

Abby Glennie is Deputy Head of the Smaller Companies Team at Aberdeen having been appointed to this role in 2020. She is lead manager of the UK small and mid-cap funds. She was appointed as Co-Manager of the Company in 2020 and Lead Manager in January 2023.

Abby joined Aberdeen in 2013 as a member of the UK Equity Team, before transferring to the Smaller Companies Team in 2016. Prior to this she worked at Kames Capital (previously Aegon Asset Management) as a Graduate Trainee Investment Manager.

Abby has an MA (First Class Hons) degree in Economics and Finance from the University of Aberdeen and is a Chartered Financial Analyst ("CFA").



Amanda Yeaman

Investment Director, Smaller Companies Team
Deputy Manager of the Company

Amanda Yeaman is an Investment Director in the Smaller Companies Team at Aberdeen, providing research support, predominantly for the UK Smaller Companies strategy within Aberdeen, but also to the wider Smaller Companies Team. She was appointed as Deputy Manager of the Company in January 2023.

Amanda joined Aberdeen in 2019 from Investec, where she was a small and mid-cap equity sales specialist.

Amanda has an MA (Hons) degree in Economics and Accountancy from the University of Edinburgh and has the Certificate in Investment Management ("IMC").

Investor Information

Alternative Investment Fund Managers Directive ("AIFMD") and Pre-Investment Disclosure Document ("PIDD")

The Company has appointed abrdn Fund Managers Limited as its Alternative Investment Fund Manager and BNP Paribas SA, London Branch as its depositary under the AIFMD.

The AIFMD requires abrdn Fund Managers Limited, as the Company's AIFM, to make available to investors certain information prior to such investors' investment in the Company. Details of the leverage and risk policies which the Company is required to have in place under the AIFMD are published in the Company's PIDD which can be found on its website: **aberdeenuksmallercompaniesgrowthtrust.co.uk.** The periodic disclosures required to be made by the AIFM under the AIFMD are set out on page 108.

Investor Warning: Be alert to share fraud and scams

Aberdeen has been contacted by investors informing it that they have received telephone calls and emails from people who have offered to buy their investment company shares, purporting to work for Aberdeen or for third party firms. Aberdeen has also been notified of emails claiming that certain investment companies under its management have issued claims in the courts against individuals. These may be scams which attempt to gain your personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from you is required to release the supposed payment for your shares. These callers/senders do not work for Aberdeen and any third party making such offers/claims has no link with Aberdeen.

Aberdeen does not 'cold-call' investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information and end the call.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams at: **fca.org.uk/consumers/scams**

Shareholder Enquiries

For queries regarding shareholdings, lost certificates, dividend payments, registered details and related matters, shareholders holding their shares directly in the Company are advised to contact the Registrar (see Contact Addresses). Changes of address must be notified to the Registrar in writing.

Any general queries about the Company should be directed to the Company Secretary in writing (see Contact Addresses) or by email to: **uksmallercompaniesgrowth@aberdeenplc.com**

How to Invest

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for private investors, there are a number of online dealing platforms that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms.

Investors can, using certain platforms, arrange to have dividends reinvested or establish regular savings to invest in the shares of the Company. This can also be done under the auspices of an ISA which (under current tax rules and depending on individual circumstances) provide tax efficiencies for private investors in the treatment of income and capital gains.

Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management and Financial Advice Association at: **pimfa.co.uk**

Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority at: **fca.org.uk/firms/financial-services-register**

How to Attend and Vote at Company Meetings

Investors who hold their shares through a platform or share plan provider (for example Hargreaves Lansdown, Interactive Investor or AJ Bell) and would like to attend and vote at Company meetings (including AGMs) should contact their platform or share plan provider directly to make arrangements.

Investors who hold their shares through platforms and have their shares held through platform nominees, may not necessarily receive notification of general meetings and are advised to keep themselves informed of Company business by referring to the Company's website. Where voting is required, and the Board encourages shareholders to vote at all general meetings of the Company, shareholders with their holdings in nominees will need to instruct the nominee to vote on their behalf and should do so in good time before the meetings.

For investors who hold their shares on a platform via a nominee, the Association of Investment Companies has provided helpful information on how to attend a general meeting and how to vote investment company shares held on some of the major platforms. This information can be found at: **theaic.co.uk/how-to-vote-your-shares**

Keeping You Informed

Information about the Company can be found on its website: **aberdeenuksmallercompaniesgrowthtrust.co.uk**, including share price and performance data as well as London Stock Exchange announcements, current and historic Annual and Half-Yearly Reports, and the latest monthly factsheet on the Company issued by the Manager. **Investors can receive updates via email by registering on the home page of the Company's website.**

The Company's Ordinary share price appears under the heading 'Investment Companies' in the Financial Times.

Details are also available at: **invtrusts.co.uk**

LinkedIn: aberdeen Investment Trusts

X: @aberdeenTrusts

Facebook: aberdeen Investment Trusts

YouTube: @aberdeenInvestmentTrusts

Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking long-term capital growth by investment in UK-quoted smaller companies, and who understand and are willing to accept the risks of exposure to equities.

Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that its securities can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPIs because they are securities issued by an investment trust.

Glossary of Terms

Aberdeen or Aberdeen Group
Aberdeen Group plc and its group of companies.

AIC
The Association of Investment Companies.

AIFMD
The UK version of the Alternative Investment Fund Managers Directive and all implementing and delegating legislation thereunder, as it forms part of UK law following the UK's departure from the EU. The AIFMD was originally European legislation which created a European-wide framework for regulating managers of 'alternative investment funds' ("AIFs"). It is designed to regulate any fund which is not a UCITS fund and which is managed and/or marketed in the EU (and, now separately, the UK). The Company has been designated as an AIF.

Alternative Performance Measures or APMs
Numerical measures of the Company's current, historical or future performance, financial position, other than the financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes FRS102 and the AIC SORP.

Blue Sky Company
A company without a proven business track record as defined by revenues and profitability, where the value of the company is based on an idea without a tangible operating model to back it up. Most often these companies are found in the technology, biotech or resources sectors.

Capital Return per Share
The realised and unrealised gains and losses of the investment portfolio net of costs, interest and tax of the Company that have been allocated to capital, divided by the weighted average number of shares in issue during the year.

Closed-End Fund
A collective investment scheme which has a fixed number of shares which are not redeemable from the fund itself. Unlike open-ended funds, new shares/units are not created by managers to meet demand from investors; instead, shares are purchased (or sold) only in the market. Closed-end funds are normally listed on a recognised stock exchange, such as the London Stock Exchange, and shares can be bought and sold on that exchange.

Close Peer Group
A selection of Investment Trusts with similar mandates and investment approaches against which the Board compares the performance of the Company.

Depositary
A depositary is responsible for cash monitoring, the custody and safeguarding of the Company's financial instruments and monitoring the Company's compliance with investment limits and leverage requirements. The Company's Depositary is BNP Paribas SA, London Branch.

Discount
The amount by which the market price per share of an Investment Trust is lower than the Net Asset Value per share. The discount is normally expressed as a percentage of the Net Asset Value per share.

Dividend Cover
Revenue return per share divided by dividends per share expressed as a ratio.

Dividend per Share
The total of all dividends paid by the Company over the year on a per share basis.

Dividend Yield
The annual Dividend per Share expressed as a percentage of the share price.

Earnings per Share or EPS
The net income after tax of the Company divided by the weighted average number of shares in issue during the year. In an Investment Trust this is made up of the sum of the Revenue EPS and Capital EPS.

FCA
Financial Conduct Authority.

Gearing or Net Gearing
Net gearing is calculated by dividing total borrowings less cash and cash equivalents by Shareholders' Funds, expressed as a percentage.

Index
A market index calculates the average performance of its constituents, normally on a weighted basis. It provides a means against which the performance of individual instruments can be assessed.

Investment Manager
abrdn Investment Management Limited is a wholly-owned subsidiary of Aberdeen Group plc and acts as the Company's investment manager. It is authorised and regulated by the FCA.

Investment Trust
A type of Closed-End Fund which invests in other securities, allowing shareholders to share the risks, and returns, of collective investment.

Key Information Document or KID
UK regulation previously required the Manager to make a KID available to retail investors prior to them making any investment decision. On 22 November 2024, new legislation came into force in the UK which meant that manufacturers, advisors and sellers of shares in a closed-ended investment company that is UK-listed are no longer required to produce the KID.

However, the Manager continues to publish a modified KID for the Company because a number of platforms/market participants still require prospective investors to confirm that they have read the KID prior to a buy order being placed. The modified KID is available via the Company's website. In addition to the KID, the Manager has developed a Statement of Operating Expenses which is incorporated into the Company's factsheet and can also be found on the Company's website.

Leverage
For the purposes of the AIFMD, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its Net Asset Value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

Manager, AIFM or aFML
abrdn Fund Managers Limited is a wholly-owned subsidiary of Aberdeen Group plc and acts as the Company's Alternative Investment Fund Manager. It is authorised and regulated by the FCA.

Market Capitalisation
The latest price of an Ordinary share multiplied by the number of shares in issue.

Net Asset Value, NAV or Shareholders' Funds
The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The Net Asset Value divided by the number of shares in issue produces the Net Asset Value per Ordinary share.

Ongoing Charges
Ratio of total expenses as a percentage of average daily Shareholders' Funds calculated as per the AIC's industry standard method.

Pre-Investment Disclosure Document ("PIDD")
The AIFM and the Company are required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures that are required to be made pre-investment are included within a PIDD, which can be found on the Company's website.

Premium
The amount by which the market price per share of an Investment Trust exceeds the Net Asset Value per share. The premium is normally expressed as a percentage of the Net Asset Value per share.

Price/Earnings Ratio
This is calculated by dividing the market price per share by the Earnings per Share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.

Prior Charges
The name given to all borrowings including debentures, loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital, irrespective of the time until repayment.

Record Date
The date when an investor needs to be holding a share in order to qualify for a forthcoming dividend.

Glossary of Terms

Continued

Revenue Return Per Share
The net income from dividends and interest received, after costs, interest and tax allocated to revenue, divided by the weighted average number of shares in issue during the year.

Total Assets
Total assets less current liabilities (before deducting Prior Charges as defined above), as per the Statement of Financial Position.

Total Return
The theoretical return including reinvesting each dividend in additional shares in the Company on the day that the shares go ex-dividend. The NAV Total Return involves investing the same net dividend in the NAV of the Company on the ex-dividend date.

Share Capital History

Issued Share Capital at 30 June 2026

45,440,230 Ordinary shares of 25p (104,164,422 including treasury shares)

Treasury Shares at 30 June 2026

58,724,192 Ordinary shares

Share Capital History

Year ended 30 June 1994 The Company's authorised share capital on incorporation was £15,000,000, divided into 60,000,000 Ordinary shares of 25p each. On 19 August 1993, 50,000,000 Ordinary shares (with one Warrant attached for every five Ordinary shares) were issued at £1 each. On 25 March 1994, the authorised share capital of the Company was increased to £75,000,000 by the creation of 50,000,000 limited Conversion ("C") shares of £1 each and 40,000,000 Ordinary shares of 25p each. On 28 March 1994, a further 21,428,000 'C' shares were issued at £1 each, at par. On 7 June 1994, the C shares of £1 each were converted into Ordinary shares, resulting in the issue of 19,436,770 Ordinary shares (with one Warrant for every five Ordinary shares).

Year ended 30 June 2002 2,200,000 Ordinary shares purchased for cancellation.

Year ended 30 June 2007 32,629,217 Ordinary shares purchased for cancellation and 117,791 Warrants cancelled following the tender offer which was approved by shareholders on 9 November 2006.
2,194,000 Ordinary shares purchased for cancellation.

Year ended 30 June 2008 559,175 Ordinary shares purchased to hold in treasury.

Year ended 30 June 2009 On 4 February 2009, as part of the merger with Gartmore Smaller Companies Trust plc ("Gartmore"), 31,189,825 Conversion ("C") shares were issued to former Gartmore shareholders. On 14 April 2009, 27,545,948 of the C shares were converted into 26,273,612 Ordinary shares. On 11 June 2009, the remaining 3,643,877 C shares were converted into 3,687,639 Ordinary shares.
1,164,545 Warrants exercised as a result of the last exercise date of 30 September 2008, which resulted in the issue of the same number of new Ordinary shares. 1,732,965 Warrants lapsed without value.

Year ended 30 June 2011 3,670,243 Ordinary shares purchased to hold in treasury, 4,229,418 Ordinary shares sold from treasury and 825,000 new Ordinary shares issued.
£25 million nominal of 3.5% Convertible Unsecured Loan Stock 2018 ("CULS") issued.

Year ended 30 June 2012 425,000 new Ordinary shares issued.
22,003 new Ordinary shares issued as a result of the first conversion of CULS as at 30 September 2011. 5,346 new Ordinary shares issued as a result of the second conversion of CULS as at 31 March 2012.

Year ended 30 June 2013 1,650,000 new Ordinary shares issued.
4,679 new Ordinary shares issued as a result of the third conversion of CULS as at 30 September 2012.
11,404 new Ordinary shares issued as a result of the fourth conversion of CULS as at 31 March 2013.

Year ended 30 June 2014 2,900,000 new Ordinary shares issued.
1,038,382 new Ordinary shares issued as a result of the fifth conversion of CULS as at 30 September 2013. 779,216 new Ordinary shares issued as a result of the sixth conversion of CULS as at 31 March 2014.

Year ended 30 June 2015 2,307,155 Ordinary shares purchased to hold in treasury.
243,589 new Ordinary shares issued as a result of the seventh conversion of CULS as at 30 September 2014. 98,580 Ordinary shares issued from treasury as a result of the eighth conversion of CULS as at 31 March 2015.

Share Capital History

Continued

Year ended 30 June 2016	3,470,930 Ordinary shares purchased to hold in treasury following the tender offer which completed on 28 July 2015. 669,513 Ordinary shares issued from treasury as a result of the ninth conversion of CULS as at 30 September 2015. 803,871 Ordinary shares issued from treasury as a result of the tenth conversion of CULS as at 31 March 2016.
Year ended 30 June 2017	443,818 Ordinary shares purchased to hold in treasury. 378,514 Ordinary shares issued from treasury as a result of the eleventh conversion of CULS as at 30 September 2016. 895,583 Ordinary shares issued from treasury as a result of the twelfth conversion of CULS as at 31 March 2017.
Year ended 30 June 2018	927,892 Ordinary shares issued from treasury as a result of the thirteenth conversion of CULS as at 30 September 2017. 4,658,405 new Ordinary Shares issued as a result of the final conversion of CULS as at 31 March 2018.
Year ended 30 June 2019	27,878,842 new Ordinary shares issued as a result of the merger with Dunedin Smaller Companies Investment Trust PLC which completed on 8 October 2018. 1,131,061 Ordinary shares purchased to hold in treasury.
Year ended 30 June 2020	520,213 Ordinary shares purchased to hold in treasury.
Year ended 30 June 2021	1,382,632 Ordinary shares purchased to hold in treasury.
Year ended 30 June 2022	4,670,519 Ordinary shares purchased to hold in treasury.
Year ended 30 June 2023	5,682,136 Ordinary shares purchased to hold in treasury.
Year ended 30 June 2024	14,059,376 Ordinary shares purchased to hold in treasury.
Year ended 30 June 2025	12,486,822 Ordinary shares purchased to hold in treasury.
Year ended 30 June 2026	16,343,483 Ordinary shares purchased to hold in treasury.

Share Capital History

Year ended 30 June	Ordinary shares bought back for cancellation	Ordinary shares bought back into treasury	Ordinary shares issued from treasury	Ordinary shares issued	Ordinary shares in issue (excluding treasury shares)	Convertible Unsecured Loan Stock issued (£)	Convertible Unsecured Loan Stock exercised (£)	Convertible Unsecured Loan Stock total (£)	Warrants exercised	Warrants bought back	Warrants lapsed	Total Warrants In issue
1994	–	–	–	–	69,436,770	–	–	–	–	–	–	13,886,996
1995	–	–	–	–	69,525,796	–	–	–	89,026	–	–	13,797,970
1996	–	–	–	–	69,527,676	–	–	–	1,880	–	–	13,796,090
1997	–	–	–	–	69,528,656	–	–	–	980	1,592,201	–	12,202,909
1998	–	–	–	–	69,529,717	–	–	–	1,061	6,075,144	–	6,126,704
1999	–	–	–	–	69,530,267	–	–	–	550	1,350,000	–	4,776,154
2000	–	–	–	–	69,543,990	–	–	–	13,723	1,671,143	–	3,091,288
2001	–	–	–	–	69,601,685	–	–	–	57,695	–	–	3,033,593
2002	2,200,000	–	–	–	67,403,646	–	–	–	1,961	–	–	3,031,632
2003	–	–	–	–	67,403,646	–	–	–	–	–	–	3,031,632
2004	–	–	–	–	67,403,646	–	–	–	–	–	–	3,031,632
2005	–	–	–	–	67,404,646	–	–	–	1,000	–	–	3,030,632
2006	–	–	–	–	67,404,746	–	–	–	100	–	–	3,030,532
2007	34,823,217	–	–	–	32,583,790	–	–	–	2,261	117,791	–	2,910,480
2008	–	559,175	–	–	32,037,585	–	–	–	12,970	–	–	2,897,510
2009	–	–	–	29,961,251	63,163,381	–	–	–	1,164,545	–	1,732,965	–
2010	–	–	–	–	63,163,381	–	–	–	–	–	–	–
2011	–	3,670,243	4,229,418	825,000	64,547,556	25,000,000	–	25,000,000	–	–	–	–
2012	–	–	–	452,349	64,999,905	–	64,929	24,935,071	–	–	–	–
2013	–	–	–	1,666,083	66,665,988	–	38,184	24,896,887	–	–	–	–
2014	–	–	–	4,717,598	71,383,586	–	4,312,437	20,584,450	–	–	–	–
2015	–	2,307,155	98,580	243,589	69,418,600	–	811,868	19,772,582	–	–	–	–
2016	–	3,470,930	1,473,384	–	67,421,054	–	3,495,770	16,276,812	–	–	–	–
2017	–	443,818	1,274,097	–	68,251,333	–	3,022,923	13,253,889	–	–	–	–
2018	–	–	927,892	4,658,405	73,837,630	–	13,253,889	–	–	–	–	–
2019	–	1,131,061	–	27,878,842	100,585,411	–	–	–	–	–	–	–
2020	–	520,213	–	–	100,065,198	–	–	–	–	–	–	–
2021	–	1,382,632	–	–	98,682,566	–	–	–	–	–	–	–
2022	–	4,670,519	–	–	94,012,047	–	–	–	–	–	–	–
2023	–	5,682,136	–	–	88,329,911	–	–	–	–	–	–	–
2024	–	14,059,376	–	–	74,270,535	–	–	–	–	–	–	–
2025	–	12,486,822	–	–	61,783,713	–	–	–	–	–	–	–
2026	–	16,343,483	–	–	45,440,230	–	–	–	–	–	–	–

AIFMD Disclosures (Unaudited)

abrdn Fund Managers Limited and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ("PIDD") which can be found on the Company's website.

There have been no material changes to the disclosures contained within the PIDD since its most recent update in September 2025.

The periodic disclosures as required under the AIFMD to investors are made below:

- information on the investment strategy, geographic and sector investment focus and principal stock exposures is included in the Strategic Report;
- none of the Company's assets are subject to special arrangements arising from their illiquid nature;
- the Strategic Report, note 16 to the financial statements and the PIDD together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected;
- there are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by aFML; and
- all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the Remuneration Code, the AIFM's remuneration policy is available from the Company Secretary, Aberdeen Corporate Secretary Limited, on request, and the remuneration disclosures in respect of the AIFM's reporting period for the year ended 31 December 2025 are available on the Company's website.

Leverage

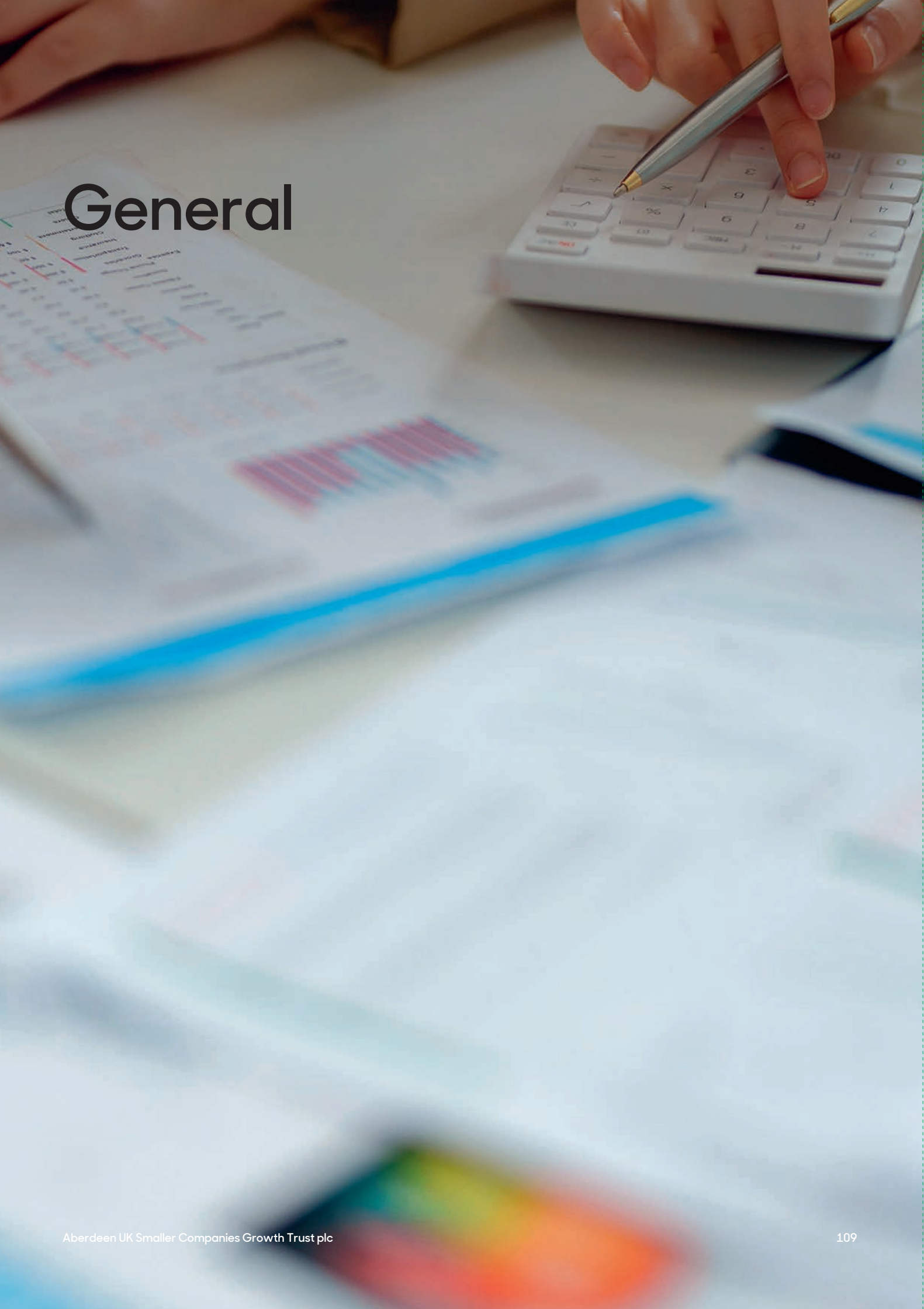
The table below sets out the current maximum permitted limit and actual level of leverage for the Company:

	Gross Method	Commitment Method
Maximum level of leverage	3.00:1	2.00:1
Actual level at 30 June 2026	1.15:1	1.20:1

There have been no breaches of the maximum level during the period and no changes to the maximum level of leverage employed by the Company. There have been no changes to the circumstances in which the Company may be required to post assets as collateral and no guarantees granted under the leveraging arrangement. Changes to the information contained either within this Annual Report or the PIDD in relation to any special arrangements in place, the maximum level of leverage which aFML may employ on behalf of the Company, the right of use of collateral or any guarantee granted under any leveraging arrangement, or any change to the position in relation to any discharge of liability by the Depositary will be notified via a regulatory news service without undue delay in accordance with the AIFMD.

The information on this page has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by abrdn Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

General



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Aberdeen UK Smaller Companies Growth Trust plc will be held at the offices of Dentons UK and Middle East LLP, 9 Haymarket Square, Edinburgh EH3 8RY on Thursday 31 December 2026 at 10.00am for the following purposes:

Ordinary Business

As ordinary business, to consider and, if thought fit, pass the following resolutions, in the case of Resolutions 1 to 11 inclusive, as ordinary resolutions and, in the case of Resolutions 12 and 13, as special resolutions:

1. To receive and adopt the Directors' Report and audited financial statements of the Company for the financial year ended 30 June 2026, together with the Independent Auditor's report thereon.
2. To receive and approve the Directors' Remuneration Report for the financial year ended 30 June 2026 which appears on pages 57 to 60 of the Annual Report and Accounts for the financial year ended 30 June 2026 (other than the Directors' Remuneration Policy which appears on pages 57 to 58 of the Annual Report and Accounts).
3. To approve the Directors' Remuneration Policy which appears on pages 57 to 58 of the Annual Report.
4. To elect Stephen Russell as a Director of the Company.
5. To re-elect Manju Malhotra as a Director of the Company.
6. To re-elect Ashton Bradbury as a Director of the Company.
7. To re-elect Alexa Henderson as a Director of the Company.
8. To re-elect Liz Airey as a Director of the Company.
9. To re-appoint Johnston Carmichael LLP as Independent Auditor of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting at which accounts are laid before the Company.
10. To authorise the Directors to fix the remuneration of the Independent Auditor for the financial year to 30 June 2027.
11. **Authority to allot shares**
    That, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the passing of this resolution, the Directors of the Company be and they are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company ("Rights") provided that such authority shall be limited to the allotment of shares and the grant of Rights in respect of shares with an aggregate nominal value of up to £1,069,580 (representing 10% of the Company's total issued share capital (excluding treasury shares) as at 21 October 2026), generally from time to time on such terms as the Directors may determine, such authority to expire at the conclusion of the next Annual General Meeting of the Company held after the passing of this resolution or on the expiry of 15 months from the date of passing of this resolution, whichever is the earlier, unless previously revoked, varied, extended or renewed by the Company in a general meeting, save that the Company may at any time prior to the expiry of this authority make an offer or enter into an agreement which would or might require shares to be allotted or Rights to be granted after the expiry of such authority and the Directors shall be entitled to allot shares or grant Rights in pursuance of such an offer or agreement as if such authority had not expired.

12. **Disapplication of pre-emption rights**
That, subject to the passing of Resolution 11 set out in the notice of the 2026 annual general meeting (Resolution 11), and in substitution for any existing power but without prejudice to the exercise of any such power prior to the passing of this resolution, the Directors of the Company be and they are hereby generally and unconditionally empowered pursuant to sections 570 and 573 of the Companies Act 2006 (the "Act"), to allot, or make offers or agreements to allot, equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolution 11, and/or by way of a sale of treasury shares for cash, as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power:

a) expires at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the expiry of 15 months from the date of passing of this resolution, whichever is the earlier, unless previously revoked, varied, extended or renewed by the Company in a general meeting save that the Company may, at any time prior to the expiry of this authority, make an offer or enter into an agreement which would or might require equity securities to be allotted or sold out of treasury after such expiry and the Directors may allot or sell out of treasury equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired; and

b) shall be limited to the allotment of equity securities and the sale of treasury shares up to an aggregate nominal amount of £1,069,580 (representing 10% of the Company's total issued share capital (excluding treasury shares) as at 21 October 2026).

This power shall apply in relation to the sale of equity securities for cash out of treasury as if in the opening paragraph of this resolution the words "subject to the passing of Resolution 11 set out in the notice of the 2026 annual general meeting (Resolution 11), and" were omitted.

13. **Authority to make market purchases of shares**
That, in substitution for any existing power but without prejudice to the exercise of any such power prior to the passing of this resolution, the Company be and is hereby generally and, subject as hereinafter appears, unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary shares of 25p each in the capital of the Company (the "Shares") on such terms and in such manner as the directors of the Company may from time to time determine (either for cancellation or for retention as treasury shares for future reissue, resale, transfer or cancellation) provided always that:

a) the maximum aggregate number of Shares hereby authorised to be purchased is 6,413,205, or, if less, the number representing 14.99% of the issued ordinary share capital of the Company (excluding treasury shares) immediately prior to the passing of this resolution;

b) the minimum price (exclusive of expenses) which may be paid for each Share purchased pursuant to this authority shall be 25p (being the nominal value of a share);

c) the maximum price (exclusive of expenses) which may be paid for a Share purchased pursuant to this authority is the higher of (i) 105% of the average of the middle market quotations (as derived from the Daily Official List of the London Stock Exchange) for a Share over the five business days immediately preceding the date of purchase and (ii) the higher of the last independent trade of a Share and the highest current independent bid for such a Share on the London Stock Exchange at the time the purchase is carried out; and

d) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the expiry of 15 months from the date of passing of this resolution, whichever is earlier, unless previously revoked, varied, extended or renewed by the Company in a general meeting, save that the Company may, at any time prior to the expiry of this authority, enter into a contract to purchase Shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract.

Notice of Annual General Meeting

Continued

Special Business

As special business, to consider and, if thought fit, pass Resolutions 14 to 15 as special resolutions:

14. **Tender offers**

That, in addition to the authority given to the Company to purchase its own Ordinary shares of 25p each (the "Shares") pursuant to Resolution 13 set out above and in accordance with the terms and conditions of the tender offer(s) which may be set out in the circular to be sent electronically or, if requested in hard copy form to shareholders, the Company be and is hereby authorised for the purpose of Section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of Section 693(4) of the Act) of its issued Shares either for cancellation or for retention as treasury shares for future reissue, resale or transfer provided that:

a) the maximum number of Shares hereby authorised to be purchased pursuant to one or more tender offer(s) is 4,278,322, or, if less, the number representing 10% of the issued ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of this resolution;

b) the price which shall be paid for a Share pursuant to any such tender offer made by the Company under the authority conferred hereby shall be an amount equal to 98% of realisation value of all the assets attributable to the Shares tendered as at the latest practicable time before such tender offer; and

c) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the expiry of 15 months from the date of passing of this resolution, whichever is earlier, unless previously revoked, varied, extended or renewed by the Company in a general meeting save that the Company may, prior to such expiry, enter into a contract to purchase Shares which will or may be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract.

15. **Notice of general meeting**

That a general meeting (other than an Annual General Meeting) of the Company may be called on not less than 14 clear days' notice, provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company.

By order of the Board
Aberdeen Corporate Secretary Limited
Company Secretary
1 George Street
Edinburgh EH2 2LL
21 October 2026

Registered Office
1 George Street
Edinburgh EH2 2LL

Notes

i. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him/her or on his/her behalf at the meeting. A proxy need not be a shareholder. The shareholder may appoint more than one proxy, provided that each proxy is appointed to attend, speak and vote in respect of a different share or shares. If you wish your proxy to speak on your behalf at the meeting, you will need to appoint your own choice of proxy (not the chairman of the meeting) and give instructions directly to them. Appointing a proxy will not prevent a shareholder from attending in person and voting at the meeting. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should, or if you would like to appoint more than one proxy, please contact the Company's Registrar, Computershare Investor Services PLC on 0370 889 4076. In the case of joint holders, the vote of the first named in the register of members of the Company who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.

ii. To be valid, the appointment of a proxy, and the original or duly certified copy of the power of attorney or other authority, if any, under which it is signed or authenticated, should be sent to the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY so as to arrive not less than 48 hours (excluding non-working days) before the time fixed for the meeting.

iii. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company at close of business on 29 December 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of Ordinary shares registered in their name at that time. In each case, changes to entries on the register of members of the Company after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

iv. Any shareholder holding 3% or more of the total voting rights of the Company who appoints a person other than the chairman of the meeting as his or her proxy will need to ensure that both he or she and his/her proxy(ies) comply with their respective disclosure obligations under the FCA's Disclosure Guidance and Transparency Rules.

v. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual and/or by logging in to the website **www.euroclear. com/CREST**. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

vi. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID number 3RA50) by 12 noon on 29 December 2026 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

vii. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Notice of Annual General Meeting

Continued

viii. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

ix. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12 noon on 29 December 2026 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

x. A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in notes i and ii above do not apply to a Nominated Person. The rights described in those notes can only be exercised by registered members of the Company.

xi. The terms of appointment of the Directors of the Company are available for inspection on any day (except Saturdays, Sundays and bank holidays) from the date of this notice until the date of the meeting during usual business hours at the registered office of the Company and will, on the date of the meeting, be available for inspection at the venue of the meeting from 15 minutes before the meeting until the conclusion of the meeting.

xii. Shareholders are advised that, unless otherwise stated, any telephone number, website or email address which may be set out in this notice of Annual General Meeting or in any related documents (including the proxy form or form of direction) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

xiii. Following the meeting, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions will be announced via a Regulatory Information Service and placed on the Company's website: **www.aberdeenuksmallercompaniesgrowthtrust.co.uk**

xiv. It is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Independent Auditor's report and the conduct of the audit) that are to be laid before the meeting: or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company will be required to do so once it has received such requests either from members representing at least 5% of the voting rights of the Company or from at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing and must state the member's full name and address and be sent to the Company's registered office. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006.

xv. As at 6.00pm on 21 October 2026 (being the last practicable date prior to publication of this notice) the Company's issued share capital comprised 42,783,228 Ordinary shares of 25p each and 61,381,194 Ordinary shares held in treasury. Each Ordinary share (other than any Ordinary shares held in treasury) carries the right to one vote at a general meeting of the Company. Accordingly, the total number of voting rights in the Company as at 21 October 2026 was 42,783,228.

xvi. If you wish to attend the meeting in person, there will be a Members' register for you to sign on arrival.

xvii. Under section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:

a) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;

b) the answer has already been given on a website in the form of an answer to a question; or

c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

xviii. Information regarding the Annual General Meeting, including information required by Section 311A of the Companies Act 2006, is available from the Company's website: **www.aberdeenuksmallercompaniesgrowthtrust.co.uk**

xix. Under section 338 of the Companies Act 2006, a member or members meeting the qualification criteria set out at note xxi below, may, subject to certain conditions, require the Company to circulate to members notice of a resolution which may properly be moved and is intended to be moved at that meeting. The conditions are that: (i) the resolution must not, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); (ii) the resolution must not be defamatory of any person, frivolous or vexatious; and (iii) the request: (a) may be in hard copy form or in electronic form; (b) must identify the resolution of which notice is to be given by either setting out the resolution in full or, if supporting a resolution sent by another member, clearly identifying the resolution which is being supported; (c) must be authenticated by the person or persons making it; and (d) must be received by the Company not later than six weeks before the meeting to which the requests relate.

xx. Under section 338A of the Companies Act 2006, a member or members meeting the qualification criteria set out at note xxi below, may, subject to certain conditions, require the Company to include in the business to be dealt with at the meeting a matter (other than a proposed resolution) which may properly be included in the business (a matter of business). The conditions are that: (i) the matter of business must not be defamatory of any person, frivolous or vexatious; and (ii) the request: (a) may be in hard copy form or in electronic form; (b) must identify the matter of business by either setting it out in full or, if supporting a statement sent by another member, clearly identify the matter of business which is being supported; (c) must be accompanied by a statement setting out the grounds for the request; (d) must be authenticated by the person or persons making it; and (e) must be received by the Company not later than six weeks before the meeting to which the requests relate.

xxi. In order to be able to exercise the members' right to require: (i) circulation of a resolution to be proposed at the meeting (see note xix); or (ii) a matter of business to be dealt with at the meeting (see note xx), the relevant request must be made by: (a) a member or members having a right to vote at the meeting and holding at least 5% of total voting rights of the Company; or (b) at least 100 members having a right to vote at the meeting and holding shares in the Company on which there has been paid up an average sum, per member, of at least £100.

xxii. If the proposed scheme for the Company to combine with JPMorgan UK Small Cap Growth & Income plc, as set out in the Chair's Statement on page 6, is implemented prior to the date of the meeting, then the meeting will be adjourned indefinitely.

Contact Addresses

Directors
Liz Airey (Chair)
Ashton Bradbury
Alexa Henderson
Manju Malhotra
Stephen Russell
Tim Scholefield

Registered Office and Company Secretary
Aberdeen Corporate Secretary Limited
1 George Street
Edinburgh EH2 2LL

Email: **uksmallercompaniesgrowth@aberdeenplc.com**

Alternative Investment Fund Manager
abrdn Fund Managers Limited
1 George Street
Edinburgh EH2 2LL

Investment Manager
abrdn Investment Management Limited
1 George Street
Edinburgh EH2 2LL

Company Registration Number
SC145455 (Scotland)

Legal Entity Identifier ("LEI")
213800UUKA68SHSJBE37

Website
aberdeenuksmallercompaniesgrowthtrust.co.uk

Registrar
Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

Telephone: **0370 889 4076**

Website: **investorcentre.co.uk**

Depositary
BNP Paribas SA, London Branch
10 Harewood Avenue
London NW1 6AA

Stockbroker
Winterflood, a division of Marex Financial
Riverbank House
2 Swan Lane
London EC4R 3GA

Independent Auditor
Johnston Carmichael LLP
227 West George Street
Glasgow G2 2ND

MIX
Paper | Supporting responsible forestry
FSC® C001785

aberdeen Investments

For more information visit **aberdeenuksmallercompaniesgrowthtrust.co.uk**

aberdeeninvestments.com