

The European Smaller Companies Trust PLC

(formerly TR European Growth Trust PLC)

YOUR URGENT ACTION IS REQUIRED

YOUR VOICE MATTERS

STAND AGAINST SABA

SAFEGUARD YOUR INVESTMENT

VOTE AGAINST ALL RESOLUTIONS

MANAGED BY

Janus Henderson
INVESTORS

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

The European Smaller Companies Trust PLC
(Incorporated in England & Wales with company number 02520734 and registered as an investment company under section 833 of the Companies Act 2006)

Notice of a General Meeting requisitioned pursuant to section 303 of the Companies Act 2006

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have recently sold or transferred all of your ordinary shares in The European Smaller Companies Trust PLC (the “**Company**”), please forward this document, but not any accompanying personalised Form of Proxy, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass this document to the person who now holds the shares.

Notice of the requisitioned general meeting of the Company to be held at 201 Bishopsgate, London EC2M 3AE on 5 February 2025 at 12.30 p.m. (the “**Requisitioned General Meeting**”) is set out at the end of this document.

THE BOARD RECOMMENDS THAT SHAREHOLDERS VOTE AGAINST ALL RESOLUTIONS AT THE REQUISITIONED GENERAL MEETING.

Shareholders are requested to complete the Form of Proxy accompanying this document as soon as possible and return it, together with any power of attorney or other written authority, if any, under which it is signed (or a notarially certified or office copy thereof) to the Company’s Registrar, Equiniti Limited by post or (during normal business hours only) by hand at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive no later than 12.30 p.m. on 3 February 2025. Alternatively, you can submit your vote electronically by visiting www.sharevote.co.uk and following the instructions. CREST members may utilise the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the Notice of General Meeting. 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 the Registrar. For further information regarding Proxymity, please go to www.proxymity.io

Shareholders who hold their ordinary shares through an investment platform or other nominee service are encouraged to contact their investment platform provider or nominee as soon as possible to arrange for votes to be lodged on their behalf.

Appointment of a proxy does not preclude you from attending the meeting and voting in person.

Contents

Expected timetable	3
Letter from the Chairman	5
Liquidity proposals	14
Board of directors	15
Notice of General Meeting (requisitioned pursuant to section 303 of the Companies Act 2006)	16
APPENDIX – Statement by the Requisitioning Shareholder	21

Expected Timetable

Latest time and date for receipt of Forms of Proxy and electronic proxy appointments for the Requisitioned General Meeting*

12.30 p.m. on 3 February 2025

Requisitioned General Meeting

12.30 p.m. on 5 February 2025

Announcement of results of the Requisitioned General Meeting

5 February 2025

*Shareholders should be aware that the deadlines for voting through share dealing platforms such as Halifax Share Dealing, Hargreaves Lansdown, AJ Bell, Interactive Investor and similar platforms, may be earlier than the Company's proxy voting deadline.

On 18 December 2024, Saba Capital Management, L.P." ("**Saba**"), a US-based activist hedge fund manager and the largest single shareholder, requisitioned The European Smaller Companies Trust PLC ("**ESCT**" or the "**Company**") to convene a general meeting to propose Resolutions to replace your current independent Board with two Saba nominees, one of whom is a partner of Saba.

YOUR VOICE MATTERS: STAND AGAINST SABA SAFEGUARD YOUR INVESTMENT

1

ESCT is a well-managed investment company whose strategy has delivered long-term outperformance for you

2

Saba is attempting to take control of your Company

3

Saba wants to remove a strong, independent, highly qualified Board, which acts in your interests and safeguards your investment

TAKE ACTION NOW

Given the size of Saba's shareholding, your vote really does count. Do not abstain

The Board unanimously recommends that shareholders **VOTE AGAINST ALL** Resolutions, in order to prevent Saba from taking control of the Company and acting against your best interests

LETTER FROM THE CHAIRMAN

The European Smaller Companies Trust PLC

(formerly known as TR European Growth Trust PLC)

(Incorporated in England & Wales with company number 02520734 and registered as an investment company under section 833 of the Companies Act 2006)

Directors

James Williams (Non-executive Chairman)

Daniel Burgess (Non-executive director)

Simona Heidempergher (Non-executive director)

Ann Grevelius (Non-executive director)

Registered Office: 201 Bishopsgate London EC2M 3AE

Dear Shareholder

8 January 2025

NOTICE OF REQUISITIONED GENERAL MEETING

INTRODUCTION

As announced by the Company on 18 December 2024, the Company received a requisition notice pursuant to section 303 of the Companies Act 2006 in respect of shares beneficially owned by Saba Capital Management, LP. (the “**Requisitioning Shareholder**” or “**Saba**”), requiring resolutions to be put before shareholders (the “**Requisition**”).

The resolutions comprise the removal of all four of the current independent directors of the Company and the appointment of two new directors proposed by Saba (the “**Resolutions**”).

As a result of the Requisition, the Company is required to convene the Requisitioned General Meeting to allow shareholders to consider and vote on the Resolutions. The full text of the Resolutions is set out in the Notice of General Meeting at the end of this document.

The Requisition included a statement (the “**Statement**”) from Saba which the Board is required to circulate to shareholders in accordance with section 314 of the Companies Act 2006. The Statement is set out in the Appendix at the end of this document. The Board does not in any way support the claims contained in the Statement.

Saba is the Company’s largest shareholder with an interest in approximately 29.35 per cent. of the Company’s voting rights. Through the Requisition, Saba is seeking control of the Board and, therefore, the Company. It has also publicly stated its intention of taking over the role as investment manager of the Company from your current investment manager, Janus Henderson Investors, and changing the investment strategy.

The purpose of this letter is to provide shareholders with details of the Resolutions and explain why the Board believes that these Resolutions are not in your best interests or those of the Company. Saba is acting in its own interests in seeking to control the Board and, therefore, the Company.

You can only stop Saba by exercising your vote. Saba is counting on a high proportion of shareholders not voting. Your participation is key and will determine the Company’s future. The bottom line is that you chose to invest in ESCT. It has been a top performing fund in the London listed European small cap sector. Please don’t let Saba take that choice away from you.

The Board unanimously recommends that you vote against all Resolutions.

**Please DO NOT ABSTAIN FROM VOTING. Your voice matters:
Stand AGAINST SABA, safeguard your investment**

1

ESCT is a well-managed investment company whose strategy has delivered long-term outperformance for you

The Board and investment manager have achieved long-term outperformance for you

The existing Board and investment manager, Janus Henderson Investors, have delivered both positive long-term NAV and share price total returns, outperforming both the Company's peer group and its benchmark, the MSCI Europe (ex UK) Small Cap Index.

- The Company has delivered NAV total return performance over the five years to 31 December 2024 of 51.6 per cent. against the benchmark return of 27.0 per cent. Share price total return over the same period was 63.0 per cent.
- This consistent strong performance has led to multiple awards with your Company winning the Citywire Investment Trust award for Best European Equities Trust in 2022 and 2023, and being shortlisted for the award in 2024. It has also received a 4-star rating from Morningstar.
- Saba's claim in the Statement that ESCT has underperformed is factually inaccurate and is not supported by Saba's own statement, which notes that ESCT's total shareholder return has outperformed its benchmark by 11.0 per cent. over three years.

The Board remains confident in the investment manager's ability to continue to deliver outperformance against the peer group and the benchmark.

ESCT NAV and share price total return against the benchmark

The table below shows the Company's performance, alongside the benchmark and the peer group, to 31 December 2024 over one, three, five and ten years, and since inception under the existing management team:

Total Return performance (%)					
	1 year	3 years	5 years	10 years	Inception¹
ESCT NAV total return	-0.9	-3.2	51.6	202.2	261.8
ESCT share price total return	8.2	5.3	63.0	235.0	332.2
MSCI Europe (ex UK) Small Cap Index ²	-1.1	-7.4	27.0	138.3	171.9
AIC European Smaller Companies sector NAV ³	2.1	-14.8	30.6	154.6	205.3

¹ Being 1 July 2011, the date that Ollie Beckett was appointed as portfolio manager of ESCT

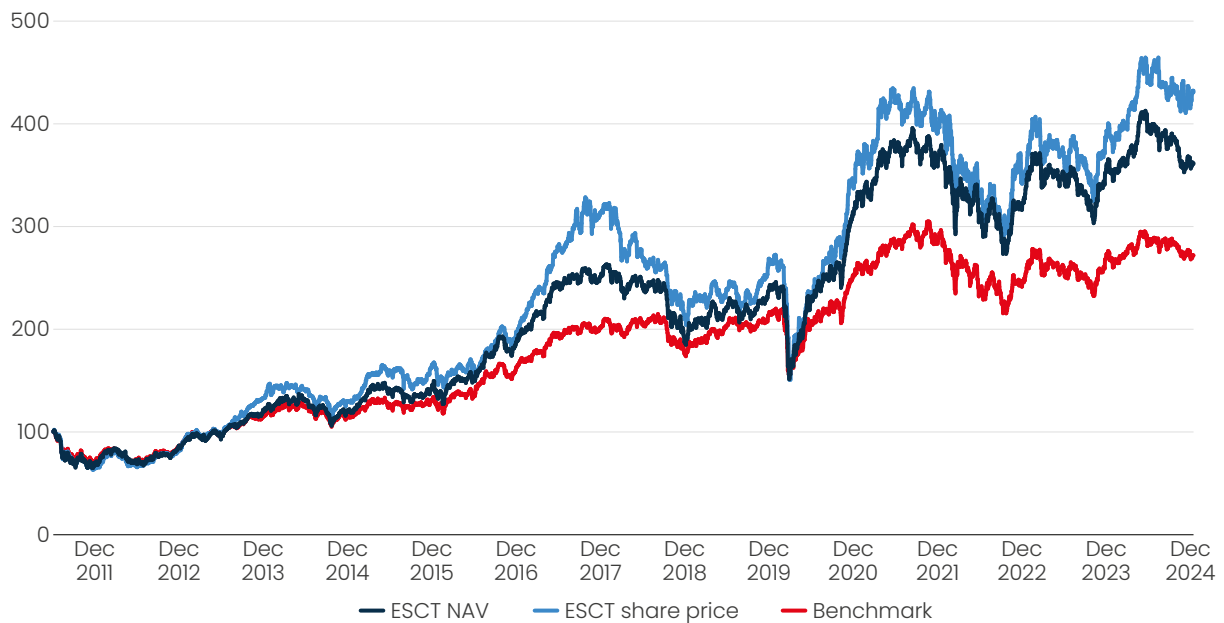
² Prior to 30 June 2022, the benchmark was the Euromoney Smaller European Companies (ex UK) Index

³ Sector weighted average

Source: Morningstar Direct

Past performance is not a guarantee of future results

NAV and share price total return against the benchmark



Source: Morningstar Direct

Past performance is not a guarantee of future results

Your Company has a highly successful, proven investment strategy

Your Company invests in European small cap companies, meaning the smallest companies listed on stock exchanges in Europe. This strategy has consistently delivered strong long-term absolute returns and relative outperformance, along with an attractive dividend stream.

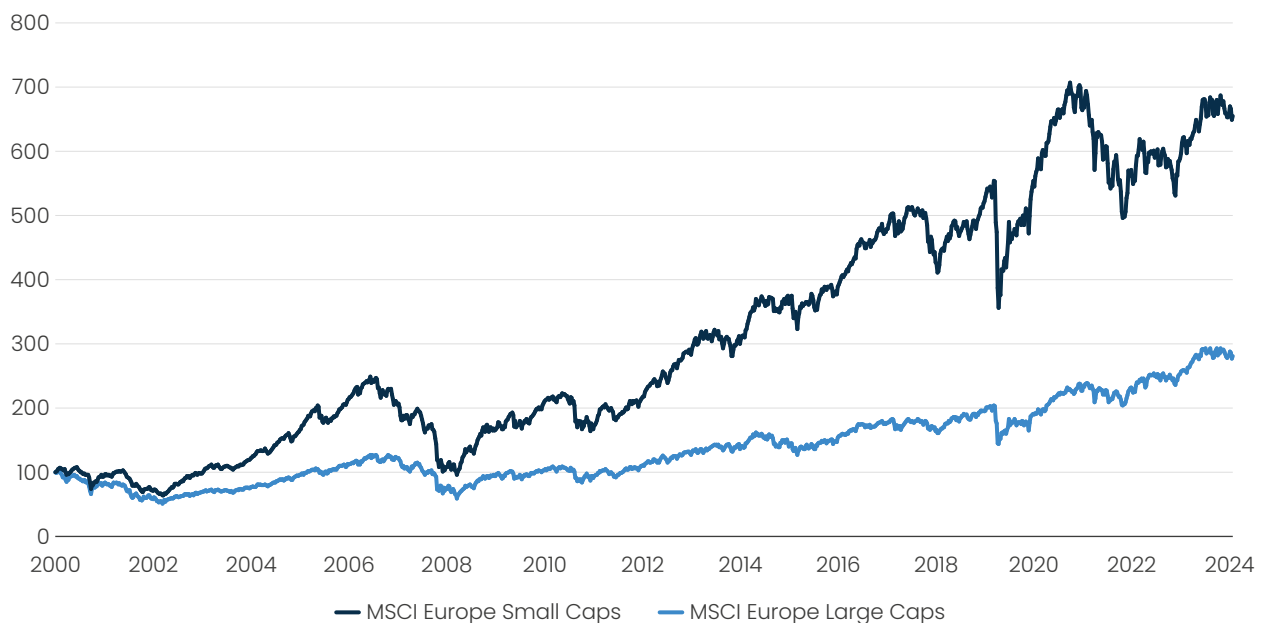


European small caps have a long-term track record of **outperforming** European large caps



The European small cap sector has a **larger universe of stocks to choose from** as compared to the large cap sector, and investee companies are less well covered by analysts meaning a greater opportunity to find mis-priced securities

Small caps have a long-term track record of outperforming large caps (Index total return % rebased to 100)



Source: Morningstar Direct

Past performance is not a guarantee of future results



The investment manager aims to **deliver outperformance** by building a portfolio of **high growth opportunities** at attractive valuations

- The investment manager invests in companies where it believes the perception of the market, reflected in an undervalued stock price, is wrong.
- ESCT is a true small cap investor – its portfolio has a lower average market cap – the value of a company's outstanding stock – than peers. Approximately 40 per cent. of the portfolio is in companies with a free float of less than €1 billion.
- ESCT invests in a range of small companies, from those at an early stage through to others experiencing turnarounds after a challenging period and companies that are growing rapidly.

The European small cap sector is attractively valued; it is the wrong time to divest from this theme

It is an exciting time for the European smaller company space. The European small cap sector is trading at the widest discount to European large caps over the last 15 years.

The small cap sector has tended to outperform during economic recoveries and while the outlook remains uncertain, as interest rates fall, it should be positive for the sector. It is the opinion of the Board and the investment manager that now is not the time to divest from European small caps, and that the Company is ideally positioned to benefit from any European economic recovery.

In addition, Europe is fortunate to be the provider of key enablers of big structural growth trends such as Artificial Intelligence, the 'Green Transition' and industrial automation. In applying the investment manager's balanced investment strategy and remaining disciplined with a 'valuation aware' approach, the Board is confident that your Company can continue to find strong investment returns for shareholders.

By removing the successful investment manager, you may be denied the opportunity to benefit from a proven investment strategy and positive trends in European small caps

Saba's proposals for the future of the Company lack detail but indicate that it will not continue to invest in the European small cap sector. If the strategy is changed, you may no longer benefit from positive trends in European small caps and the future strategy may have a very different risk profile.

You should **VOTE AGAINST ALL Resolutions to ensure that the Company may continue to meet its objective of delivering long-term performance with a proven strategy**

2

Saba is attempting to take control of your Company

Saba is a US-based activist hedge fund manager that is trying to take control of your Company

If Saba wins the vote, it has indicated that the new directors may remove Janus Henderson Investors as investment manager and appoint Saba in its place. **This will effectively enable Saba to take executive control of the Company.**

The Board believes that Saba's motives are self-serving and will not benefit all shareholders. It is the Board's view that Saba is seeking to obtain control of your Company to be able to grow its own business and benefit from the fees it may earn as investment manager. Saba's statement that ESCT has underperformed is factually inaccurate and misleading, and Saba should not be trusted to manage your investment.

Saba could radically alter the Company in which you have invested

Saba has indicated it intends to change the investment strategy but has not provided clear details of its proposals. Any new investment strategy could radically alter your exposure away from European small cap equities and materially change your investment risk profile in a way that may not meet your investment objectives.

You may not be entitled to have a say on the terms of Saba's appointment

As investment manager, Saba would be entitled to benefit from any future fees it may earn in such capacity. There may be no shareholder vote required on the terms of the appointment of Saba as the new investment manager, including as to any fees payable to Saba. If the Resolutions are passed, this will enable the new Board, which has ultimately been selected by Saba, to set the terms of Saba's engagement.

Saba's proposals lack clarity creating uncertainty for your future investment

Saba has not made clear its intentions for the future of your Company and has given no clear liquidity proposals or strategy to manage the discount to NAV at which the shares may trade. In contrast to Saba, the Board is providing clear liquidity proposals, which are set out on page 14 of this document.

It is also worth noting that Saba has taken control of two US listed closed-ended investment funds, following a similar process, and the discounts to NAV on these funds as at 31 December 2024 were -10.5 per cent. and -9.2 per cent., which compares to a discount of -5.9 per cent. on ESCT's shares as at 31 December 2024.

You should **VOTE AGAINST ALL Resolutions to protect your investment from Saba**

3

Saba wants to remove a strong, independent, highly qualified Board, which acts in your interests and safeguards your investment

Removing a strong, highly-qualified independent Board, which acts in your interests, will reduce shareholder protections

Importantly, your Board works for you. We are solely accountable to you as a shareholder, regardless of the size of your stake, and we are subject to re-election by you annually.

It is our role to serve the interests of all shareholders and to provide effective stewardship of your Company and oversight of its key service providers, in particular, the investment manager.

Saba is proposing to appoint two individuals to the Board, in place of your current independent Board. The first is Paul Kazarian, the Principal Executive Officer of Saba. The other is the former hedge fund manager, Doug Hirsch, an individual identified and selected by Saba.

The two nominees bring little-to-no experience as directors of UK listed investment trusts and the Board is not aware that they have the relevant experience, including in Europe, to be your directors.

Your existing Board comprises four non-executive directors. These individuals are independent of the investment manager and any major shareholder. The Board has been intentionally constructed to encompass the appropriate mix of skills and knowledge relevant to the Company. This includes experience across asset management, European markets, wealth management, accounting, corporate governance, listed companies and the investment trust sector.

The Board is led by me as your Chairman. I recently joined the Board and took over the role of Chairman on 25 November 2024. I have over 30 years' international business experience, including nearly 20 years in the investment banking industry across Asia and Europe.

I work closely with Simona Heidempergher, Daniel Burgess and Ann Grevelius, three other independent directors who have a wealth of experience in investment management and European business. You can find out more about your directors on page 15 of this document.

If the proposed Resolutions are passed, the Board would not be independent of the Company's largest shareholder

The Board does not consider the two nominees to be independent, as they represent or have been selected by Saba, the largest shareholder in the Company and the potential future investment manager. The new Board would not meet the standards of both the UK Corporate Governance Code and AIC Code of Corporate Governance which require a majority of the board of directors to be independent.

The two Saba nominees may act in Saba's interests, rather than in the interests of **ALL** shareholders. If the independent Board is removed, we will no longer be able to safeguard your interests.

You should **VOTE AGAINST ALL Resolutions to ensure that the Company retains an independent Board focused on protecting all shareholders' interests**

Saba's proposals for the future of your Company are lacking in detail and its statements in relation to the Company's performance are factually incorrect. Saba's attempt to take control of your Company is a threat to your investment and the safeguards that you currently have. Saba's move is opportunistic and will deny you the opportunity to continue to benefit from the existing and proven investment strategy.

Accordingly, the directors unanimously recommend shareholders **vote against all** Resolutions proposed at the Requisitioned General Meeting.

YOUR VOICE MATTERS: STAND AGAINST SABA SAFEGUARD YOUR INVESTMENT

Recommendation

For the reasons set out above, the directors unanimously recommend shareholders **vote against all** Resolutions to be proposed at the Requisitioned General Meeting. The directors intend to vote against all Resolutions in respect of their holdings of ordinary shares, amounting to 77,800 ordinary shares in aggregate.

Yours faithfully



James Williams
Chairman

Arrangements for the Requisitioned General Meeting

The Requisitioned General Meeting will be held on 5 February 2025 at 201 Bishopsgate, London EC2M 3AE at 12.30 p.m.

The Requisitioned General Meeting will be held in person. Whether or not you decide to attend the meeting in person, it is important that you do still cast your votes in respect of the business of the meeting. Details of how to vote are set out below under the heading “Action to be taken in respect of the Requisitioned General Meeting”.

Resolutions to be proposed at the Requisitioned General Meeting

The full text of the Resolutions is set out in the Notice of General Meeting at the end of this document. The Resolutions to be put to shareholders at the Requisitioned General Meeting comprise the removal of all four of the current independent directors of the Company and the appointment of two new directors proposed by the Requisitioning Shareholder.

Each of the Resolutions is being proposed as an ordinary resolution. An ordinary resolution requires more than 50 per cent. of the votes cast to be in favour in order for the resolution to be passed.

Given the size of Saba’s existing shareholding, your vote on the Resolutions is crucial.

Action to be taken in respect of the Requisitioned General Meeting

Shareholders will find enclosed with this document a personalised Form of Proxy for use at the Requisitioned General Meeting. Details of how to complete the Form of Proxy are set out therein. For details on how to vote in line with the Board’s recommendation, please see the enclosed instruction document which is also available here: www.janushenderson.com/general-meeting-esct.

All shareholders are encouraged to vote on the Resolutions to be proposed at the Requisitioned General Meeting and, if their ordinary shares are not held directly, to arrange for their nominee to vote on their behalf.

Shareholders are requested to complete and return proxy appointments to the Registrars by one of the following means:

- (a) For **shareholders on the main register**,
 - (i) by logging on to www.sharevote.co.uk and following the instructions; or
 - (ii) by completing and signing the enclosed Form of Proxy for use in relation to the Requisitioned General Meeting, in accordance with the instructions printed thereon and returning by post, by courier or by hand,

in either case so as to be received by the Registrars, Equiniti Limited, as soon as possible and, in any event, no later than 12.30 p.m. on 3 February 2025; or
- (b) For **individual shareholders holding their ordinary shares through investor platforms**, you will need to contact your platform in order to register your vote. If your platform is one of those which does not offer the facility to vote via its website, you will need to contact them directly by phone or their messaging system giving your instructions to vote. **Shareholders should be aware that the deadlines for voting through platforms may be earlier than the Company’s proxy voting deadline. Please also visit www.janushenderson.com/general-meeting-esct for more information on how to vote your shares;** or
- (c) For **CREST members**, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the Notice of General Meeting; or
- (d) For **institutional shareholders**, via Proxymity (proxy appointments must be received by Proxymity as soon as possible and, in any event, no later than 12.30 p.m. on 3 February 2025).

Shareholders (including those holding their ordinary shares through investor platforms) are also encouraged to attend, and to vote at, the meeting.

Completion and return of proxy appointments will not prevent you from attending and voting in person at the Requisitioned General Meeting should you wish to do so.

Liquidity proposals

The Company holds a continuation vote every three years at its Annual General Meeting (“AGM”), with the next vote to be held at the AGM in November 2025. If the continuation vote were to fail, the Board would put forward alternative proposals which may include a liquidation of the Company and the return of capital to shareholders.

In addition to periodic continuation votes, the Board has been giving consideration to additional liquidity opportunities for shareholders, both periodic events and ongoing market liquidity, and has determined to introduce a three-yearly performance conditional tender offer and to enhance its discount management policy to target a mid-single-digit discount.

Performance Conditional Tender Offer

The Board intends to introduce a three-yearly performance conditional tender offer for up to 15 per cent. of the Company’s issued share capital (excluding shares held in treasury), at a price equal to the prevailing NAV per share less 2 per cent. less costs, in the event the Company’s NAV total return does not exceed the benchmark total return over each performance period.

The initial performance period shall commence from the conclusion of the Requisitioned General Meeting and shall continue to the financial year-end on 30 June 2028, with subsequent performance periods being every three years thereafter.

The Board reiterates its confidence in the investment manager’s ability to continue to deliver outperformance, however, this additional liquidity mechanism will provide shareholders with a partial exit at close to NAV should there be future periods of underperformance.

Discount Management Policy

The Company has an active share buyback policy which seeks to mitigate discount volatility, manage the absolute discount relative to the peer group, provide liquidity to the market and generate NAV accretion for shareholders. In accordance with this policy, the Company has repurchased a total of 7,051,878 shares since October 2023 for a total amount of £12.2 million.

The Board intends to continue the operation of its share buyback policy with the additional target of maintaining a mid-single-digit discount, in normal market conditions, providing further support to the absolute rating of the Company’s shares.

Shareholders should note that the operation of the share buyback policy may be limited while Saba holds a substantial interest in the Company’s shares. Saba is seeking to utilise its shareholding to obtain effective control of the Company. Further share repurchases will reduce the Company’s issued share capital and may enable Saba to increase its interest in the shares and hence, effective control over the Company. This is not in the interests of shareholders and the Board does not intend to take any action that would allow Saba the opportunity to increase its effective control over the Company.

Board of directors

Your existing Board comprises four individuals, independent of the investment manager and any shareholder. The Board has been intentionally constructed to comprise the appropriate mix of skills and experience relevant to the Company with experience across asset management, European markets, wealth management, accounting, corporate governance, listed companies and the investment trust sector.



James Williams, Independent Non-Executive Chairman

James has over 30 years' international business experience, including nearly 20 years in the investment banking industry, having held senior roles in Asia and Europe at ING Barings, ABN AMRO and Commerzbank. Following his departure from Commerzbank, he became a partner at Saginaw Capital LLP until 2008. James is the non-executive Chairman of Schroder AsiaPacific Fund plc and a non-executive director of Net Zero One Limited and NT Asian Discovery Fund.



Simona Heidempergher, Senior Independent Director, Non-Executive Director

Simona is a Managing Director of Merifin Capital, a privately owned European investment company with offices in Europe, Asia and the USA, which has successfully invested in traditional and alternative asset classes for more than 30 years. Simona is also chair of the board of directors of the Stramongate Group, a Luxembourg public company, and a director of Hansa Investment Company Limited which is listed on the London Stock Exchange.



Daniel Burgess, Independent Non-Executive Director and Chairman of the Audit Committee

Daniel was a partner at KPMG LLP for 23 years. He initially led the statutory audits of a number of large public limited companies and public interest entities before specialising in due diligence and regulatory services on mergers and acquisitions and capital market transactions. Daniel is the Chairman of the Audit Committee of JPMorgan Emerging Europe, Middle East and Africa Securities plc.



Ann Grevelius, Independent Non-Executive Director

Ann has more than 30 years' experience in the asset management sector and has been active in the venture capital industry as partner and senior advisor at GP Bullhound, a technology advisory and investment firm. She has held positions as Chief Investment Officer and Global Head of Investment Strategy at SEB Wealth Management and prior to that, Ann was head of Swedish and Nordic Equities at SEB Investment Management and Handelsbanken Asset Management. She is Chairman and co-founder of Optise AB, a fintech start-up within digital asset management and is a non-executive director of Aktia Bank PLC, the Finnish asset manager, bank and life insurer. She is Chairman of the Investment Committee at the Swedish Foundation for Strategic Research.

Notice of General Meeting

(requisitioned pursuant to section 303 of the Companies Act 2006)

The European Smaller Companies Trust PLC

(Incorporated in England & Wales with company number 02520734 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a general meeting of The European Smaller Companies Trust PLC requisitioned pursuant to section 303 of the Companies Act 2006 (the "**Requisitioned General Meeting**") will be held at 201 Bishopsgate, London EC2M 3AE at 12.30 p.m. on 5 February 2025 to transact the business set out below.

Resolutions

The resolutions have been requisitioned pursuant to section 303 of the Companies Act 2006 by the registered holder of shares beneficially owned by Saba Capital Management, L.P. and are being proposed as ordinary resolutions as set out below. Each ordinary resolution requires more than 50 per cent. of the votes cast to be in favour in order for the resolution to be passed.

Ordinary Resolutions

1. To remove Daniel Burgess as a director of the Company pursuant to section 168(1) of the Companies Act 2006 with effect from the end of the meeting.
2. To remove Ann Grevelius as a director of the Company pursuant to section 168(1) of the Companies Act 2006 with effect from the end of the meeting.
3. To remove Simona Heidempergher as a director of the Company pursuant to section 168(1) of the Companies Act 2006 with effect from the end of the meeting.
4. To remove James Williams as a director of the Company pursuant to section 168(1) of the Companies Act 2006 with effect from the end of the meeting.
5. To appoint Doug Hirsch as a director of the Company with effect from the end of the meeting.
6. To appoint Paul Kazarian as a director of the Company with effect from the end of the meeting.

By order of the Board:

Janus Henderson Secretarial Services UK Limited
Corporate Secretary

Registered Office:

201 Bishopsgate
London EC2M 3AE

8 January 2025

Notes to the Notice of General Meeting

1 Entitlement to attend and vote

Only those shareholders registered in the Company's register of members at:

- 6.30 p.m. on 3 February 2025; or,
- if this meeting is adjourned, at 6.30 p.m. on the day two days before the adjourned meeting,

shall be entitled to vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend, speak and vote at the meeting.

2 Website giving information regarding the meeting

Information regarding the meeting, including the information required by section 311A of the Companies Act, can be found at www.janushenderson.com/general-meeting-esct.

3 Appointment of proxies

A member entitled to attend and vote at the meeting convened by the above Notice is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend and speak and vote in his/her place at the Requisitioned General Meeting. A proxy need not be a member of the Company.

To be valid, a form of proxy and (if required) the Power of Attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to the Company's Registrars Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, by 12.30 p.m. on 3 February 2025.

If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.

You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, you may photocopy the form of proxy enclosed with this Notice of General Meeting or alternatively, please contact the Company's Registrar Equiniti Limited on +44 (0) 371 384 2472 with a view to obtaining a duplicate form. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. If you wish your proxy to speak on your behalf at the meeting, you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. All forms must be signed and should be returned together in the same envelope.

If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact Equiniti Limited on +44 (0) 371 384 2472.

You may appoint a proxy (or proxies) electronically to exercise all or any of your rights to attend, to speak and to vote on your behalf at the meeting through the Registrar's website www.sharevote.co.uk. You will need your voting reference numbers (the voting ID, Task ID and Shareholder Reference Number shown on your Form of Proxy). If you have registered for a Shareview portfolio, please log onto your portfolio using your usual user ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on-screen instructions. Please remember that, to be valid, the Registrar must receive your appointment of a proxy no later than 12.30 p.m. on 3 February 2025.

In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

4 Appointment of proxies through CREST

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via www.euroclear.com). 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.

For a proxy appointment or instructions made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Ltd's ("**Euroclear**") 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 is 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 number RA19) no later than the deadline specified above. 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 issuer'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 Euroclear does not make available special procedures in CREST for any particular message. 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 their 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.

5 Appointment of proxies through Proxymity

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 the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. To be valid, the Registrar must receive your appointment of a proxy no later than 12.30 p.m. on 3 February 2025. 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 Termination of proxy appointment

A shareholder may revoke a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

Equiniti Limited must receive the revocation notice no later than 12.30 p.m. on 3 February 2025.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the Requisitioned General Meeting in person, your proxy appointment will automatically be terminated.

7 Corporate representatives

A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.

8 Nominated persons

If you are a person who has been nominated under section 146 of the Companies Act to enjoy information rights:

You may have a right under an agreement between you and the shareholder of the Company who has nominated you to have information rights (the "**Relevant Shareholder**") to be appointed or to have someone else appointed as a proxy for the meeting.

If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Shareholder to give instructions to the Relevant Shareholder as to the exercise of voting rights.

Your main point of contact in terms of your investment in the Company remains the Relevant Shareholder (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

The rights relating to proxies set out above do not apply directly to nominated persons.

9 Withheld votes

A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

10 Issued shares and total voting rights

As at 7 January 2025 (being the latest practicable date prior to the publication of this Notice), the Company's issued share capital comprised 394,632,326 ordinary shares, carrying one vote each, of which 817,028 ordinary shares were held in treasury. Therefore, the total voting rights in the Company as at 7 January 2025 were 393,815,298. Information regarding the number of ordinary shares and voting rights may be obtained from the Company's website, at www.janushenderson.com/general-meeting-esct.

11 Questions at the meeting

Any member attending the meeting has the right to ask questions. The Company must answer any question you ask relating to the business being dealt with at the meeting unless:

- answering the question would interfere unduly with the orderly conduct of the meeting or involve the disclosure of confidential information;
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

12 Voting

Voting on all resolutions will be conducted by way of a poll. As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also published on the Company's website.

13 Communication

Except as provided above, shareholders who have general queries about the meeting should telephone Equiniti Limited on +44 (0) 371 384 2472. Calls are charged at the standard geographic rate and will vary by phone provider. Calls outside the United Kingdom will be charged at the applicable international rate. Equiniti Limited are open between 08:30 – 17:30, Monday to Friday excluding public holidays in England and Wales. No other methods of communication will be accepted.

You may not use any electronic address provided in this Notice, or in any related documents for communicating with the Company for the purposes other than those expressly stated.

APPENDIX

Statement to the shareholders of The European Smaller Companies Trust PLC from the Requisitioning Shareholder

18 December 2024

Dear Shareholder:

Saba Capital Management, L.P. (together with certain of its affiliates, "Saba" or "we") today launched a campaign to deliver value to shareholders of seven U.K. investment trusts, including European Smaller Companies Trust PLC (the "Trust") (ESCT:LSE). As at 18 December 2024, we hold a c. 29% interest in the Trust, making us the Trust's largest investor and aligning our interests directly with yours.

As one of the world's single-largest investors in investment trusts, Saba has a track record of pursuing changes that return discounted trusts to their full net asset value ("NAV") and create long-term value for shareholders.

We have negotiated dozens of shareholder-friendly corporate actions – such as tenders, share buybacks, restructurings and discount management plans – and changes to investment approaches in investment vehicles where shareholders had previously suffered from prolonged poor performance and subpar management.

Mind the Gap: A New Board is Necessary at ESCT to Correct Underperformance

We have requisitioned a general meeting of shareholders (the "General Meeting") at the Trust because the current Board of Directors (the "Board") and investment manager, Janus Henderson Investors, have failed to perform versus their benchmarks and have, therefore, required Saba's investment to narrow the deep trading discounts to NAV and deliver returns for shareholders.

At the General Meeting, which is expected to be scheduled by early February 2025, we are giving shareholders an opportunity to vote on two important resolutions (the "Resolutions") to:¹

- (i) Remove all of the Trust's current directors; and
- (ii) Appoint new, highly qualified candidates to replace them.

The Resolutions reflect our lack of confidence in the ability of the Trust's current Board and Janus Henderson Investors to deliver long-term outperformance for shareholders, as evidenced by the fact that the Trust has delivered underwhelming total shareholder returns ("TSR") compared to its respective benchmark index during the last three years:^{2,3}

3-Year Average Discount to NAV	3-Year TSR vs. Benchmark
-13.5%	11.0%

Source: Bloomberg. Data is in GBP and as of 13 December 2024.

It is also important to note that the Trust's discount to NAV has narrowed significantly over the last six months. We consider this to be a direct result of Saba acquiring a major interest in the Trust. Without such buyer demand or the prospect of active steps being taken to improve returns to shareholders, there is a risk of the Trust's share price falling and the discount widening again.

¹ Following receipt of the notice in accordance with applicable law and the Trust's articles of association.

² The benchmark index included is MSCI Europe ex U.K. Small Cap Index.

³ Source: Bloomberg. TSR data is inclusive of dividends and as of 13 December 2024.

Proposed Director Candidates

We have proposed to replace the Trust's Board with the two new, highly qualified director candidates below. They possess the right skillsets and mix of experience to unlock greater value for shareholders and address the long-term structural issues that have hamstrung the Trust's return potential under current leadership.

- Paul Kazarian is the Principal Executive Officer of Saba's publicly traded investment trusts, leads Saba's investment trust and exchange-traded fund strategy and products, and has extensive experience as an investment trust director.
 - Partner and Closed-End Fund Portfolio Manager at Saba.
 - Serves on the Board of Trustees of various publicly traded trusts.
- Doug Hirsch is an investment expert with experience serving on the Board of Directors of several investment funds and a formerly publicly traded U.K. company.
 - Founder and Former Managing Partner of Seneca Capital Investments, a value-oriented, event-driven investment partnership.
 - Serves on the Board of Directors for several funds managed by Greenlight Capital and an affiliate of Cerberus Capital Management, and previously served on the Board of Directors of Smith New Court PLC, Britain's largest independent stockbroker until its sale to Merrill Lynch.

To ensure compliance with the highest standards of governance, it is intended that one or more further independent directors will also be appointed to the Board as soon as reasonably possible following the Trust's General Meeting.

The Plan: Deliver Substantial Liquidity & Long-Term Returns for ESCT Shareholders

We have identified a clear path forward to transform the Trust and deliver greater value for shareholders than could otherwise be realized under the current Board and investment manager. Our plan is simple: with a reconstituted Board, we intend to provide shareholders with long-overdue liquidity options alongside the opportunity for greater long-term returns under a new investment strategy and manager.

If appointed, the new directors will transparently assess all go-forward options available to the Trust, including:

- Offering liquidity events (e.g., tender offers, share buybacks) so all shareholders immediately have the opportunity to receive substantial liquidity near NAV, if they wish.
- Terminating the Trust's current investment management agreement.
- Replacing Janus Henderson Investors as the Trust's current investment manager.
 - The newly reconstituted Board may select Saba as the new investment manager, considering its strong track record of delivering attractive returns to shareholders.
- Refocusing the Trust's investment mandate on purchasing discounted trusts and/or combining it with other investment trusts, where appropriate, to realize scale benefits and synergies.

If elected, the new directors intend to first assess options to provide shareholders the opportunity to achieve substantial liquidity near NAV if they do not wish to remain in the Trust with a new manager and mandate.

Recommendation to Fellow Shareholders

As shareholders, you deserve an investment that provides reliable returns, a Board that advocates for your best interests and a manager that is focused on delivering long-term outperformance.

If you are ready for positive change, we urge you to VOTE FOR all of the Resolutions to remove the existing directors and replace them with new directors with a concrete plan to deliver shareholder value.

For more information on the director candidates and Saba's plans for the Trust, including our intent that the current investment manager be replaced, visit: www.mindthegap-uktrusts.com, which will be further supplemented ahead of the General Meeting. Shareholders are recommended to consider such further information before deciding how to vote.

Sincerely,

Saba Capital Management, LP.

TAKE ACTION NOW

Given the size of Saba's shareholding, your vote really does count. Do not abstain

The Board unanimously recommends that shareholders **VOTE AGAINST ALL** Resolutions, in order to prevent Saba from taking control of the Company and acting against your best interests