

# EUROPEAN OPPORTUNITIES TRUST PLC

## Annual Report and Accounts

for the year ended  
31 May 2025

DEVON  
Equity Management



# INTRODUCING EUROPEAN OPPORTUNITIES TRUST PLC

Launched in November 2000, European Opportunities Trust PLC (the 'Company') is an investment trust that invests in European companies with the aim of delivering capital growth to shareholders over the long-term. From its launch to 31 May 2025 the Company's net asset value ('NAV') total return was 1,044.2%, compared to the Company's Benchmark total return of 332.4%.

The Board of Directors are committed to serving the best interests of shareholders as well as having regard for the wider community of stakeholders. Under the guidance of the Chair, the Board is responsible for the overall strategy of the Company and monitoring its performance. The Company's investment management is delegated to Devon Equity Management Limited ('Devon'), whose Chief Investment Officer, Alexander Darwall, has been responsible for the Company's portfolio since the Company's inception in November 2000.

The Company's stated investment objective is to invest in the securities of European companies and in sectors or geographical areas which are considered by the Investment Manager to offer good prospects for capital growth, taking into account economic trends and business development.

## TABLE OF CONTENTS

<b>Strategy</b>	Financial Highlights	2
	Chair's Statement	4
	Investment Manager's Review	8
	Portfolio Information	12
	Strategic Report	16
<b>Governance</b>	The Board of Directors	29
	Directors' Report	31
	Corporate Governance Statement	36
	Report of the Audit & Risk Committee	42
	Directors' Remuneration Report and Policy	45
	Statement of Directors' Responsibilities in Respect of the Financial Statements	50
<b>Financial</b>	Independent Auditors' Report	51
	Income Statement	59
	Statement of Financial Position	60
	Statement of Changes in Equity	61
	Cash Flow Statement	62
	Notes to the Accounts	63
	Glossary of Terms and Alternative Performance Measures	79
<b>Other Information</b>	Company Information	82
	Notice of Annual General Meeting	85
	Notes for Annual General Meeting	87

# FINANCIAL HIGHLIGHTS

for the year ended 31 May 2025

## Net asset value total return<sup>1</sup> (with dividends reinvested)

**(3.7)%**

2024: 15.5%

This performance was behind that of the Company's Benchmark, the MSCI Europe index, total return in GBP, which increased by 8.0% (2024: 17.3%).

## Share price total return<sup>1</sup> (with dividends reinvested)

**(0.9)%**

2024: 16.5%

Your Company's share price at 31 May 2025 was 896.0p.

## Shareholders' funds

**£603m**

2024: £656m

Gross assets, including drawn down bank debt of £70m, were £673m.

## Discount to net asset value<sup>1</sup> (as at 31 May 2025)

**(7.5)%**

2024: (10.2)%

	31 May 2025	31 May 2024	% change
Net asset value per share (pence)	968.89	1008.48	(3.9)%
Net asset value total return <sup>1</sup>			(3.7)%
Middle market share price (pence)	896.00	906.00	(1.1)%
Share price total return <sup>1</sup>			(0.9)%
MSCI Europe index, total return in GBP (Benchmark)			8.0%
Dividend per share (pence) in respect of financial year	2.0 <sup>2</sup>	2.0	
Discount to net asset value at year end (%) <sup>1</sup>	(7.5)	(10.2)	
Ongoing charges ratio (%) <sup>1</sup>	0.98	0.97	

<sup>1</sup> Alternative Performance Measure. For definitions please refer to the Glossary of Terms and Alternative Performance Measures on page 79.

<sup>2</sup> Proposed dividend to be approved at the forthcoming AGM.

## LONG-TERM TRACK RECORD

To 31 May 2025	3 years %	5 years %	10 years %	10 years annualised %	Since launch on 20.11.2000 %	Annualised return since launch %
Net asset value total return <sup>1</sup>	14.9	20.2	87.1	6.7	1044.2	10.5
Share price total return <sup>1</sup>	21.2	20.9	71.8	5.6	903.4	9.9
MSCI Europe index, total return in GBP (Benchmark)	35.4	72.7	119.8	8.2	332.4	6.2

As at 31 May	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Capital</b>										
Shareholder funds (£m)	613.9	795.0	873.2	927.5	922.9	879.0	872.6	862.9	656.0	603.0
Net asset value per share (p)	550.2	712.5	778.9	822.2	817.7	824.3	850.6	876.5	1,008.5	968.9
Share price (p)	530.0	692.0	770.0	815.0	753.0	750.0	746.0	781.0	906.0	896.0
(Discount) to NAV (%) <sup>1</sup>	(3.7)	(2.9)	(1.1)	(0.9)	(7.9)	(9.0)	(12.3)	(10.9)	(10.2)	(7.5)
<b>Revenue</b>										
Revenue return/(loss) per share (p)	6.8	7.9	5.8	5.6	4.1	2.1	2.6	3.3	0.3	(1.3)
Dividend per share (p)	5.5	6.5	6.5	5.5	3.5	2.0	2.5	3.5	2.0	2.0 <sup>2</sup>
Ongoing charges (%) <sup>1</sup>	1.08	0.99	0.91	0.90	0.99	0.99	1.02	1.02	0.97	0.98
<b>Gearing</b>										
Net Gearing (%)	14.0	7.7	4.9	6.3	–	7.0	9.4	8.9	8.4	7.2

Year on year performance to 31 May	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net asset value total return (%) <sup>1</sup>	1.4	30.8	10.3	6.4	0.1	1.2	3.4	3.3	15.5	(3.7)
Share Price total return (%) <sup>1</sup>	(3.2)	31.8	12.2	6.7	(7.0)	0.1	(0.3)	5.0	16.5	(0.9)
MSCI Europe index total return in GBP (Benchmark)	(4.7)	32.3	2.3	0.6	(1.9)	24.6	2.4	6.9	17.3	8.0

<sup>1</sup> Alternative Performance Measure. For definitions please refer to the Glossary of Terms and Alternative Performance Measures on page 79.

<sup>2</sup> Proposed dividend to be approved at the forthcoming AGM.

Source: MSCI Europe & Devon. Past performance is no guide to the future.

# CHAIR'S STATEMENT

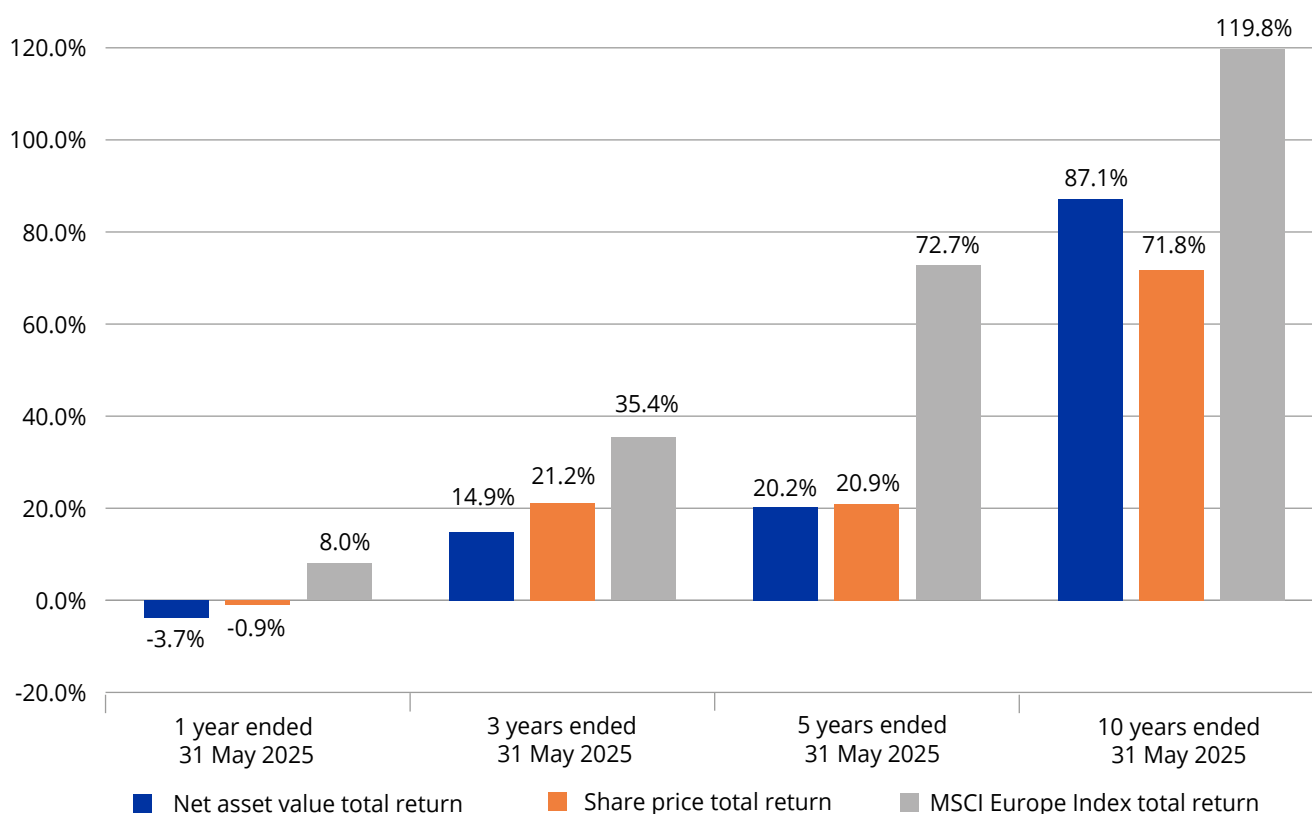


I present the Company's twenty-fifth Annual Report and Accounts since launch, covering the twelve months ended 31 May 2025.

During the period under review, the total return on the net asset value per share of the Company was (3.7)% (with dividends reinvested). This compares with the total return (again reflecting dividends reinvested) of 8.0% from our Benchmark, the MSCI Europe index in GBP, and the total return on the price of the Company's shares of (0.9)% during the same period.

Since the year end, and on a more pleasing note, the net asset value per share has increased by 5.9% to 1,026.0p (as at 31 July 2025), outperforming the Benchmark which increased by 1.5% over that period. The market price of the Company's shares on that date was 937.0p, an increase of 4.6% since the financial year end.

Whilst the Company's NAV total return has outperformed our Benchmark since inception, its three, five and ten year NAV total returns are below the Benchmark. The Board is acutely aware of the disappointment this entails for shareholders. Through engagement with the Investment Manager, the Board is persuaded that the consistency of commitment to a differentiated, high conviction approach will be vindicated in the longer term. We are also cognisant that shareholders will have an opportunity to vote on the continuation of the Company at the Annual General Meeting to be held in 2026, in accordance with the Company's articles of association.



Our Investment Manager's explanation of the contributors and detractors to recent performance are set out from page 9.

## CHAIR'S STATEMENT *continued*

### Tender Offer

As mentioned above, shareholders will have the opportunity to vote on the continuation of the Company within the next 18 months. However, in view of recent performance, the Board felt it appropriate to offer shareholders an interim opportunity to realise part of their investment at close to NAV. Consequently, on 7 February 2025, we announced that the Company would undertake a tender offer for up to 25% of its issued share capital. The tender offer was approved by shareholders at a General Meeting held on 3 June and was concluded on 18 June. The effect of the tender offer was to reduce the Company's net assets under management to £463 million as at the end of June.

This tender offer was in addition to the previously announced performance related tender offer to be made as soon as is practicable after the Annual General Meeting in 2026 if the Company's net asset value total return does not equal or exceed the Benchmark total return over the three-year period beginning 1 June 2023 and ending on 31 May 2026. The Company's performance since 1 June 2023 is currently behind the Benchmark.

### River Global PLC and our Investment Manager

It was announced on 30 June 2025 that our Investment Manager, Devon Equity Management Limited, had entered into heads of terms to merge its business with River Global PLC. The proposals are subject to contract and regulatory consent from the FCA. Your Board has had extensive discussions with the senior management of both River Global PLC and Devon to understand fully the rationale and implications of the proposed combination. We thank them for the time taken to respond to our enquiries. After careful consideration and having received feedback from some shareholders, we take a positive view of the proposal based on River Global's commitment to Investment Trusts, the expanded portfolio management and analyst resource and the enhanced marketing and distribution capability. We have also received reassurance of the continued commitment of key staff at Devon and that the underlying investment philosophy and process will be retained.

### Revised Management Fee

The Board reviews the Company's management fee structure with the Investment Manager each year to ensure that the terms of the fee are competitive and reasonable for shareholders. I am pleased to inform shareholders that, irrespective of the outcome of the ongoing negotiations between Devon and River Global described above, the Board and the Investment Manager have agreed a reduced management fee to become effective from 1 October 2025. Under the new arrangements, Devon will be entitled to 0.65% per annum on net assets up to £400 million; 0.60% per annum on any net assets between £400 million and £600 million and 0.55% per annum on any net assets above £600 million. Previously Devon was entitled to 0.80% per annum on any net assets up to £1 billion; 0.70% per annum on any net assets over £1 billion up to £1.25 billion; and 0.60% per annum on any net assets above £1.25 billion.

### Annual dividend

The Company's investment objective is to achieve shareholder returns primarily through capital growth. Accordingly the Board does not impose a specific income objective on the Investment Manager in the management of the portfolio. Consequently the revenue per share, and therefore the dividends paid, have fluctuated from year to year.

The Board's policy is to propose an annual dividend which is at least sufficient to enable the Company to maintain its investment trust status with HMRC. It has generally (but not exclusively) been the Board's practice to pay a dividend covered by the revenue return per share of the year to which it pertains. However, in view of the importance of income to many shareholders and the Company's ample revenue reserves, the Board has decided to recommend a final dividend of 2.0p (unchanged on 2.0p paid in 2024).

The ability to fund dividend payments out of revenue reserves is one of the key advantages of investment trusts which, in contrast with open-ended funds such as OEICs, can hold back some of the income generated in good years, thereby building up revenue reserves that can be used to supplement dividends during periods of lower revenue returns.

The dividend will be proposed at the Annual General Meeting and will be payable on 28 October to shareholders on the Register of Members on 3 October (the Record Date). The ex-dividend date is 2 October 2025.

A dividend reinvestment plan is available from the Company's registrars, MUFG Corporate Markets, to shareholders who wish to re-invest their dividends in the shares of the Company. The registrar's contact details are set out on page 83.

## CHAIR'S STATEMENT continued

---

### Discount management

The discount on the Company's shares was 7.5% at the year end (2024: 10.2%), which compares with the average discount on that date of 5.4% for the Company's peers in the AIC Europe sector. The average discount on the Company's shares over the year was 10.7% (2024: 10.2%).

The Board has an active discount management policy, the primary purpose of which is to reduce discount volatility. The Board seeks to maintain the discount in single digits in normal market conditions. Buying shares at a discount also results in a small enhancement to the NAV per continuing share.

A total of 2,879,195 shares were repurchased during the period under review, with an aggregate value of £24.5 million. No further shares have been repurchased since the financial year end aside from those repurchased in the Tender Offer referred to above.

The Board believes that the Company should retain the power to buy back shares during the current financial year and is therefore seeking to renew the annual authority to repurchase up to 14.99% of the Company's shares in issue at the forthcoming Annual General Meeting. The Board's current powers to buy back shares, last renewed at the general meeting held on 3 June, expire at the Annual General Meeting.

### Gearing

The Board believes that borrowing can enhance returns to investors over the long-term. The Board monitors the level of the Company's gearing carefully on an ongoing basis and the level of gearing at any given time is a reflection of the Investment Manager's confidence in identifying attractive investment opportunities at the point of drawdown or renewal.

In August 2025, the Company renewed its longstanding multi-currency revolving credit facility with The Bank of Nova Scotia, London Branch with a maximum drawable amount of £70 million available until September 2026 (reduced from £85 million in 2024/25), with credit approval for an additional 'accordion' amount available upon application for a further £50 million (unchanged on the previous year). There was £70 million drawn down as at 31 May 2025, reduced to £55 million as of the date of this report. The net gearing level on the Company's investment portfolio, after deduction of cash held on deposit, was 7.2% at the year end (2024: 8.4%).

### Directors' performance evaluation and annual re-elections

In order to review the effectiveness of the Board, its Committees and the individual Directors, the Board has recently commissioned a formal independent appraisal by an external consultant, Cyclico. Whilst the review, which concluded in June, resulted in a number of minor operational recommendations for the Board, the overall conclusion was that the Board as a whole, and its Committees, were functioning effectively.

The Board considers that a tri-annual external appraisal process is a constructive means of evaluating the contribution of individual Directors, identifying ways to improve the functioning and performance of the Board and its committees, building on collective strengths and identifying any training needs.

In accordance with the UK Corporate Governance Code, all Directors who have held office during the financial year are offering themselves for re-election at the forthcoming Annual General Meeting. The Directors' biographies can be found on pages 29 and 30.

I would like to thank my fellow Directors for their diligence and dedication on your behalf over the last year.

### Shareholder engagement

The Board believes that shareholder engagement is extremely important and aims to maintain an open dialogue with shareholders. Over the course of the year, we have continued to engage with a range of our shareholders representing in aggregate the majority of the share register. The Board values the feedback it has received and insights it has gained through the engagement process and we thank the shareholders for their valuable contributions. We remain committed to continued engagement with all shareholders.

### 2025 Annual General Meeting

The Company's Annual General Meeting will be held at 12 noon on Wednesday, 8 October 2025. Notice of the Annual General Meeting, containing full details of the business to be conducted at the meeting, is set out on page 87 of this report.



## CHAIR'S STATEMENT *continued*

I would like to take the opportunity to remind shareholders that they have the right to attend and vote on matters that affect the Company. It is an important aspect of an investment trust that shareholders can and are encouraged to make their voices heard by voting on key business matters.

Your attention is also drawn to the Directors' Report beginning on page 31, where the resolutions classified as special business are explained on page 34. The Directors consider that all resolutions to be put to shareholders are in their and the Company's best interests as a whole, and recommend that shareholders vote in their favour.

In addition to the formal business, Alexander Darwall will provide a presentation to shareholders on the performance of the Company over the past year as well as an outlook for the future.

Should shareholders have questions for the Board or the Investment Manager, or any queries as to how to vote, they are welcome, as always, to submit them by email to [enquiries@devonem.com](mailto:enquiries@devonem.com) or call 020 3985 0445.

### Outlook

European equities are performing relatively well compared with the US equity market this year. Trump turmoil has made European equities look relatively attractive. This, together with lower oil and gas prices (a particular positive for Europe), make for an encouraging backdrop for the Company's investment strategy.

We acknowledge that the Company's returns relative to our Benchmark have been below par in recent years but, albeit short term, we are pleased to note that there have been some signs of recovery in the Company's performance in recent months. As we approach the three yearly continuation vote at next year's Annual General Meeting we will continue to keep the Company's performance, and our Investment Manager, under close review on your behalf.

Your Board and I would like to express our thanks to all of our shareholders for their continuing support.

**Matthew Dobbs**

Chair

14 August 2025

# INVESTMENT MANAGER'S REVIEW

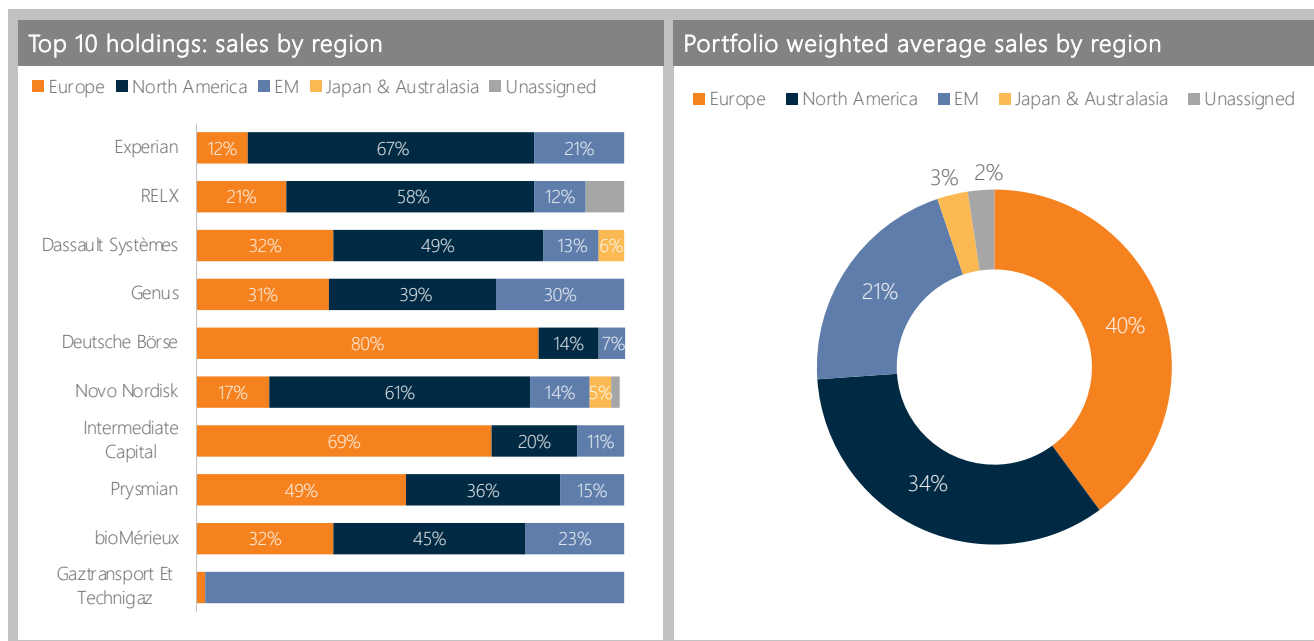


The total return on the net asset value of the Company's shares was (3.7)% during the twelve months to 31 May 2025. This compares with a total return of 8.0% from our Benchmark, the MSCI Europe index in GBP.

## Portfolio Review

Our portfolio, a collection of European companies which compete successfully worldwide, has obvious advantages: a bigger global opportunity than one restricted to Europe only and global success providing validation of our companies' products and services. Whilst this strategy is challenged by the policies of the Trump administration, we are well positioned to cope with US tariffs as our companies typically provide services or have US based operations, in both cases avoiding the worst effects of tariffs. However, we must acknowledge that our strategy does not have a place for mainstream financials, a strongly performing sector, which explains in part at least, our disappointing performance.

Themes in the portfolio include 'productivity' (through technology advances); 'disruption' (through technology and new business models); 'defence'; and 'electrification'. The productivity plays include healthcare companies like **Novo Nordisk** and **Camurus** where successful clinical trials and, in the case of Camurus, significant new deals vindicate our confidence in their technology. Companies like **Wise** and **Ryanair** continue to disrupt industries where incumbents are handicapped by their legacy systems. Our defence holdings are plays on the acknowledged need to increase spending. As for electrification, as part of that the transition to the 'electric economy', demand for natural gas is rising. **GTT** in providing engineering services to Liquefied Natural Gas carriers is a clear beneficiary of this trend. Other 'winners' in the electric economy include **Prysmian**, a leading supplier of electric cables, and **Infineon**, the world leader in power semiconductors.



Any stock examples are used for illustrative purposes only and should not be viewed as investment advice.

## Performance

We discuss the key contributors and detractors on the next page.

## INVESTMENT MANAGER'S REVIEW *continued*

### Top five contributors

Security	Average portfolio weight over year to 31 May 2025/%	Benchmark weight as at 31 May 2025/%	Price performance 12 months to 31 May 2025/%	Relative contribution to portfolio return*/%
Deutsche Börse	7.3	0.4	54.6	3.3
RELX	7.7	0.8	18.8	1.4
Gaztransport & Technigaz	3.7	0.0	26.7	1.1
Thales	1.6	0.2	61.2	0.9
Genus	5.2	0.0	13.5	0.9

The biggest positive contributor to our performance in the period under review was **Deutsche Börse**. Turmoil in financial markets tend to be good for the company and there has been turmoil in abundance. Management had the foresight to invest substantially over recent years and the company is now enjoying the fruits of that strategy. **RELX** continued to contribute to returns as the company reports higher growth rates on the back of its use of artificial intelligence (AI). GTT shares gained, steadily matching increasing demand for their natural gas related engineering services. **Thales**, **BAE Systems** and **Exosens**, three defence companies, all performed well. The prospect of multi-year increases in European and international defence spending provides good earnings visibility. Shares in **Genus** also contributed following the FDA's approval for their unique gene editing technology. This is potentially transformational for the company's prospects although it will take time to see the full benefits. **bioMérieux** was another positive contributor, as it continued to build on its leading position in in vitro diagnostics.

### Top five detractors

Security	Average portfolio weight over year to 31 May 2025/%	Benchmark weight as at 31 May 2025/%	Price performance 12 months to 31 May 2025/%	Relative contribution to portfolio return*/%
Novo Nordisk	10.4	3.0	(50.8)	(6.7)
Edenred	4.7	0.1	(35.6)	(2.0)
Worldline	1.2	0.0	(58.3)	(0.9)
Dassault Systèmes	7.3	0.2	(11.5)	(0.8)
Oxford Instruments	2.4	0.0	(27.9)	(0.8)

The standout detractor from our performance was **Novo Nordisk**. Competitive developments in the burgeoning market for anti-obesity drugs explain the sharp fall in the share price. Whilst Novo Nordisk was the trail blazer with their GLP-1 drugs, such is the scale of the market opportunity that many new entrants have been attracted to this space: the stockmarket's concern is that their 'first mover advantage' is not an enduring advantage. Recent clinical trial results from their 'next generation' drug underwhelmed investors. However, on both points we are more positive. The anti-obesity opportunity is vast and the diverse needs of the patient population means that many different drugs will be required. Novo Nordisk has many advantages including a strong portfolio of drugs and a strong pipeline, with good 'real world' performance, huge scale and attendant economies, and global reach. **Edenred** shares fell sharply as the threat of regulatory changes in their key markets unsettled investors. Edenred has navigated previous changes successfully and, for as long as employee benefits remain part of governments' policies (and all the signs are positive), we expect the company to build on its excellent record.

\* Price performance and relative contribution to portfolio returns have been calculated on a total return basis by reference to each portfolio transaction over the period from close on 31 May 2024 to 31 May 2025. These calculations include the impact of foreign currency rates and are based on Bloomberg securities and FX pricing sources and Bloomberg's estimation of the portfolio's total market value. Relative contribution to portfolio return is measured against the MSCI Europe total return index in GBP. Source: Devon, Bloomberg.

## INVESTMENT MANAGER'S REVIEW *continued*

---

**Worldline** has been a bad investment; our analysis was wrong, and we have since sold the holding. Another detractor was **Dassault Systèmes**. The company has reported lower growth rates as their main customer base, the automotive industry, reacted to the 'tariff turmoil' by pausing investment. The company's CAD/CAM (computer aided design and manufacture) offering is compelling, and we remain confident that the company has a bright future. **Oxford Instruments** shares drifted on little news other than a concern that they would suffer from US tariffs. Of the other detractors we note **ICG**, the private equity and debt company. Results have been good with strong fund raising underpinning a confident outlook.

### Portfolio Activity

During the period under review, we raised approximately £38.3 million net cash. We sold £137.6 million of stocks and reinvested £99.3 million, representing a turnover ratio of 20% of the Company's average net assets during the year (2024: 71%). We increased the number of holdings from 27 to 28. There were four new investments and three complete sales during the period under review.

The biggest complete sale from the portfolio in the period was **Darktrace**, which was taken over by an American private equity company. We reduced the weighting of **Deutsche Börse** on the back of good performance. We sold the entirety of the holding in **S.O.I.T.E.C.** because their unique semiconductor wafer technology failed to gain traction in new areas. We also reduced the weighting in **RELX**, again, on the back of good performance. In addition, we lightened the holding in **Novo Nordisk**, recognising that it was an outsized weighting.

We established four new positions: **Universal Music Group** (UMG), **Exosens**, **Wise** and **VAT Group**.

UMG, as the owner of a huge catalogue of recorded music, benefits from digital technology which enables them to monetise their assets better. **Exosens**, a manufacturer of night vision goggles, is a play on increasing defence spending. **Wise**, a London based global payments technology company, is building a world leading FX platform for cross-border movements of money. **VAT Group**, a Swiss technology company, is a key supplier to the growing semiconductor industry. We increased positions in **Edenred** and **Genmab** on share price weakness; we bought more shares in **Genus** as the FDA's approval of their gene editing technology transforms their prospects.

### Outlook

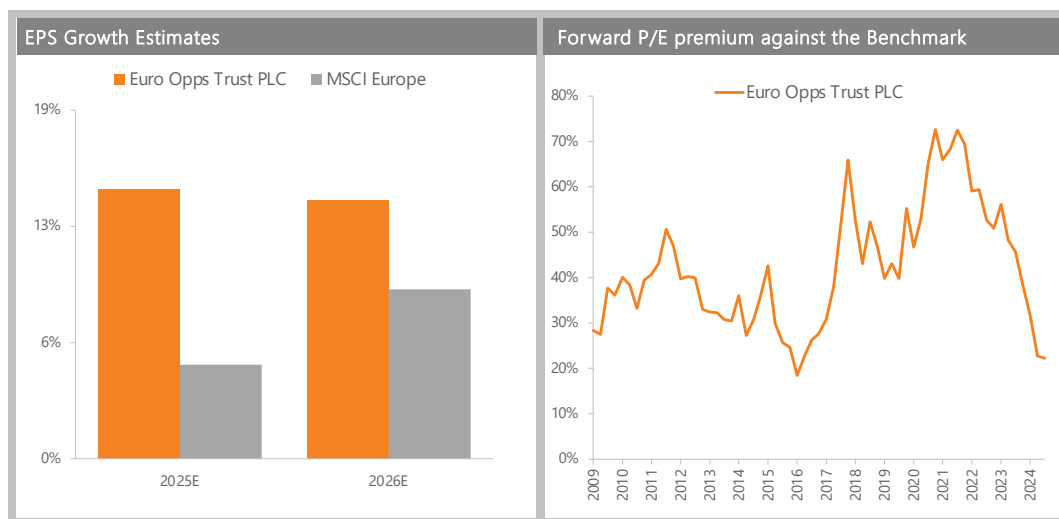
Two factors, capricious policy making by the Trump administration, and the impact of wars in Eastern Europe and Middle East, overshadow the near-term outlook.

As to the first, we are confident that most of our companies can avoid the worst effects of tariffs. With its tariff policy, the Administration is encouraging international companies to do more in America. Oil prices have climbed in response to worsening conflicts around the world but are not yet at levels that are thought to damage economic growth to any great extent.

The disruption to the US economy from the tariff policies is the prime reason why asset allocators are turning their attention, and funds, away from US equities to European equities again after years of neglect. Further, Germany's strong fiscal position stands in stark contrast to the dire US public finances. This allowed Germany to amend its constitutional debt brake thereby permitting the government to spend more on defence and security. Defence spending is expected to increase rapidly, reaching 3.5% of GDP in 2029. At the same time it created a new €500 billion fund for additional infrastructure investment. This stimulus will be felt throughout Europe and underpins a much more encouraging medium-term outlook.

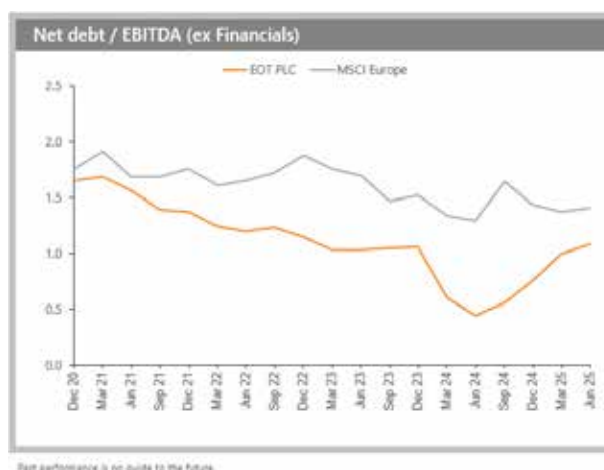
The longer-term case for our strategy rests on our conviction that our companies will continue to benefit from growing global demand for their products and services. We try to identify companies that provide critical goods or services and where they have a good degree of pricing power. In such cases, we believe these companies can enjoy good demand growth, neutralising the worst of any potential tariff effects. Moreover, many of our companies reported breakthrough developments in recent months, paving the way for transformational profits growth. **Genus**, **Camurus** and **Novo Nordisk** have all reported clinical trials and approvals that will lead to significant profits; **Infineon** is increasing its design 'wins' in the Chinese automotive market, again, giving good visibility to significant profits growth; and **Dassault Systèmes** has launched its AI product which should boost its earnings power considerably.

## INVESTMENT MANAGER'S REVIEW *continued*



The left-hand graph above illustrates the expected earnings per share (EPS) growth for the portfolio in 2025 and 2026 compared to the Benchmark. The right-hand graph shows the portfolio's premium (relative to the Benchmark) of the forward price earnings ratio (an estimate of earnings over the next 12 months) over the past 15 years. Taken together, these charts suggest that our portfolio is historically cheap: our portfolio continues to produce higher earnings than the market, yet the valuation of our portfolio is at the lower end of its historic range.

Typically, our companies also have less debt than most European listed companies, which we regard as prudent.



Our collection of 'special' companies, ones that can thrive in a range of economic scenarios, is well set to reap the rewards of their efforts. In a range of activities we have companies that are well positioned to succeed in their particular areas of activity, and this gives us great confidence for the future.

**Alexander Darwall**

Devon Equity Management Limited  
14 August 2025

## PORTFOLIO INFORMATION

Ten largest investments at 31 May 2025

Ranking 2025	Security	Principal activities	Country of Listing	Valuation 2025 £'000	% of portfolio 2025	% of portfolio 2024
1	Experian	Experian is the world's leading global information services company. It unlocks the power of data through advanced analytics and world-leading platforms, which turn data into information and actionable strategies. As well as supporting consumers, Experian operates across a range of industries, from healthcare to agribusiness, from automotive to financial services, and many more. Most of the company's revenue comes from their international operations. Experian traces its roots back to 1826, when a group of London tailors began swapping information on customers who failed to pay their debts.	United Kingdom	47,996	7.4	6.6
2	RELX	RELX is a global provider of information-based analytics and decision tools for professional and business customers, enabling them to make better decisions, get better results, and be more productive. The company serves customers in over 180 countries and has offices in about 40 countries. In addition, the company's Scientific, Technical & Medical segment provides information and analytics that help institutions and professionals progress science, advance healthcare, and improve performance. The majority of the company's revenue was generated in North America.	Netherlands	47,964	7.4	7.7
3	Dassault Systèmes	Dassault Systèmes operates as a software company. The develops and offers 3Dexperience platforms to create innovative new products and services using virtual experiences. Dassault Systemes serves aerospace, construction, business services, consumer packaged goods, high-tech, life science, health care, marine, energy, and industrial equipment industries worldwide.	France	45,130	7.0	7.3
4	Genus	Genus is a world-leading animal genetics company that supplies high-quality breeding animals with desirable characteristics to farmers, enabling them to produce better quality meat and milk more efficiently. Genus analyses animals' DNA and looks for markers that it knows are linked to desirable characteristics for farmers. It selects animals with the strongest genetic profile from its proprietary and partner herds and breeds them to produce even better offspring. It distributes these superior animals to customers in the form of animals, semen, or embryos. The company operates in three units: Its global porcine business, Genus PIC; its global bovine sales business, Genus ABS; and its global spend on research and development, the Genus Research and Development. North America generates the majority of its revenue.	United Kingdom	44,814	6.9	4.8
5	Deutsche Börse	Deutsche Börse is one of the largest providers of market infrastructure worldwide, the company offers a broad product and service range to its clients. The group's offering ranges from portfolio management software, analytics solutions, the ESG business and index development, via services for trading, clearing and settling orders through to custody services for securities and funds, and liquidity and collateral management services. It also develops and operates the IT systems and platforms that support all these processes. In addition to securities, the group platforms are also used to trade derivatives, commodities, foreign exchange, and digital assets. Germany brings in more than 20% of the company's total revenue. Deutsche Börse was established in 1992.	Germany	44,292	6.9	6.0

## PORTFOLIO INFORMATION continued

### Ten largest investments at 31 May 2025

Ranking 2025	Security	Principal activities	Country of Listing	Valuation 2025 £'000	% of portfolio 2025	% of portfolio 2024
6	Novo Nordisk	Novo Nordisk develops, produces, and markets pharmaceutical products globally. The company focuses on diabetes care and offers insulin delivery systems and other diabetes products. Novo Nordisk also works in areas such as hemostasis management, growth disorders, and hormone replacement therapy.	Denmark	44,242	6.9	14.2
7	Intermediate Capital Group	Intermediate Capital Group operates as a private equity firm. The firm invests in private debt, credit and equity, bridge financing, acquisitions, and other financial instruments. Intermediate Capital Group serves customers worldwide.	United Kingdom	32,096	5.0	5.5
8	Prysmian	Prysmian is world leader in the energy and telecom cable systems industry. The company is strongly positioned in high-tech markets and offers the widest possible range of products, services, technologies and know-how. It operates in the businesses of underground and submarine cables and systems for power transmission and distribution, of special cables for applications in many different industries and of medium and low voltage cables for the construction and infrastructure sectors. For the telecommunications industry, the company manufactures cables and accessories for voice, video and data transmission, offering a comprehensive range of optical fibers, optical and copper cables and connectivity systems.	Italy	28,390	4.4	3.7
9	bioMérieux	bioMérieux provides in vitro diagnostics solutions. The company develops equipment, tests, and software for immunoassays, microbiology, and molecular biology, as well as specializes in food safety and quality, in vitro diagnostics regulation, and cybersecurity services. bioMérieux serves customers worldwide.	France	27,935	4.3	3.1
10	Gaztransport et Technigaz	Gaztransport Et Technigaz operates as an engineering company. The company offers containment systems for the shipping and storage in cryogenic conditions of LNG (liquefied natural gas), as well as provides consultancy, training, maintenance support, and technical design services. Gaztransport Et Technigaz serves customers worldwide.	France	27,562	4.3	2.8
				<b>390,421</b>	<b>60.5</b>	<b>61.7</b>

# INVESTMENT ACTIVITY

During the year ended 31 May 2025

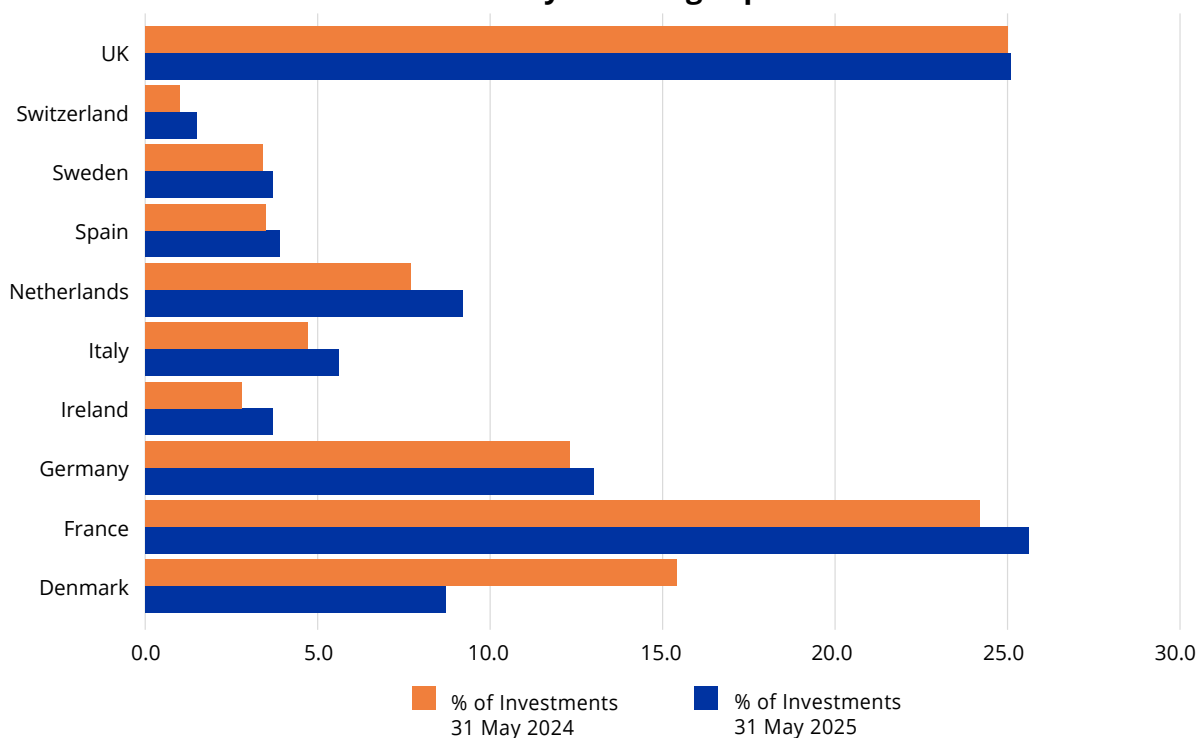
	Value at 31-May-24					Value at 31-May-25	
Security	£'000	% of Portfolio	Purchases £'000	Sales £'000	Change* in Value £'000	£'000	% of Portfolio
Deutsche Börse	42,863	6.0	–	(20,072)	21,501	44,292	6.9
RELX	54,652	7.7	–	(14,805)	8,117	47,964	7.4
Gaztransport Et Technigaz	19,920	2.8	6,972	(5,490)	6,160	27,562	4.3
Thales	9,944	1.4	–	–	5,813	15,757	2.4
Genus	33,799	4.8	5,688	–	5,327	44,814	7.0
bioMérieux	22,749	3.1	2,871	(2,475)	4,789	27,935	4.3
BAE Systems	6,957	1.0	5,307	–	4,374	16,638	2.6
Exosens	–	–	2,513	(678)	2,887	4,722	0.7
CTS Eventim	5,450	0.8	4,396	–	2,820	12,666	2.0
Universal Music Group	–	–	9,633	–	2,132	11,765	1.8
Ryanair Holdings	19,585	2.8	2,258	–	1,851	23,694	3.7
Wise	–	–	7,223	–	1,569	8,792	1.4
Experian	46,891	6.6	3,631	(3,942)	1,416	47,996	7.4
Air Liquide	6,923	1.0	2,958	–	791	10,672	1.7
Grenke	6,660	0.9	–	(7,307)	647	–	0.0
Grifols (preference shares)	2,936	0.4	51	–	274	3,261	0.5
Darktrace	31,767	4.5	–	(31,927)	160	–	0.0
Grifols	21,761	3.4	–	–	46	21,807	3.4
VAT Group	–	–	4,225	–	7	4,232	0.7
BE Semiconductor	–	–	4,395	(4,340)	(55)	–	0.0
BFF Bank	7,403	1.0	508	–	(76)	7,835	1.2
Prysmian	26,081	3.7	3,797	–	(1,488)	28,390	4.4
Yubico	–	–	3,986	(2,495)	(1,491)	–	0.0
Camurus	23,941	3.2	4,042	(2,012)	(1,791)	24,180	3.8
Bachem	6,906	1.0	501	–	(2,369)	5,038	0.8
Infineon Technologies	32,898	4.6	329	(4,310)	(2,393)	26,524	4.1
S.O.I.T.E.C.	19,786	2.8	–	(17,129)	(2,657)	–	0.0
Genmab	8,871	1.2	5,802	–	(3,336)	11,337	1.8
Intermediate Capital Group	39,270	5.5	–	(2,015)	(5,159)	32,096	5.0
Oxford Instruments	18,659	2.6	661	(2,093)	(5,486)	11,741	1.8
Dassault Systèmes	52,111	7.3	736	(1,622)	(6,095)	45,130	7.0
Worldline	8,782	1.2	3,980	–	(6,372)	6,390	1.0
Edenred	31,553	4.5	9,593	–	(14,292)	26,854	4.2
Novo Nordisk	100,780	14.2	3,207	(14,898)	(44,846)	44,242	6.9
<b>Total Investment</b>	<b>709,898</b>	<b>100</b>	<b>99,262</b>	<b>(137,607)</b>	<b>(27,227)</b>	<b>644,326</b>	<b>100</b>

\* Change in value reflects the value of the holding at the end of the period less the value at the beginning of the period less the net effect of trading activity during the year. This represents the total gain/(loss) on investments shown in the Income Statement on page 59.

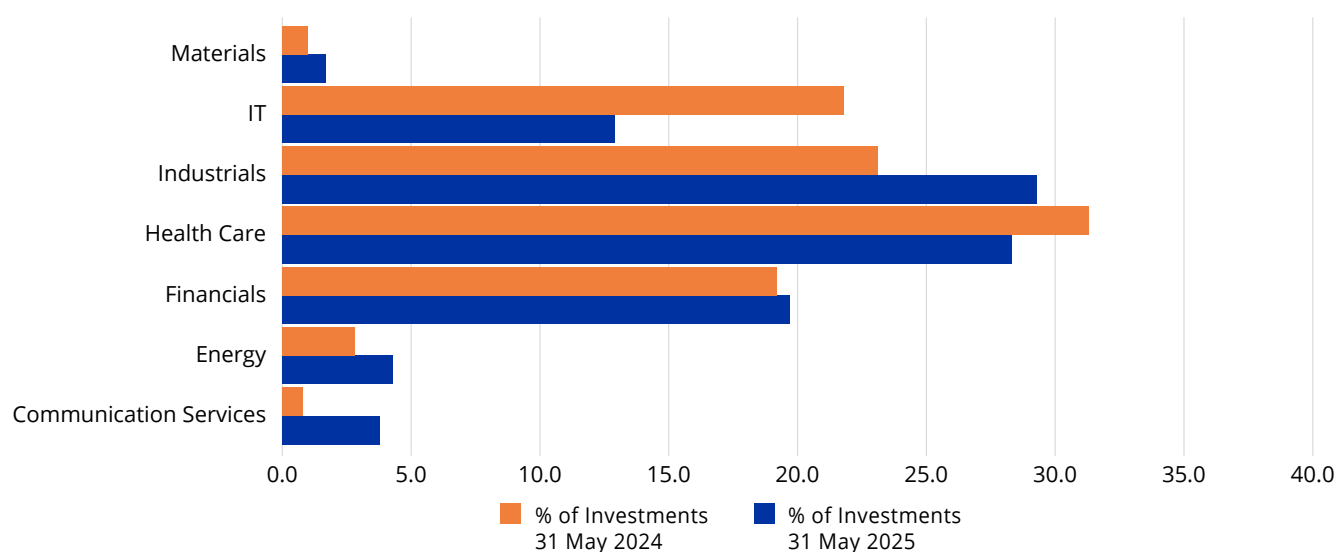


# CLASSIFICATION OF INVESTMENTS

## Country of Listing Exposure



## Sector Exposure



# STRATEGIC REPORT

---

The Strategic Report has been prepared in accordance with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The Strategic Report seeks to provide shareholders with the relevant information to enable them to assess the performance of the Directors and the Company during the financial year under review as per the requirements for Directors in the Companies Act 2006.

## Business and Status

During the year, the Company carried on business as an investment trust with its principal activity being portfolio investment. The Company has been approved by HM Revenue & Customs as an investment trust subject to the Company continuing to meet the eligibility conditions of sections 1158 and 1159 of the Corporation Tax Act 2010 and the ongoing requirements for approved companies as detailed in Chapter 3 of Part 2 of the Investment Trust (Approved Company) (Tax) Regulations 2011. In the opinion of the Directors, the Company has conducted its affairs in the appropriate manner to retain its status as an investment trust.

The Company is an investment company within the meaning of section 833 of the Companies Act 2006. It is not a close company within the meaning of the provisions of the Corporation Tax Act 2010. The Company is domiciled in the United Kingdom, was incorporated in England & Wales on 16 August 2000 and started trading on 20 November 2000. The Company is an Alternative Investment Fund (AIF) for the purposes of the UK Alternative Investment Fund Managers Regulations.

Reviews of the Company's activities are included in the Chair's Statement and the Investment Manager's Review beginning on pages 4 and 8, respectively. There has been no significant change in the activities of the Company during the year to 31 May 2025 and the Directors anticipate that the Company will continue to operate in the same manner during the current financial year.

## Investment policy

The Company will, at all times, invest and manage its assets, with the objective of spreading risk and in accordance with the following Investment Restrictions:

- no single holding shall constitute more than 10% of the Company's total assets (calculated at the time of investment). The Board will pay particular attention to holdings which grow to represent more than 10% of total assets;
- the Company will not invest in unlisted securities;
- the Company will not invest in derivative instruments, whether for efficient portfolio management, gearing or investment purposes;
- the Company will not invest in other listed closed-ended investment funds;
- the Company shall not take legal or management control over any investments in its portfolio; and
- not more than 50% of the Company's investments may be in securities which are not qualifying securities or government securities for the purposes of the UK ISA Regulations.

The Board is responsible for promoting the long-term success of the Company for the benefit of all stakeholders and in particular its shareholders. Although the majority of the day-to-day activities of the Company are delegated to the Investment Manager and third-party service providers, the responsibilities of the Board are set out in the schedule of matters reserved for the Board and the relevant terms of reference of its Committees, all of which are reviewed regularly by the Board.

To ensure that the Board is able to discharge this duty, both the Investment Manager and third-party service providers are required to provide the Board with regular updates. In addition, the Directors, or the Board as a whole, have the authority to seek advice from professional advisers including the Company's service providers and independent external advisers as well as attend any relevant training seminars.

## STRATEGIC REPORT *continued*

Any material change in the investment policy of the Company described above may only be made with the approval of shareholders by an ordinary resolution.

### Investment Approach

The Investment Manager adopts a stock picking approach in the belief that a thorough analysis and understanding of a company is the best way to identify long-term superior growth prospects. This understanding begins with identifying those companies where the ownership structure and incumbent management are conducive to the realisation of the aim of achieving superior long-term earnings growth.

The Investment Manager seeks to identify companies which enjoy certain key business characteristics including some or all of the following:

- a strong management record and team, and the confidence that the Investment Manager has in that management's ability to explain and account for its actions;
- proprietary technology and other factors which indicate a sustainable competitive advantage;
- a reasonable expectation that demand for their products or services will enjoy long-term growth;
- an understanding that structural changes are likely to benefit rather than negatively impact that company's prospects; and
- the ESG criteria described below.

In analysing potential investments, the Investment Manager employs differing valuation techniques depending on their relevance to the business characteristics of a particular company. However, the underlying feature will be the sustainability and growth of free cash flow in the long-term.

### Portfolio risk

Portfolio risk is mitigated by investment in a diversified spread of investments. The Investment Manager is not constrained by Benchmark weightings, sector, geographical location within Europe or market capitalisation or size of investee companies.

### Benchmark index

The Company's Benchmark is the total return on the MSCI Europe index in GBP.

### Borrowing limits

The Board considers that long-term capital growth can be enhanced by the use of gearing through bank borrowings. The Board considers that the Company's level of gearing should be maintained at appropriate levels, with sufficient flexibility to enable the Company to adapt at short notice to changes in market conditions.

The Board oversees the level of gearing in the Company and reviews the position with the Investment Manager on a regular basis. In normal circumstances the Board does not expect the level of gearing to exceed 20% of the Company's total assets (calculated at the time of borrowing).

**ESG** stands for Environmental, Social, and Governance factors. It covers how companies manage environmental impact (e.g. climate change, resource use), social responsibility (e.g. diversity, employee and community relations), and governance practices (e.g. board structure, ethics, and shareholder rights) to promote sustainable and responsible business.

The Board has delegated investment management and administrative responsibilities to Devon. While Devon is responsible for the integration of ESG factors and the exercise of proxy voting on the Company's behalf, the Board retains overall responsibility for governance and oversight. It remains committed to regularly reviewing Devon's approach to ESG integration within the investment process.

# STRATEGIC REPORT continued

---

## Approach to ESG

While the Company does not follow a sustainable investment strategy or apply ESG factors in a binding manner, it recognises that environmental, social, and governance issues can materially affect a company's ability to deliver long-term value to its clients. ESG factors are therefore considered by Devon where relevant to the investment decision.

## ESG Integration

Devon believes that generating superior investment returns come from truly understanding the companies it invests in. For each investee company, a detailed business case is developed, assessing the full value chain, and identifying any involvement in high-risk industries or practices that could undermine the company's long-term value. The investment team incorporates material environmental, social, and governance risks and opportunities into its analysis, alongside traditional financial considerations.

## Engagement

Devon follows an engagement-led approach, working with companies to understand their practices and evaluate how relevant ESG factors may influence long-term performance.

Where appropriate, engagement serves as a tool to support companies in strengthening their governance and sustainability practices, with the aim of enhancing shareholder value. Where weaknesses are identified, Devon may use its influence to encourage meaningful improvements. Escalation of engagement activities is considered on a case-by-case basis, depending on the company's responsiveness and the materiality of the issues raised. This ongoing engagement reflects Devon's belief that active stewardship can contribute to improved business practices and, ultimately, better long-term outcomes for investors.

## Voting and Stewardship

Responsibility for voting the shares held in the Company's portfolio has been delegated to Devon. The investment team evaluates each resolution on its merits, guided by what is believed to be in the best long-term interests of investors. Voting decisions are made actively and with care, based on a thorough understanding of each company's business and circumstances. If necessary, voting may be used as an escalation mechanism, where earlier engagement with company management has not led to sufficient progress or clarity. Devon may also participate in consultations ahead of shareholder meetings, aiming to influence decision-making at board level and support the adoption of sound governance practices.

A report of all votes cast on the Company's behalf during 2024 are available at [www.europeanopportunities.com](http://www.europeanopportunities.com). A report of all votes cast on the Company's behalf during 2025 will be published in due course. Devon voted for the Company on 100% of available shareholder resolutions during the Company's financial year ended 31 May 2025.

## Business Ethics, Governance, and Oversight

The Company's approach to governance and ethical business practices is guided by the standards set out in the AIC Code of Corporate Governance, as detailed on page 36.

The Board has adopted a number of principal policies covering key areas such as board diversity, business ethics and regulatory compliance. The Board reviews these policies at least annually to ensure they remain appropriate and effective.

In its oversight of delegated day-to-day operations to key regulated third-party service providers, the Investment Manager, on behalf of the Board, seeks annual assurance from these providers that they comply with applicable legislation, including the Modern Slavery Act 2015, the Bribery Act 2010, the Criminal Finances Act 2017, and relevant provisions of the Economic Crime and Corporate Transparency Act 2022. The Investment Manager has received confirmation from these key suppliers that they operate a zero-tolerance policy towards illegal or unethical practices.

Devon has published policy statements that guide the management of the Company's portfolio, including but not limited to ESG, sustainability risk, remuneration and engagement. Together, these documents set out Devon's approach to responsible investment, transparency, and regulatory compliance. The Board provides oversight of these policies to ensure they remain appropriate and aligned with the Company's objectives. These statements and related disclosures are available at [www.europeanopportunities.com](http://www.europeanopportunities.com).

## STRATEGIC REPORT *continued*

Devon is also a signatory to the United Nations Principles for Responsible Investment (UN PRI) reflecting its commitment to responsible investment and active ownership.

### The Company's Environmental Impact

As an investment trust, the Company's direct environmental impact is minimal. It does not operate facilities that give rise to greenhouse gas (GHG) emissions and has no emissions to report under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

The Company's indirect environmental impact arises through its investment portfolio. Devon monitors relevant climate-related metrics, including GHG emissions, at the portfolio level as part of its ongoing stewardship and reporting responsibilities.

Devon complies with the reporting obligations set forth by the EU Sustainable Finance Disclosure Regulation (SFDR) and provides disclosures related to sustainability and environmental considerations, as required by the regulation.

Given the nature of its operations, the Board considers the Company to be a low energy user for the purposes of the Streamlined Energy and Carbon Reporting (SECR) framework and the Company is therefore not required to disclose detailed energy and carbon information.

### Planned life of the Company

The Articles of Association of the Company provide that at every third Annual General Meeting, an ordinary resolution be proposed that the Company shall continue as an investment trust. The next scheduled continuation vote will be at the 2026 Annual General Meeting. If such resolution is not passed, the Directors shall, within 90 days of the date of the resolution, put forward to shareholders proposals (which may include proposals to wind up or reconstruct the Company) whereby shareholders are entitled to receive cash in respect of their shares equal as near as practicable to that which they would be entitled on a liquidation of the Company at that time (and whether or not shareholders are offered other options under the proposals).

Shareholders should note that the valuation policies used to produce these Accounts on a going concern basis might not be appropriate if the Company were to be liquidated.

### Dividend policy

The Company's dividend policy is described in the Chair's statement on page 5.

### Management

The Company has no employees and most of its day-to-day responsibilities are delegated to the Investment Manager.

J.P. Morgan Europe Limited acts as the Company's depositary and the Company has entered into an outsourcing arrangement with J.P. Morgan Chase Bank N.A. for the provision of accounting and administration services.

Although Devon Equity Management Limited is named as company secretary at Companies House, J.P. Morgan Europe Limited provides all company secretarial services to the Company as part of its formal mandate to provide broader fund administration services to the Company.

### Viability statement

In accordance with the Code of Corporate Governance issued by the Association of Investment Companies (AIC) in February 2019 (the 'AIC Code'), being the version of the AIC Code which applies to accounting periods beginning before 1 January 2025, the Board has assessed the longer-term prospects for the Company beyond the twelve months required by the going concern basis of accounting. This assessment reflects the Board's consideration of the principal risks, the effectiveness of internal controls and compliance with the AIC Code. The period assessed is the five years to 31 May 2030.

The Directors' view of the Company's viability has not changed since last year. The Company, as an investment trust, is a collective investment vehicle rather than a commercial business venture and is designed and managed for long-term investment. The Company's investment objective is to achieve long-term capital growth and the Board regards the Company's shares as a long-term investment. 'Long-term' for this purpose is considered by the Directors to be at least

## STRATEGIC REPORT *continued*

---

five years, a timeframe in which the accuracy of estimates and assumptions is deemed to be reasonable. The Company's viability has thus been assessed over that period. Five years is considered a reasonable time frame for a forecast, however, the life of the Company is not intended to be limited to that or any other period.

In assessing the viability of the Company under various scenarios, the Directors undertook a robust assessment of the principal risks and uncertainties to which it is exposed, together with mitigating factors. These are described in further detail on page 22. The risks of failure to meet the Company's investment objective, and contributory market and investment risks, were considered to be of particular importance. The Directors also took into account: the investment capabilities of Devon; the liquidity of the portfolio, with nearly all investments being listed and readily realisable; the Company's borrowings (the Company maintains a relatively low level of gearing and has at all times been comfortably compliant with its loan to value and other covenant obligations to its lender, The Bank of Nova Scotia, London Branch); the ability of the Company to meet its liabilities as they fall due; the Company's annual operating costs and that, as a closed ended investment trust, the Company is not affected by the liquidity issues of open-ended companies caused by large or unexpected redemptions.

In taking account of these factors and pursuant to the Board's review of the detailed internal controls and risk management processes described on page 34, the Directors have undertaken a reverse stress test seeking to identify the financial circumstances that might result in the Company becoming unviable. This concluded that the viability of the Company might start to be challenged if the value of the Company's net assets were to fall permanently by approximately 80% from the level at the year end, a fall that the Board considers to be near implausible having noted that since the launch of the Company in November 2000, the largest fall in the Company's Benchmark, the total return on the MSCI Europe index, over any calendar year has been 34.4% and the largest fall over any rolling five year period has been 14.5% (each based on Benchmark calendar month end values).

As part of its assessment, the Board has noted and considered that shareholders are required to vote on the continuation of the Company at three-year intervals, the next vote being at the 2026 Annual General Meeting and the prospect of a further 25% tender offer in 2026, as further described in the Chair's statement on page 5.

Based on the above, and assuming there is no adverse change to the regulatory environment and tax treatment of UK investment trusts to the extent that would challenge the viability of the UK investment trust industry as a whole, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period of assessment.

The Directors' assessment of the Company's ability to operate in the foreseeable future is included in the Going Concern Statement in the Directors' Report on page 33.

### **Key Performance Indicators**

At the quarterly Board meetings, the Directors consider a number of performance indicators to help assess the Company's success in achieving its objectives. The Board monitors the Company's performance in relation to both the investment trust market as a whole and the companies within the geographical sector which the Board considers to be its peer group. There were 6 investment trusts in the AIC Europe sector as at 31 May 2025, with that number expected to reduce to 5 before the end of 2025.

## STRATEGIC REPORT *continued*

The key performance indicators used to measure the performance of the Company over time are as follows:

### Share price total return

to 31 May 2025	1 year (%)	3 years (%)	5 years (%)	10 years (%)
The Company	(0.9)	21.2	20.9	71.8
MSCI Europe index, total return in GBP (Benchmark)	8.0	35.4	72.7	119.8
AIC Europe peer group <sup>1</sup>	2.6	36.3	56.3	124.6

### Net asset value total return

to 31 May 2025	1 year (%)	3 years (%)	5 years (%)	10 years (%)
The Company	(3.7)	14.9	20.2	87.1
MSCI Europe index, total return in GBP (Benchmark)	8.0	35.4	72.7	119.8
AIC Europe peer group <sup>1</sup>	0.6	28.7	51.4	128.1

### (Discount)

As at 31 May	2025 (%)	2024 (%)	2023 (%)
The Company	(7.5)	(10.2)	(10.9)
AIC Europe peer group <sup>1</sup>	(5.4)	(6.7)	(8.3)

### Ongoing charges ratio

For the year ended 31 May	2025 (%)	2024 (%)	2023 (%)
The Company	0.98	0.97	1.02
AIC Europe peer group <sup>1</sup>	0.78	0.81	0.88

<sup>1</sup> The AIC Europe peer group data is available at [www.theaic.co.uk](http://www.theaic.co.uk).

### Discount to net asset value

The Company's discount management policy is described in the Chair's Statement on page 6.

Under the Listing Rules, the maximum price that may currently be paid by the Company on the repurchase of shares is 105% of the average of the middle market quotations for the shares for the five business days immediately preceding the date of repurchase. The minimum price is the nominal value of the shares. Any repurchase made will be at the discretion of the Board, considering prevailing market conditions and within guidelines set from time to time by the Board, the Companies Act, the Listing Rules and the Disclosure, Guidance and Transparency Rules of the FCA.

# STRATEGIC REPORT continued

## Treasury Shares

In accordance with the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003, any shares repurchased, pursuant to the above buy back authority, may be held in treasury. These shares may subsequently be cancelled or sold for cash. This gives the Company the ability to reissue shares quickly and cost effectively and provide the Company with additional flexibility in the management of its capital. The Company may hold in treasury any of its shares that it purchases pursuant to the share buyback authority granted by shareholders. Shares held in treasury may only be reissued by the Company at prices representing a premium to the net asset value per share as at the date of re-issue.

## Principal risks and Uncertainties

In accordance with the AIC Code, the Board has established and maintains an effective risk management and internal control framework and determines the nature and extent of principal risks the Company is willing to take in order to achieve its long-term strategic objectives. The Board has overall responsibility for the Company's systems of internal controls and for reviewing their effectiveness. The Board, with the support of the Audit & Risk Committee and the Investment Manager, has carried out a robust assessment of the principal and emerging risks which may impact the Company. The principal risk factors that may affect the Company and its business and an explanation of how these risks are being managed or mitigated can be divided into the following areas:

Risk and Impact	How the risk is managed	Current assessment of risk
<b>Investment Strategy</b> Key risks and uncertainties include: (a) poor investment performance over an extended period relative to Benchmark; (b) the sudden departure of Alexander Darwall and/or a key staff member at Devon; (c) the development of a significant discount to net asset value in the Company's shares; (d) the risk of non-compliance with the UK Consumer Duty regulations, including failure to properly align the Company to the needs, objectives, characteristics and vulnerabilities of its identified target market; and (e) the risk of the Company's shareholders voting to discontinue the Company.	<p>The Board reviews the Company's investment objective and policies and the Investment Manager's investment approach in the context of past performance (relative to Benchmark), shareholder feedback and broader market and economic conditions. The Board sets mandate restrictions as necessary.</p> <p>The Board reviews the long-term succession plans prepared by the Investment Manager and takes into consideration the availability of suitably experienced personnel to manage the Company's portfolio in the short-term in the event of an emergency.</p> <p>The Board has established a discount management policy and regularly considers its ongoing appropriateness in light of market conditions. In addition to seeking annual shareholder approval to its share buy-back authority, the Board also puts a continuation vote to every third AGM of the Company (the next scheduled to take place at the 2026 AGM). The Board has also committed to a 25% tender offer at a 2% discount to NAV in the event that NAV total return does not exceed the total return of the Benchmark over the three years to 31 May 2026.</p>	<p><b>Increased:</b> During the year under review the NAV total return was (3.7)%, behind the Company's Benchmark total return of 8.0%.</p> <p>The Company's shares have traded at a narrower average discount during the year than in 2024, albeit slightly above the Board's target of single digits in normal market conditions (10.7% in 2025, 10.2% in 2024).</p> <p>The Board has implemented a number of discount management initiatives, including share buybacks and the tender offer described in the Chair's Statement on page 5.</p>



## STRATEGIC REPORT *continued*

### Risk and Impact

#### Market risks

The Company's assets consist of listed securities and its principal financial risks are therefore market related. Key risks and uncertainties include: (a) the impact of macroeconomic and geopolitical conditions on the Company's investments; (b) volatility in the market prices of the Company's investments; and (c) the risk of fraudulent activity at the portfolio company level impacting the valuation of their issued securities and causing the risk of a loss of confidence in the Company.

### How the risk is managed

To mitigate this risk the Board considers various portfolio metrics including individual stock performance, the composition and diversification of the portfolio by industry sector, purchases and sales of investments, the holding period of each investment and the contributors and detractors to performance. Devon provides rationale for stock selection decisions. The Board also considers the macro-economic and geopolitical risks and uncertainties that the Company is exposed to.

The Company does not take active positions in currencies, nor does it invest in fixed income securities or derivatives.

Devon mitigates liquidity risk by investing in a diversified portfolio of highly liquid, exchange-traded equities and by adhering to the Board's concentration limits on individual holdings. The Board has set a policy that the Company will not invest in unlisted securities.

Devon does not invest in countries which are subject to sanctions or exposed to significant political risk.

### Current assessment of risk

**Increased:** The risk is seen to be high, increased on 2024 as a result of increased geopolitical and macroeconomic uncertainty. The Company's investment portfolio has shown resilience despite the challenging macro environment. Devon continues to adopt a diversified approach to portfolio construction within the concentration and other limits determined by the Board.

# STRATEGIC REPORT continued

## Risk and Impact

### Operational Risks

Key risks and uncertainties include: (a) a cybercrime event or an IT systems failure which compromises the Company's data or the Investment Manager's ability to manage the Company's portfolio; (b) inadequacy of disaster recovery planning to ensure continuity of the Investment Manager's operations; or (c) the inadequacy of the oversight and controls undertaken by the Custodian or Devon in relation to the Company.

## How the risk is managed

The Board relies on the cyber security and IT risk management tools implemented by the Investment Manager and the Custodian to prevent cyber-attacks. The Investment Manager uses a well-established third-party IT system (Bloomberg) for all trading activity on behalf of the Company.

The Board is reliant on the Investment Manager and its key third-party service providers to ensure that appropriate measures are in place in order that critical operations can be maintained at all times.

The Investment Manager and the Custodian are aligned with the Operational Resilience requirements set out by the FCA and each regularly tests its business continuity capabilities.

The Board considers the internal controls of the Investment Manager and all key third-party service providers on at least an annual basis. System-enforced controls are in place in each case, which alert staff in oversight and compliance roles of any breaches. Similarly, 'Four eye' checks are mandated for all manual controls to ensure that there is sufficient oversight over actions taken.

## Current assessment of risk

**Stable:** The Board has reviewed the performance of the Company's service providers during the year and has approved their continuing appointment. There have been no material operational issues that have impacted the Company during the year.

## STRATEGIC REPORT *continued*

### Risk and Impact

#### Legal and Regulatory Risks

Key risks and uncertainties include: (a) the risk of non-compliance with existing regulatory or legal requirements, including resultant negative PR implications; (b) adverse implications of regulatory change; or (c) changes to the Company's policies and reporting obligations in relation to sustainability and ESG risks.

### How the risk is managed

The Board relies on the services of the Investment Manager, its broker, its legal advisers and its depositary, J.P. Morgan Europe Limited, to report changes in and to ensure compliance with all applicable laws and regulations including the Companies Act 2006, the Listing Rules and the Alternative Investment Fund Managers Regulations.

The Audit & Risk Committee reviews the performance of the external Auditors and the effectiveness of the independent audit process on an annual basis. The experience of the Auditors in financial accounting and auditing standards is reviewed to ensure that changes in audit standards are anticipated, understood and complied with.

As part of its oversight responsibilities, the Board considers how ESG and climate-related risks and opportunities are integrated into the Company's investment process and overall risk management framework. The Board is reliant on the Investment Manager to ensure that appropriate measures are in place to ensure that its approach to ESG investing is appropriately defined and adhered to.

Legal and regulatory changes are monitored at each Board meeting and compliance with the AIC Code is considered annually.

### Current assessment of risk

**Stable:** All control procedures are working effectively. There have been no material legal or regulatory changes that have impacted the Company during the year. There has been no direct impact on the Company from the tariff measures contemplated by the United States to date.

### Emerging Risks

Emerging risks that could impact the Company in the future are considered at each Board meeting, along with any potential mitigating actions. For example, the Board is currently considering the potential impacts on the Company of the proposed merger of Devon with River Global PLC. At the portfolio level, Artificial Intelligence, ongoing global conflicts (and the resulting economic uncertainty), the prospect of tariffs imposed by the United States on its trading partners, the outcome of political elections and climate change each pose emerging risks to the Company beyond the principal risks described above. While these risks currently exist, their extent and long-term impact are yet to be quantified. They are assessed by the Investment Manager and the Board on a continuing basis and embedded into Devon's investment process.

The Investment Manager seeks to ensure that individual stocks in the Company's portfolio meet an acceptable risk/reward profile by reference to both principal and emerging risks.

### Effectiveness of internal controls

In accordance with the AIC Code, the Board has carried out a robust review of the effectiveness of the Company's risk management and system of internal controls, including its financial, operational and compliance controls as they have operated over the year and up to the reporting date of this Annual Report and Accounts.

### Directors

Biographical details of the Directors can be found on pages 29 and 30 and the Board's policy on diversity can be found on page 37.

## STRATEGIC REPORT continued

---

### Modern Slavery statement

The Modern Slavery Act 2015 requires certain companies to prepare a slavery and human trafficking statement. The Company does not fall within the scope of the Modern Slavery Act and therefore no slavery and human trafficking statement is included in the Annual Report.

As noted on page 18, the Board requires the Investment Manager to obtain regular confirmation from each of the Company's key third-party suppliers of their compliance with the UK Modern Slavery Act. The Board also requires the Investment Manager to ensure that each supplier has sufficient measures in place to align with the requirements outlined in the Bribery Act 2010 and the Criminal Finances Act 2017. Specifically, the Company has obtained assurances from each of its primary suppliers that they adhere strictly to a zero-tolerance policy regarding the provision of services that would contravene The Modern Slavery Act, the Bribery Act or the Criminal Finances Act.

### Section 172 statement

Under section 172 of the Companies Act 2006, the Directors have a duty to act in the way they consider, in good faith, would be most likely to promote the long-term success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long-term;
- the need to foster the Company's business relationships with its stakeholders which includes its shareholders, service providers such as the Investment Manager, AIFM and other relevant parties as listed below;
- the need to act independently by exercising reasonable skill and judgement;
- the impact of the Company's operations on the community and the environment;
- the requirement to avoid a conflict of interests;
- the desirability of the Company maintaining a reputation for high standards of business conduct;
- the need to act fairly between members of the Company; and
- the need to declare any interests in proposed transactions.

Although the Company has no employees, customers or physical assets, the Board ensures regular engagement with its key stakeholders including its shareholders and its service providers, including its Investment Manager, Depositary, Custodian, Registrar, Auditor, Broker and Administrator, each as identified on pages 82 and 83. For example, the Board receives regular updates from the Investment Manager on shareholder feedback, cultural alignment and service delivery. The Board keeps its engagement mechanisms under review so that they remain effective.

The Board considers that the interests of the Company's key stakeholders are aligned, in terms of wishing to see the Company deliver sustainable long-term capital growth, in line with the Company's stated objective and strategy, and meet the highest standards of legal, regulatory, and commercial conduct, with the differences between stakeholders being merely a matter of emphasis on those elements.

The Board believes that the optimum basis for meeting its duty to promote the success of the Company is by appointing and managing third parties with the requisite performance records, resources, infrastructure, experience and control environments to deliver the services required to achieve the investment objective and successfully operate the Company. By developing strong and constructive working relationships with these parties, the Board seeks to ensure high standards of business conduct are adhered to at all times and service levels are enhanced whenever possible. This combined with the careful management of costs is for the benefit of all shareholders who are also key stakeholders.

Whilst the Company's operations are limited, as third-party service providers conduct all substantive operations, the Board is aware of the need to consider the impact of the Company's investment strategy and policy on wider society and the environment. The Board considers that its oversight of ESG matters is an important part of its responsibility to all

## STRATEGIC REPORT *continued*

stakeholders and that proper consideration of ESG factors sits naturally with the Company's longstanding aim of providing a sustainable basis for adding value for shareholders. Further details on the Investment Managers' approach to stewardship and engagement are provided on page 18.

The remaining sections of this Strategic Report titled 'Relations with the Investment Manager,' 'Engagement with Shareholders,' 'Board activities' and 'Principal decisions taken during the year under review' form part of this Section 172 Statement.

### Relations with the Investment Manager

Alexander Darwall, CIO of Devon, continues to be responsible for the portfolio management of the Company on behalf of Devon, supported by Luca Emo Capodilista and Charlie Southern, senior fund managers within Devon's investment team.

As AIFM, Devon has responsibility for additional risk oversight in accordance with the requirements of applicable law. The Board regularly meets with Devon and pays particular attention to the control procedures and processes in place at Devon, to ensure that its duties for the Company continue to be handled with the appropriate level of resource and professionalism.

The portfolio activities undertaken by the Investment Manager and the impact of decisions taken are described in the Investment Manager's Review on page 8. Further information on the annual evaluation of the Investment Manager is set out under 'Management Engagement Committee' on page 40.

On 30 June 2025, it was announced that River Global PLC had agreed heads of terms for the acquisition of Devon's entire share capital, subject to contract and regulatory approval. Further information is set out in the Chair's statement on page 5.

### Engagement with shareholders

The Directors place great importance on engagement with shareholders. The Company reports to shareholders twice a year by way of the Half-Yearly Financial Report and the Annual Report and Accounts. In addition, net asset values are published daily and newsletters are published monthly on the Company's website, [www.europeanopportunities.com](http://www.europeanopportunities.com). Key decisions are announced to the London Stock Exchange through the Regulatory News Service.

The Company holds an Annual General Meeting which all shareholders are invited to attend, and this provides an open forum for them to discuss issues and matters of concern with the Board and representatives of the Investment Manager and the Company's advisors.

In accordance with the AIC Code, in the event that votes of 20% or more are cast against a resolution at a General Meeting the Company will announce the actions it intends to take to consult with shareholders to understand the reasons behind the result. A further update will be published within six months of such an event.

The Board seeks to ensure that shareholder views are taken into consideration as part of any decisions taken by the Board. The Chair actively seeks to engage directly with shareholders and has attended a number of meetings with investors during the year in order to understand their views on governance and performance against the Company's investment objective and investment policy. Committee chairs also seek direct engagement with shareholders on specific matters relating to their area of responsibility. The Investment Manager and the Company's brokers also engage with the Company's shareholders and the outcome of these discussions are reported to the Board.

Shareholders are invited to communicate with the Board through the Chair, any Committee Chair or the Company Secretary, as appropriate. Alternatively, issues can be discussed with the Company's Senior Independent Director, who can be contacted at the Company's registered office shown on page 82.

### Board activities

The Board ensures that the Directors are able to discharge their duties by, amongst other things, providing them with relevant information and training on their duties. At all times, the Directors can access as a Board, or individually, advice from its professional advisers including their lawyers and Auditors.

# STRATEGIC REPORT *continued*

---

Whilst certain responsibilities are delegated, the Board has established terms of reference for its Committees which are reviewed regularly by the Board. The structure of the Board and its Committees and the decisions it makes are underpinned by the duties of the Directors under the Companies Act, 2006 and the provisions of the AIC Code. The Board has set the parameters within which the Investment Manager operates and these are set out under the terms of the investment management agreement and within the minutes of corresponding Board meetings.

## **Principal decisions taken during the year under review**

The Directors take into account section 172 considerations in all material decisions of the Company. Examples of how the Company's stakeholders were considered in relation to the principal decisions taken by the Board during the year under review (and post year-end) include:

- **Leadership:** Jeroen Huysinga was appointed Senior Independent Director and Manisha Shukla was appointed Chair of the Remuneration Committee in November 2024 following the retirement of Lord Lamont.
- **Gearing:** On 6 September 2024 the Board entered into a new £85 million loan facility with The Bank of Nova Scotia, London Branch. In order to manage the cost of borrowing the new loan facility includes a floating charge in favour of The Bank of Nova Scotia, London Branch, in relation to amounts drawn down. The loan facility enabled the Investment Manager to implement the Company's stated gearing policy, as further described in the section entitled 'Borrowing limits' on page 17. It is hoped that through the careful use of gearing, the Investment Manager can enhance shareholder returns.
- **Discount management:** During the year under review the Board has continued to engage with shareholders and the Company's broker in relation to the Company's share price discount to NAV. When prudent, the Company has bought back shares from the market in order to narrow the discount and reduce share price volatility relative to the NAV.
- **Tender offer:** Following consultations with shareholders and the Board's professional advisers in February 2025, the Board announced a tender offer for 25% of the Company's shares in issue at a price close to NAV. The tender offer was implemented in June 2025, enabling shareholders to realise a portion of their holdings at prices in excess of the then prevailing market price. Further details are contained in the Chair's Statement.

## **Employees, Human Rights and Community Issues**

The Board recognises the requirement to provide information about employees, human rights and community issues. As the Company has no employees, all its Directors are non-executive and all its functions are outsourced, there are no disclosures to be made in respect of employees, human rights and community issues.

## **Future developments of the Company**

The outlook for the Company for the next 12 months is set out in the Chair's Statement beginning on page 4 and the Managers' Report beginning on page 8. It is the Board's ambition to grow the asset base of the Company through organic growth. The Investment Manager is encouraged to use the particular advantages of the Company's investment trust structure to enhance potential returns to shareholders, including the use of gearing and the freedom to hold high conviction positions through periods of market fluctuation.

For and on behalf of the Board

**Matthew Dobbs**

Chair

14 August 2025

## THE BOARD OF DIRECTORS

The Directors of the Company who were in office during the year under review and up to the date of signing of these Accounts in the current financial year were:



### **Matthew Dobbs**

A Director since: 1 September 2021  
(Chair of the Board)

Matthew Dobbs retired from Schroders in 2021 after a 40 year career, fulfilling a number of research and portfolio management responsibilities. His full-time investment management role included being head of Global Small Companies and he managed a number of specialist Asian closed and open-ended equity funds. He also sits on the board of Invesco Asia Dragon Trust PLC as an independent non-executive director.



### **Sharon Brown**

A Director since: 1 August 2019  
(Chair of the Audit & Risk Committee)

Sharon Brown is a non-executive director and chair of the audit committees of The Baillie Gifford Japan Trust PLC, Personal Assets Trust PLC and Celtic PLC. Between 1998 and 2013 she was finance director of Dobbies Garden Centres PLC and previously served as a non-executive director and chair of the audit committee of Fidelity Special Values PLC, CT UK Capital & Income Investment Trust PLC and McColl's Retail Group PLC. Ms Brown is a Fellow of the Chartered Institute of Management Accountants.



### **Jeroen Huysinga**

A Director since: 1 September 2021  
(Chair of the Management Engagement Committee and Senior Independent Director)

Jeroen Huysinga managed funds at JP Morgan Asset Management for 23 years until his retirement in 2020. He was formerly a managing director in JPMorgan's global equities team and, prior to joining JP Morgan, he was a Japanese equities specialist at Lombard Odier and, previously, at British Steel Pension Fund. He also sits on the boards of the Brain and Spine Foundation and Murray International Trust plc as a director. Mr Huysinga completed a Master's Degree in Charity Finance and Administration at the Bayes Business School (formerly CASS) in 2021. Since then he has worked at Ethex, an impact investment platform, as Development Manager and a member of the Senior Management Team.

## THE BOARD OF DIRECTORS *continued*

---



**Manisha Shukla**

A Director since: 1 September 2023  
(Chair of the Remuneration Committee)

Manisha Shukla is a highly experienced legal adviser with over 20 years of specialisation in investment funds. She qualified as a solicitor in 2000 and has worked in both private practice and in-house, focusing on a broad range of closed-ended listed investment funds. She has been the knowledge counsel for funds for Travers Smith LLP since 2014. Manisha holds a joint LLB in Law and Japanese from Cardiff University.



**Neeta Patel CBE**

A Director since: 1 January 2024

Neeta Patel is a highly experienced executive with over 35 years of strategy and operational leadership experience in technology, media, insurance and education sectors, as well as in start-ups and scaling companies. Her experience includes senior leadership roles at Legal & General PLC, ft.com (the Financial Times' website) and the British Council, the government's international education and cultural agency. More recently she was the founding CEO of the Centre for Entrepreneurs, a board adviser at Tech London Advocates, a member of the advisory board at City University Ventures and an entrepreneur mentor-in-residence at London Business School. Neeta is currently a non-executive director at Allianz Technology Trust PLC and Maven Renovar Vct PLC.

Neeta was awarded a CBE in the Queen's honours list in October 2020 for services to entrepreneurship and technology.

**The Rt. Hon the Lord Lamont of Lerwick**

The Rt. Hon the Lord Lamont of Lerwick served as a Director until his retirement from the board at the AGM on 13 November 2024.



# DIRECTORS' REPORT

The Directors present the Annual Report and Accounts of the Company for the year ended 31 May 2025.

## Company overview

The Company is incorporated in England & Wales as a public limited company. It is an investment company as defined in Section 833 of the Companies Act 2006 and its shares are admitted to the Official List and traded on the main market of the London Stock Exchange. The Company changed its name from Jupiter European Opportunities Trust PLC to European Opportunities Trust PLC on 14 November 2019.

The objective of the Company is to invest in securities of European companies and in sectors or geographical areas which are considered by the Investment Manager to offer good prospects for capital growth, considering economic trends and business development.

The Company operates as an investment trust in accordance with sections 1158 and 1159 of the Corporation Tax Act 2010 (as amended). The Company currently manages its affairs so as to be a qualifying investment trust under the Individual Savings Account (ISA) rules. As a result, under current UK legislation, the shares qualify for investment via the stocks and shares component of an ISA up to the full annual subscription limit, currently £20,000, in each tax year. It is the present intention that the Company will conduct its affairs so as to continue to qualify for ISA products.

## Statement regarding the Annual Report and Accounts

The Board, with the support of the Audit & Risk Committee, has reviewed the Annual Report and Accounts of the Company for the year ended 31 May 2025 and considers that, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy. Further information is provided in the Strategic Report commencing on page 16.

There were no instances where the Company is required to make disclosures in respect of Listing Rule 9.8.4 (which sets out information to be included in the annual reports and accounts of listed companies) during the financial year under review.

## Disclosure of information to the Auditors

The Directors are not aware of any relevant audit information of which the Company's Auditors are unaware. The Directors also confirm that they have taken all the steps required of a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

## Results and dividend

The results for the year are set out in the Income Statement and the Statement of Financial Position on pages 59 and 60 and the Notes to the Accounts from page 63.

The Board recommends payment of a final dividend of 2.0p to shareholders at this year's Annual General Meeting. Subject to shareholder approval, the final dividend will be paid on 28 October 2025 to shareholders who are on the register at close of business on 3 October 2025 with an ex-dividend date of 2 October 2025.

## Share capital

As at 31 May 2025 the Company's issued share capital consisted of 88,801,301 ordinary shares of 1 pence each, of which 26,588,712 were held in treasury. The total number of voting rights in the Company as at 31 May 2025 was 62,212,589. Since the financial year end, as at 31 July 2025, the Company had purchased no further shares to be held in treasury, but had purchased 15,553,147 shares for cancellation pursuant to the tender offer implemented in June 2025.

All the Company's shares are fully paid and carry one vote per share. The shares carry no additional obligations or special rights. There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that affect its control following a takeover bid; and no agreements between the Company and its Directors concerning compensation for loss of office. The Company does not have an employee share scheme.

## DIRECTORS' REPORT continued

### Notifiable interests in the Company's voting rights

In accordance with the FCA's Disclosure and Transparency Rules, the Company had been formally notified of the following substantial interests in the shares amounting to 3% or more of the voting rights held in the Company as at 31 May 2025:

Shareholder	Shares held at date of disclosure	% total voting rights as at 31 May 2025
1607 Capital Partners, LLC*	7,733,982	12.43
Hargreaves Lansdown Limited	7,572,497	12.17
Allspring Global Investments Holdings	6,870,540	11.04
City of London Investment Management Company Limited	4,561,376	7.33
Alexander Darwall	4,195,968	6.74

\* Subsequent to the year end, 1607 Capital Partners, LLC notified the Company on 1 July 2025 of a reduction in its shareholding to 4,392,078 shares, equal to 9.04% of total voting rights as at that date and, on 2 July 2025, Allspring Global Investments Limited notified the Company of a reduction in its shareholding to 4,942,823 shares, equal to 10.59% of total voting rights as at that date.

### Directors

A list of the Directors of the Company and their biographies can be found on pages 29 and 30. Lord Lamont retired as a Director on 13 November 2024. All other Directors held office throughout the financial year.

The Board has adopted a policy that all Directors should stand for re-election on an annual basis in line with provision 7.2 of the AIC Code. The Board, with the support of the Nomination Committee, is satisfied that the performance of each of the Directors continues to be effective and is satisfied that each Director demonstrates commitment to their role. The Board recommends the re-election of each of the Directors at this year's Annual General Meeting.

### Directors' remuneration and interests in the Company's shares

The Directors' Remuneration Report and Policy on page 45 provides information on the remuneration and shareholdings of the Directors.

### Directors' and Officers' Liability Insurance and Indemnification

During the year under review the Company purchased and maintained liability insurance for its Directors and Officers as permitted by Section 233 of the Companies Act 2006.

The Company has indemnified each of its Directors to cover any liabilities that may arise to a third party, as defined by Section 234 of the Companies Act 2006. This indemnity was in force during the financial year and at the date of approval of these Accounts.

### Conflicts of Interest

Each Director has a statutory duty to avoid a situation where he/she has or might have a direct or indirect interest which conflicts or might conflict with the interests of the Company unless, in accordance with the Articles of Association, the relevant conflict or potential conflict has been authorised by the Board.

The Directors have declared all potential conflicts of interest with the Company. No Director holds:

- shared directorship of any commercial company with other Board members; or

## DIRECTORS' REPORT *continued*

- any other directorships of investment funds managed by the Investment Manager; or
- any shareholdings in the Investment Manager; or
- any current or historic employment by the Investment Manager or other connections to the Company or the Investment Manager; or
- a significant shareholding in companies where the Company has a notifiable stake in the same company or where the Company has a holding which amounts to more than 1% of the Company's portfolio.

Each Director must obtain the Board's approval prior to accepting any significant new appointment.

The register of potential conflicts of interests is reviewed regularly by the Board and each Director will advise the Company Secretary as soon as they become aware of any potential conflicts of interest. In order to ensure that the influence of third parties does not compromise or override their independent judgement, Directors who have potential conflicts of interest will not take part in any discussions which relate to any of their potential conflicts.

In the year under review there have been no instances of a Director being required to be excluded from a discussion or abstain from voting because of a conflict of interest.

### Bribery prevention policy

The provision of bribes of any nature to third parties in order to gain a commercial advantage is prohibited and is a criminal offence. The Board takes its responsibility to prevent bribery very seriously. To aid the prevention of bribery being committed for the benefit of the Company, Devon has adopted a Bribery Prevention Policy. Devon will advise any changes to the policy to the Board. Directors are also required to declare any gifts or entertainment received in relation to their roles as Directors and these are entered on a gift register which is reviewed at quarterly Board meetings.

### Management arrangements

Devon Equity Management Limited ('Devon') has acted as the Company's AIFM since 1 July 2022 and has been responsible for the Company's portfolio management since November 2019. Devon is entitled to aggregate management fees of 0.80% per annum of net assets up to £1 billion; 0.70% per annum on any net assets over £1 billion up to £1.25 billion; and 0.60% per annum on any net assets over this amount. No performance fee is payable to Devon. A reduction in Devon's management fees, effective from 1 October 2025, is described in the Chair's statement on page 5.

J.P. Morgan Europe Limited acts as Depositary to the Company for cash monitoring, safekeeping of financial instruments and other assets and oversight. J.P. Morgan Europe Limited has entered into an internal delegation agreement with J.P. Morgan Chase Bank N.A. ('J.P. Morgan Chase') to delegate the custody functions to it.

Devon is named at Companies House as the Company Secretary to the Company. However, all day to day company secretarial and administration services are currently undertaken by J.P. Morgan Chase Bank N.A.

### Going concern

These Accounts have been prepared on a going concern basis. The Board noted that the Company currently has access to a flexible loan facility with a maximum drawable amount of £85 million, available until 6 September 2025. The loan facility has recently been renewed for a further 364 days from 5 September 2025 to 4 September 2026 on comparable terms, with a reduced maximum drawable amount of £70 million. The Board, on recommendation from the Audit & Risk Committee, consider that going concern is the appropriate basis as they have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these Accounts. The Directors have taken into account the Company's investment objective, risk management policies and capital management policies, the diversified portfolio of readily realisable securities which can be used to meet short-term funding commitments and the ability of the Company to meet all of its liabilities and ongoing expenses.

The Directors considered the operational resilience and ongoing viability of the Investment Manager and other key third-party suppliers in light of the economic uncertainty arising from the ongoing global conflicts, inflation, climate change and the impact of artificial intelligence, as outlined earlier in this report. The Directors were satisfied that all key third-party

## DIRECTORS' REPORT continued

---

suppliers had measures such as conducting risk assessments, ensuring regulatory compliance, enhancing cybersecurity and improving supply chain resilience to ensure that operational functionality is not materially compromised as a result of these issues. The Directors also focused on whether the Company's strategic and investment objectives continue to be achievable in the current economic climate, the size threshold below which the Company would be considered uneconomic or impracticable and the Company's performance and attractiveness to investors in the current environment.

The Directors are satisfied that there are no material uncertainties that would affect the Company's ability to continue as a going concern for a period of at least twelve months from the date of approval of these Accounts.

### **Risk management & internal controls**

In accordance with the AIC Code, the Board is responsible for establishing procedures to manage risk, oversee the internal control framework, and determine the nature and extent of principal risks the Company is willing to take in order to achieve its long-term strategic objectives. The Board has overall responsibility for the Company's systems of internal controls and for reviewing their effectiveness.

During the financial year under review, the Company received services from Devon, J.P. Morgan Chase Bank N.A. and J.P. Morgan Europe Limited relating to its investment management, global custody, depositary and certain accounting and administration services. Contractual arrangements are in place with Devon, J.P. Morgan Chase Bank N.A. and J.P. Morgan Europe Limited which define the areas where the Company has delegated authority to them.

The Board, through its Audit & Risk Committee, has reviewed the effectiveness of the Company's internal control systems which aim to ensure that assets of the Company are safeguarded, proper accounting records are maintained and appropriate risk management and control processes are embedded in the day to day operations of its key service providers. Further detail of this review is provided in the Report of the Audit & Risk Committee on page 42.

The Company does not have an internal audit function. The Audit & Risk Committee considers whether there is a need for an internal audit function on an annual basis. As most of the Company's functions are delegated to third-party suppliers the Board does not currently consider it necessary for the Company to establish its own internal audit function.

### **Engagement with Stakeholders**

Information on how the Board engages with its shareholders and other stakeholders can be found in the section 172 statement on page 26.

### **Business of the Annual General Meeting**

This year's Annual General Meeting will be held at Devon's offices at 123 Victoria Street, London, SW1E 6DE at 11.00 am on 8 October 2025. The Board would welcome your attendance at the AGM as it provides shareholders with an opportunity to ask questions of both the Board and of the Investment Manager. Resolutions relating to the following special business will be proposed:

#### **Resolution 11: Authority to Allot Shares**

This special resolution seeks authority for the Directors to renew their authority to allot shares up to a maximum aggregate nominal amount of £46,000 which is representative of approximately 10% of the current issued share capital.

The Directors believe that it would be beneficial to the Company for them to allot shares whenever they consider that it would be in the best interests of the Company's existing shareholders to do so. The shares will only be issued at a premium to net asset value at the time of issue.

#### **Resolution 12: Authority to disapply pre-emption rights**

This special resolution seeks authority for the Directors to allot shares up to an aggregate nominal amount of £46,000 without first offering them to existing shareholders. This is representative of approximately 10% of the current issued share capital. New shares will only be issued at prices greater than the prevailing net asset value.

#### **Resolution 13: Authority to buy back shares**

This special resolution seeks shareholder approval for the Company to renew the power to purchase its own shares. The Directors believe that the ability of the Company to purchase its own shares in the market will potentially benefit all

## DIRECTORS' REPORT *continued*

shareholders of the Company. The purchase of shares at a discount to the underlying net asset value would enhance the net asset value on the remaining shares if they were cancelled on repurchase or reissued (as treasury shares) at a lesser discount than that on which they were first repurchased.

The Company is seeking shareholder approval to repurchase up to 6,994,250 ordinary shares, representing approximately 14.99% of the Company's current issued share capital as of the date of this report.

The decision as to whether to repurchase shares will be at the absolute discretion of the Board. Shares repurchased under this authority may either be held by the Company in treasury for resale or cancelled. The Company will fund any purchases by utilising existing cash resources or loan facilities.

The Board has determined that treasury shares will only be reissued at a premium to net asset value and that any treasury shares will only be reissued at a price not less than the market bid price at the time of purchase.

### **Resolution 14: Notice of General Meetings**

The Board believes that it is in the best interests of shareholders of the Company to have the ability to call meetings on 14 clear days' notice should a matter require urgency. The Board will therefore, as last year, propose a resolution at the Annual General Meeting to approve the reduction in the minimum notice period from 21 clear days to 14 clear days for all general meetings other than annual general meetings. The Directors do not intend to use the authority unless immediate action is required. The approval will be effective until the Company's next Annual General Meeting. The Company will also need to meet the requirements for electronic voting under the Shareholders' Rights Directive before it can call a general meeting on 14 clear days' notice.

The authorities sought under resolutions 11 to 14 will expire at the conclusion of the 2026 Annual General Meeting.

The full text of resolutions is set out in the Notice of Annual General Meeting on page 85. The Board considers the resolutions proposed to be in the best interests of the Company and shareholders as a whole and recommends that shareholders vote in favour of each of these resolutions, as the Directors intend to do in respect of their own holdings.

By order of the Board

**Devon Equity Management Limited**

Company Secretary

14 August 2025

# CORPORATE GOVERNANCE STATEMENT

---

Responsibility for effective governance lies with the Board, whose role is to promote the long-term success of the Company. The governance framework of the Company reflects the fact that, as an externally managed investment company, most of its day-to-day responsibilities are delegated to service providers (as identified on page 82). The Board generates value for shareholders through its oversight of service providers and management of costs associated with running the Company.

## The AIC Code

This report is prepared with reference to the version of the AIC Code published in 2019, which is applicable for reporting periods beginning prior to 1 January 2025. The Board has nevertheless taken into consideration the provision of the updated AIC Code, published in 2024, which will apply to the Company's 2026 annual report.

The AIC Code addresses the principles and provisions of the UK Code of Corporate Governance, as issued by the Financial Reporting Council (the 'FRC') in 2018, as well as setting out additional provisions on issues that are of specific relevance to investment trust companies. The AIC Code is available at [www.theaic.co.uk](http://www.theaic.co.uk).

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to shareholders in the Company due to its structure as an investment trust.

The Company has complied with the provisions of the AIC Code and the relevant provisions of the UK Corporate Governance Code throughout the financial year, except as set out below:

- The role of the chief executive;
- Executive director's remuneration;
- The need for an internal audit function; and
- Workforce policies and practices.

For the reasons set out in the AIC Code and as explained in the UK Corporate Governance Code, the Board considers these provisions not to be relevant to the Company, being an externally managed investment company with no executive directors, employees or internal operations.

The Board has included further detail in the statement below to explain how the principles and provisions of the AIC Code are being applied:

## The Board

### Role of the Board

The Board is responsible for promoting the long-term sustainable success and strategic direction of the Company. The Board considers how the Company's purpose, values and strategy align with the culture and decision-making of its key service providers, and periodically reviews how these are embedded in practice. The Board receives monthly reports and meets at least four times a year to review the performance of the Company's investments and associated matters, such as gearing, asset allocation, attribution analysis, marketing/investor relations, peer group information and industry issues, alongside matters specifically reserved for its review. The Board monitors the Company's activities to ensure that it adheres to its investment objectives and policy or, if appropriate, to make any changes to that policy. The Board considers that it has the necessary resources, policies and practices in place for the Company to meet its objectives and measure performance against them.

Additional ad hoc reports are received as required and Directors have access at all times to the advice and services of the company secretarial team at J.P. Morgan Europe Limited, who are responsible for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with.

The Directors also have access to independent professional advice at the Company's expense where they judge it necessary to discharge their responsibilities properly.

# CORPORATE GOVERNANCE STATEMENT *continued*

## Board composition

As at 31 May 2025, the Board comprised five non-executive Directors, all of whom are considered to be independent pursuant of the requirement of the AIC code.

## Diversity

It is seen as a prerequisite that each member of the Board must have the skills, experience and character that will enable each Director to contribute individually, and as part of the Board team, to the effectiveness of the Board and the success of the Company. Subject to that overriding principle, diversity of experience and approach, including gender diversity, amongst Board members is of great value, and it is the Board's policy to give careful consideration to issues of overall Board balance and diversity in appointing new Directors.

Three of the five Directors (60%) are women. One senior Board position is occupied by a woman, being the Chair of the Audit & Risk Committee, and two members of the Board are from an ethnic minority background.

## Statement on Board Diversity – Gender and Ethnic Background

According to the new requirements of the Listing Rules LR 9.8.6 R(9) and (11) the Company is required to include a statement in the annual financial report setting out whether it has met the following targets on board diversity as at 31 May 2025:

- 1) At least 40% of individuals on its board are women;
- 2) At least one of the senior board positions\* is held by a woman; and
- 3) At least one individual on its board is from a minority ethnic background.

The following tables set out the prescribed format for information in accordance with the requirements of LR 9 Annex 2 as at 31 May 2025:

- (a) Table for reporting on gender identity or sex

	Number of Board members	Percentage of the Board	Number of senior positions on the Board*
Men	2	40%	2
Women	3	60%	1

- b) Table for reporting on ethnic background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board*
White British or other White (including minority white groups)	3	60%	3
Asian/Asian British	2	40%	–

\* The Board considers the positions of the Chair, the Chair of the Audit & Risk Committee and Senior Independent Director (SID) to be senior positions of the Board.

## Succession planning

Lord Lamont retired following the conclusion of the 2024 AGM. Subsequently, Jeroen Huysinga was appointed as Senior Independent Director and Manisha Shukla was appointed Chair of the Remuneration Committee, each succeeding Lord Lamont.



## CORPORATE GOVERNANCE STATEMENT continued

---

The Board is mindful of the AIC Code in relation to the tenure of Directors, including the Chair. The Board does not consider it appropriate that Directors should be appointed for a specific term, however, in normal circumstances Directors (including the Chair) will not serve in excess of nine years. The Board considers that this policy is consistent with the need for regular refreshment and diversity.

The Board also receives assurance from the Investment Manager and key service providers regarding their internal succession planning arrangements for individuals in key roles supporting the Company.

### **Annual re-election of Directors**

The Board has adopted a policy of annual re-election for all Directors as a matter of best practice, as recommended by the AIC Code.

The Board considers the individual contribution and skills of each of its members, as described in their biographies on pages 29-30, to be important to the Company's long-term sustainable success and is recommending that all Directors be re-elected at the forthcoming AGM.

### **Directors' training**

Although no formal training in Corporate Governance is given to Directors, they are kept up to date on Corporate Governance issues through bulletins and training materials provided from time to time by the company secretarial team at J.P. Morgan Europe Limited, the Investment Manager and the Brokers. The Board may also obtain training in Corporate Governance on an individual basis through the AIC or other specialist providers.

The Board seeks to assess and monitor its own culture, including its policies, practices and behaviour to ensure it is aligned with the Company's purpose, values and strategy on an ongoing basis.

### **Directors' performance evaluation and effectiveness**

The Board's policy is to have an external appraisal every three years and to hold an internal appraisal in each intervening year. The appraisal process is a constructive means of evaluating the contribution of individual Directors and identifying ways to improve the functioning and performance of the Board and its Committees and building on and improving collective strengths, including assessing any training needs and embedding the Board's culture. Led by the Senior Independent Director, the Directors also meet without the Chair present at least annually to appraise the chair's performance, and on other occasions as necessary.

In June 2025 the Board commissioned Cyclico Limited to conduct a formal, external evaluation of the performance of the Board, its Committees, the Chair and individual Directors in accordance with the AIC Code. Cyclico Limited has no connection with the Company or its individual Directors. The evaluation encompassed measures of performance which all Directors had to complete which included an evaluation of the Board, evaluation of the Board Committees, an individual self-assessment and an evaluation of the Chair of the Board. The next external Board evaluation is scheduled for 2028. As noted in the Chair's statement on page 6, whilst the review resulted in a number of minor operational recommendations for the Board, the overall conclusion was that the Board as a whole, and its Committees, were functioning effectively.

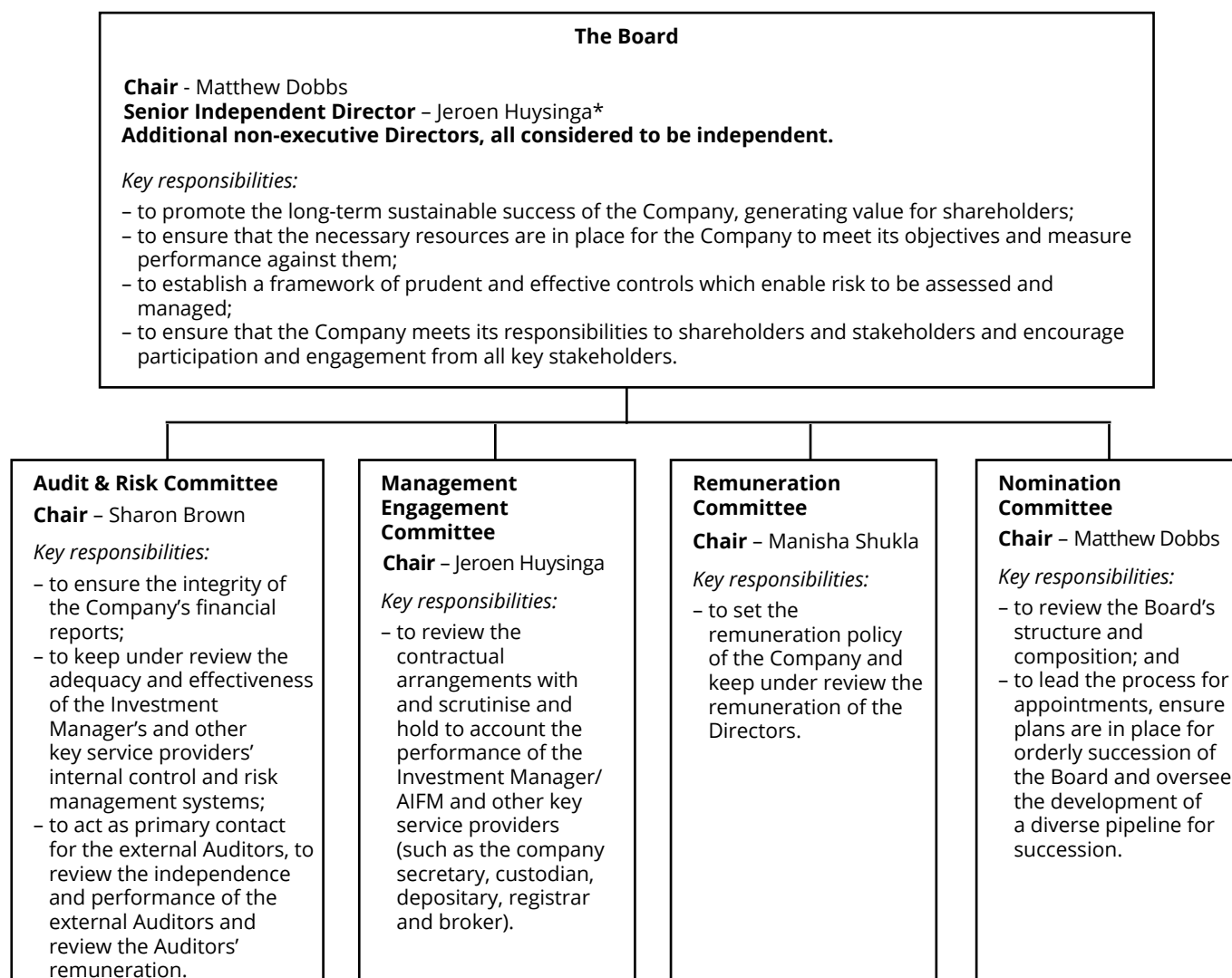
The Board considers that its current composition demonstrates that it has the appropriate balance of skills and experience.

### **Board Committees**

The Board has established Audit & Risk, Nomination, Remuneration and Management Engagement Committees. Details of the role of each Committee can be found on the next page.



# CORPORATE GOVERNANCE STATEMENT continued



\* The Senior Independent Director serves as a sounding board for the Chair and acts as an intermediary for other Directors. He is responsible for holding annual meetings with other Directors, without the Chair present, to appraise the Chair's performance. He would also be expected to meet with shareholders or with other Directors on other such occasions as necessary.

## CORPORATE GOVERNANCE STATEMENT continued

With the exception of the Chair, all Directors of the Company are members of the Audit & Risk Committee. All Directors of the Company are members of the Management Engagement, Remuneration and Nomination Committees. Copies of the terms of reference, which clearly define the responsibilities of each Committee, can be found on the Company's website at [www.europeanopportunities.com](http://www.europeanopportunities.com), also accessible using the following QR code:



### **Audit & Risk Committee**

The role of the Audit & Risk Committee and the principal activities carried out by the Committee are disclosed in the Report of the Audit & Risk Committee on page 42.

### **Nomination Committee**

The Nomination Committee is responsible for reviewing the Board's structure and composition and making recommendations to the Board with respect to its policies on tenure, diversity and succession planning. The Nomination Committee leads the process for appointment of additional or replacement Directors, having regard to the requirements of the Company's business and the need to have a balance of skills on the Board. The Nomination Committee considers job specifications and assesses whether candidates have the necessary skills and time available to devote to the Company's business, having due regard to the benefits of diversity. It also considers each potential candidate's other significant commitments, which are disclosed with an indication of the time involved together with any other potential conflicts of interest prior to appointment. The Chair would not chair the Nomination Committee when it is dealing with the appointment of his successor. The Nomination Committee is also responsible for supporting the annual performance evaluation of the Board and individual Directors, led by the Chair.

### **Remuneration Committee**

The role of the Remuneration Committee and the principal activities carried out by the Committee are disclosed in the Directors' Remuneration Report on page 45.

### **Management Engagement Committee**

The Management Engagement Committee is responsible for reviewing the contractual arrangements and performance of the Investment Manager and other key services providers, (excluding the Auditors, which are reviewed by the Audit & Risk Committee).

The Board, with the support of the Management Engagement Committee, reviewed the terms of appointment and performance of the Investment Manager and has concluded that the continuing appointment of the Investment Manager is in the best interests of the Company. The Board pays particular attention to the control procedures and processes in place and has concluded that these continue to be handled with the appropriate level of resource and professionalism.

The Board, with the support of the Management Engagement Committee and the Investment Manager, reviewed the performance of its other key service providers and is satisfied that each party continued to provide the required level of service and support to the Company.

# CORPORATE GOVERNANCE STATEMENT continued

## Directors' attendance at meetings during the financial year ended 31 May 2025

Director	Board	Audit & Risk Committee	Remuneration Committee	Nomination Committee	Management Engagement Committee	Annual General Meeting
Matthew Dobbs**	5/5	N/A	1/1	1/1	1/1	1/1
Sharon Brown	5/5	3/3	1/1	1/1	1/1	1/1
Jeroen Huysinga	5/5	3/3	1/1	1/1	1/1	1/1
Lord Lamont*	3/3	3/3	1/1	1/1	1/1	1/1
Manisha Shukla	5/5	3/3	1/1	1/1	1/1	1/1
Neeta Patel	4/5	2/3	0/1	0/1	0/1	1/1

\* Lord Lamont retired at the 2024 AGM.

\*\* All Directors are members of the four Committees of the Board with the exception of Matthew Dobbs, who may, upon invitation, attend Audit and Risk Committee meetings as an observer.

For and on behalf of the Board

**Matthew Dobbs**

Chair

14 August 2025

# REPORT OF THE AUDIT & RISK COMMITTEE

---

## Role of the Audit & Risk Committee

The primary responsibilities of the Audit & Risk Committee are to ensure the integrity of the financial reporting by the Company, the appropriateness of the risk management and internal controls processes and the effectiveness of the independent audit process. This report details how we carry out this role.

During the year the principal activities carried out by the Committee were:

- **Financial reporting:** The Committee reviewed the Company's half yearly and annual financial reports, including the significant accounting matters and agreed the appropriateness of accounting policies adopted. More detail on the key accounting matters is provided within this report. The Committee reviewed and assessed the Company's viability statement and the appropriateness of preparing the Company's financial reports on a going concern basis, challenging the Manager's assumptions in the scenario planning used to support this approach. The Committee concluded that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy;
- **AIC Code:** The Committee reviewed and considered the Company's continuing compliance with the AIC Code in regards to the Board's dual role as both an overseer of the Company's internal framework and a manager of the principal risk. While noting that the 2019 version of the AIC Code applies to these Accounts, the Committee also considered the changes in the 2024 edition of the AIC Code which will apply to the Company's 2026 Accounts. The examination encompassed a comprehensive assessment of how the Board fulfils its responsibilities in ensuring the Company's internal processes are robust and effective. The Committee's scrutiny and consideration of these vital aspects aim to ensure that the Company maintains high standards of corporate governance and risk management, aligning with the best practices and regulatory requirements;
- **Risk and internal controls:** During the year, the Committee carried out a detailed review of the Company's risk register, with an emphasis on identifying the Company's risk register with an emphasis on identifying the key existing and emerging risks facing the Company and consideration of the appropriateness of the mitigating controls. The Committee received a presentation from the internal auditor to the Investment Manager, Baker Tilly, and considered the internal control reports received from the Investment Manager, the Depositary and Custodian, the effectiveness of the Company's internal control environment and consideration of the need for the Company to have its own internal audit function; and
- **External Auditors:** The Committee reviewed the effectiveness, objectivity and independence of PricewaterhouseCoopers LLP (PwC), as well as their fees. Further details are provided later in this report.

The Committee's authorities and duties are defined in its terms of reference, which were reviewed during the year and are available on the Company's website [www.europeanopportunities.com](http://www.europeanopportunities.com)

## Composition and meetings

As at 31 May 2025, the Committee comprised Sharon Brown as Chair, Neeta Patel, Manisha Shukla and Jeroen Huysinga, all independent non-executive Directors. The Committee considers that, collectively, the members have sufficient recent and relevant sector and financial experience to fully discharge their responsibilities. The performance of the Committee was evaluated as part of the Board appraisal process, detailed on page 38. The Board is satisfied with the performance and effectiveness of the Audit and Risk Committee. The Committee invites the Board Chair, Matthew Dobbs, to attend as an observer and also the Company's Auditors and personnel from Devon and other third party service providers to attend and report to the Committee on relevant matters.

The Committee met formally on three occasions during the financial year ended 31 May 2025. In addition, the Chair of the Committee met privately with the external Auditor.

# REPORT OF THE AUDIT & RISK COMMITTEE

continued

## Significant Accounting Matters

Summarised below are the most significant issues considered by the Committee in relation to the Company's Accounts for the year ended 31 May 2025, and how these issues were addressed:

Issue considered	How the issue was addressed
Valuation and existence of investments	The valuation of investments is in accordance with accounting policy (Note 1(d)). The Board receives regular reports of the portfolio from the Investment Manager. The Committee takes comfort from the Depositary's regular oversight reports that investment related activities were conducted in accordance with the Company's investment policy and also from the internal controls reports prepared. The Company does not invest in unlisted securities.
Income from investments	Investment income is recognised in accordance with the accounting policy detailed in Note 1(b). The Committee reviewed detailed revenue forecasts and considered the allocation of dividend income between revenue and capital. Investment income was also independently tested and reported on by the Auditors.
Consideration of emerging risks	The Committee considered these emerging risks and how these might reasonably impact the Company. They considered both the operational impacts on the Company and third party service providers and the potential financial impacts (including the review of financial forecasts, the liquidity of the Company's portfolio and agreed banking facilities, including loan covenant compliance).

## External Auditors

The Company's current independent Auditors, PwC, conducted their first audit of the Company in 2020 and were re-appointed at the 2024 Annual General Meeting. Jennifer March is the Statutory Auditor and this is her second year in this role.

As part of its review of the continuing appointment of the Auditors, the Committee considers the length of tenure of the audit firm, its fees, independence and the effectiveness of the audit process.

In considering the independence of the Auditors, the Committee reviewed:

- the audit plan for the year, including the audit team and approach to significant risks;
- the Auditors' arrangements for any conflicts of interest;
- the extent of any non-audit services (all non-audit services are subject to pre-approval by the Committee; there were no non-audit services in the reporting year); and
- the statement by the Auditors, requested and provided annually, of the steps they have taken to ensure objectivity and independence and their confirmation that they remain independent within the meaning of the regulations and their professional standards.

# REPORT OF THE AUDIT & RISK COMMITTEE

continued

---

With regard to the effectiveness of the audit process, the Committee reviewed:

- the fulfilment by the Auditors of the agreed audit plan;
- the report issued by the Auditors on the audit of the Annual Report and Accounts for the year ended 31 May 2025; and
- feedback from the Investment Manager and other service providers on the audit of the Company.

The Audit and Risk Committee also considered an annual independent Audit Quality Review published by the Financial Reporting Council, that monitors audit quality of the major audit firms in the UK and discussed with the Auditor the results of its own quality control review and transparency report.

In assessing the quality of the audit, the Committee considered areas where the Auditor had demonstrated professional scepticism and challenged management. They noted that this had been demonstrated in a number of areas, including the accounting treatment of management expenses, the classification of special dividends and the preparation of the Accounts on a going concern basis. The Committee noted these discussions and the conclusion that the accounting treatments adopted were appropriate.

The Committee concluded that PwC has a suitable culture, control environment and risk framework to enable it to deliver a high-quality audit and that they had delivered a quality audit for the year ended 31 May 2025.

The Committee is satisfied that the Company has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014, published by the Competition and Markets Authority. In recognition of underlying audit rotation requirements, the Committee currently intends that an audit tender process will be undertaken during the year to 31 May 2029 to appoint either the incumbent or a new audit firm for the financial year ending 31 May 2030 onwards. There are no contractual obligations restricting the Company's choice of external Auditors.

The audit fee in this financial year has increased in line with inflation to £56,650 (2024: £55,000).

For and on behalf of the Audit & Risk Committee

**Sharon Brown**

Chair of the Audit & Risk Committee

14 August 2025

# DIRECTORS' REMUNERATION REPORT AND POLICY

## Introduction

The Remuneration Committee, on behalf of the Board, is pleased to present the Company's annual remuneration report for the year ended 31 May 2025 in accordance with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The law requires the Company's Auditors to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditors' opinion is included in their report beginning on page 51.

The Committee is currently chaired by Manisha Shukla. Since the Board is composed wholly of independent, non-executive Directors, none of whom has a service contract with the Company, the Committee currently comprises the entire Board.

Each Director receives an annual fee, payable quarterly in arrears. The Company does not award any other remuneration or benefits to the Chair or Directors. The Company has no employees and consequently has no policy on the remuneration of employees.

## Role of the Remuneration Committee

The Board has delegated the responsibility for determining the Company's remuneration policy and setting the remuneration for the Directors (including the Chair) to the Remuneration Committee. The primary responsibility of the Committee is to review the level of remuneration of the Directors of the Company to ensure that they remain commensurate with the time commitment and responsibilities of each role. The Committee operates within clearly defined Terms of Reference which are reviewed annually.

## Remuneration Policy

The Board's policy is that the remuneration of Directors should be set at a reasonable level commensurate with the duties and responsibilities of the role and consistent with the requirement to attract and retain Directors of the appropriate quality and experience. The Board believes that the fees paid to the Directors should be fair and should take account of the level of fees paid by comparable investment trusts.

There are no agreements between the Company and its Directors concerning compensation for loss of office.

The Company's Articles provide that additional discretionary payments can be made for services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director. In the year under review no such payments were made.

The Company Secretary provides comparative information when the Committee considers the level of Directors' fees. The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference. The Committee considered the need to appoint external remuneration consultants but did not seek external advice during the year under review.

## Cap on Directors' remuneration

Pursuant to a shareholder resolution, the aggregate amount of fees to be paid to the Directors (excluding any fees payable in respect of any special or extra services provided by a Director) are currently capped at £250,000 per annum, provided that such cap may be further amended by shareholders by way of ordinary resolution.

## Other fees and incentives

The Company does not award any other remuneration or benefits to the Directors. There are no bonus schemes, pension schemes, share option or long-term incentive schemes in place for the Directors. Directors are entitled to be repaid all reasonable travel, hotel and other expenses properly incurred by them in the performance of their duties as Director, including any expenses incurred in attending meetings of the Board and its Committees or general meetings of the Company.

## Directors' service contracts

No Director has a contract of service with the Company. Accordingly, the Directors are not entitled to any compensation in the event of termination of their appointment or loss of office, other than payment of any outstanding fees.

# DIRECTORS' REMUNERATION REPORT AND POLICY *continued*

## Current remuneration of the Board

With effect from 1 June 2025, on the recommendation of the Committee, the Board approved an increase in annual fees in line with inflation as follows:

	From:	To:	% change
Chair	£44,000	£45,496	3.4
Chair of the Audit & Risk Committee	£37,500	£38,775	3.4
Senior Independent Director*	£31,000	£33,050	6.6
Director	£31,000	£32,050	3.4

\* The Senior Independent Director received an incremental increase to reflect the additional responsibilities associated with the role.

## Annual report on remuneration

A single figure for the total remuneration of each Director is set out in the table below for the years ended 31 May 2025 and 31 May 2024 respectively:

### Statement of Directors' emoluments (audited)

Director	Year ended 31 May 2025				Year ended 31 May 2024		
	Fees (£)	Expenses (£)	Total (£)	Fee change on prior year %	Fees (£)	Expenses (£)	Total (£)
Matthew Dobbs	44,000	–	44,000	3.2	42,640	–	42,640
Sharon Brown	37,500	2,778	40,278	4.6	36,400	2,105	38,505
Virginia Holmes <sup>1</sup>	–	–	–	(100.0)	13,837	–	13,837
The Rt Hon Lord Lamont of Lerwick <sup>2</sup>	14,012	–	14,012	(53.5)	30,160	–	30,160
Jeroen Huysinga	31,000	–	31,000	2.8	30,160	–	30,160
Neeta Patel CBE <sup>3</sup>	31,000	–	31,000	–	12,567	–	12,567
Manisha Shukla <sup>4</sup>	31,000	–	31,000	–	22,620	–	22,620
	<b>188,512</b>	<b>2,778</b>	<b>191,290</b>		<b>188,384</b>	<b>2,105</b>	<b>190,489</b>

<sup>1</sup> Virginia Holmes retired as a Director on 15 November 2023.

<sup>2</sup> The Rt Hon Lord Lamont of Lerwick retired as a Director on 13 November 2024.

<sup>3</sup> Neeta Patel CBE was appointed a Director on 1 January 2024.

<sup>4</sup> Manisha Shukla was appointed a Director on 1 September 2023.

## Five year change comparison in Directors' Remuneration

The table below sets out the change in Directors' fees over the last five years.

	31 May 2025 £	31 May 2020 £	Change (%)
Chair	44,000	35,000	+25.7
Audit & Risk Committee Chair	37,500	28,500	+31.6
Director	31,000	25,000	+24.0



# DIRECTORS' REMUNERATION REPORT AND POLICY *continued*

The table below sets out the change in fees for each class of Director in each of the past five years.

	31 May 2025	31 May 2024	31 May 2023	31 May 2022	31 May 2021
Chair	3%	4%	6%	10%	0%
Audit & Risk Committee Chair	3%	4%	11%	11%	0%
Director	3%	4%	5%	10%	0%

## Relative importance of spend on remuneration

To enable shareholders assess the relative importance of spend on remuneration, the table below compares the remuneration paid to Directors to distributions made to shareholders via dividends and share buybacks during the year under review and the prior financial year. In considering these figures, shareholders should take into account the Company's stated investment objective of achieving capital growth:

	Year ended 31 May 2025 £'000	Year ended 31 May 2024 £'000	Change %
Fees paid to Directors	189	188	0.5
Distribution to shareholders	1,265	3,375	(62.5)
Share buybacks	24,482	84,491	(71.0)

## Statement of voting at the last Annual General Meeting

The following table sets out the votes received at the 2024 Annual General Meeting of the shareholders of the Company, in respect of the approval of the Directors' Remuneration Report:

Votes cast for*		Votes cast against*		Number of votes withheld	
Number	%	Number	%	Number	%
32,389,195	96.3	1,202,581	3.6	56,619	0.1

\* Includes discretionary votes. Percentages exclude votes withheld.

## Remuneration Regulation Large and Medium Sized Companies and Groups

The remuneration policy is put to shareholders every three years, with the next vote to take place at the 2026 AGM unless renewed, varied or revoked by the Shareholders beforehand. The following table sets out the votes received in relation to the Remuneration Policy at the Annual General Meeting held on 15 November 2023:

Votes cast for*		Votes cast against*		Number of votes withheld	
Number	%	Number	%	Number	%
38,577,882	59.6	24,187,549	37.3	2,007,760	3.1

\* Includes discretionary votes. Percentages exclude votes withheld. In accordance with AIC Code, the Board offered meetings with shareholders who voted against the resolution. The relevant shareholders responded that they did not require a meeting at that time and no views have subsequently been expressed by shareholders in respect of Directors' remuneration.

## Implementation of the Remuneration Policy

No significant changes are expected in the Company's approach to Director remuneration. Remuneration in accordance with the Company's policy and the overall remuneration of each Director will continue to be monitored by the Committee on an annual basis.

# DIRECTORS' REMUNERATION REPORT AND POLICY continued

The Board will consider shareholders' views on Directors' remuneration. No comments have been received on this subject in the past year.

## Directors' interests

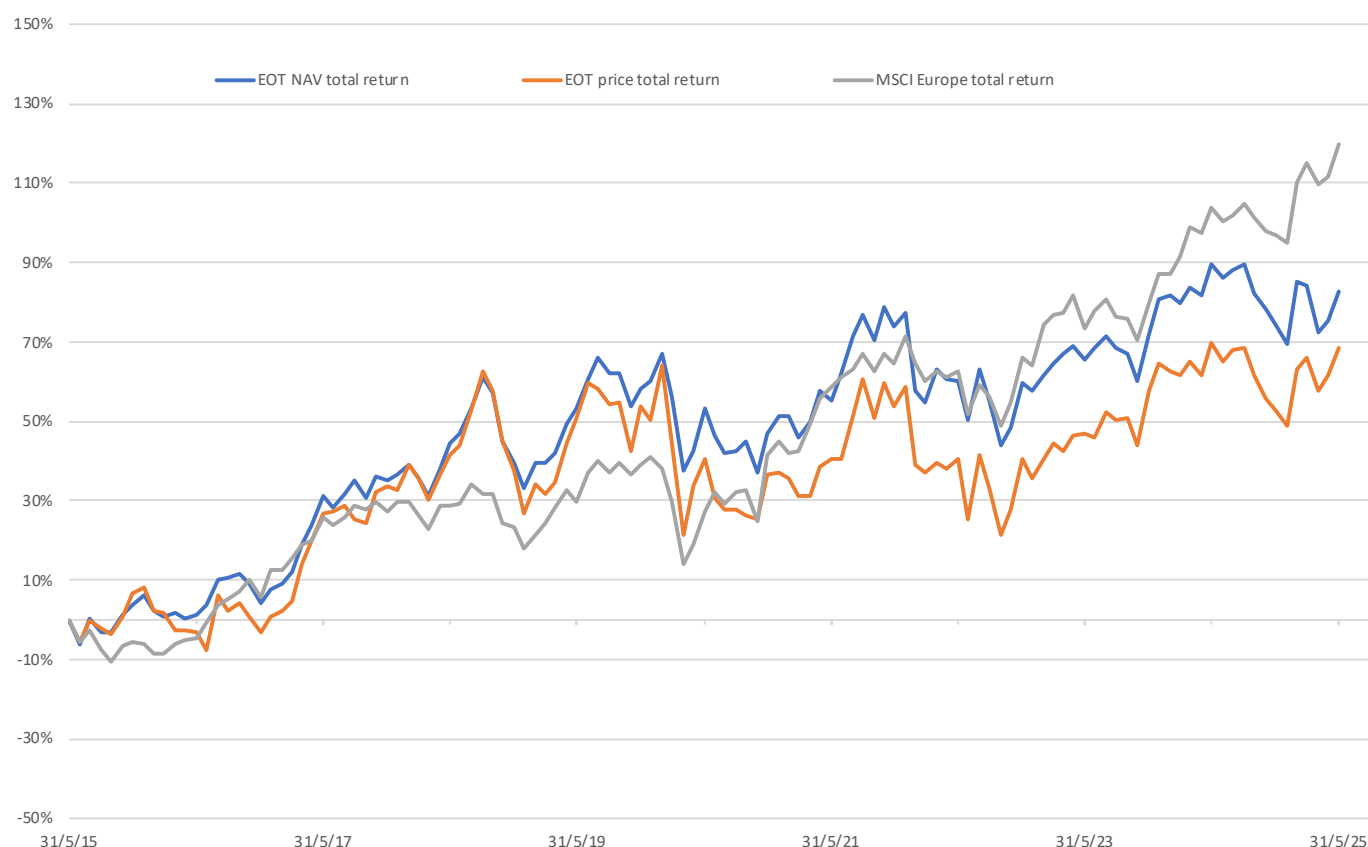
The Directors who held office at the end of the year covered by these Accounts and their beneficial interests in the Company's shares are shown below. No Director was a party to or had any interest in any contract or arrangement with the Company at any time during the year or subsequently. There are no requirements for the Directors of the Company to own shares in the Company.

### Directors' interests in shares as at the financial year end (audited)

	31 May 2025	31 May 2024
Matthew Dobbs	36,000	36,000
Sharon Brown	3,824	3,824
Jeroen Huysinga	17,800	17,800
Manisha Shukla	630	630
Neeta Patel	1,100	1,100

### Performance from 31 May 2015 to 31 May 2025

The graph below illustrates the Company's performance by reference to the NAV and the price of its shares compared against the Company's Benchmark, the total return on the MSCI Europe Index in GBP, which has been chosen as the most suitable index against which to measure the performance of the Company.



Source: MSCI Europe & Devon. Returns with dividends reinvested. Past performance is no guide to the future.

# DIRECTORS' REMUNERATION REPORT AND POLICY *continued*

---

## Annual Statement

On behalf of the Board and in accordance with Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, I confirm that the Directors' Remuneration Report and Policy above summarises, for the year ended 31 May 2025, the context of the review undertaken and the major decisions made regarding the fees paid to the Board during the year.

By order of the Board

## Manisha Shukla

Chair of the Remuneration Committee

14 August 2025

# STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

---

The Directors are responsible for preparing the Annual Report and Accounts and the financial statements in accordance with applicable law and regulations.

UK company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Directors' confirmations**

Each of the Directors, whose names are listed on page 82, confirm that, to the best of their knowledge:

- the Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Each Director in office at the date the Directors' report is approved has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

By order of the Board

**Matthew Dobbs**

Chair

14 August 2025

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN OPPORTUNITIES TRUST PLC

## Report on the audit of the financial statements

### Opinion

In our opinion, European Opportunities Trust PLC's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2025 and of its return and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 May 2025; the Income Statement, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit & Risk Committee.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the Company in the period under audit.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN OPPORTUNITIES TRUST PLC continued

## Our audit approach

### Context

The Company is a standalone Investment Trust Company and engages Devon Equity Management Limited (the “Investment Manager”) to manage its assets.

### Overview

Audit scope	<ul style="list-style-type: none"><li>• We conducted our audit of the financial statements using information from Devon Equity Management Limited (the Investment Manager), J.P. Morgan Chase Bank N.A. (the “Administrator” and the “Custodian”) and J.P. Morgan Europe Limited (the “Depositary”) to whom the Directors have delegated the provision of certain accounting and administration services.</li><li>• We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.</li><li>• We obtained an understanding of the control environment in place at the Administrator, and adopted a fully substantive testing approach.</li></ul>
Key audit matters	<ul style="list-style-type: none"><li>• Valuation and existence of investments</li><li>• Income from investments</li></ul>
Materiality	<ul style="list-style-type: none"><li>• Overall materiality: £6,027,728 (2024: £6,564,000) based on 1% of net asset value.</li><li>• Performance materiality: £4,520,796 (2024: £4,923,000).</li></ul>

### The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

### Key audit matters

Key audit matters are those matters that, in the auditors’ professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN OPPORTUNITIES TRUST PLC continued

Key audit matter	How our audit addressed the key audit matter
<p><i>Valuation and existence of investments</i></p> <p><i>Refer to Report of the Audit &amp; Risk Committee, Accounting Policy 1(d) and Note 8.</i></p> <p>The investment portfolio at the year-end comprised listed equity investments valued at £644.3 million.</p> <p>We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed on the Statement of Financial Position in the Financial Statements.</p>	<p>We tested the valuation of the listed equity investments by agreeing the prices used in the valuation to independent third-party sources.</p> <p>We tested the existence of all of the listed equity portfolio by agreeing investment holdings to an independent custodian confirmation.</p> <p>We did not identify any material matters to report.</p>
<p><i>Income from investments</i></p> <p><i>Refer to Report of the Audit &amp; Risk Committee, Accounting Policy 1(b) and Note 2.</i></p> <p>We focused on the accounting policy for investment income recognition and the presentation of investment income in the Income Statement for compliance with the requirements of The Association of Investment Companies Statement of Recommended Practice (the "AIC SORP"), as incorrect application could indicate a misstatement in income recognition.</p> <p>We also focused on the accuracy, completeness and occurrence of investment income recognition as incomplete or inaccurate income could have a material impact on the Company's net asset value and dividend cover.</p>	<p>We assessed the accounting policy for income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income had been accounted for in accordance with the stated accounting policy. We found that the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income from investments has been accounted for in accordance with the stated accounting policy.</p> <p>We tested the occurrence and accuracy of dividend income by comparing the dividends recorded in the financial statements to external sources and recalculating the income recognised.</p> <p>We also considered the classification of all dividend income, including any special dividends received in the year. We have tested the completeness of dividends by confirming that dividends announced for listed investments in the year were appropriately recognised by the Company.</p> <p>We did not identify any material matters to report.</p>

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN OPPORTUNITIES TRUST PLC continued

### How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

### The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the Company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the Company's financial statements.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<i>Overall company materiality</i>	£6,027,728 (2024: £6,564,000).
<i>How we determined it</i>	1% of net asset value
<i>Rationale for benchmark applied</i>	We applied this benchmark, which is a generally accepted auditing practice for investment trust audits and is also the primary measure used by the shareholders in assessing the performance of the entity.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £4,520,796 (2024: £4,923,000) for the Company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit & Risk Committee that we would report to them misstatements identified during our audit above £301,386 (2024: £328,200) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

### Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the Directors' updated risk assessment and considering whether it addressed relevant threats;
- Evaluating the Directors' assessment of potential operational impacts, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;



# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN OPPORTUNITIES TRUST PLC *continued*

- Evaluating the Directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses, their assessment of liquidity as well as their review of the operational resilience of the Company and oversight of key third-party service providers; and
- Assessing the implications of significant reductions in net asset value as a result of market performance, the 2025 tender and the potential 2026 performance related tender offer on the ongoing ability of the Company to operate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

In relation to the Directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

## Strategic Report and the Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and the Directors' Report for the year ended 31 May 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and the Directors' Report.

## Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report and Policy to be audited has been properly prepared in accordance with the Companies Act 2006.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN OPPORTUNITIES TRUST PLC continued

---

## Corporate governance statement

As explained in the Corporate Governance Statement, the Directors have chosen to demonstrate how the Company has met its obligations under the UK Corporate Governance Code ('the Code') by reporting under the 2019 Association of Investment Companies' Code of Corporate Governance ('the AIC Code'). As such, we refer to the AIC code where we report the matters required under ISAs (UK) in respect of the Directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the code specific by the Listing Rules for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The Directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate; and
- The Directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the Directors' statement regarding the longer-term viability of the Company was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The Directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit & Risk Committee.

We have nothing to report in respect of our responsibility to report when the Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN OPPORTUNITIES TRUST PLC *continued*

## Responsibilities for the financial statements and the audit

### Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the Financial Statements, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income (income from investments and capital gains) or to increase net asset value of the Company. Audit procedures performed by the engagement team included:

- Discussions with the Investment Manager and the Audit & Risk Committee, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Audit & Risk Committee;
- Evaluation of the controls implemented by the Company and the Administrator designed to prevent and detect irregularities;
- Assessment of the Company's compliance with the requirements of section 1158 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions;
- Identifying and testing journal entries, in particular year-end journal entries posted by the Administrator during the preparation of the financial statements; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EUROPEAN OPPORTUNITIES TRUST PLC *continued*

---

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

## **Use of this report**

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report and Policy to be audited are not in agreement with the accounting records and returns; or
- a Corporate Governance Statement has not been prepared by the Company.

We have no exceptions to report arising from this responsibility.

### **Appointment**

Following the recommendation of the Audit & Risk Committee, we were appointed by the members on 11 November 2019 to audit the financial statements for the year ended 31 May 2020 and subsequent financial periods. The period of total uninterrupted engagement is six years, covering the years ended 31 May 2020 to 31 May 2025.

Jennifer March (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
14 August 2025

# INCOME STATEMENT

for the year ended 31 May 2025

		Year ended 31 May 2025			Year ended 31 May 2024		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Loss)/gain on investments	8	–	(27,227)	(27,227)	–	99,737	99,737
Currency exchange gain/(loss)		–	153	153	–	(80)	(80)
Income from investments	2	9,878	–	9,878	11,573	–	11,573
Other income	2	51	–	51	84	–	84
<b>Total income</b>		<b>9,929</b>	<b>(27,074)</b>	<b>(17,145)</b>	<b>11,657</b>	<b>99,657</b>	<b>111,314</b>
Investment management fee	20	(4,903)	–	(4,903)	(6,409)	–	(6,409)
Other expenses	3	(1,034)	(7)	(1,041)	(1,359)	(1,466)	(2,825)
<b>Total expenses</b>		<b>(5,937)</b>	<b>(7)</b>	<b>(5,944)</b>	<b>(7,768)</b>	<b>(1,466)</b>	<b>(9,234)</b>
<b>Net return before finance costs and taxation</b>		<b>3,992</b>	<b>(27,081)</b>	<b>(23,089)</b>	<b>3,889</b>	<b>98,191</b>	<b>102,080</b>
Finance costs	4	(4,022)	–	(4,022)	(2,735)	–	(2,735)
<b>Return on ordinary activities before taxation</b>		<b>(30)</b>	<b>(27,081)</b>	<b>(27,111)</b>	<b>1,154</b>	<b>98,191</b>	<b>99,345</b>
Taxation	5	(807)	–	(807)	(897)	–	(897)
<b>Net return after taxation*</b>		<b>(837)</b>	<b>(27,081)</b>	<b>(27,918)</b>	<b>257</b>	<b>98,191</b>	<b>98,448</b>
<b>Earnings per ordinary share (basic and diluted)</b>	6	<b>(1.32)p</b>	<b>(42.76)p</b>	<b>(44.08)p</b>	<b>0.30p</b>	<b>113.08p</b>	<b>113.38p</b>

\* There is no other comprehensive income and therefore the 'Net return after taxation' is the total comprehensive income for the financial year.

The total column of this statement is the income statement of the Company, prepared in accordance with UK adopted International Accounting Standards.

The supplementary revenue return and capital return columns are both prepared under guidance produced by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the year.

The Notes on pages 63 to 78 form part of these Accounts

# STATEMENT OF FINANCIAL POSITION

as at 31 May 2025

	Notes	2025 £'000	2024 £'000
<b>Fixed Assets</b>			
Investments	8	644,326	709,898
<b>Current assets</b>			
Debtors	9	5,280	2,882
Cash and cash equivalents		25,444	5,615
		30,724	8,497
<b>Total assets</b>		<b>675,050</b>	<b>718,395</b>
<b>Current liabilities</b>			
Creditors – amounts falling due within 1 year	10	(72,277)	(61,957)
<b>Total assets less current liabilities</b>		<b>602,773</b>	<b>656,438</b>
<b>Capital and reserves</b>			
Called up share capital	21	888	888
Share premium	11	204,133	204,133
Special reserve	12	33,687	33,687
Capital redemption reserve	13	286	286
Reserves	14	363,779	417,444
<b>Total shareholders' funds</b>		<b>602,773</b>	<b>656,438</b>
<b>Net asset value per ordinary share</b>	15	<b>968.89p</b>	<b>1,008.48p</b>

The Accounts on pages 59 to 78 were approved by the Board of Directors on 14 August 2025 and signed on its behalf by:

**Matthew Dobbs**  
Chair

The Notes on pages 63 to 78 form part of these Accounts

# STATEMENT OF CHANGES IN EQUITY

for the year ended 31 May 2025

For the year ended 31 May 2025	Notes	Share Capital £'000	Share Premium £'000	Special Reserve £'000	Capital Redemption Reserve £'000	Reserves <sup>1</sup> £'000	Total £'000
Balance as at 1 June 2024		888	204,133	33,687	286	417,444	656,438
Net loss after taxation		-	-	-	-	(27,918)	(27,918)
Repurchase of shares into treasury	21	-	-	-	-	(24,482)	(24,482)
Dividends declared and paid*	7	-	-	-	-	(1,265)	(1,265)
<b>Balance at 31 May 2025</b>		<b>888</b>	<b>204,133</b>	<b>33,687</b>	<b>286</b>	<b>363,779</b>	<b>602,773</b>

For the year ended 31 May 2024	Notes	Share Capital £'000	Share Premium £'000	Special Reserve £'000	Capital Redemption Reserve £'000	Reserves <sup>1</sup> £'000	Total £'000
Balance as at 1 June 2023		1,129	204,133	33,687	45	623,944	862,938
Net return after taxation		-	-	-	-	98,448	98,448
Repurchase of shares into treasury	21	-	-	-	-	(79,450)	(79,450)
Repurchase of shares for cancellation	21	(241)	-	-	241	(222,123)	(222,123)
Dividends declared and paid*	7	-	-	-	-	(3,375)	(3,375)
<b>Balance at 31 May 2024</b>		<b>888</b>	<b>204,133</b>	<b>33,687</b>	<b>286</b>	<b>417,444</b>	<b>656,438</b>

\* Dividends paid during the financial year were paid out of revenue reserves.

<sup>1</sup> An analysis of reserves broken down into revenue (distributable) items and capital (non-distributable) items is given in Note 13.

The Notes on pages 63 to 78 form part of these Accounts

# CASH FLOW STATEMENT

for the year ended 31 May 2025

	Notes	2025 £'000	2024 £'000
<b>Cash flows from operating activities</b>			
Investment income received (gross)		9,826	12,086
Deposit interest received		51	84
Investment management fee paid	20	(4,994)	(7,084)
Other cash expenses		(1,267)	(1,225)
<b>Net cash inflow from operating activities before taxation and interest</b>	16	<b>3,616</b>	<b>3,861</b>
Interest paid		(3,339)	(3,309)
Overseas tax incurred		(880)	(796)
<b>Net cash outflow from operating activities</b>		<b>(603)</b>	<b>(244)</b>
<b>Cash flows from investing activities</b>			
Purchases of investments		(99,262)	(280,274)
Sales of investments		135,295	605,717
<b>Net cash inflow from investing activities</b>		<b>36,033</b>	<b>325,443</b>
<b>Cash flows from financing activities</b>			
Repurchase of ordinary shares into treasury	17	(24,482)	(84,491)
Repurchase of ordinary shares for cancellation	17	–	(222,123)
Tender cost		(7)	(1,466)
Equity dividends paid	7	(1,265)	(3,375)
Repayment of loan	17	(20,000)	(75,000)
Drawdown of loan	17	30,000	60,000
<b>Net cash outflow from financing activities</b>		<b>(15,754)</b>	<b>(326,455)</b>
<b>Increase/(decrease) in cash</b>		<b>19,676</b>	<b>(1,256)</b>
Cash and cash equivalents at the start of the year		5,615	6,951
Realised gain/(loss) on foreign currency		153	(80)
<b>Cash and cash equivalents at end of year</b>		<b>25,444</b>	<b>5,615</b>

The Notes on pages 63 to 78 form part of these Accounts



# NOTES TO THE ACCOUNTS

## 1. Material Accounting Policies

The Accounts comprise the financial results of the Company for the year to 31 May 2025. The functional and reporting currency of the Company is pounds sterling because that is the currency of the prime economic environment in which the Company operates. The Accounts were authorised for issue in accordance with a resolution of the Directors on 14 August 2025. All values are rounded to the nearest thousand pounds (£'000) except where indicated.

The Accounts have been prepared in accordance with UK-adopted International Accounting Standards and the requirements of the Companies Act 2006.

Where presentational guidance set out in the Statement of Recommended Practice for Investment Trusts issued by the Association of Investment Companies in April 2021 (the 'AIC SORP') is consistent with the requirements of UK-adopted International Accounting Standards in conformity with the Companies Act 2006, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the AIC SORP. The Accounts have also been prepared in accordance with the Disclosure and Transparency Rules issued by the Financial Conduct Authority.

The Accounts have been prepared under the historic cost convention, modified by revaluation of financial assets and financial liabilities held at fair value through profit and loss. The accounting policies have been consistently applied throughout the year ended 31 May 2025 and in the prior year other than where new policies have been adopted.

The Board continues to adopt the going concern basis in the preparation of the financial statements.

### (a) Segmental reporting

The Company is engaged in a single segment business and, therefore, no segmental reporting is provided.

### (b) Income recognition

Ordinary dividends from investments are recognised when the investment is quoted ex-dividend on or before the date of the Statement of Financial Position. All overseas dividend income is disclosed net of withholding tax.

Ordinary dividends receivable from equity shares are taken to the revenue return column of the Income Statement.

Deposit and other interest receivable are accounted for on an accruals basis. These are classified within operating activities in the Cash Flow Statement.

Special dividends are reviewed on a case by case basis to determine if the dividend is to be treated as revenue or capital.

### (c) Presentation of Income Statement

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the Association of Investment Companies (AIC), supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented. In accordance with the Company's Articles of Association, net capital returns may not be distributed by way of dividend.

An analysis of reserves broken down into revenue (distributable) items, and capital (non-distributable) items is given in Note 13.

### (d) Basis of valuation of investments

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under contract whose terms require delivery of the investment within the timeframe established by the market concerned. Investments are included initially at fair value which is taken to be their cost, excluding expenses incidental to purchase which are written off to capital at the time of acquisition.

# NOTES TO THE ACCOUNTS *continued*

---

## 1. Material Accounting Policies *continued*

---

All investments are classified as held at fair value through profit or loss. All investments are measured at fair value with changes in their fair value recognised in the Income Statement in the period in which they arise. The fair value of listed investments is based on their quoted bid price at the reporting date without any deduction for estimated future selling costs.

Foreign exchange gains and losses on fair value through profit or loss investments are included within the changes in the fair value of the investment.

For investments that are not actively traded and/or where active stock exchange quoted bid prices are not available, fair value is determined by reference to a variety of valuation techniques.

These techniques may draw, without limitation, on one or more of: the latest arm's length traded prices for the instrument concerned; financial modelling based on other observable market data; independent broker research; or the published accounts relating to the issuer of the investment concerned.

### **(e) Cash and cash equivalents**

Cash comprises cash in hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risks of changes in value.

### **(f) Foreign currencies**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At the reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the Income Statement with the revenue or capital column depending on the nature of the underlying item.

### **(g) Borrowing and finance costs**

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs and subsequently measured at amortised cost.

Interest on the loan facility is accrued at the rate contractually agreed with the lender.

Bank interest is recognised in the Income Statement in the period in which it is incurred.

All finance costs are directly charged to the revenue column of the Income Statement.

### **(h) Expenses**

Expenses are accounted for on an accruals basis. Management fees, administration and other expenses are charged fully to the revenue column of the Income Statement. Expenses which are incidental to the purchase or sale of an investment are charged to capital, along with any foreign exchange gains and losses.

In accordance with the AIC SORP, the Board has allocated all expenses, other than expenses incidental to purchase or sale of investments and issue costs, to revenue. Tender offer related costs are charged to capital. The Board will keep the allocation of expenses under review.

# NOTES TO THE ACCOUNTS *continued*

## 1. Material Accounting Policies *continued*

### (i) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. All tax costs are charged to revenue.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of the Statement of Financial Position.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Accounts and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Investment trusts which have approval under Section 1158 of the Corporation Tax Act 2010 are not liable for taxation of capital gains.

Irrecoverable VAT is included in the expense on which it has been suffered. Recoverable VAT is calculated using the partial exemption method based on the proportion of zero rated supplies to total supplies.

### (j) Future accounting developments

At the date of authorisation of the financial statements, there are no future amendments to the UK adopted International Accounting Standards (IAS) and interpretations are considered to be relevant to the Company.

### (k) Significant accounting judgements, estimates and assumptions

Management have not applied any significant accounting judgements, estimates and assumptions which would have a significant impact on this set of Accounts or those of the prior financial year.

In preparing these Accounts, the Directors have considered the impact of climate change as an emerging risk as set out on page 25 and have concluded that there was no further impact of climate change to be considered as the investments are valued based on market pricing. In line with UK adopted International Accounting Standards the investments are valued at fair value, which for the Company are the bid prices quoted on the relevant stock exchange at the date of the Statement of Financial Position and therefore reflect market participants' views of climate change risk on the investments held.

## 2. Income

	Year ended 31 May 2025 £'000	Year ended 31 May 2024 £'000
<b>Income from investments</b>		
Dividends from United Kingdom companies	3,199	3,794
Dividends from overseas companies	6,679	7,779
<b>Other income</b>		
Deposit interest	51	84
	<b>9,929</b>	<b>11,657</b>

## NOTES TO THE ACCOUNTS *continued*

### 3. Other expenses\*

	Year ended 31 May 2025 £'000	Year ended 31 May 2024 £'000
Auditors' remuneration	57	55
VAT on Auditors' remuneration	11	11
	<b>68</b>	<b>66</b>
Directors' remuneration	188	188
Administration fees	157	183
Safe custody charges	54	73
Legal and professional fees	45	97
Registrar's fee	40	70
Brokerage fees	73	61
Other professional fees	176	219
Depository's fee	117	144
FCA fees	40	31
Printing & publication of reports to shareholders	26	20
Other administrative expenses	50	207
<b>Subtotal</b>	<b>1,034</b>	<b>1,293</b>
Tender related cost**	7	1,466
<b>Total</b>	<b>1,041</b>	<b>2,825</b>

\* Each including VAT where applicable, other than Auditor's remuneration. There were no non-audit fees payable in the years to 31 May 2025 and 31 May 2024.

\*\*Tender offer implemented in 2024, unrelated to the tender offer described in the Chair's statement on page 5.

### 4. Finance costs

	Year ended 31 May 2025 £'000	Year ended 31 May 2025 £'000
Interest on short-term loan	3,894	2,616
Commitment fees	123	117
Bank charges	5	2
	<b>4,022</b>	<b>2,735</b>

All finance costs are charged to revenue.

## NOTES TO THE ACCOUNTS *continued*

### 5. Taxation

	Year ended 31 May 2025 £'000	Year ended 31 May 2024 £'000
<b>(a) Analysis of charge in year</b>		
Foreign tax incurred	807	897

#### **(b) Factors affecting current tax charge for the year**

The tax charge for the period is higher than (2024: lower) the Company's applicable rate of corporation tax of 25.0% (2024: 25.0%). The calculation of the tax charge is set out below:

	Year ended 31 May 2025 £'000	Year ended 31 May 2024 £'000
Net return before taxation	(27,111)	99,345
Corporation tax at 25.0% (2024: 25.0%)	(6,777)	24,836
<b>Effects of:</b>		
Tax free capital (loss)/gain in investments	6,768	(24,914)
Exempt dividend income	(2,470)	(2,893)
Foreign tax incurred	807	897
Excess expenses for the year	1,986	2,809
Disallowed interest	493	162
<b>Total tax charged for the year</b>	<b>807</b>	<b>897</b>

Due to the Company's status as an investment trust and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

There is an unrecognised deferred tax asset of £40 million (2024: £37 million) which relates to unutilised excess expenses. The rate of Corporation Tax of 25% has been used to calculate the potential deferred tax asset. This would only be recovered if the Company were to generate sufficient profits to utilise these expenses. It is considered highly unlikely that this will occur and therefore, no deferred tax asset has been recognised.

## NOTES TO THE ACCOUNTS *continued*

### 6. Returns per share

The return per share figure can be analysed between revenue and capital, as below:

	Year ended 31 May 2025 £'000	Year ended 31 May 2024 £'000
Net revenue return	(837)	257
Net capital return	(27,081)	98,191
<b>Net total return</b>	<b>(27,918)</b>	<b>98,448</b>
Weighted average number of shares in issue during the year	63,339,331	86,830,217
Revenue return per share	(1.32)p	0.30p
Capital return per share	(42.76)p	113.08p
<b>Return per share</b>	<b>(44.08)p</b>	<b>113.38p</b>

### 7. Dividends paid to shareholders

	Year ended 31 May 2025 £'000	Year ended 31 May 2024 £'000
2024 final dividend 2.0p paid on 63,232,586 shares (2023 final dividend 3.5p paid on 96,429,891 shares)	1,265	3,375

Set out below is the total dividend proposed in respect of the financial year under review, which is the basis on which the requirements of Section 1158 of the Corporation Tax Act 2010 are considered:

	2025 £'000
2025 final dividend of 2.0p	933*

\* Based on the number of shares in issue as at 31 July 2025, the latest practicable date prior to the publication of the Annual Report and Accounts. Subject to shareholder approval at the 2025 Annual General Meeting, a final dividend of 2.0p per share will be paid on 28 October 2025 to those shareholders on the register of shareholders on 3 October 2025 (the Record Date).

## NOTES TO THE ACCOUNTS *continued*

### 8. Investments

	Year ended 31 May 2025 £'000	Year ended 31 May 2024 £'000
Market value of investments at beginning of year	709,898	936,318
Net unrealised gain at beginning of year	(231,949)	(296,205)
<b>Cost of investments at beginning of year</b>	<b>477,949</b>	<b>640,113</b>
Purchases at cost during the year	99,262	279,560
Sales at cost during year	(86,420)	(441,724)
Cost of investments at the end of the year	490,791	477,949
Net unrealised gain at the end of the year	153,535	231,949
<b>Market value of investments at end of year</b>	<b>644,326</b>	<b>709,898</b>

	2025 £'000	2024 £'000
<b>Gains on investments</b>		
Net gain on the sale of investments	51,187	163,993
Net unrealised loss at the end of the year	(78,414)	(64,256)
<b>(Loss)/gain on investments</b>	<b>(27,227)</b>	<b>99,737</b>

Transaction costs incurred during the year amounted to £312,130 (2024: £685,115).

### 9. Debtors

	2025 £'000	2024 £'000
Dividends receivable	813	761
Prepayments and accrued interest	57	95
Foreign recoverable tax	2,098	2,026
Securities sold awaiting settlement	2,312	–
	<b>5,280</b>	<b>2,882</b>

## NOTES TO THE ACCOUNTS *continued*

### 10. Creditors – amounts falling due within one year

	2025 £'000	2024 £'000
Interest payable	896	213
Investment management fee payable	1,218	1,310
Other creditors and accruals	163	434
Short-term bank loans*	70,000	60,000
	<b>72,277</b>	<b>61,957</b>

\* See note 17.

### 11. Share premium

	2025 £'000	2024 £'000
At 1 June	204,133	204,133
<b>At 31 May</b>	<b>204,133</b>	<b>204,133</b>

### 12. Special reserve

	2025 £'000	2024 £'000
At 1 June	33,687	33,687
<b>At 31 May</b>	<b>33,687</b>	<b>33,687</b>

The Company may repurchase its own shares from the funds held in the special reserve when deemed appropriate by the Board.

### 13. Capital redemption reserve

	2025 £'000	2024 £'000
At 1 June	286	45
Repurchase of ordinary shares for cancellation*	–	241
<b>At 31 May</b>	<b>286</b>	<b>286</b>

\* Cancellation of shares repurchased pursuant to the 2024 tender offer. See note 21.



## NOTES TO THE ACCOUNTS *continued*

### 14. Reserves

	Revenue reserve £'000	Capital reserve £'000	Total £'000
At 1 June 2024	8,673	408,771	417,444
Net loss for the year	(837)	(27,081)	(27,918)
Dividends declared and paid	(1,265)	–	(1,265)
Shares repurchased	–	(24,482)	(24,482)
<b>At 31 May 2025</b>	<b>6,571</b>	<b>357,208</b>	<b>363,779</b>

The capital reserve includes £153,535,000 of investment holding gains (2024: gains of £231,949,000). The capital reserve is not distributable except by way of redemptions or purchases of own shares per the Articles of Association. The amount of the capital reserve that is distributable is complex to determine and is not necessarily the full amount of the reserve as disclosed within these Accounts. The revenue reserve is distributable by way of a dividend.

### 15. Net asset value per share

The net asset value per share is based on the net assets attributable to the equity shareholders of £602,773,000 (2024: £656,438,000) and on 62,212,589 (2024: 65,091,784) shares, being the number of ordinary shares in issue at the year end.

### 16. Net cash inflow from operating activities before taxation and interest

	2025 £'000	2024 £'000
Net (loss)/gain before finance costs and taxation	(23,089)	102,080
Loss/(gains) on investments	27,227	(99,737)
Realised (gain)/loss on foreign currency	(153)	80
Tender cost	7	1,466
(Increase)/decrease in debtors	(14)	462
Decrease in accruals and other creditors	(362)	(490)
<b>Net cash inflow from operating activities before interest and taxation</b>	<b>3,616</b>	<b>3,861</b>

## NOTES TO THE ACCOUNTS *continued*

### 17. Analysis of changes in financing activities

	1 June 2024 £'000	Transactions in the year £'000	Cash flow £'000	31 May 2025 £'000
Bank loans	(60,000)	(10,000)	-	(70,000)
Tender cost	-	7	(7)	-
Equity dividends paid	-	1,265	(1,265)	-
Shares repurchased	-	24,482	(24,482)	-
Shares cancelled	-	-	-	-
<b>Total</b>	<b>(60,000)</b>	<b>15,754</b>	<b>(25,754)</b>	<b>(70,000)</b>

Loans of £70 million were outstanding under the Company's available £85 million loan facility as at 31 May 2025, reduced to £55 million as at the date of these Accounts. The terms of the loan facility contain covenants that the adjusted asset coverage may not be less than 3.30 to 1.00 and that the net assets of the Company be no less than £250 million. The Company has granted a floating charge to The Bank of Nova Scotia, London Branch, in relation to its drawn down borrowings.

### 18. Financial instruments

#### Background

The Company's financial instruments comprise securities and other investments, cash balances and term loans, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement and debtors for accrued income. The numerical disclosures below exclude short-term debtors and creditors which are denominated in sterling and do not incur interest and therefore are not subject to foreign currency risk or interest rate risk.

The principal risks the Company faces in its portfolio management activities are:

- foreign currency risk;
- market price risk i.e. movements in the value of investment holdings caused by factors other than interest rate or currency movement;
- interest rate risk;
- liquidity risk; and
- credit and counterparty risk.

The Investment Manager's policies for managing these risks are summarised in the following paragraph and have been applied throughout the year.

#### (a) Foreign currency risk

A portion of the financial assets of the Company are denominated in currencies other than sterling with the result that the Statement of Financial Position and the Income Statement can be significantly affected by currency movements.

The Company may hedge against foreign currency movements affecting the value of the investment portfolio where adverse movements are anticipated but otherwise takes account of this risk when making investment decisions.

## NOTES TO THE ACCOUNTS *continued*

### 18. Financial instruments *continued*

#### Foreign currency sensitivity

The following tables illustrate the sensitivity of the revenue and capital returns, and accordingly net assets, to exchange rates for Sterling against the Euro, Danish Krone, Swiss Franc, Norwegian Krone and Swedish Krona. It assumes the following changes in exchange rates:

£/Euro +/-5% (2024: +/-nil%) £/Danish Krone +/-5% (2024: +/-nil%) £/Swiss Franc +/- 5% (2024: +/- 5%) £/Swedish Krona +/- 5% (2024: +/- 5%) US Dollar +/- 5% (2024: +/- 5%)

This percentage has been determined based on market volatility in exchange rates over the previous twelve months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at the date of the Statement of Financial Position.

If sterling had weakened against the currencies below this would have the following effect on revenue, capital, total return and, accordingly, net assets:

	2025			2024		
	Impact on revenue return £'000	Impact on capital return £'000	Total £'000	Impact on revenue return £'000	Impact on capital return £'000	Total £'000
Euro	(166)	18,476	18,310	-	-	-
US Dollar	(11)	1,185	1,174	(9)	979	970
Danish Krone	(25)	2,779	2,754	-	-	-
Swiss Franc	(4)	464	460	(3)	345	342
Swedish Krona	(11)	1,209	1,198	(11)	1,197	1,186
	<b>(217)</b>	<b>24,113</b>	<b>23,896</b>	<b>(23)</b>	<b>2,521</b>	<b>2,498</b>

If sterling had strengthened against the currencies below this would have the following effect:

	2025			2024		
	Impact on revenue return £'000	Impact on capital return £'000	Total £'000	Impact on revenue return £'000	Impact on capital return £'000	Total £'000
Euro	166	(18,476)	(18,310)	-	-	-
US Dollar	11	(1,185)	(1,174)	9	(979)	(970)
Danish Krone	25	(2,779)	(2,754)	-	-	-
Swiss Franc	4	(464)	(460)	3	(345)	(342)
Swedish Krona	11	(1,209)	(1,198)	11	(1,197)	(1,186)
	<b>217</b>	<b>(24,113)</b>	<b>(23,896)</b>	<b>23</b>	<b>(2,521)</b>	<b>(2,498)</b>

Note that this represents the impact of investment valuations and management fees only.

# NOTES TO THE ACCOUNTS *continued*

---

## 18. Financial instruments *continued*

---

### (b) Market price risk

By the very nature of its activities, the Company's investments are exposed to market price fluctuations. The Board reviews and agrees policies for managing this risk. The Investment Manager assesses the exposure to market price risk when making each investment decision, and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis. Further information on the investment portfolio and investment policy is set out in the Investment Manager's review.

### Other price risk sensitivity

The following illustrates the sensitivity of the profit after taxation for the year and the total equity to an increase or decrease of 20% (2024: 20%) in the fair value of the Company's equities. This level of change is considered to be reasonably possible based on observation of market conditions during the year. The sensitivity analysis is based on the Company's equities at each year-end date, with all other variables held constant in the fair value price of the Company's equities.

The impact of a 20% increase in the value of investments on the capital return is an increase of £128,865,000 (2024: £141,980,000) due to the increase in investments.

The impact of a 20% fall in the value of investments on the capital return is a decrease of £128,865,000 (2024: £141,980,000) due to the decrease in investments.

### (c) Interest rate risk

Interest rate movements may affect:

- the fair value of investments of any fixed interest securities;
- the level of income receivable from any floating interest-bearing securities and cash at bank and on deposit; and
- the interest payable on the Company's floating interest term loans.

The Board reviews regularly the values of the Company's fixed interest rate securities. The Board imposes limits on the Company's borrowing to ensure gearing levels are appropriate to market conditions, and these are monitored and reviewed on a regular basis. The Company's borrowings are conducted through a fixed rate facility, which allows the Investment Manager to finance opportunities at competitive rates.

### Interest rate sensitivity

As interest rates for any short-term loans are fixed at the commencement of the loan, only cash at call are subject to interest rate movements.

All such deposits at call, earn interest at the applicable daily rate. At 31 May 2025, if interest rates on the £70 million drawn down under the Company's loan facility on that date (2024: £60 million) had been lowered by 25 basis points, with all other variables held constant, the increase in net assets attributable over the year would have been £175,000 (2024: £150,000).

## NOTES TO THE ACCOUNTS *continued*

### 18. Financial instruments *continued*

The financial assets (excluding short-term debtors) consist of:

Financial Assets	2025			2024		
	Floating rate £'000	Non-interest bearing £'000	Total £'000	Floating rate £'000	Non-interest bearing £'000	Total £'000
Sterling	6,267	162,077	168,344	3,970	177,343	181,313
Danish Krone	–	55,579	55,579	–	109,650	109,650
Euro	18,205	369,526	387,731	1,645	372,473	374,118
Swedish Krona	830	24,180	25,010	–	23,941	23,941
Swiss Franc	–	9,270	9,270	–	6,906	6,906
US Dollar	142	23,694	23,836	–	19,585	19,585
	<b>25,444</b>	<b>644,326</b>	<b>669,770</b>	<b>5,615</b>	<b>709,898</b>	<b>715,513</b>

The floating rate assets consist of cash deposits at call. Sterling cash deposits at call earn interest at floating rates based on daily Sterling Overnight index Average (SONIA) rates.

The non-interest bearing assets represent the equity element of the investment portfolio at 31 May 2025.

The financial liabilities consist of:

Financial liabilities	2025			2024		
	Fixed rate £'000	Non-interest bearing £'000	Total £'000	Fixed rate £'000	Non-interest bearing £'000	Total £'000
Sterling bank loans	70,000	2,277	72,277	60,000	1,957	61,957
	<b>70,000</b>	<b>2,277</b>	<b>72,277</b>	<b>60,000</b>	<b>1,957</b>	<b>61,957</b>

The fixed rate liabilities consist of a short-term bank loan with The Bank of Nova Scotia, London Branch.

#### (d) Liquidity risk

Liquidity risk is not considered significant. All liabilities are payable within three months.

The Company's assets comprise mainly readily realisable securities which can be sold to meet funding requirements if necessary. Short-term flexibility is achieved through the use of short-term borrowings.

#### (e) Credit and counterparty risk

Credit risk is the exposure to loss from the failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits. The Company manages credit risk by using brokers from a database of approved brokers who have undergone rigorous due diligence tests by Devon's risk management team and by dealing through Devon only with banks approved by the Financial Conduct Authority. The Board reviews credit risk on a quarterly basis.

The maximum exposure to credit risk at 31 May 2025 was £30,724,000 consisting of short-term debtors and cash and cash equivalents (2024: £8,497,000) none of which was credit impaired.

# NOTES TO THE ACCOUNTS *continued*

## 18. Financial instruments *continued*

This is based on the Company's credit exposure as at 31 May 2025. The adoption of the expected credit loss model for impairment under IFRS 9 has not had a material impact on the Company.

The Company holds only trade receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its trade receivables. Therefore, the Company recognises a loss allowance based on lifetime ECLs at each reporting date. The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. In the Investment Manager's opinion, due to the low level of expected future losses on cash and receivables, no provision has been made for ECLs.

### (f) Fair value of financial assets and financial liabilities

The financial assets and financial liabilities are carried in the Statement of Financial Position at their fair value.

#### Fair value hierarchy

IFRS 13 'Fair Value Measurement' requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

Level 1 reflects financial instruments quoted in an active market.

Level 2 reflects financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets.

Level 3 reflects financial instruments whose fair value is determined in whole using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data.

The financial assets measured at fair value in the Statement of Financial Position are grouped into the fair value hierarchy as follows:

	2025				2024			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	644,326	–	–	644,326	709,898	–	–	709,898

### (g) Use of derivatives

Pursuant to the Company's stated investment policy, the Company does not invest in derivative instruments, whether for efficient portfolio management, gearing or investment purposes.

### (h) Capital management policies and procedures

The Board, with the assistance of the Investment Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes into account the Investment Manager's view on the market;
- the need to buy back equity shares, either for cancellation or to hold in treasury, which takes account of the difference between the net asset value per share and the share price (i.e. the level of share price discount or premium);

## NOTES TO THE ACCOUNTS *continued*

### 18. Financial instruments *continued*

- the need for new issues of equity shares, including shares from treasury; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

The Company is subject to several externally imposed capital requirements:

- The value of any short-term loans must be supported by a level of readily realisable assets.
- As a public company, the Company has a minimum share capital of £50,000.
- In order to be able to pay dividends out of profits available for distribution, the Company has to be able to meet one of the two capital restriction tests imposed on investment companies by company law.

These requirements are unchanged since last year, and the Company has complied with them.

As at 31 May 2025 the Company's total capital was £602,773,000 (2024: £656,438,000) made up of:

	2025 £'000	2024 £'000
Ordinary shares	888	888
Reserves	601,885	655,550
<b>Total capital</b>	<b>602,773</b>	<b>656,438</b>

### 19. Contingent liabilities and capital commitments

There were no contingent liabilities or capital commitments outstanding as at 31 May 2025 (2024: nil).

### 20. Related parties and the Investment Manager/AIFM

Devon Equity Management Limited ("Devon") has served as Investment Manager to the Company since 15 November 2019 and became AIFM on 1 July 2022. Details of the fees payable to the Investment Manager and other management arrangements are set out in the Directors' Report on page 33.

The fee payable to Devon for the period from 1 June 2024 to 31 May 2025 was £4,903,000 (2024: £6,409,000) with £1,218,000 outstanding at period end (2024: £1,310,000).

Fees payable to the Directors for the year ended 31 May 2025 were £191,000 (2024: £188,000) with £32,000 outstanding at year end (31 May 2024: £46,000). Fees paid to Directors and their interests in shares of the Company are disclosed within the Directors' Remuneration Report on page 45.

## NOTES TO THE ACCOUNTS *continued*

### 21. Called-up share capital

	Number 000	2025 £'000	Number 000	2024 £'000
<b>Authorised</b>				
Ordinary shares of 1p each	305,000	3,050	305,000	3,050
<b>Issued, called-up and fully paid</b>				
<b>Ordinary shares of 1p each</b>				
Balance brought forward	65,092	651	98,458	985
Repurchase of ordinary shares into treasury*	(2,879)	(29)	(9,292)	(93)
Repurchase of ordinary shares for cancellation	–	–	(24,074)	(241)
<b>Closing balance of shares</b>	<b>62,213</b>	<b>622</b>	<b>65,092</b>	<b>651</b>
<b>Treasury shares</b>				
Balance brought forward	23,709	237	14,417	144
Repurchase of ordinary shares into treasury	2,879	29	9,292	93
<b>Closing balance of ordinary shares held in treasury</b>	<b>26,588</b>	<b>266</b>	<b>23,709</b>	<b>237</b>
<b>Total</b>	<b>88,801</b>	<b>888</b>	<b>88,801</b>	<b>888</b>

\* During the year to 31 May 2025, the Company purchased 2,879,195 ordinary shares to be held in treasury.

### 22. Events after the reporting period

On 7 February 2025, the Board announced a tender offer for up to 25% of the issued share capital. The tender offer was set at a 2% discount to the prevailing net asset value per share as the Calculation Date (after costs of implementation of the proposals). The number of shares acquired under the tender offer was 15,553,147 shares, representing 25% of the shares in issue (excluding shares held in treasury) as at the date of publication of the proposals. Shareholders approved the tender offer at a General Meeting held on 3 June 2025 and the tender offer was completed successfully on 19 June 2025.

On 30 June 2025, the Investment Manager announced that it had agreed heads of terms for acquisition by River Global PLC. Further information is set out in the Chair's statement on page 5.

With effect from 1 October the management fee payable to the Investment Manager will be reduced, as further described on page 5.

On 11 August 2025, the Company renewed its revolving credit facility with the Bank of Nova Scotia, London Branch with a maximum drawable amount of £70 million available until September 2026 (reduced from £85 million in 2024/25), with credit approval for an additional 'accordion' amount available upon application for a further £50 million (unchanged on the previous year).



## GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES

**Alternative Investment Fund** – an Alternative Investment Fund ('AIF') is defined as a collective investment undertaking, including investment compartments of such an undertaking, which (1) raises capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors; and (2) does not require authorisation under the UCITS regime. The Company is an AIF.

**AIFM/Alternative Investment Fund Manager** – an Alternative Investment Fund Manager ('AIFM') is an entity that provides certain investment services to an AIF, including portfolio and risk management services. Devon Equity Management Limited is the Company's AIFM.

**Alternative Investment Fund Managers Directive** – a European Union Directive to provide a harmonised framework for monitoring and supervising risks posed by AIFMs and the AIFs they manage, and for strengthening the internal market in alternative funds. This directive was transitioned into UK law pursuant to The UK Alternative Investment Fund Managers Regulations 2013, and remains in force following Brexit.

**Alternative Performance Measures** – The European Securities and Markets Authority ('ESMA') published its guidelines on Alternative Performance Measures ('APMs'). APMs are defined as being a 'financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable accounting framework.'

**Benchmark** – The Company's primary Benchmark Index, against which its performance is measured, is MSCI Europe index, total return in GBP.

**Discount or Premium\*** – The share price of the Company is derived from buyers and sellers trading its shares on the stock market. The share price is not identical to the net asset value per share of the Company. If the share price is lower than NAV per share, the shares are trading at a discount. The discount is shown as a percentage of the net asset value per share. Shares trading at a price above net asset value per share are deemed to be at a premium.

		31 May 2025 pence	31 May 2024 pence
Net asset value per share	(a)	968.9	1,008.5
Share price	(b)	896.0	906.0
<b>(Discount) or premium (c = (b-a)/a)</b>	<b>(c)</b>	<b>(7.5)%</b>	<b>(10.2)%</b>

**Discount management** – Discount management is the process of the buyback or issuance of the Company's own shares by the Company, to and from its own holding or into 'treasury' with the intention of managing any imbalance between supply and demand for the Company's shares and thereby the market price. The aim is that, in normal market conditions, the market price of the Company's shares will not materially vary from its net asset value per share. The authority to repurchase or issue the Company's own shares is voted upon by the shareholders at each Annual General Meeting.

**Gearing** – Gearing is the borrowing of cash to buy more assets for the portfolio with the aim of making a gain on those assets larger than the cost of the loan. However, if the portfolio doesn't perform well the gain might not cover the costs. The more an investment company gears, the higher the risk. Gearing is typically expressed as a percentage of net asset value.

## GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES *continued*

Borrowings have a prior charge over the assets of the Company, ranking before shareholders in their entitlement to capital and/or income. Borrowings may include preference shares; debentures; overdrafts and short and long-term loans from banks. If the Company has cash assets, these may be assumed either to net off against borrowings, giving a 'net' or 'effective' gearing percentage, or to be used to buy investments, giving a 'gross' or 'fully invested' gearing figure. Where cash assets exceed borrowings, the Company is described as having 'net cash'. The Company's maximum permitted level of gearing is set by the Board and is described within the Strategic Report on page 17.

### Gearing

		31 May 2025 £'000	31 May 2024 £'000
Loan		70,000	60,000
Less cash and cash equivalents <sup>†</sup>		(26,420)	(4,601)
Total	(a)	43,580	55,399
Net asset value	(b)	602,772	656,438
<b>Gearing (c = a/b)<sup>††</sup></b>	<b>(c)</b>	<b>7.2%</b>	<b>8.4%</b>

<sup>†</sup> Includes unsettled transactions as at 31 May 2025 of £976,000 (2024: unsettled transaction resulted in a temporary creditors of £1,014,000).

<sup>††</sup> Gross (unadjusted for cash and cash equivalents) gearing at year end was 11.6% (2024: 9.1%).

### Leverage

For the purposes of the UK Alternative Investment Fund Managers (AIFM) Regulations, leverage is any method which increases the Company's exposure, including the borrowing of cash. It is expressed as a ratio between the Company's exposure and its net asset value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

The Board has set maximum levels of leverage that it considers to be reasonable. Devon has implemented systems to calculate and monitor compliance against these limits and has ensured that the limits have been complied with at all times.

- The maximum permitted leverage calculated on the gross basis is 1.5 times. As at 31 May 2025 gross leverage calculated on the gross basis was 1.07 times (2024: 1.09 times); and
- The maximum permitted leverage calculated on the commitment basis is 2.0 times. As at 31 May 2025 leverage calculated on the commitment basis was 1.12 times (2024: 1.09 times).

## GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES *continued*

**Middle market price** – The mid-market price is the mid-point between the buy and the sell prices.

**Net asset value** – The net asset value in relation to the Company is the market value of its assets less its liabilities (and is sometimes also referred to as Shareholders' Funds). The market value is usually determined by the price at which an investor can redeem a share. For valuation purposes it is common to express the net asset value on a per share basis.

**Ongoing charges ratio\*** – Ongoing charges are the total expenses including both the investment management fee and other costs. The costs of buying and selling investments are excluded, as are interest costs on the Company's loan facility, taxation, non-recurring costs and the costs of buying back or issuing shares. The ongoing charges ratio is calculated in line with the AIC's recommended methodology and is expressed as a percentage of net asset value.

		31 May 2025 £'000	31 May 2024 £'000
Management fee		4,903	6,409
Other expenses		1,034	1,359
Total	(a)	5,937	7,768
Average daily net assets	(b)	608,018	798,568
<b>Ongoing charges c= (a/b)*100</b>	<b>(c)</b>	<b>0.98</b>	<b>0.97</b>

**Return** – The return generated in a given period from the investments:

- **Revenue return** – reflects the dividend and interest from investments and other income net of expenses, finance costs and taxation;
- **Capital return** – reflects the capital gain or loss, excluding any revenue return; and
- **Total return\*** – reflects the aggregate of revenue and capital returns and is the theoretical return to shareholders calculated on a per share basis by adding dividends paid in the period to the increase or decrease in the share price or net asset value in the period. The dividends are assumed to have been re-invested in the form of shares or net assets, respectively, on the date on which the shares were quoted ex-dividend.

	Net asset value	Share price
Net asset value/share price per share at 31 May 2024 (pence)	1008.5	906.0
Net asset value/share price per share at 31 May 2025 (pence)	968.9	896.0
Change in the period under review	(3.9)%	(1.1)%
Impact of dividend reinvested on payment date	0.2%	0.2%
<b>Total return for the year</b>	<b>(3.7)%</b>	<b>(0.9)%</b>

**Treasury shares** – Shares of the Company that have been repurchased by the Company and not cancelled but held in Treasury. These shares do not pay dividends, have no voting rights and are excluded from the net asset value per share calculation.

\* An Alternative Performance Measure.

## COMPANY INFORMATION

---

### Directors

Matthew Dobbs (Chair)  
Sharon Brown  
Jeroen Huysinga  
Manisha Shukla  
Neeta Patel, CBE

---

### Registered office

123 Victoria Street  
London SW1E 6DE  
[www.europeanopportunities.com](http://www.europeanopportunities.com)  
Telephone: 0203 985 0445  
Email: [enquiries@devonem.com](mailto:enquiries@devonem.com)

---

### Investment Manager, Company Secretary and AIFM

Devon Equity Management Limited  
123 Victoria Street  
London SW1E 6DE  
Authorised and regulated by the Financial Conduct Authority

---

### Custodian, Administrator and provider of company secretarial services

J.P. Morgan Chase Bank N.A.  
25 Bank Street  
Canary Wharf  
London E14 5JP  
Authorised and regulated by the Financial Conduct Authority

---

### Depository

J.P. Morgan Europe Limited  
25 Bank Street  
Canary Wharf  
London E14 5JP  
Authorised by the Prudential Regulation Authority and regulated by the  
Financial Conduct Authority and Prudential Regulation Authority

---

## COMPANY INFORMATION *continued*

### Registrar

MUFG Corporate Markets (formerly known as Link Group)  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

**Telephone:** 0371 664 0300

Lines are open from 9.00am to 5.30pm Monday to Friday. Calls are charged at the standard geographic rate and will vary by provider.

**Telephone (international):** +44 (0)371 664 0300

(Calls outside the United Kingdom will be charged at the applicable international rate)

[www.signalshares.com](http://www.signalshares.com)

Email: [info.uk@cm.mpms.mufg.com](mailto:info.uk@cm.mpms.mufg.com)

MUFG Corporate Markets offer shareholders a free online service enabling shareholders to access a comprehensive range of shareholder related information. Through Share Portal, shareholders can view their current and historical shareholding details; obtain an indicative share price and valuation; amend address details; view details of dividend payments; and apply for dividends to be paid directly to a bank or change existing bank details. Shareholders will need to register for a Share Portal Account at [www.signalshares.com](http://www.signalshares.com) by completing an on-screen registration form. An email address is required.

### Independent Auditors

PricewaterhouseCoopers LLP  
7 More London Riverside  
London  
SE1 2RT

### Broker

Singer Capital Markets  
1 Bartholomew Lane  
London  
EC2N 2AX

Authorised and regulated by the Financial Conduct Authority

### Company information

Registered at Companies House in England & Wales with number 4056870  
An investment Company under s.833 of the Companies Act 2006

**LEI:** 549300XN7RXQWHN18849

**FATCA GIIN:** G0YWMG.99999.SL.826

**Sedol:** 0019772

**ISIN:** GB0000197722

**Ticker:** EOT.LN

The Company conducts its affairs so that its shares can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules relating to non-mainstream investment products and intends to continue to do so.

The Company is a member of The Association of Investment Companies ('AIC') from whom general information on investment trusts can be obtained by telephoning 020 7282 5555 or by email to [enquiries@theaic.co.uk](mailto:enquiries@theaic.co.uk).

## FURTHER INFORMATION

---

---

### Capital Gains Tax information

The closing middle market price of the Company's shares on the first date of dealing (20 November 2000) for Capital Gains Tax purposes was 101.5p.

---

### MSCI Europe data

This document contains information based on the MSCI Europe index. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

---

### Further Information

Visit [www.europeanopportunities.com](http://www.europeanopportunities.com) for further information on the Company, including regulatory disclosures, factsheets and past annual and interim results. Should you wish to be added to an email distribution list for monthly newsletter, please send an email to [enquiries@devonem.com](mailto:enquiries@devonem.com).

---

# NOTICE OF ANNUAL GENERAL MEETING

This Notice of Meeting is an important document. If you are in any doubt as to what action to take, you should consult an appropriate independent adviser.

Notice is hereby given that the Annual General Meeting of European Opportunities Trust PLC will be held at the offices of Devon Equity Management Limited, 123 Victoria Street, London, SW1E 6DE at 12 noon on Wednesday, 8 October 2025.

Shareholders will be asked to consider and, if thought fit, pass resolutions 1 to 10 which will be proposed as ordinary resolutions, and resolutions 11 to 14, which will be proposed as special resolutions:

## ORDINARY BUSINESS

1. That the Report of the Directors and the Audited Accounts of the Company for the year ended 31 May 2025 be received.
2. That the Directors' Remuneration Report for the year ended 31 May 2025 be approved.
3. That a final dividend of 2.0p per ordinary share be paid in respect of the financial year ended 31 May 2025.
4. That Matthew Dobbs be re-elected as Director of the Company.
5. That Jeroen Huysinga be re-elected as a Director of the Company.
6. That Sharon Brown be re-elected as a Director of the Company.
7. That Manisha Shukla be re-elected as a Director of the Company.
8. That Neeta Patel be re-elected as a Director of the Company.
9. That PricewaterhouseCoopers LLP be re-appointed as Auditors of the Company.
10. That the Directors be authorised to agree the remuneration of the Auditors.

## SPECIAL BUSINESS

11. That the Directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the 'Act'), in substitution for and to the exclusion of any outstanding authority previously conferred on the Directors under Section 551 of the Act, to allot shares in the capital of the Company ('shares') up to a maximum aggregate nominal amount of £46,000 provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted after such expiry and the Directors may allot shares in pursuance of such an offer or agreement as if the authority hereby conferred had not expired.
12. That the Directors of the Company be and are hereby granted power pursuant to Section 570 and/or Section 573 of the Companies Act 2006 ('the Act') to allot equity securities (within the meaning of Section 560 of the Act) for cash either pursuant to the authority conferred by Resolution 11 or by way of a sale of treasury shares, as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
  - (a) the allotment of equity securities up to an aggregate nominal amount of £46,000 and;
  - (b) in addition to the authority referred to in (a) above, an offer of equity securities by way of a rights issue or open offer to ordinary shareholders in proportion as nearly as may be practicable to their existing holdings subject to such limits or restrictions or other arrangements as the Directors may deem necessary or expedient to deal with any treasury shares, fractional entitlements or securities represented by depositary receipts, record dates, legal, regulatory or practical problems in, or under the laws or requirements of, any territory or the requirements of any regulatory body or stock exchange or any other matter,

## NOTICE OF ANNUAL GENERAL MEETING *continued*

---

provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the authority hereby conferred had not expired.

13. That the Company be and is generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the 'Act') to make one or more market purchases (within the meaning of Section 693 of the Act) of ordinary shares provided that:

- (a) the maximum number of shares that may be purchased is 6,994,250 ordinary shares, being 14.99% of the issued number of ordinary shares at the date of this document or, if lower, such number as is equal to 14.99% of the issued number of ordinary shares at the date of passing the resolution;
- (b) the minimum price which may be paid shall be one pence per ordinary share;
- (c) the maximum price (excluding the expenses of such purchase) which may be paid for each ordinary share is the higher of:
  - (i) 105% of the average middle market quotations for such ordinary share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is purchased; and
  - (ii) the higher of the price of the last independent trade in the ordinary shares and the highest then current independent bid for an ordinary share as derived from the London Stock Exchange; and
- (d) unless renewed, the authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution save that the Company may, prior to such expiry, enter into a contract to purchase shares which will or may be completed or executed wholly or partly after such expiry.

14. That a General Meeting other than the Annual General Meeting may be called on not less than 14 clear days' notice.

### **By order of the Board**

Devon Equity Management Limited  
Company Secretary  
123 Victoria Street  
London SW1E 6DE  
14 August 2025



## NOTES FOR ANNUAL GENERAL MEETING

1. The 2025 AGM will be held in person at the Company's registered office. A Member entitled to attend and vote may appoint a proxy or proxies to attend, speak and vote instead of him or her. A proxy need not be a Member of the Company. A form of proxy, if used, must be lodged at the Company's registrars, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL not less than 48 hours (excluding non-business days) before the Meeting (or, in the case of adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). To appoint more than one proxy you may photocopy a paper proxy. You may appoint a person other than the Chair as your proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
2. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be entered on the Company's Register of Members 48 hours prior to the Meeting. If the Meeting is adjourned then, to be so entitled, Members must be entered on the Company's Register of Members 48 hours prior to the adjourned Meeting or, if the Company gives notice of the adjourned Meeting, at the time specified in that notice.
3. Electronic proxy voting is available for this meeting. If you would like to submit your voting instructions using the web-based voting facility please go to [www.signalshares.com](http://www.signalshares.com). If you have not already registered with Signal Shares you will need your Investor Code which can be found on your share certificate or a recent dividend certificate. Once registered you will be able to vote immediately by selecting 'Proxy Voting' from the menu.
4. Alternatively, you can vote via Vote+, a free app for smartphone and tablet provided by MUFG Corporate Markets (the Company's registrar). It offers shareholders the option to submit a proxy appointment quickly and easily online, as well as real-time access to their shareholding records. The app is available to download on both the Apple App Store and Google Play. QR codes to facilitate this are shown below.



Apple App Store



Google Play

5. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by MUFG. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged not less than 48 hours prior to the time of the Meeting as specified in the Notice of Annual General Meeting in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
6. If you require a paper form of proxy please email the Company's registrar, MUFG Corporate Markets, at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com) or you may call MUFG on 0371 664 0300 or, if calling from overseas, on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.
7. Completion and return of a form of proxy (or the electronic appointment of a proxy) will not preclude a shareholder from attending and voting at the AGM should they wish.

## NOTES FOR ANNUAL GENERAL MEETING *continued*

---

8. As at 31 July 2025, being the latest practicable date prior to the publication of this notice, the Company's issued share capital consisted of 73,298,159 ordinary shares of 1p each, of which 26,558,712 were held in treasury. As a result, the total voting rights as at 31 July 2025 were 46,659,442.
9. The vote 'Withheld' is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Withheld' vote is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with CREST's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent ID (RA10) by the latest time(s) for receipt of proxy appointments specified in the Notice of Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CREST does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

11. Any person to whom this Notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
12. A copy of the Notice of Meeting and other information required by section 311A of the Companies Act 2006, can be found at [www.europeanopportunities.com](http://www.europeanopportunities.com).
13. Under Sections 338 and 338A of the 2006 Act, members meeting the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the meeting; and/or (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may properly be included in the business at the meeting. A resolution may properly be moved, or a matter properly included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than the date that is six clear weeks before the meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

## NOTES FOR ANNUAL GENERAL MEETING *continued*

- 
14. Under Section 527 of the Act, Members meeting the threshold requirement set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's Accounts (including the auditors' report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstances connected with an auditors of the Company ceasing to hold office since the previous AGM at which the annual Accounts and reports were laid in accordance with Section 437 of the Act. The Company may not require the Members requesting any such website publication to cover any costs incurred in complying with Section 527 or 528 and is required to forward any statement placed on a website to the Company's auditors not later than the time when it makes the statement on the website. The business which may be dealt with at the Meeting includes any statements that the Company has been required under Section 527 of the Act to publish on a website.
  15. Shareholders are advised that, unless otherwise stated, any telephone number, website and email address set out in this Notice of Meeting, Form of Proxy, or Annual Report should not be used for the purpose of serving information on the Company (including the service of documents or information relating to the proceedings at the Company's AGM).
  16. International financial sanctions regimes, including those related to the ongoing war in Ukraine, may constrain the ability of shareholders subject to sanctions to exercise the rights attaching to their ordinary shares, including rights to vote, and to have those votes recognised by the Company. The Company's obligation to take into account the votes of its shareholder will, at all times, remain subject to compliance with all applicable laws and regulations.
  17. Should you have any queries about voting or the Annual General Meeting please contact the Company's registrars, MUFG, whose contact details are set out on page 83.

# FIVE REASONS TO INVEST IN EUROPEAN OPPORTUNITIES TRUST

## Active management with high conviction

The Company is actively managed by an experienced Investment Manager with a long-standing track record of investing in European equities. The Company follows a consistent high-conviction, bottom-up stock-picking approach.

## Focus on long-term structural growth and innovation

The Company targets companies benefiting from long-term structural changes, such as digitalisation, healthcare innovation, and financial disruption. This forward-looking approach helps capture alpha beyond traditional sector or geographic allocations.

## Flexibility to access the best of European opportunities

The Company benefits from a broad mandate, allowing investment across all listed company sizes in Europe and the UK. By not closely tracking a benchmark, the Investment Manager can look beyond the usual names and seek out compelling opportunities beyond the limits of traditional benchmarks.

## Concentrated exposure with disciplined risk management

With a concentrated portfolio typically comprising 30–40 holdings, the Company offers meaningful exposure to its best ideas while maintaining strong internal risk controls. This contrasts with more diversified funds that may dilute returns through over-diversification.

## Independence and alignment with Shareholders

The Company benefits from dedicated focus, full alignment, and a stable team. Both the Manager and the Board are strongly aligned with investors. This reinforces a shareholder-focused culture, further supported by proactive discount control mechanisms and a clear commitment to delivering long-term value.

## Hear directly from the Investment Manager

As a shareholder in European Opportunities Trust PLC, you have the option to receive direct communications from the Trust's Investment Manager. These monthly updates are intended to provide you with additional visibility on your investment through timely and relevant commentary. They include:

- **Portfolio insights** Commentary from the Investment Manager highlighting recent market developments, key changes in portfolio positioning, and the investment outlook.
- **Strategic context** A concise summary of how current events and market dynamics are shaping the Company's ongoing investment strategy
- **Shareholder communications** Advance notice and access to important documents such as annual and interim results, AGM materials, and regulatory announcements.

## To subscribe, simply:

1. Scan the QR code or visit <https://www.devonem.com/newsletter-sign-up/>
2. Enter your email address
3. Click 'Subscribe' to complete your registration







This report was printed by Park Communications, a certified carbon neutral print company, on Revive Offset an FSC® certified recycled paper. The FSC® label on this product ensures responsible use of the world's forest resources.

Park works to the EMAS standard and its Environmental Management System is certified to ISO 14001. This publication has been manufactured using 100% offshore wind electricity sourced from UK wind.

100% of the inks used are vegetable oil based, 95% of press chemicals are recycled for further use and, on average 99% of any waste associated with this production will be recycled and the remaining 1% used to generate energy.

This is a certified climate neutral print product for which carbon emissions have been calculated and offset by supporting recognised carbon offset projects.

The carbon offset projects are audited and certified according to international standards and demonstrably reduce emissions.

# DEVON

## Equity Management

None of the views expressed in this document should be construed as advice to buy or sell a particular investment. For further information about the Company please visit [www.europeanopportunities.com](http://www.europeanopportunities.com) or scan the following QR code:

