

“ Where others see small, we see extraordinary

Invesco Perpetual UK Smaller Companies Investment Trust plc

Mello
May 2024

Robin West
Fund Manager

This marketing communication is for use in the UK only.
Investors should read the legal documents prior to investing.

UK Smaller Companies

An often over-looked asset class that deserves investors' attention

Why UK Smaller companies ?

- Long term outperformance versus the wider UK Equity Market: Deutsche Numis Smaller Companies (excluding Investment Companies) Index +14.1% CAGR versus FTSE All Share Index +11.0% CAGR per year since 1955¹

Why the Invesco Perpetual UK Smaller Companies Investment Trust Plc

- Strong record of outperformance: Total return 84% vs Deutsche Numis Smaller Companies + AIM (excluding Investment Companies) Index 38% and FTSE All-share Index 75% over a ten-year period²
- 4% annual dividend yield³
- Trading at -12.8% discount to NAV⁴

Why now?

- UK Smaller Companies have lagged Global Smaller Companies since BREXIT referendum
- UK valuations attractive relative to 10 year history
- Increased Acquisition activity

Past performance does not predict future returns.

Source: Invesco as at 31 March 2024 (unless state otherwise).

¹Numis data as at 31 December 2023; CAGR = Compound Annual Growth Rate, is the rate of return that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's life span..

²Please refer to slide 15 for complete report on performance returns.

³The board rebases the final dividend each year to provide a 4% yield based on the year end share price. The yield is indicative only and is not guaranteed.

⁴Source. Bloomberg as at 3 April 2024.

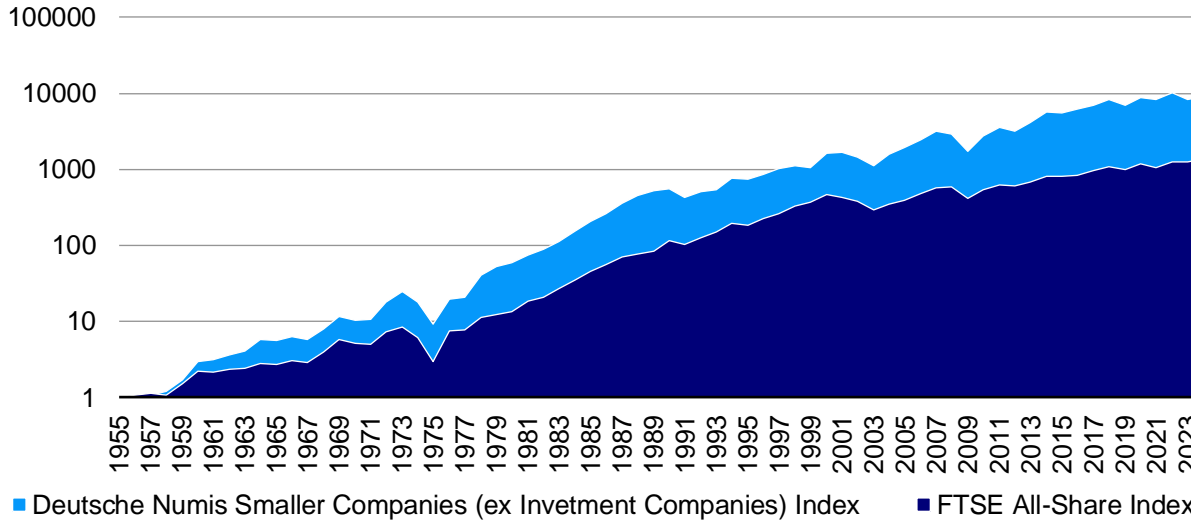
Why UK Smaller Companies?

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Excellent historic long-run performance from the Numis indices

Past performance does not predict future returns

Total returns cumulative value (log scale)



£1000 invested in 1955 would now be worth¹:

£9.2m (14.1% CAGR)

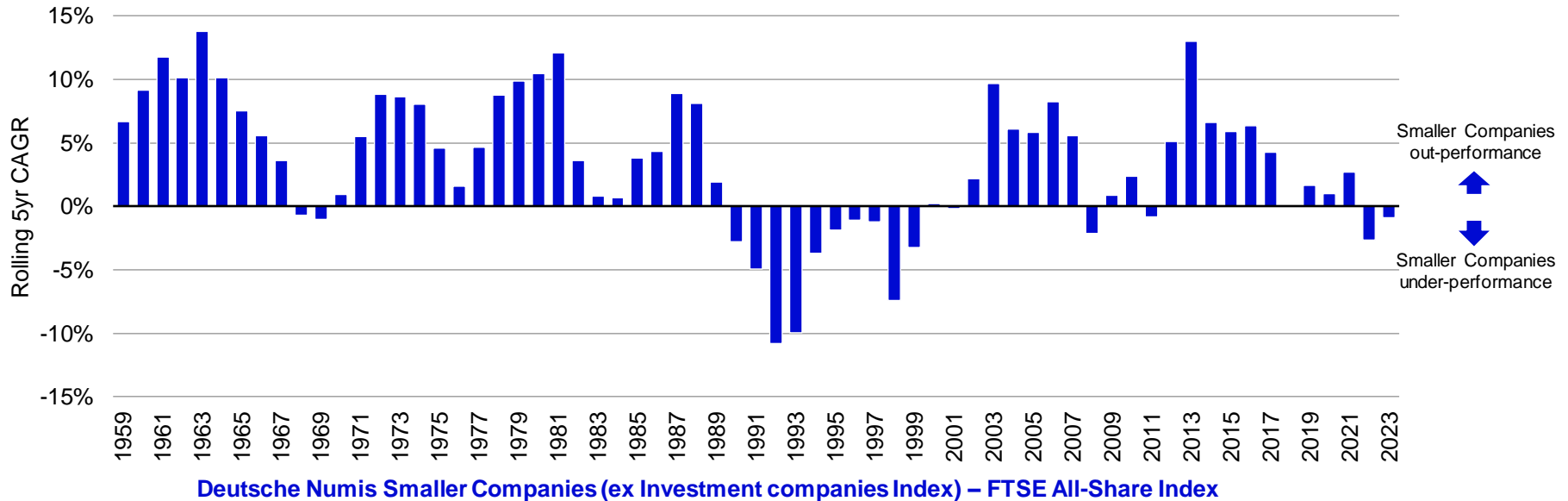
£1.4m (11.0% CAGR)

Source: Numis as at 31 December 2023. The Indices performance shown in Sterling and is total return. Returns may increase or decrease as a result of currency fluctuations log scale = logarithmic scale, a nonlinear scale used when there is a large range of quantities. CAGR = Compound Annual Growth Rate.

¹This calculation does not include the deduction of charges over the period of investment.

UK Smaller Companies excellent long term performance

Past performance does not predict future returns



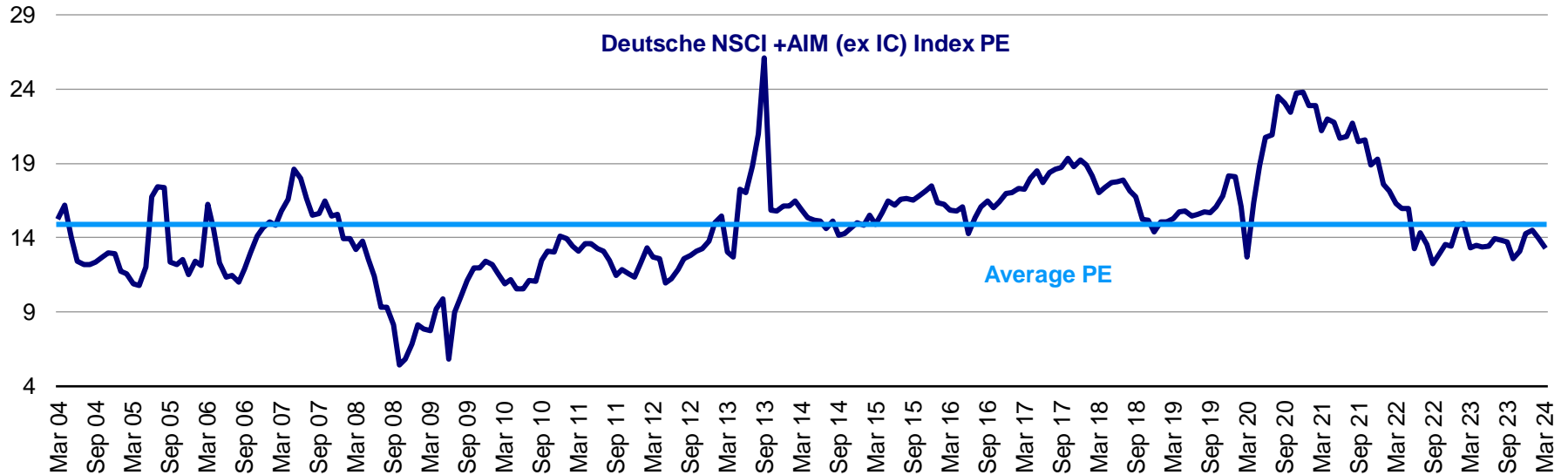
Source: Deutsche Numis / Invesco – data to 31 December 2023. Returns may increase or decrease as a result of currency fluctuations.
CAGR = Compound Annual Growth Rate.

Why Now?

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UK Small Companies trading at discount to long-run average

Deutsche NSCI + AIM (xIC) Index forward PE ex loss-makers



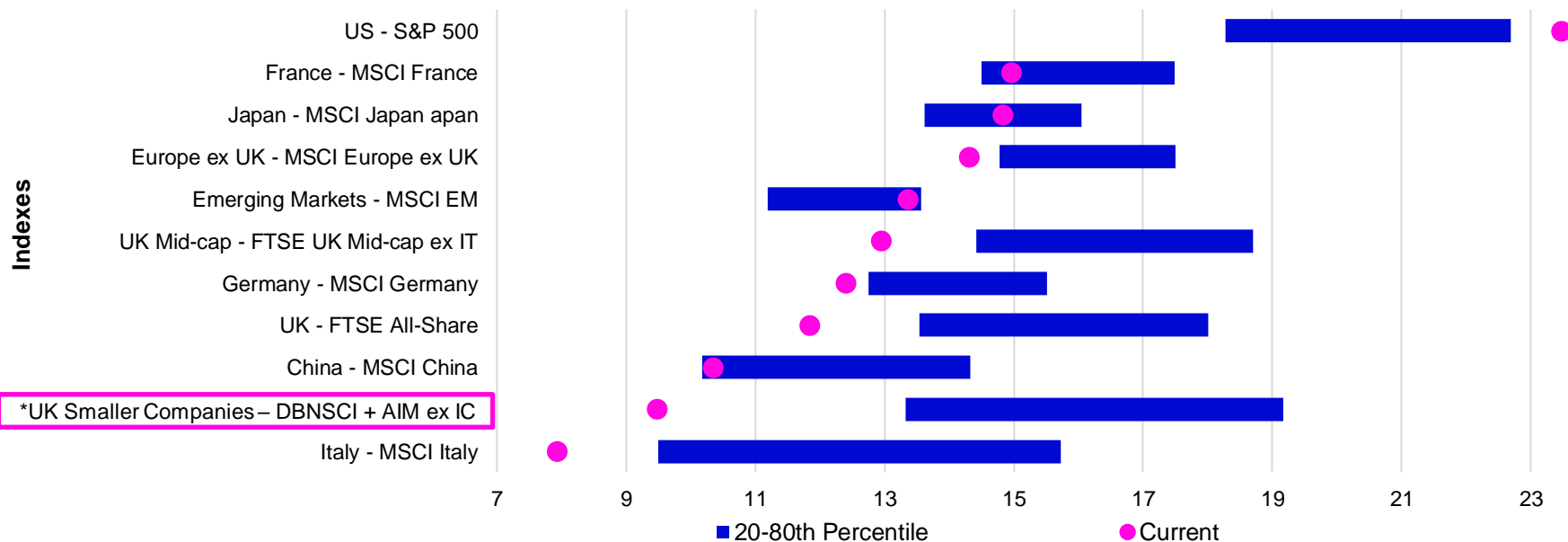
Source: Factset as at 31 March 2024.

Deutsche NSCI +AIM (xIC) = Deutsche Numis Smaller Companies + AIM (excluding Investment Companies) Index.

PE= Price to Earnings ratio is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS)..

UK valuations attractive relative to 10 year range

World markets: 10 year forward PE ranges¹



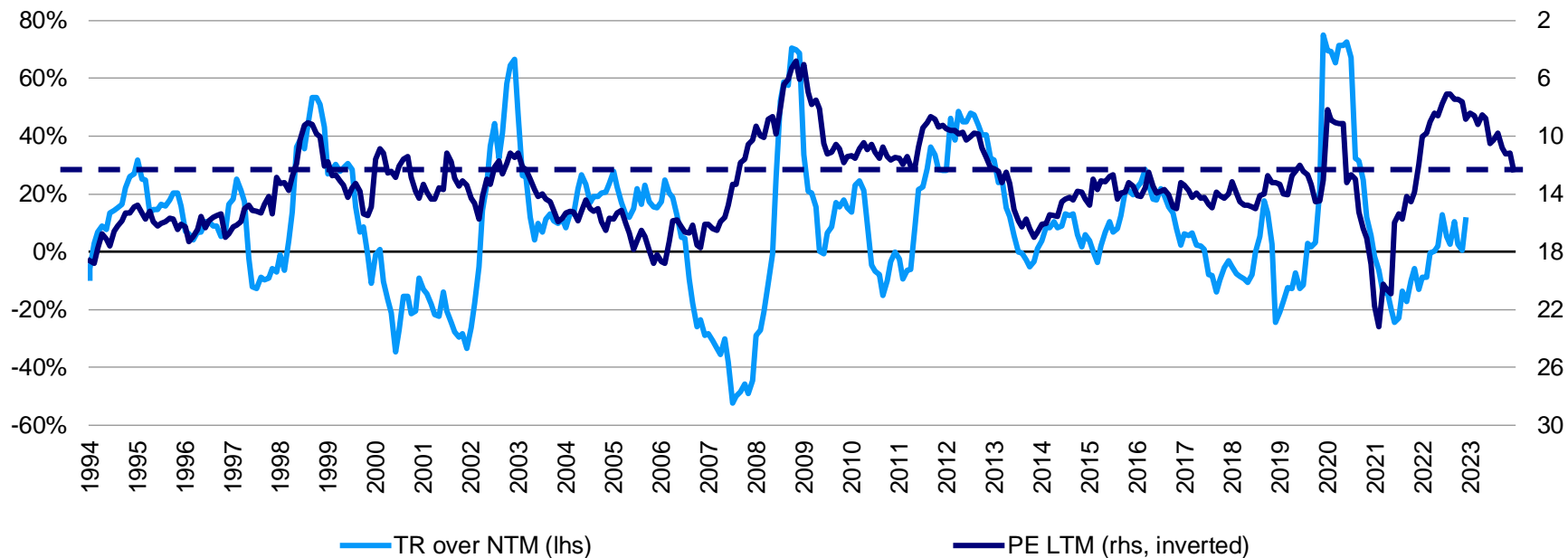
Source: Bloomberg as at 8 April 2024.

¹PE Ratio = Price to Earnings is the ratio for valuing a company that measures its current share price relative to its earnings per share (EPS).

*Deutsche Bank Numis Smaller Companies + AIM (ex Investment Companies) Index.

30-year analysis of trailing PE, and subsequent returns

Average return when FTSE Small Caps at <12.3x trailing earnings, 19% over next 12 months and 36% over next 24 months.



Source: Factset 31 March 2024. All data for FTSE Small Cap ex Investment Trusts Index, starting 31 March 1994.
TR = Total Return over the next 12 months. PE = Price to Earnings ratio excluding negative values, for last 12 months.

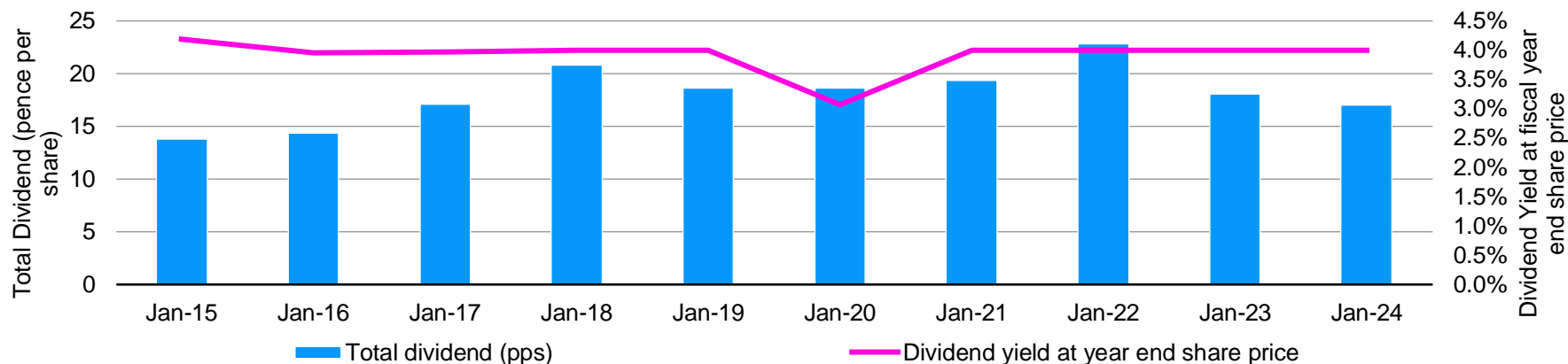
Why Invesco Perpetual UK Smaller Companies Investment Trust?

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Dividend policy

- Quarterly dividend
- 100% distribution of portfolio income enhanced by contribution from capital reserves
- Target 4% dividend yield at year end share price¹
- No change to long-standing investment approach

Attractive Enhanced Dividend Yield

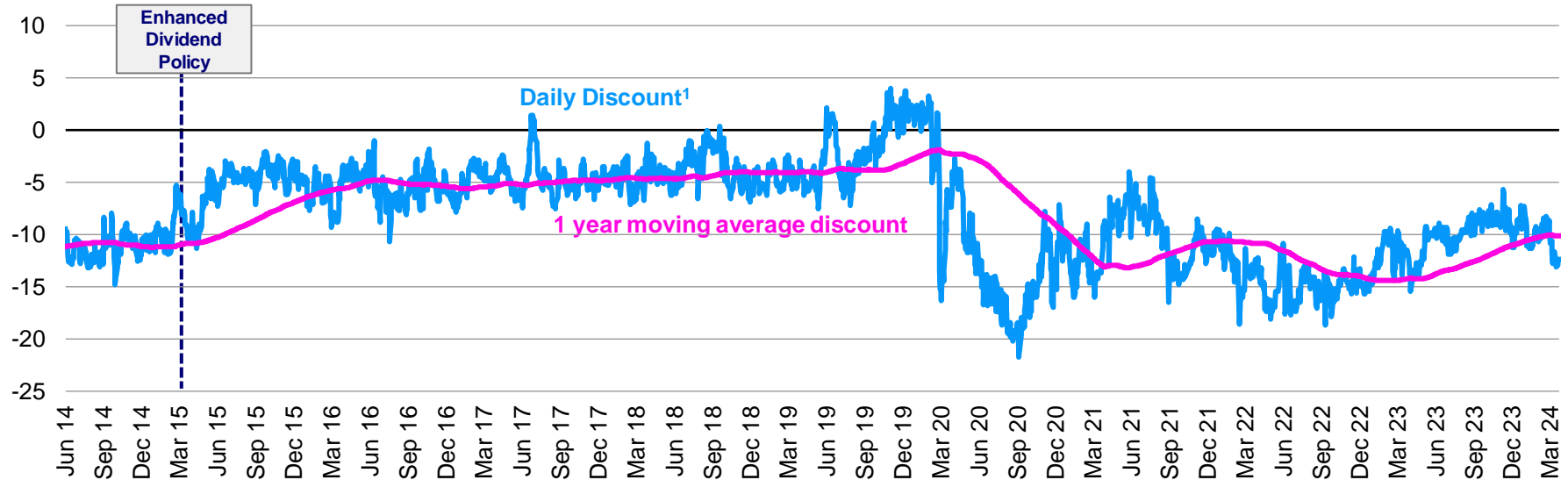


Source: Invesco as at January 2024.

¹The board rebases the final dividend each year to provide a 4% yield based on the year end share price. Please note there is no guarantee this target will be achieved.

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Daily Discount to Net Asset Value vs 1 year moving average (%)



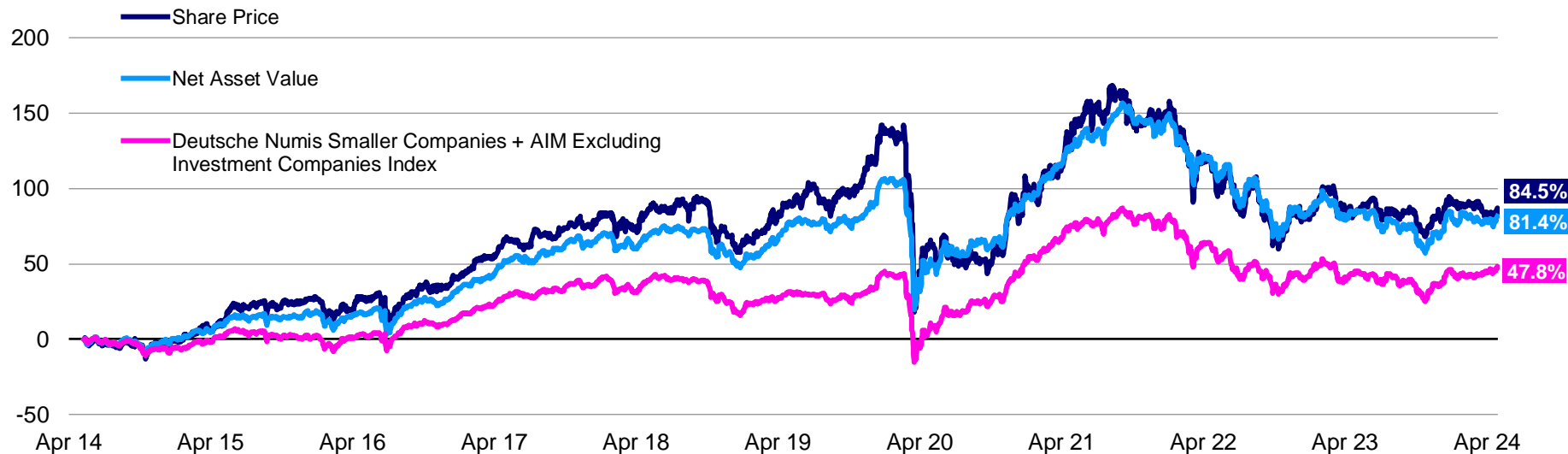
Source: Bloomberg as at 11 April 2024.

¹Discount: The amount, expressed as a percentage by which the share price is less than the net asset value per share.

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10 year performance history on a total return basis (%)

Past performance does not predict future returns.



Source: Refinitiv as at 30 April 2024. Data is rebased to "0" from 30 April 2014.

Ordinary share price performance figures are Total Return and have been calculated using daily closing prices with dividends reinvested.

NAV performance figures are Total Return and have been calculated using daily NAV with dividends reinvested. The NAV used includes current period revenue and values debt at fair.

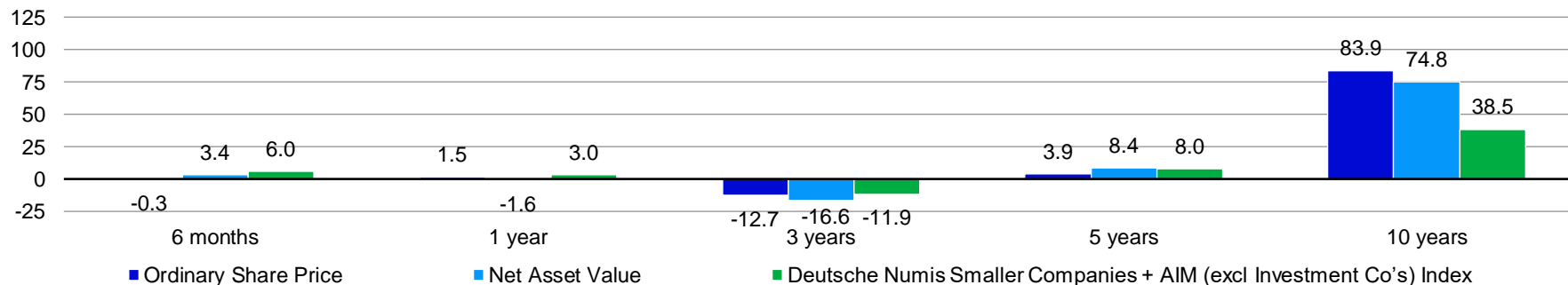
The Numis Smaller Companies + AIM (excluding Investment Companies) Index performance is shown total return.

*The benchmark index for this investment trust changed on 1 February 2022 from the Numis Smaller Companies ex Investment Companies Index (total return) to the Numis Smaller Companies + AIM ex Investment Companies Index (total return). The benchmark performance above shows the returns of the former index for periods prior to 1 February 2022.

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Ordinary share price, NAV and index cumulative performance (% growth) as at 31 March 2024

Past performance does not predict future returns.



Standardised rolling 12 month period ended (%)	31/03/20	31/03/21	31/03/22	31/03/23	31/03/24
Ordinary Share price	-18.4	45.8	3.3	-16.8	1.5
Net Asset Value	-15.7	54.2	2.1	-16.9	-1.6
Deutsche Numis Smaller Companies + AIM (excl Investment Co's) Index	-25.9	65.6	-1.3	-13.4	3.0
FTSE All-Share TR Index	-18.5	26.7	13.0	2.9	8.4

Source: Morningstar/Invesco. Performance figures are in Sterling as at 31 March 2024 unless otherwise stated

Ordinary share price performance figures have been calculated using daily closing prices with dividends reinvested.

NAV performance figures have been calculated using daily NAV with dividends reinvested. The NAV used includes current period revenue and values debt at fair.

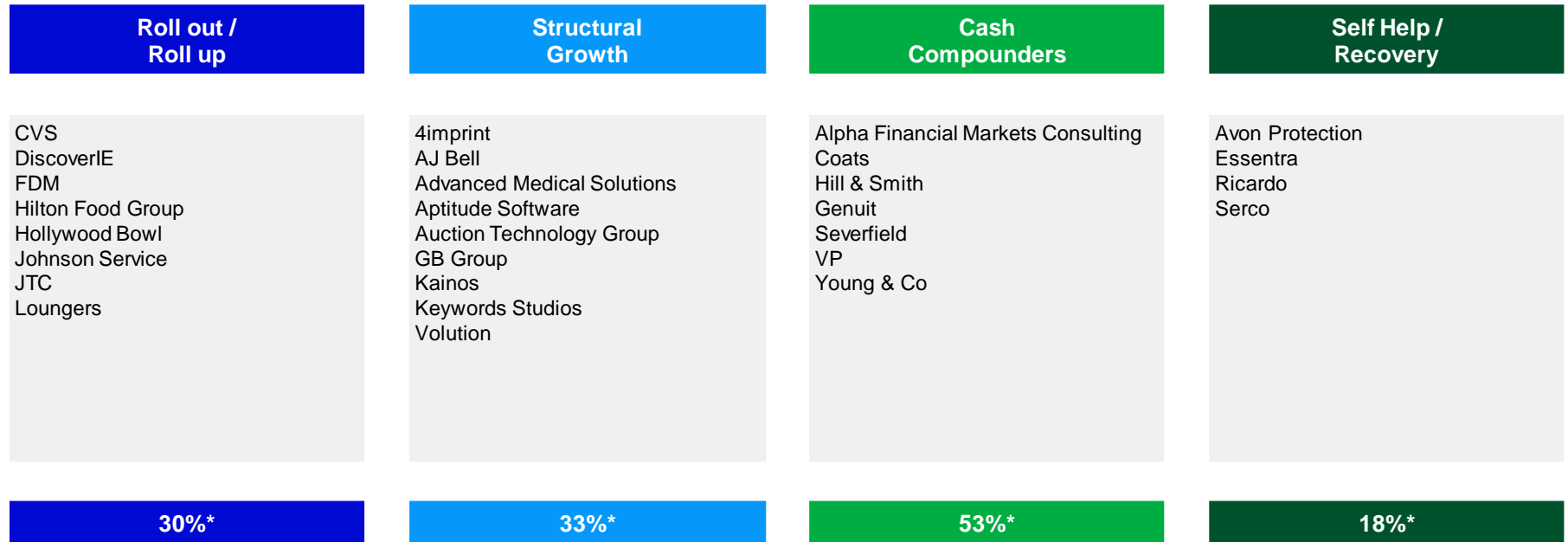
The Numis Smaller Companies +AIM (ex Investment Co's) Index performance and FTSE All-Share Index are shown total return.

Standardised past performance figures are updated on a quarterly basis only.

The benchmark index for this investment trust changed on 1 February 2022 from the Numis Smaller Companies ex Investment Companies Index (total return) to the Numis Smaller Companies + AIM ex Investment Companies Index (total return). The benchmark performance above shows the returns of the former index for periods prior to 1 February 2022.

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Key portfolio themes



Source: Invesco as at 31 March 2024.

*Total weight in the portfolio for each theme, some stocks classified in multiple themes, also includes stocks not listed above.

Summary

- UK Smaller Companies have attractive long-run historic returns
- UK Smaller Companies valuations cheap relative to history
- Invesco Perpetual UK Smaller Companies Investment Trust plc positioned for economic recovery
- 4% yield¹
- Invesco Perpetual UK Smaller Companies Investment Trust plc at discount to history²

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Past performance does not predict future returns.

Source: Invesco as at 31 December 2023.

¹The board rebases the final dividend each year to provide a 4% yield based on the year end share price. The yield is indicative only and is not guaranteed.

²Since announcement of enhanced dividend policy on 10 March 15.

Fund Manager's biography



Robin West, UK Equities Fund Manager

Based in Henley-on-Thames, Robin works alongside Jonathan Brown managing a number of UK smaller company equity portfolios.

Robin joined Invesco in July 2014 working with Jonathan on the UK Smaller Companies strategies. He trained as an accountant at KPMG and then worked for Invesco from 1995-2003 as a smaller companies fund manager. Robin spent a year as a small companies analyst at Oriel Securities before joining Aviva Investors where he spent 10 years as a UK smaller companies fund manager.

Robin graduated from Cambridge University with a MA in Natural Sciences. He is also an Associate of the Institute of Chartered Accountants and is a CFA Charterholder.

Source: Invesco as at 31 March 2024.

Investment risks

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

Invesco Perpetual UK Smaller Companies Investment Trust plc

The product invests in smaller companies which may result in a higher level of risk than a product that invests in larger companies. Securities of smaller companies may be subject to abrupt price movements and may be less liquid, which may mean they are not easy to buy or sell.

The use of borrowings may increase the volatility of the NAV and may reduce returns when asset values fall.

The product uses derivatives for efficient portfolio management which may result in increased volatility in the NAV.

Important information

This is marketing material and not financial advice. It is not intended as a recommendation to buy or sell any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication.

Data as at 31.03.2024, unless otherwise stated.

Views and opinions are based on current market conditions and are subject to change.

If investors are unsure if this product is suitable for them, they should seek advice from a financial adviser. For details of your nearest financial adviser, please contact IFA Promotion at www.unbiased.co.uk

Further information

For more information on our investment trusts, please refer to the relevant Key Information Document (KID), Alternative Investment Fund Managers Directive document (AIFMD), and the latest Annual or Half-Yearly Financial Reports. This information is available using the contact details shown.

Further details of the Company's Investment Policy and Risk and Investment Limits can be found in the Report of the Directors contained within the Company's Annual Financial Report.

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