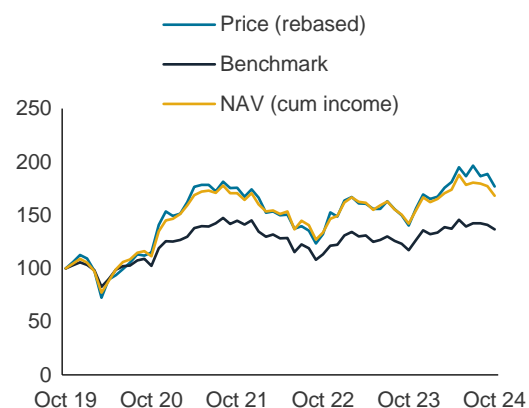
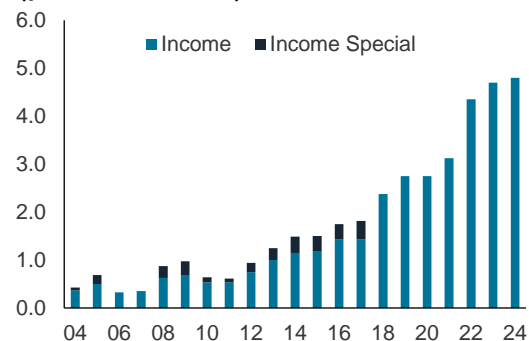


## Share price performance (total return)



From July 2022, the benchmark changed from the EMIX Smaller European Companies ex UK Index to the MSCI Europe ex UK Small Cap Index.

## Dividend history (pence/share)



Please note that this chart could include dividends that have been declared but not yet paid.

## Performance over (%)

	6m	1y	3y	5y	10y
Share price (Total return)	-2.3	26.2	0.7	76.9	236.2
NAV (Total return)	-3.2	18.6	-1.2	68.3	223.4
Benchmark (Total return)	-0.5	16.8	-5.6	36.7	147.3
Relative NAV (Total return)	-2.7	1.9	4.3	31.6	76.1

## Discrete year performance (%)

Discrete year performance (%)	Share price (total return)	NAV (total return)
30/9/2023 to 30/9/2024	25.9	17.7
30/9/2022 to 30/9/2023	21.4	18.6
30/9/2021 to 30/9/2022	-29.6	-25.6
30/9/2020 to 30/9/2021	56.8	46.8
30/9/2019 to 30/9/2020	13.4	16.8

All performance, cumulative growth and annual growth data is sourced from Morningstar.

Source: at 31/10/24. © 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance does not predict future returns.**

## Commentary at a glance

### Performance

In the month under review the Company's NAV total return was -5.0% and the MSCI Europe ex UK Small Cap Index total return was -2.9%.

### Contributors/detractors

Detractors included SUESS Microtec, Mersen and Ipsos. Positive contributors included Alzchem, Ionos Group and R&S Group.

### Outlook

We believe we could be looking at a very different economic backdrop in the near future, defined by a coordinated global upswing in which small caps could heavily participate.

### See full commentary on page 3.

References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

## Company overview

### Objective

The Company seeks capital growth by investing in smaller and medium sized companies which are quoted, domiciled, listed or have operations in Europe (excluding the UK).

### Highlights

Providing unique access to Europe's growing small- and medium-sized companies with the sole aim of increasing shareholder capital.

## Company information

NAV (cum income)	186.4p
NAV (ex income)	185.6p
Share price	166.0p
Discount(-)/premium(+)	-11.0%
Yield	2.9%
Net gearing	16%
Net cash	-
Total assets	£838m
Net assets	£734m
Market capitalisation	£654m
Total voting rights	393,815,298
Total number of holdings	129
Ongoing charges (year end 30 Jun 2024)	0.67%
Benchmark	MSCI Europe ex UK Small Cap Index

Overall Morningstar Rating™ ★★★★★

As of 31/10/2024

Source: BNP Paribas for holdings information and Morningstar for all other data. Differences in calculation may occur due to the methodology used.

Please note that the total voting rights in the Company do not include shares held in Treasury.

Please remember that past performance does not predict future returns. The value of an investment and the income from it can rise as well as fall as a result of market and currency fluctuations, and you may not get back the amount originally invested. Please refer to the glossary for the definition of share price total return.

### How to invest

Go to [www.janushenderson.com/howtoinvest](http://www.janushenderson.com/howtoinvest)

### Find out more

Go to [www.europeansmallercompaniestrust.com](http://www.europeansmallercompaniestrust.com)

Factsheet - at 31 October 2024

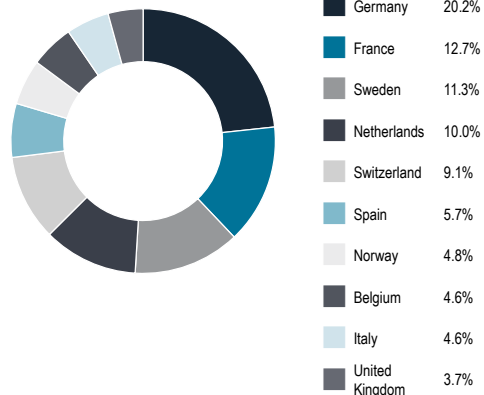
Marketing Communication

### Top 10 holdings (%)

Van Lanschot Kempen	3.1
TKH	2.9
IG Group	2.0
SUESS MicroTec	1.9
KSB	1.8
AlzChem	1.7
R&S Group	1.6
Stroeer	1.6
Gaztransport et Technigaz	1.5
DFDS	1.5

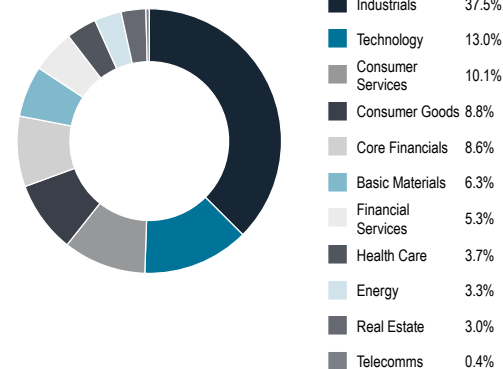
References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

### Geographical focus (%)



The above geographical breakdown may not add up to 100% as this only shows the top 10.

### Sector breakdown (%)

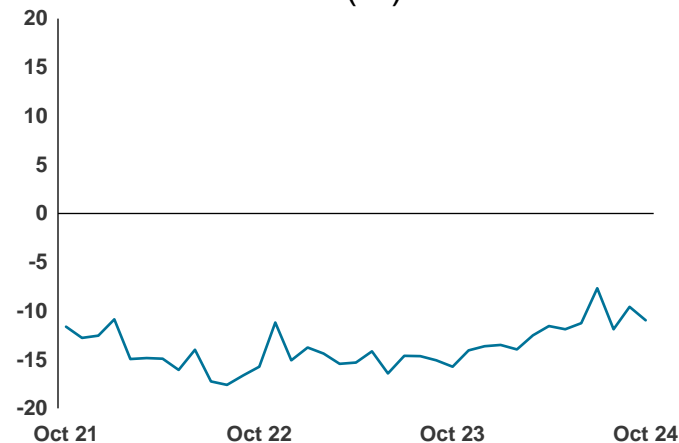


The above sector breakdown may not add up to 100% due to rounding.

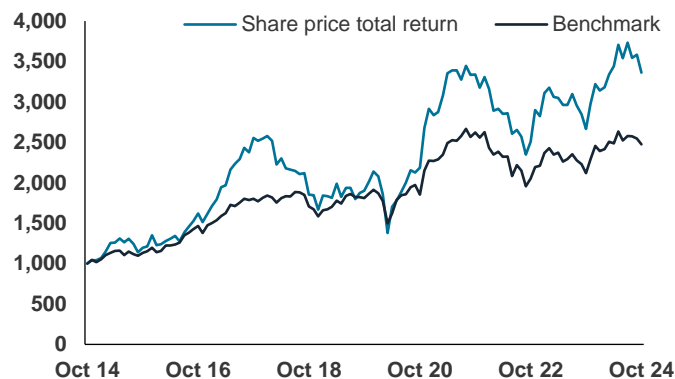
### Key information

Stock code	ESCT
AIC sector	AIC European Smaller Companies
Benchmark	MSCI Europe ex UK Small Cap Index
Company type	Conventional (Ords)
Launch date	1990
Financial year	30-Jun
Dividend payment	April, November
Management fee	0.55% pa on first £800m of net assets and 0.45% pa in excess thereof.
Performance fee	Yes
<small>(See Annual Report &amp; Key Information Document for more information)</small>	
Regional focus	Europe
Fund manager appointment	Ollie Beckett 2011 Rory Stokes 2014 Julia Scheufler 2024

### Premium/(discount) of share price to NAV at fair value (%)



### 10 year total return of £1,000



All performance, cumulative growth and annual growth data is sourced from Morningstar. Share price total return is calculated using mid-market share price with dividends reinvested.

Please remember that past performance does not predict future returns. The value of an investment and the income from it can rise as well as fall as a result of market and currency fluctuations, and you may not get back the amount originally invested. Please refer to the glossary for the definition of share price total return.

#### How to invest

Go to [www.janushenderson.com/howtoinvest](http://www.janushenderson.com/howtoinvest)

#### Customer services

0800 832 832



Ollie Beckett  
Fund Manager



Rory Stokes, CFA  
Fund Manager



Julia Scheufler, CFA  
Fund Manager

Factsheet - at 31 October 2024

Marketing Communication

## Fund Manager commentary

### Investment environment

European equities underperformed other major equity markets in October. This was due to lacklustre domestic economic data – primarily falling purchasing managers' indices (PMIs) – and the increased chance of a Donald Trump presidency in the US, which would likely see trade tariffs imposed on European exporters.

With the more cyclical characteristics of European small-cap companies (meaning they tend to be more dependent on economic growth to do well), they felt the brunt of the selling pressure and underperformed their large-cap peers over the month.

Commentary from European company management teams during the latest earnings season corroborated the weak economic narrative, especially in Germany.

### Portfolio review

The challenging October market backdrop was not what we had positioned for. We own several cyclical stocks, as we believed that we had reached the point of maximum pain and that news would improve. However, this was not reflected in the lower valuations and subdued earnings expectations we saw during the month. Although it is clear we were early on this call, we believe these stocks still look attractive from a risk-reward point of view. The latest IFO business climate survey suggests signs of a recovery, and we expect falling interest rates will combine with Chinese stimulus measures to accelerate global economic growth.

SUESS Microtec, the German semiconductor capital equipment manufacturer that makes temporary bonders for high-powered memory chips, was the top detractor over the period. A particularly noisy sell-side broker downgraded the stock, citing competition and demand fears. The market also needed little excuse to take profit in the company after its strong share price run. We remain excited about SUESS Microtec and its potential over the medium term. We also noted its announcement of its capacity expansion in Taiwan, which we take as a sign of the company's confidence.

Mersen, a manufacturer of graphite products and power electronics, also detracted over the period. The company announced disappointing results over the month, lowering its guidance (forecasts) due to weakness in its US division. It is clear from the earnings results of Mersen and other detractors during the period - such as market research company Ipsos and online advertising company Criteo - that activity had slowed in the US ahead of the election.

Ipsos, a French-listed market research company, also detracted from performance during the month. The company has missed its sales forecasts in both the second and third quarter. Investors seem to be hoping that the company will be able to accelerate its growth in the future. We have retained the position, as we believed the shares were still attractively valued.

The main positive contributor to performance was Alzchem, the German speciality chemical distributor. Here, the opening of its new production plant in Germany will increase its nitroguanidine capacity. Nitroguanidine is used in explosives, with the chemical being a key ingredient in creating NATO-compliant munitions. It is also used as a propellant for airbags. Alongside its German plant, Alzchem is intensifying its search for a production site in the US – if a suitable site is found, the US Department of Defence has already committed \$150 million to fund its construction. Alzchem also makes creatine, a compound most associated with bodybuilders, who take it as a supplement to enhance muscle growth. However, its benefits are widespread. It can be used to prevent sarcopenia (muscle loss) in older adults and it is also being used by Ozempic patients to maintain muscle mass.

Swiss company R&S Group, which produces power products such as transformers, also contributed positively to performance. After years of limited growth, the energy transition is revitalising the demand for advanced and efficient transformers.

Ionos Group, the German internet services provider, was also a positive contributor during the month. The company's shares had been weak after a slightly weaker second quarter, and also in anticipation of Warburg Pincus (a private equity firm) placing around seven million Ionos shares in September for a price of €21.80 per share. However, the share price rose in October, as the market hoped for a reacceleration in the third quarter.

**Factsheet - at 31 October 2024**

Marketing Communication

During the month, we bought a position in flatexDEGIRO after the resolution of a regulatory investigation and a complete overhaul of the senior management team and board. We believe stronger governance should help the company. We also opened a position in Cenergy Holdings, the Greek-listed cable manufacturer. The company has recently completed a fundraise in order to build a new plant in the US. The world is structurally short of the cables needed for the green energy transition, and we feel Cenergy is well placed to benefit from this trend.

We sold Swedish-listed Concentric, which makes diesel pumps for trucks and buses, after the company was bid for. We also sold Norma (automotive manufacturer and distributor). Although we still see value in the stock, we believe we would not have seen this value for many quarters to come and aim to revisit Norma at a later date.

**Manager outlook**

We continue to believe the US election will act as a clearing event for markets, allowing activity to accelerate again. Inflation has remained stubbornly high, reducing the scale and speed of interest rate cuts. Nevertheless, the over 100 basis points of interest rate cuts that are still forecast to be delivered over the next year should improve risk sentiment and economic activity.

The scale of Chinese stimulus has underwhelmed the market so far, but we expect this will also accelerate after the US election. It is clear the Chinese government has hit its pain threshold concerning economic growth weakness and will continue to act.

On the threat of US tariffs, European small-cap companies have approximately 12% of their revenues exposed to the US on average, much of which will be services related (thus tariff exempt). Therefore, we think the real-world impact is likely to be far less than what currently seems to be priced in to share prices.

All considered, we believe we could be looking at a very different economic backdrop in the near future, defined by a coordinated global upswing in which small caps could heavily participate.

## Glossary

### Discount/Premium

The amount by which the price per share of an investment company is either lower (at a discount) or higher (at a premium) than the net asset value per share (cum income), expressed as a percentage of the net asset value per share.

### Gearing

The effect of borrowing money for investment purposes (financial gearing). The amount a company can “gear” is the amount it can borrow in order to invest. Gearing is used in the expectation that the returns on the investments bought will exceed the costs of the borrowings that funded the purchase. This Company can also use synthetic gearing through derivatives and foreign exchange hedging and/or other non-fully funded instruments or techniques.

### Leverage

The Company's leverage is the sum of financial gearing and synthetic gearing. Details of the Company's leverage limits can be found in both the Key Information Document and Annual Report. Where a company utilises leverage, the profits and losses incurred by the company can be greater than those of a company that does not use leverage.

### Market capitalisation

Share price multiplied by the number of shares in issue, excluding treasury shares, at month end. Shares typically priced mid-market at month-end closing.

### Net Asset Value (NAV)

The total value of a Company's assets less its liabilities.

### NAV (Cum Income)

The value of investments and cash, including current year revenue, less liabilities (prior charges such as loans, debenture stock and preference shares at fair value).

### NAV (Ex Income)

The value of investments and cash, excluding current year revenue, less liabilities (prior charges such as loans, debenture stock and preference shares at fair value).

### NAV total return

The theoretical total return on shareholders' funds per share reflecting the change in Net Asset Value (NAV) assuming that dividends paid to shareholders were reinvested at NAV at the time the shares were quoted ex-dividend. A way of measuring investment management performance of investment trusts which is not affected by movements in discounts/premiums.

### Net assets

Total assets minus any liabilities such as bank loans or creditors.

### Net cash

A company's net exposure to cash/cash equivalents expressed as a percentage of shareholders' funds, after any offset against its gearing. This is only shown for companies that have gearing in place.

### Net gearing

A company's total assets (less cash/cash equivalents) divided by shareholders' funds expressed as a percentage.

### Ongoing charges

The total expenses for the financial year (excluding performance fee), divided by the average daily net assets, multiplied by 100.

### Share price

Closing mid-market share price at month end.

### Share price total return

The theoretical total return to the investor assuming that all dividends received were reinvested in the shares of the company at the time the shares were quoted ex-dividend. Transaction costs are not taken into account.

### Total assets

Cum Income NAV multiplied by the number of shares, plus prior charges at fair value.

### Yield

Calculated by dividing the current financial year's dividends per share (this will include prospective dividends) by the current price per share, then multiplying by 100 to arrive at a percentage figure.

For a full list of terms please visit:

<https://www.janushenderson.com/en-gb/investor/glossary/>

### Source for fund ratings/awards

Overall Morningstar Rating™ is a measure of a fund's risk-adjusted return, relative to similar funds. Fund share classes are rated from 1 to 5 stars, with the best performers receiving 5 stars and the worst performers receiving a single star.

Overall Morningstar Rating™ is shown for an investment company achieving a rating of 4 or 5.

Ratings should not be taken as a recommendation. For more detailed information about Morningstar Ratings, including its methodology, please go to <https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx>.

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### Company specific risks

- This Company is suitable to be used as one component of several within a diversified investment portfolio. Investors should consider carefully the proportion of their portfolio invested in this Company.
- Active management techniques that have worked well in normal market conditions could prove ineffective or negative for performance at other times.
- The Company could lose money if a counterparty with which it trades becomes unwilling or unable to meet its obligations to the Company.
- Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.
- The return on your investment is directly related to the prevailing market price of the Company's shares, which will trade at a varying discount (or premium) relative to the value of the underlying assets of the Company. As a result, losses (or gains) may be higher or lower than those of the Company's assets.
- If a Company's portfolio is concentrated towards a particular country or geographical region, the investment carries greater risk than a portfolio that is diversified across more countries.
- Most of the investments in this portfolio are in smaller companies shares. They may be more difficult to buy and sell, and their share prices may fluctuate more than those of larger companies.
- Using derivatives exposes the Company to risks different from - and potentially greater than - the risks associated with investing directly in securities. It may therefore result in additional loss, which could be significantly greater than the cost of the derivative.
- Where the Company invests in assets that are denominated in currencies other than the base currency, the currency exchange rate movements may cause the value of investments to fall as well as rise.
- If the Company seeks to minimise risks (such as exchange rate movements), the measures designed to do so may be ineffective, unavailable or negative for performance.
- The Company may use gearing (borrowing to invest) as part of its investment strategy. If the Company utilises its ability to gear, the profits and losses incurred by the Company can be greater than those of a Company that does not use gearing.

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