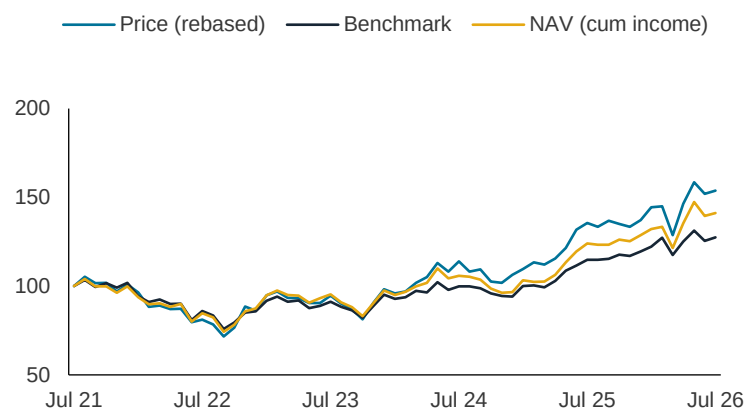


Share price performance (total return)



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.

Performance over (%)

	1m	3m	6m	1y	3y	5y	10y
Share price (Total return)	1.2	5.0	6.6	13.5	62.6	53.8	263.4
NAV (Total return)	1.2	4.4	6.9	13.8	48.2	41.2	219.6
Benchmark (Total return)	1.6	1.9	4.3	11.0	39.8	27.5	143.3
Relative NAV (Total return)	-0.4	2.5	2.6	2.8	8.4	13.7	76.3

Discrete year performance (%)

	Share price (total return)	NAV (total return)
30/6/2025 to 30/6/2026	15.3	16.8
30/6/2024 to 30/6/2025	21.9	14.5
30/6/2023 to 30/6/2024	19.5	12.1
30/6/2022 to 30/6/2023	13.6	16.4
30/6/2021 to 30/6/2022	-23.1	-21.1

Source: at 31/07/26. © 2026 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.**

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

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)	252.5p
NAV (ex income)	255.9p
Share price	234.0p
Discount(-)/premium(+)	-7.3%
Yield	5.1%
Net gearing	11%
Net cash	-
Total assets	£947m
Net assets	£862m
Market capitalisation	£798m
Total voting rights	341,164,017
Total number of holdings	124
Ongoing charges (year end 30 Jun 2025)	0.68%
Benchmark	MSCI Europe ex UK Small Cap Index

Overall Morningstar Rating™ ★★★★★

As of 31/07/2026

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.

How to invest

Go to www.janushenderson.com/howtoinvest

Find out more

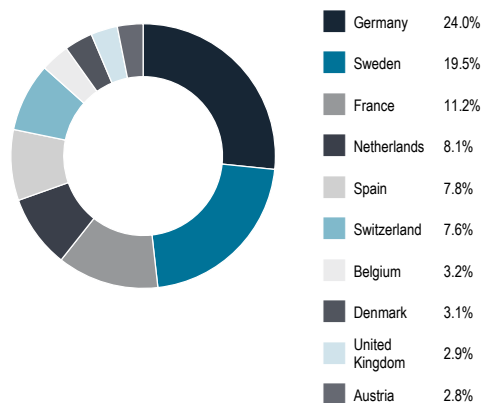
Go to www.europeansmallercompaniestrust.com

Top 10 holdings (%)

TKH Group	2.1
IG Group	2.0
Stroeer	1.9
Indra Sistemas	1.8
JCDecaux	1.7
Elmos Semiconductor	1.6
flatexDEGIRO	1.6
Van Lanschot Kempen	1.6
Modern Times Group MTG	1.5
SUSS MicroTec	1.5

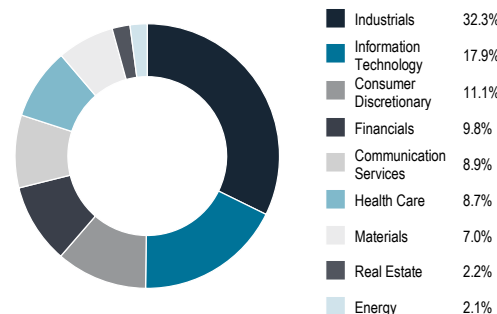
References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

Geographical focus (%)



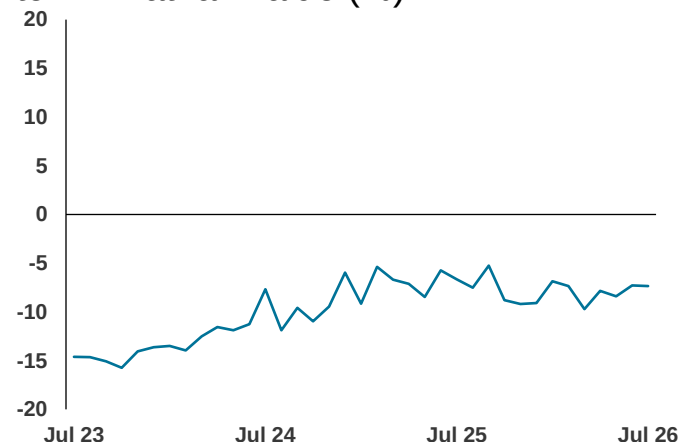
The above geographical breakdown may not add up to 100% as this only shows the top 10.

Sector breakdown (%)



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

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



10 year total return of £1,000



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

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	November, February, May, August
Management fee	0.50% 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

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

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Kepler
GROWTH
2025

Fund Manager commentary

Investment environment

European small-cap stocks fell in July. Investors fretted about a new spike in tensions between the US and Iran, along with the prospect of tighter monetary policy.

In addition, global equities experienced a period of consolidation following the recent rally driven by artificial intelligence (AI) capital expenditure (capex). Investors grew more sceptical about the sustainability of hyperscaler spending and how it might translate into profitability. However, some sectors that had previously been deemed “AI losers” fared better in July. Later in the month, some favourable corporate results and improved sentiment towards AI supported a recovery.

Eurozone GDP expanded by a better-than-anticipated 0.4% in the second quarter, with Germany, France, Italy and Spain all recording growth. The eurozone composite Purchasing Managers’ Index (PMI) also returned to expansionary territory for the first time in four months in July.

The European Central Bank (ECB) left its key deposit rate at 2.25%. Annual inflation slowed to a four-month low of 2.8% in June, which was weaker than predicted, before picking up to 2.9% in July.

The inflation and GDP growth data bolstered expectations that the ECB may hike interest rates in September.

Portfolio review

Certain sectors and individual stocks retraced some of their strong performance from previous months. The defence sector was among those that experienced a pullback in June amid uncertainty about government spending outlooks, including lower-than-expected figures in the UK defence plan, and the impact drone technology could have on future spending.

Amid this environment, defence firm Indra Sistemas was among the biggest detractors at the stock level. The Spanish company also faces uncertainty due to domestic politics. Earlier this year, Executive Chairman Angel Escribano Ruiz resigned due to a dispute with the Spanish government. However, we think that Indra’s dominant position in Spain, along with what we see as its attractive valuation at the time of writing, plus its growing order backlog, all bode well. We also expect a recovery at the sector level as European governments are still on track for significant spending increases in the years ahead.

Smartoptics also detracted as the stock was caught up in the technology sector consolidation following a strong run, which was fuelled by demand linked to the data-centre boom. The Norwegian firm specialises in flexible fibre-optic networking solutions and devices.

Framery also underperformed. The Finnish company, which designs and manufactures office pods, has posted disappointing results following its initial public offering (IPO) late last year, partly due to lower-than-expected margins as the firm ramps up its US operations.

More positively, Flatexdegiro contributed. The Germany-listed online trading platform has benefited from the this year’s earlier period of heightened market volatility due to a boost in online trading activity. The geopolitical backdrop is still highly uncertain, which could benefit Flatexdegiro.

Scandinavian online clothing retailer Boozt also contributed, aided by signs of improvement in the Swedish consumer market. At the end of the month, the company posted strong second-quarter results and raised its full-year guidance (forecasts).

Tonies, which makes the Toniebox and other consumer electronics for children, was another outperformer on the back of positive momentum in the US. The German firm also announced it had extended the contract of its CEO through to 2029.

TSK also aided relative performance in June, a month after its IPO. The Spanish EPC (engineering, procurement and contractor) firm for the energy industry was able to repair its balance sheet with the attractively valued IPO, and has subsequently announced new orders, which lifted its share price.

We initiated a position in Bravida, a Nordic company known for installation and servicing of electricity, plumbing, heating, ventilation and other technical systems. The recent improvement in the regional economy has translated into accelerated order momentum.

On the sales side, we took profits in some semiconductor and other “AI winner” stocks, including Aixtron and Inficon, which reduced the overall exposure to the sector.

Manager outlook

We hold a constructive outlook for European small-cap stocks. Following the consolidation (which was somewhat disorderly at times) of the AI capex trade, the outlook now seems more stable to us, and we think there may be further potential for technology stocks. Hyperscaler capex is expected to remain robust, which could support demand across the AI build-out. This could also support small-cap stocks, which we believe remain attractively valued relative to their large-cap counterparts (at the time of writing).

European economic data has shown some signs of improvement recently. The recovery in the Swedish housing market may provide a boost to the wider northern European market, while most of southern Europe remains on a stronger footing. However, a prolonged conflict between the US and Iran, elevated energy prices, as well as a slowing Chinese economy, could complicate any recovery.

Should the situation in the Middle East stabilise and oil prices ease, we believe European small-cap stocks could be well positioned, given their strong fundamentals. Any uptick in demand could translate into increased revenues and profitability for firms. We would also expect to see a broadening in performance across the wider global equity market, which could also favour European small-cap stocks.

Although the slower summer holiday period has the potential to impact near-term equity market performance, we believe the fund is well positioned. We will continue to manage the fund’s technology overweight position by taking profits on a selective basis and reallocating capital to structural growth and idiosyncratic opportunities trading at what we consider to be attractive valuations.

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.

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>.

The European Smaller Companies Trust has been awarded the Kepler Growth Rating for 2025. For more information including its methodology, visit <https://www.trustintelligence.co.uk/articles/2025-our-ratings>. Source: Morningstar, Kepler calculations, 01/01/2024 – 31/12/2024.

Company specific risks

- 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.
- Active management techniques that have worked well in normal market conditions could prove ineffective or negative for performance at other times.
- 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.
- 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.
- The Company could lose money if a counterparty with which it trades becomes unwilling or unable to meet its obligations to the Company.
- 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.
- 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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