

Aberdeen Asia-Pacific (ex-Japan) Equity Fund



December 2020 Performance Data and Portfolio Composition

Total Returns (%)

	Cumulative as of Dec 31, 2020			Annualized as of Dec 31, 2020				
	1 Mo	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception 11/16/09
Class A w/o sales charges	8.89	23.27	30.03	30.03	11.96	15.73	6.72	8.15
Class A with sales charges	2.62	16.19	22.55	22.55	9.77	14.37	6.09	7.57
Institutional Class	8.87	23.33	30.28	30.28	12.27	16.01	6.95	8.36
MSCI AC Asia Pacific ex Japan Index (Net Dividends) ¹	6.64	19.15	22.44	22.44	7.89	12.93	6.21	7.20
MSCI AC Asia Pacific ex Japan Index (Gross Dividends)	6.69	19.21	27.75	27.75	8.18	13.23	6.49	7.48

Annual Calendar Year Returns (%)

	2020	2019	2018	2017	2016	2015	2014	2013
Class A w/o sales charges	30.03	21.51	-11.18	37.74	7.39	-13.29	1.70	-2.97
Institutional Class	30.28	21.89	-10.89	38.03	7.58	-13.04	2.00	-2.77
MSCI AC Asia Pacific ex Japan Index (Net Dividends) ¹	22.44	19.16	-13.92	36.98	6.75	-9.37	2.82	3.41
MSCI AC Asia Pacific ex Japan Index (Gross Dividends)	22.75	19.48	-13.68	37.32	7.06	-9.12	3.09	3.65

¹Effective February 28, 2020, the primary benchmark changed to the MSCI AC Asia Pacific ex Japan Index (Net Dividends). Please see the prospectus for more details.

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. The performance data quoted represents past performance and current returns may be lower or higher. Class A shares have up to a 5.75% front-end sales charge and a 0.25% 12b-1 fee. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, which may be higher or lower than the performance shown above, please call 866-667-9231 or go to <https://www.aberdeenstandard.com/en-us/us/investor/fund-centre>

The Inception Date represents the inception date for the oldest share class. Performance prior to the inception date for each share class may be linked to performance for the oldest share class. Please see the Fund's prospectus for further details. Total returns assume the reinvestment of all distributions. Total returns may reflect a waiver of part of the Fund's fees for certain periods since inception, without which returns would have been lower. Indexes are unmanaged and have been provided for comparison purposes only. No fees or expenses are reflected. You cannot invest directly in an index.

Fund Facts

	Class A	Institutional Class
Net Asset Value (NAV) as of 12/31/20	\$18.70	\$18.87
Ticker	APJAX	AAPIX
CUSIP	003021185	003021698
Minimum Initial Investment	\$1,000	\$1,000,000
Gross/Net Expense Ratio	4.15%/1.55%	3.97%/1.25%
Distributions	Annual Distributions/Annual Capital Gains	

Expenses stated as of the Fund's most recent prospectus. All classes of the Fund have contractual waivers in place and may not be terminated before 2/28/21 without approval of the Independent Trustees.

Investors should carefully consider a fund's investment objectives, risks, fees, charges and expenses before investing any money. To obtain this and other fund information, please call 866-667-9231 to request a summary prospectus and/or prospectus, or download at <https://www.aberdeenstandard.com/en-us/investor/fund-centre>. Please read the summary prospectus and/or prospectus carefully before investing any money. Investing in mutual funds involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund will be achieved.

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Objective

The Fund seeks long-term capital appreciation.

Strategy

As a non-fundamental policy, under normal circumstances, the Fund invests at least 80% of the value of its net assets, plus any borrowings for investment purposes, in equity securities of Asia-Pacific (ex-Japan) companies. The "Asia-Pacific Region" includes, among other countries, Sri Lanka, Bangladesh, Pakistan, South Korea, Taiwan, Hong Kong, Malaysia, Singapore, China, Thailand, Indonesia, Australia, New Zealand, Philippines and India. The Adviser employs a fundamental, bottom-up investment process, based on first-hand research and disciplined company evaluation. ESG (Environmental, Social and Governance) analysis is fully integrated into investment decisions for all equity holdings. As such, although ESG investing is not a principal strategy of the Fund, the Adviser considers and evaluates ESG factors as part of the investment analysis process and this analysis forms an integral component of the Adviser's quality rating for all companies.

Total Net Assets (all share classes)

\$7.36 million

Portfolio Management

Asia-Pacific Equity Team

Risk Considerations

Concentrating investments in the Asia-Pacific region subjects the Fund to more volatility and greater risk of loss than geographically diverse mutual funds.

Foreign securities are more volatile, harder to price and less liquid than U.S. securities. They are subject to different accounting and regulatory standards, and currency exchange rate, political and economic risks. Fluctuations in currency exchange rates may impact a Fund's returns more greatly to the extent the Fund does not hedge currency exposure or hedging techniques are unsuccessful. These risks are enhanced in emerging markets countries.

Equity securities of small and mid-cap companies carry greater risk, and more volatility than equity securities of larger, more established companies.

Please read the prospectus for more detailed information regarding these and other risks.

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Sector Breakdown vs. Benchmark (%)

	Fund	Benchmark	Difference
Information Technology	24.1	20.3	3.8
Health Care	9.8	6.1	3.7
Materials	7.9	6.4	1.5
Real Estate	5.1	4.3	0.8
Consumer Staples	5.8	5.2	0.6
Financials	18.7	19.8	-1.2
Communication Services	8.7	10.3	-1.5
Consumer Discretionary	15.3	17.2	-1.8
Industrials	3.3	5.3	-2.0
Utilities	0.0	2.2	-2.2
Energy	0.0	2.9	-2.9
Cash*	1.3	0.0	1.3

*Typically cash is below 5%; higher weighting may reflect large daily cash flow.
Figures may not sum due to rounding.

Top Ten Holdings

	% of Portfolio
Samsung Electronics	9.0
Taiwan Semiconductor	8.2
Tencent Holdings	7.7
CSL Ltd.	3.6
AIA Group	3.6
Housing Development Finance Corp.	3.1
Kweichow Moutai	2.9
Ping An Insurance Group	2.7
Wuxi Biologics	2.4
Bank Central Asia	2.3

Percent of Portfolio in Top Ten 45.5

Figures may not sum due to rounding. Holdings are subject to change and are provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities shown.

Commentary

- Asia-Pacific equities rallied in the fourth quarter amid Covid-19 vaccine hopes and the region's economic recovery, outpacing their global counterparts. Major Western economies struggled with rising Covid-19 infections, forcing many to reimpose lockdowns.
- Geopolitical tensions persisted through the quarter. The administration of U.S. President Donald Trump issued an executive order barring U.S. investments in 31 Chinese companies with alleged links to the military. China imposed trade sanctions on Australian products, such as wine and barley, while India banned more Chinese apps, including some linked to Fund holdings Alibaba and Tencent.
- In portfolio activity over the quarter, we initiated a holding in Chinese e-commerce giant Alibaba as we believe it has quality assets, a solid business model and attractive growth prospects. Our concerns about corporate governance at the company had deterred us, but we have since observed positive changes.
- We also established a new position in Chinese sportswear maker Li Ning. The company's business has started to turn around, and we think that its focus on improving key areas, such as inventory management and the supply chain, should underpin margin expansion in the coming years.
- We also subscribed to the initial public offering of Hong Kong-listed JD Health, which operates retail pharmacies and provides round-the-clock online healthcare services. We feel that the company's prospects are supported by its robust e-commerce platform and structural changes, such as sector deregulation. In view of China's pledge toward carbon-neutrality by 2060, we initiated holdings in Yunnan Energy New Material, a maker of lithium-ion battery separators, and Longi Green Energy Technology, a solar wafer maker. We believe the companies should benefit from the Chinese government's push for more new-energy vehicles and toward renewable energy, respectively.
- We exited the Fund's positions in several companies which we had lower conviction, including semiconductor manufacturer ASM Pacific Technology; Bank of the Philippine Islands; property developer Central Pattana; China Merchants Bank; CNOOC, China's state-owned oil company; conglomerates Jardine Strategic and Keppel Corp; and fast-food restaurant chain operator Yum China.

This commentary is for informational purposes only, and is not intended as an offer or recommendation with respect to the purchase or sale of any security, option, future or other derivatives in such securities.

Unless otherwise noted, all information is as of December 31, 2020

Definitions

The MSCI AC Asia Pacific ex Japan Index is an unmanaged index considered representative of Pacific region stock markets, excluding Japan.

Beta is a measure of the volatility of a portfolio in comparison to a benchmark index. Alpha is a measure of performance that takes the volatility of a mutual fund and compares its risk-adjusted performance to a benchmark index. Standard deviation measures historical volatility. R-squared is a statistical measurement that determines the proportion of a fund's return that can be explained by variations in the market, as measured by a benchmark index. Sharpe ratio measures risk-adjusted performance.

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Portfolio Characteristics

	Fund	Benchmark
Number of Holdings (not including cash)	58	1,258
Weighted Average Market Cap (bn USD)	205.4	154.0
Beta	1.0	1.0
Alpha	5.4	0.0
Standard Deviation	19.3	18.6
R-Squared	97.1	100.0
Sharpe Ratio	0.6	0.3

The Beta, Alpha, Standard Deviation and R-Squared are based on a 36-month rolling period.

Active Share Class*

	Active Share	Active Share Change
	69.45	-1.01

*Active Share is a holdings-based measure of active management representing the percentage of a portfolio that differs from a benchmark index. A vehicle with an Active Share of 0 would hold exactly the same portfolio as the benchmark index, while a vehicle with an Active Share of 100 would have no holdings in common with the benchmark.

Country Breakdown (%)

	Fund	Benchmark
China	34.9	37.8
South Korea	11.8	13.0
India	11.5	8.9
Australia	10.2	13.7
Hong Kong	10.0	6.3
Taiwan	8.2	12.3
Singapore	4.2	2.0
Indonesia	3.7	1.3
New Zealand	2.0	0.6
Philippines	1.4	0.7
Thailand	0.8	1.8
Malaysia	0.0	1.5
Cash	1.3	0.0

Figures may not sum due to rounding.

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