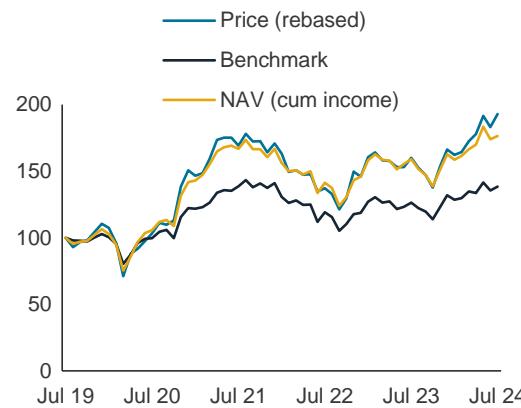
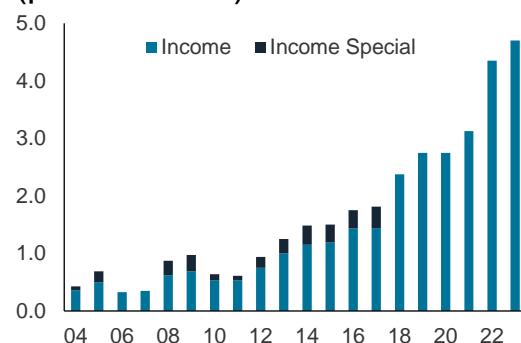


## Share price performance (total return)



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

## Dividend history (pence/share)



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

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

## How to invest

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

## Performance over (%)

	6m	1y	3y	5y	10y
Share price (Total return)	18.9	20.5	13.9	92.8	250.0
NAV (Total return)	11.3	10.9	5.7	76.4	222.4
Benchmark (Total return)	7.7	9.5	-0.1	38.4	144.1
Relative NAV (Total return)	3.5	1.4	5.8	37.9	78.3

## Commentary at a glance

## Performance

In the month under review the Company's NAV total return was 1.3% and the MSCI Europe ex UK Small Cap Index total return was 2.1%.

## Contributors/detractors

Positive contributors included IG Group and Criteo. Detractors included Verallia, u-blox and DFDS.

## Outlook

The economy has been through a softer patch over recent months. However, we are hopeful for future interest rate cuts from developed market central banks.

## See full commentary on page 3.

Discrete year	Share price performance (%) (total return)	NAV (total return)
30/6/2023 to 30/6/2024	19.5	12.0
30/6/2022 to 30/6/2023	13.6	16.4
30/6/2021 to 30/6/2022	-23.1	-21.1
30/6/2020 to 30/6/2021	79.5	63.5
30/6/2019 to 30/6/2020	-2.5	2.9

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

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

Source: at 31/07/24. © 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance does not predict future returns.

## Company overview

## Objective

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

## Highlights

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

## Company information

NAV (cum income)	203.6p
NAV (ex income)	199.2p
Share price	188.0p
Discount(-)/premium(+)	-7.7%
Yield	2.5%
Net gearing	12%
Net cash	-
Total assets	£903m
Net assets	£809m
Market capitalisation	£747m
Total voting rights	397,287,598
Total number of holdings	132
Ongoing charges (year end 30 Jun 2023)	0.65%
Benchmark	MSCI Europe ex UK Small Cap Index
Overall Morningstar Rating™	★★★★★

As of 31/07/2024

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

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

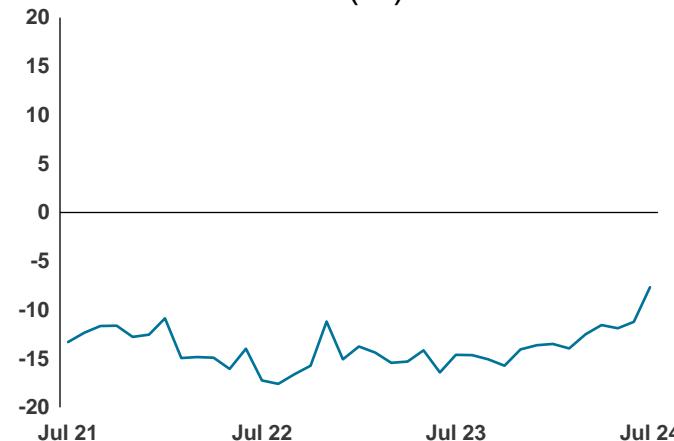
## Find out more

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

Top 10 holdings (%)

	(%)
Van Lanschot Kempen	3.0
TKH Group	2.9
SUESS MicroTec	2.0
IG Group	1.9
KSB	1.9
Criteo	1.7
Fugro	1.7
Stroer	1.7
DFDS	1.5
Gaztransport Et Technigaz	1.4

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

**Premium/(discount) of share price to NAV at fair value (%)****Geographical focus (%)**

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

**Sector breakdown (%)**

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

**How to invest**

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

**Key information**

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



Ollie Beckett  
Fund Manager



Rory Stokes, CFA  
Fund Manager



Julia Scheufler, CFA  
Fund Manager

**10 year total return of £1,000**

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

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

**Customer services**

0800 832 832

## Fund Manager commentary

### Investment environment

European smaller company equities rose in July. This positive performance came despite many firms reporting mediocre second-quarter earnings results and investor hesitancy due to the French election and a more mixed macroeconomic picture. Weak Purchasing Managers' Index (PMI) data released in July signalled a deterioration in business conditions for the first time in seven months.

Small-cap companies outperformed large-cap companies over the month. There was a significant shift in the large-cap market, with investors moving out of companies that had been performing well and into more defensive names. The rotation was particularly acute in the technology sector, and provided evidence of investor crowding in European and US large-cap companies.

### Portfolio review

In terms of sector allocation, shares in information technology and industrials companies were weak due to these sectors becoming out of favour with investors during the month. The performance of these sectors was more consistent with investors' preferences at this stage of the economic cycle, rather than the specific performance of individual companies.

The holding in IG Group, the UK financial trading platform, was the top positive contributor in July. The

company released strong earnings and is upping its existing shareholder returns policy through share buybacks and by increasing its dividends payments.

Criteo, the French online advertising company, was also a positive contributor. The company's share price rose on the back of solid second-quarter results after it announced better-than-expected revenue. The company also benefited from Google's decision to scrap its third-party cookies depreciation plan, meaning Criteo will receive a longer period of legacy profits from Google concerning its online advertisements.

Verallia, the French packaging firm, detracted during the month due to a profit warning. The company, which manufactures glass bottles and jars, cut its guidance (earnings forecasts) after seeing a slower-than-expected recovery in Europe, which is a pocket of the economy where destocking is continuing.

The holding in u-blox, the Swiss semiconductor company, was also a detractor as the market expects the company to release weak second-quarter results on the back of destocking concerns. u-blox makes modules, with one segment of its business manufacturing these computers for use in cars. Car sales have been weak, which has led to investors viewing the company's exposure to the automotive sector as a concern.

DFDS, the Danish ferry operator, detracted from performance over the period as it missed earnings targets, as greater competition in the cross-channel ferry market contributed to a weak pricing environment. The

weaker economy also did not help the company's performance. Finally, DFDS has to upgrade its fleet to become more environmentally and sustainably positioned. We still thought the company's shares were attractively valued, while its share buybacks have also continued.

In terms of activity, we bought a position in Dometic. Dometic makes outdoor goods such as portable fridges and rooftop tents and we believe it has strong brand power. In particular, the company's products are well-liked by US consumers who own recreational vehicles (RVs), and we believe the US RV market is troughing out. The shares were attractively valued to us, seemingly due to the company's stretched balance sheet. However, the company has traded through this weak balance sheet and has been able to repair it. We think there is also an opportunity for the company to recover as interest rates come down.

We also bought Aixtron, which makes equipment for the manufacturing of semiconductors. The company owns the best-in-class equipment for making gallium nitride, which is a compound semiconductor material that is more powerful and more efficient than silicon.

### Manager outlook

The economy has been through a softer patch over recent months. However, in terms of the broader macroeconomic picture, we are hopeful for future interest rate cuts from the European Central Bank (ECB) and believe the European economy will improve during the second half of the year.

We continue to think other developed market central banks will be able to cut interest rates soon. However, the upcoming US election is likely to create volatility in the short term around interest rate expectations, and may result in a rate-cut delay for the US Federal Reserve (Fed).

From a medium-term perspective, the combination of attractive valuations and improving earnings places European small-cap stocks in a favourable position in our view. We believe our balanced/blended investment style is well suited to this market environment.

## Glossary

### Discount/Premium

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

### Gearing

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

### Leverage

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

### Market capitalisation

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

### Net Asset Value (NAV)

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

### NAV (Cum Income)

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

### NAV (Ex Income)

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

### NAV total return

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

### Net assets

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

### Net cash

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

### Net gearing

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

### Ongoing charges

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

### Share price

Closing mid-market share price at month end.

### Share price total return

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

### Total assets

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

### Yield

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

For a full list of terms please visit:

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

## Source for fund ratings/awards

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

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

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

## Company specific risks

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

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