

3 May 2018

**ABERDEEN NEW THAI INVESTMENT TRUST PLC:  
BOARD PROPOSES CHANGES TO IMPROVE RETURNS FOR SHAREHOLDERS**

The Board of the £112m Aberdeen New Thai Investment Trust PLC (the “Company”) has today announced that, after consultation with its Investment Manager, it is putting forward changes to the Company to improve returns after a period of relative underperformance.

These changes are:

- Increasing the Company’s small cap exposure;
- Allowing limited investments in unquoted Thai companies readying for listing;
- A greater cost allocation to capital;
- The payment of an interim dividend, commencing in the third quarter of 2018;
- Reducing the management fee to 0.9% (from 1.0%); and
- More proactive use of the gearing facility.

**Commenting on the proposals, Nicholas Smith, Chairman of the Aberdeen New Thai Investment Trust PLC said:**

*“I am confident about Thailand’s prospects, the companies in the portfolio, and their ability to perform. I believe the changes set out today will further enhance the attractions of the Company and illustrate the advantages of a closed end structure with an independent board.”*

The Board and the Investment Manager are optimistic about investing in Thailand, given its proven resilience in the face of political and other uncertainties, the quality of many of its companies and the access to excellent regional growth prospects that it provides.

Despite the Company achieving positive absolute returns over the longer term, the Board and Investment Manager consider that, following five years of underperforming the benchmark (the Stock Exchange of Thailand Index), future results can be improved by amending its investment policy and approach. This underperformance partly reflects the Investment Manager’s highly selective style - applying a bottom-up, stock-picking approach,

with an emphasis on strong corporate governance - at a time when the Thai market has been buoyed by speculative buying, boosting quality and non-quality stocks alike.

Under these changes, the Investment Manager will look to increase its small cap exposure beyond the existing 35% of the overall portfolio. Such companies, often under-researched, have the ability to offer good returns.

The proposals will also allow the Company to invest in unquoted companies in the period leading up to flotations on the Stock Exchange of Thailand. Unquoted investments will be limited to 10% in aggregate of the Company's net assets at the time of investing.

The Company will change its cost charging structure, which will see the Company charging 75% of its management fees and interest costs to capital. This reflects the composition of the expected total return for the Company over the long term and will increase the net earnings available to pay out to shareholders. As a result, an interim dividend will be introduced with the initial interim covering the six months to 31 August 2018.

The final dividend, as announced today, which will be paid to shareholders on 26 June 2018, will see an annual increase to 11.1p (2017 – 10.3p).

The Board also announces a reduction in the management fee, backdated to 1 March 2018. The fees paid to the Manager will drop to 0.9% per annum (previously 1.0%) of the Company's assets, less liabilities.

The Board has also encouraged its Investment Manager to utilise its gearing facility more proactively. Gearing levels may be raised further when the Investment Manager sees opportunities to enhance returns to its shareholders over the long term.

The Board will recommend the investment policy change with regards to unquoted investments to shareholders at the Annual General Meeting on 21 June 2018. The Board believes these changes as a whole will enable the Investment Manager to source more widely and deeply the opportunities offered by companies in Thailand.

**Adithev Vanabriksha, Chief Investment Officer of Aberdeen Standard Investments, Thailand commented:**

*“Adjusting the investment policy will enable us to invest a greater proportion of the Company’s portfolio in the small cap sector and unquoted companies prior to planned IPO. This will allow us to access a wider pool of candidate stocks to research that could further enhance the Company’s performance over time.*

*We particularly note that many Thai companies are well positioned to benefit from their developing country neighbours, such as Cambodia, Laos, Myanmar and Vietnam, as these economies and their stock markets continue to develop and expand. Many of our portfolio holdings, too, already have operations in, and generate revenues from, the wider Asean region, providing a rich seam of diversification.*

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Further information on the Trust can be found at: [www.newthai-trust.co.uk](http://www.newthai-trust.co.uk)

**For comment please contact:**

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### **Notes to Editors**

According to recent research by the Association of Investment Companies (the “AIC”) using Morningstar data, Aberdeen New Thai was the top performing investment trust for Individual Savings Accounts (“ISAs”) since they were introduced in 1999. This research calculated that investors who had fully invested their maximum ISA limit annually over the past 19 years (£186,560 in total) in Aberdeen New Thai, in the Country Specialists: Asia Pacific sector, would have returned over £1 million at the end of February 2018.

The Aberdeen New Thai Investment Trust PLC, which was launched in 1989, is the only investment trust investing exclusively in Thailand. The Company is an investment trust with

its Ordinary shares listed on the premium segment of the London Stock Exchange. It aims to provide shareholders with a high level of long-term, above average capital growth through investment in Thailand. It outsources its investment management and administration to the Standard Life Aberdeen group and other third party providers. Aberdeen Fund Managers Limited has been appointed the Alternative Investment Fund Manager of the Company.

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments. The delegated Investment Manager is Aberdeen Asset Management Asia Limited which is registered in Singapore (199105448E) at 21 Church Street, #01-01 Capital Square Two, Singapore 049480. It is registered with and regulated in Singapore by the Monetary Authority of Singapore and also registered as an Investment Adviser with the US Securities and Exchange Commission. The Investment Manager has been operating under a Mutual Fund licence in Thailand since 1996 with extensive local knowledge and on the ground experience, investing through many key economic cycles.

Known for its long-term and fundamental approach to equity fund management, the Investment Manager is trusted with over £3.7 billion of equity assets under management in Thailand (as at 31 December 2017).

The Investment Manager's long-term track record and unique investment process in a highly competitive market won eight awards of excellence between 2008 to 2015, including "The Morningstar Thailand Fund Awards" and "Asian Investor Investment Performance Awards" for the Best Thailand onshore fund house. (For more information please visit: [www.aberdeen-asia.com/en/singapore/retail/about-aberdeen/awards](http://www.aberdeen-asia.com/en/singapore/retail/about-aberdeen/awards)).

### **Risk factors you should consider prior to investing:**

The value of investments and the income from them can fall and investors may get back less than the amount invested. Past performance is not a guide to future results.

Investment in the Company may not be appropriate for investors who plan to withdraw their money within 5 years.

The Company may borrow to finance further investment (gearing). The use of gearing is likely to lead to volatility in the Net Asset Value (NAV) meaning that any movement in the value of the company's assets will result in a magnified movement in the NAV.

The Company may accumulate investment positions which represent more than normal trading volumes which may make it difficult to realise investments and may lead to volatility in the market price of the Company's shares.

Movements in exchange rates will impact on both the level of income received and the capital value of your investment. There is no guarantee that the market price of the Company's shares will fully reflect their underlying Net Asset Value.

As with all stock exchange investments the value of the Company's shares purchased will immediately fall by the difference between the buying and selling prices, the bid-offer spread. If trading volumes fall, the bid-offer spread can widen.

The Company invests in emerging markets which tend to be more volatile than mature markets and the value of your investment could move sharply up or down.

Specialist funds which invest in small markets or sectors of industry are likely to be more volatile than more diversified trusts.

Yields are estimated figures and may fluctuate, there are no guarantees that future dividends will match or exceed historic dividends and certain investors may be subject to further tax on dividends.

**Other important information:**

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.

Issued by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Registered Office: 10 Queen's Terrace, Aberdeen AB10 1YG. Registered in Scotland No. 108419. An investment trust should be considered only as part of a balanced portfolio. Under no circumstances should this information be considered as an offer or solicitation to deal in investments.