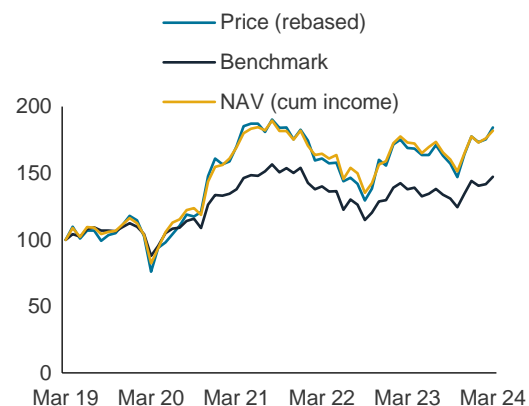
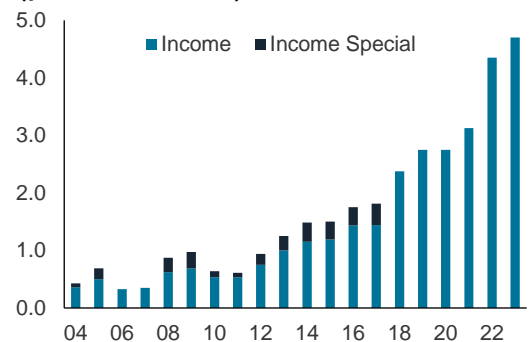


Share price performance (total return)



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

Dividend history (pence/share)



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

Performance over (%)

	6m	1y	3y	5y	10y
Share price (Total return)	17.2	9.1	8.3	84.2	187.5
NAV (Total return)	13.3	5.1	7.3	81.8	181.0
Benchmark (Total return)	12.6	6.7	6.7	47.3	122.5
Relative NAV (Total return)	0.8	-1.7	0.5	34.5	58.5

Discrete year performance (%) (total return) NAV (total return)

31/3/2023 to 31/3/2024	9.1	5.1
31/3/2022 to 31/3/2023	5.0	5.2
31/3/2021 to 31/3/2022	-5.4	-3.0
31/3/2020 to 31/3/2021	123.9	106.0
31/3/2019 to 31/3/2020	-24.0	-17.7

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

Source: at 31/03/24. © 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance does not predict future returns.**

Commentary at a glance

Performance

In the month under review the Company's NAV total return was 3.2% and the MSCI Europe ex UK Small Cap Index total return was 3.8%.

Contributors/detractors

This period has seen our funds underperform, marred by a few disappointing company announcements and less-than-stellar communication from some management teams.

Outlook

Our optimism for European small-cap companies remains intact, underscored by their significant valuation discount relative to large-cap counterparts – a disparity not seen in two decades.

See full commentary on page 3.

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

Company overview

Objective

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

Highlights

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

Company information

NAV (cum income)	193.7p
NAV (ex income)	192.2p
Share price	169.5p
Discount(-)/premium(+)	-12.5%
Yield	2.8%
Net gearing	14%
Net cash	-
Total assets	£881m
Net assets	£775m
Market capitalisation	£678m
Total voting rights	399,879,122
Total number of holdings	130
Ongoing charges (year end 30 Jun 2023)	0.65%
Benchmark	MSCI Europe ex UK Small Cap Index

Overall Morningstar Rating™ ★★★★★

As of 31/03/2024

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

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

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

How to invest

Go to www.janushenderson.com/howtoinvest

Find out more

Go to www.europeansmallercompaniestrust.com

Factsheet - at 31 March 2024

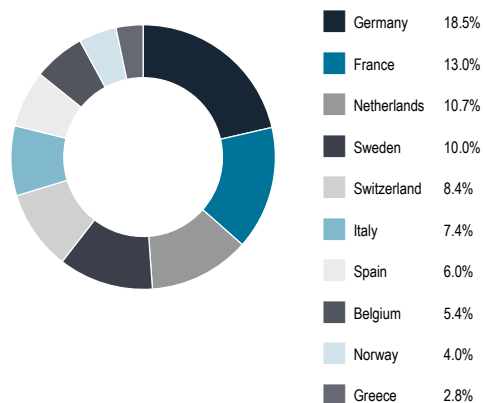
Marketing Communication

Top 10 holdings (%)

Van Lanschot Kempen	3.1
TKH Group	2.9
Fugro	2.0
KSB	1.9
IPSOS	1.7
SUESS MicroTec	1.6
Stroeer	1.6
DFDS	1.6
u-blox	1.5
Criteo	1.5

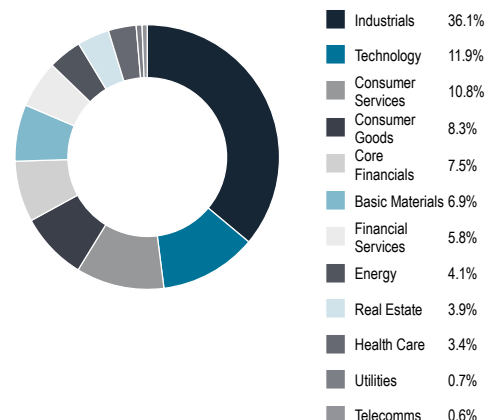
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Geographical focus (%)



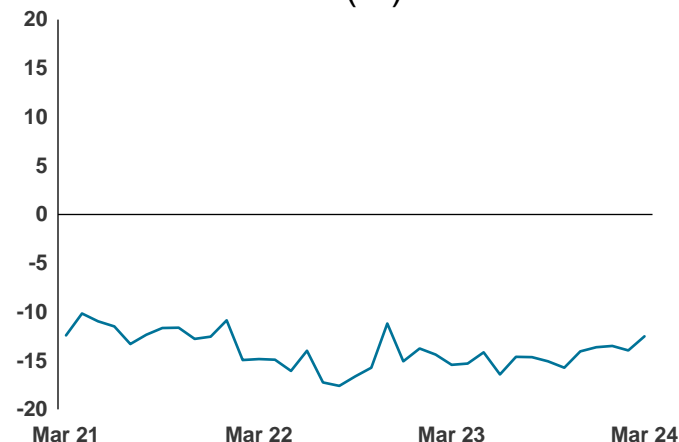
The above geographical breakdown may not add up to 100% as this only shows the top 10.

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	April, November
Risk rating (Source: Numis)	Above average
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
Portfolio Manager



Rory Stokes, CFA
Deputy Portfolio Manager



Julia Scheufler, CFA
Deputy Portfolio 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

Go to www.janushenderson.com/howtoinvest

Customer services

0800 832 832

Fund Manager commentary

Investment environment

Equity markets have exhibited considerable strength, largely propelled by dominant themes such as advancements in artificial intelligence (AI), GLP-1 obesity drugs and defence stocks. These sectors have overshadowed others, making it challenging for divergent themes to gain any performance momentum. However, there is a prevailing sentiment that we are on the cusp of an economic 'soft landing' (versus a recession), which we think could herald a more inclusive market expansion. We also believe that a pivotal moment may arise from an uplift in small-cap earnings forecasts, which has been particularly absent in cyclical stocks (firms that are typically more dependent on a positive economic environment to do well) but which we anticipate to come through in the latter half of this year.

Portfolio review

We have seen a few disappointing company announcements and less-than-stellar communication from some management teams, which has impacted the performance of some of our holdings. These included PVA Tepla, which makes (among other things) furnaces for silicon and silicon carbide. The company wants to focus its business on metrology, but the market fears it can only achieve this through expensive merger and acquisition (M&A). Other laggards included Dutch wealth manager Van Lanschot Kempen, as its shares retraced

some of the gains from February, and Recticel, which is now focused on high-end insulation, and which saw a sell-off in its shares following its annual guidance (earnings forecasts) and CEO transition.

Strong performers included Alzchem, which is best known for supersizing chickens in America with creatine - now a product the company offers to humans looking to bulk. Factoring company BFF also enjoyed good returns as it has been attracting valuation-focused brokerage interest. Fugro shares also outperformed, buoyed by the firm's dual exposure to oil, gas and the burgeoning offshore wind sector.

In terms of trading activity, we exited positions in Sinch and HelloFresh, citing competitive concerns and a post-Covid-19 normalisation respectively. Notably, meal-kit demand in the US has waned, although this is a trend not as pronounced in Europe. Conversely, we realised profits on our investment in Renk, a defence initial public offering (IPO), acknowledging its substantial gain but cognisant of its higher share price amid a market which is all of a sudden less sensitive to valuation metrics in the defence sector.

Manager outlook

Our optimism for European small-cap companies remains intact, underscored by their significant valuation discount relative to large-cap counterparts – a disparity not seen in two decades. We anticipate that earnings upgrades could act as a catalyst for these stocks, potentially materialising as early as the second quarter.

With market expectations of high-teens earnings growth in the small-cap sector, following years of underperformance relative to large caps, we foresee a broadening and revitalisation of the equity market landscape, moving away from its current narrow and homogenised state.

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.

Risk rating

The key measure used to assess risk is volatility of returns, using historic net asset value (NAV) performance of the Company over 1 and 3 years. In this instance volatility measures how much a company's NAV fluctuates over time in relation to the UK Equity market. The higher a volatility figure, the more the NAV has fluctuated (both up and down) over time. Please note that risk categorisations are indicative and based principally on historic data and should not be solely relied upon when making investment decisions.

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 www.global.morningstar.com/managerdisclosures.

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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