



## Securities Trust of Scotland plc

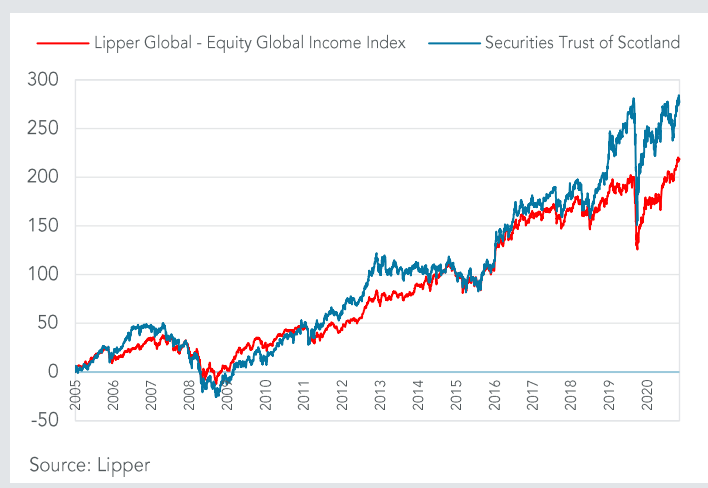
All data as at 30 April 2021

[www.stsplc.co.uk](http://www.stsplc.co.uk)

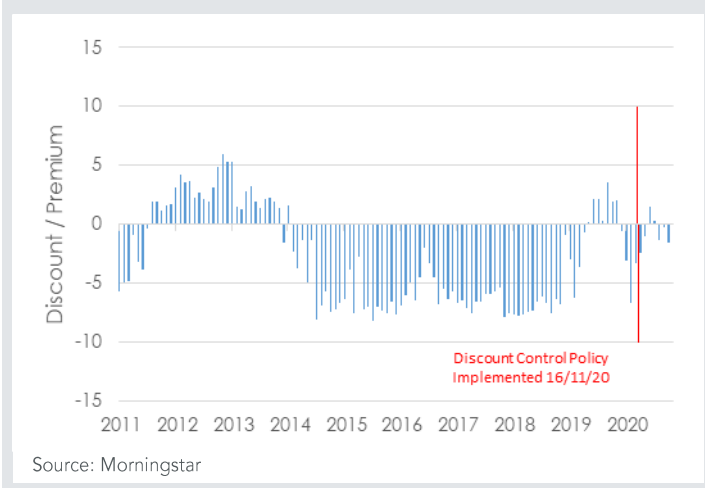
The investment objective of the Securities Trust of Scotland plc is to achieve rising income and long-term capital growth through investment in a balanced portfolio constructed from global equities.

<b>Price</b>	<b>NAV (ex Inc)</b>	<b>Yield</b>
<b>205.00p</b>	<b>205.08p</b>	<b>3.0%</b>
<b>Premium (Discount) to NAV</b>	<b>Total Net/Gross Assets</b>	
<b>-1.6%</b>	<b>£213m/£228m</b>	

### Share Price Performance to 30 April 2021



### Share Price Discount / Premium to NAV



Total Return to 30 April 2021	Since Troy Appt*	30/04/16 5 years	30/04/18 3 years	30/04/20 1 year	31/10/20 6 months
Securities Trust of Scotland Share Price	+3.9%	+83.2%	+36.2%	+17.8%	+12.0%
Securities Trust of Scotland NAV	+3.3%	+70.8%	+30.5%	+22.0%	+11.1%
Lipper Global - Equity Global Income Index	+10.6%	+55.2%	+23.2%	+24.6%	+19.8%

\*Troy appointed Investment Manager 12 November 2020

Discrete Annual Total Returns	2014	2015	2016	2017	2018	2019	2020	2021 YTD
Securities Trust of Scotland Share Price	+0.8%	-5.4%	+35.8%	+6.8%	-7.9%	+39.3%	+3.1%	0.0%
Securities Trust of Scotland NAV	+4.1%	+0.2%	+28.5%	+11.9%	-8.2%	+27.4%	+3.7%	+3.1%

Source: Lipper/Morningstar

Past performance is not a guide to future performance

### April Commentary

The Trust produced a Net Asset Value total return of +2.8% during the month and a price total return of +1.5%, compared to a return of +2.8% for the Lipper Global - Equity Global Income Index.

As an indicator of how the centre of gravity in entertainment is shifting, the Oscars are instructive. Not because of their popularity but rather owing to how relatively marginal they have become. Whereas the Oscars was watched by fewer than 10 million people, the Game Awards – the equivalent of the Oscars in the gaming world – was live streamed by 8 times more people.

Nintendo, the Japanese gaming company, did not win the prestigious

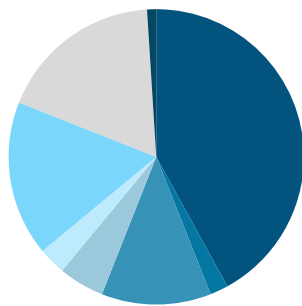
Game of the Year Award, but it did become our most recent investment. The Kyoto based company has created some of the most successful gaming franchises in the world – Mario, Zelda and Pokemon above all. We believe Nintendo is becoming a more valuable business as more people experience and interact with its games.

The Nintendo Switch, launched four years ago, is on track to become one of the most successful consoles of all time. Gamers are increasingly buying games digitally, which benefits the company's margins. The core gaming business is healthy and is generating increasing and more stable profits.

Nintendo is also quietly transforming into an entertainment company to fulfil its mission. Super Nintendo World, a theme park, just opened its doors in Osaka. A second one will soon open in Orlando. A new Super Mario movie is in the works in collaboration with Illumination, the animation studio behind the Minions. Nintendo is also looking to develop applications for smart devices to "make walking fun".

The shares represent good value too, as the market remains sceptical. Nintendo trades at 18x earnings and offers a 3% dividend yield, which we believe does not reflect all the exciting opportunities lying ahead.

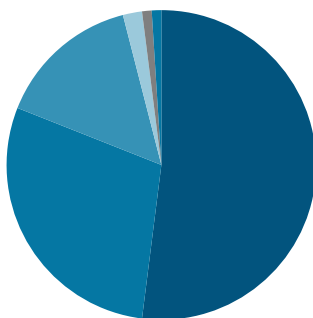
## Asset Allocation by Sector



- Consumer Staples 42%
- Communication Services 2%
- Financials & Real Estate 12%
- Industrials 5%
- Consumer Discretionary 3%
- Health Care 17%
- Information Technology 18%
- Cash 1%

Source: Factset. Asset Allocation subject to change

## Asset Class by Geography



- North America 52%
- United Kingdom 29%
- Europe ex UK 15%
- Asia Pacific ex Japan 2%
- Japan 1%
- Cash 1%

Source: Factset. Asset Allocation subject to change

## Top 10 holdings

Top 10 holdings	% Trust
British American Tobacco	6.0
Unilever	5.4
Philip Morris International	5.3
Reckitt Benckiser	5.0
Paychex	4.4
Diageo	4.1
Medtronic	4.1
ADP	4.0
CME Group	3.9
PepsiCo	3.9
<b>Total Top 10</b>	<b>46.0</b>
24 other holdings	53.2
Cash	0.8
<b>TOTAL</b>	<b>100.0</b>

Source: Factset. Holdings subject to change

## Trust information

<b>Structure</b> London Listed Investment Trust	<b>Capital Structure</b> Shares with voting rights 102,468,075 Shares held in treasury 19,831,073	<b>Dividend Yield (trailing 12 months)</b> 3.0% Q1 2020/21 1.375p Q4 2019/20 1.375p Q3 2019/20 1.375p Q2 2019/20 2.06p
<b>Board</b> <b>Chairman</b> John Evans <b>Non-Executive Director</b> Mark Little <b>Non-Executive Director</b> Angus Gordon Lennox <b>Non-Executive Director</b> Sarah Harvey	<b>Net Assets</b> £213m <b>Gross Assets</b> £226m <b>Ongoing Charges</b> Ordinary shares: 0.89% (31.03.20)	<b>Dividend Payments</b> January, April, July, October <b>Market Makers:</b> JPMORGAN, NUMIS, WINTERFLOOD, INVESTEC, PANMURE, PEEL HUNT
<b>Investment Manager</b> Troy Asset Management Limited 33 Davies Street London W1K 4BP Tel: 020 7499 4030 Fax: 020 7491 2445 email: info@taml.co.uk	<b>Management Fee</b> 0.65% - Troy's investment management fee will be waived for 12 months from its appointment as investment manager (12 November 2020).	<b>Bloomberg/Epic/Reuters Code</b> STS <b>Sedol</b> B09G3N2
<b>Manager</b> James Harries	<b>Allocation of Expense and Interest</b> Capital 65% Revenue 35%	<b>AIFM</b> PATAC Limited
<b>Benchmark</b> Lipper Global Equity Global Income Index	<b>Mandate Established</b> 2005 <b>Year End</b> 31 March <b>Premium (Discount)</b> -1.0%	<b>Pricing</b> Share price is listed daily in the FT <b>Auditor</b> Ernst & Young LLP
<b>Currency</b> £ Sterling	<b>Gearing</b> 8%	

## Important Information

The Trust can use gearing to purchase assets for the Trust; the use of this facility will have the effect of magnifying any gains or losses made. Asset allocation and holdings information is based on the gross assets. All performance data is calculated net of fees, unless otherwise stated. All references to benchmarks are for comparative purposes only. The views expressed in this document are not intended as an offer or solicitation for the purchase or sale of any investment or financial instrument. The information contained within this document does not constitute investment advice or an offer to invest or to provide discretionary investment management services and should not be used as the sole basis of any investment decision. Should you wish to obtain financial advice, please contact a professional advisor. The historic yield reflects distributions declared over the past twelve months as a percentage of the trust's price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. The yield is not guaranteed and will fluctuate. References to specific securities are included for the purposes of illustration only and should not be construed as a recommendation to buy or sell these securities. Although Troy Asset Management Limited ("Troy") considers the information included in this document to be reliable, no warranty is given as to its accuracy or completeness. The opinions expressed are expressed at the date of this document and, whilst the opinions stated are honestly held, they are not guarantees and should not be relied upon and may be subject to change without notice. Past performance is not a guide to future performance. The investments discussed may fluctuate in value and investors may get back less than they invested. Overseas investments may be affected by movements in currency exchange rates. The investment policy and process of the Trust may not be suitable for all investors. Third party data is provided without warranty or liability and may belong to a third party. Issued by Troy Asset Management Limited, 33 Davies Street, London W1K 4BP (registered in England & Wales No. 3930846). Registered office: Hill House, 1 Little New Street, London EC4A 3TR. Authorised and regulated by the Financial Conduct Authority (FRN: 195764).