

MONTANARO SMALLER COMPANIES PLC

**CONDENSED INTERIM REPORT
AND
FINANCIAL STATEMENTS
(UNAUDITED)**

FOR THE SIX MONTH FINANCIAL PERIOD ENDED 30 JUNE 2023

An open-ended umbrella variable capital investment company with segregated liability between funds authorised by the Central Bank of Ireland under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

Registered Number: 330162

MONTANARO SMALLER COMPANIES PLC

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MONTANARO SMALLER COMPANIES PLC

MANAGEMENT AND OTHER INFORMATION

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John Ensor (British)**

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*Independent non-executive Directors.

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**Alternate Director for Matthew Francis.

MONTANARO SMALLER COMPANIES PLC

INVESTMENT MANAGER'S REVIEW

Performance Review

6-month NAV Returns to 30 June 2023:

	NAV Return	Benchmark	Relative	Reference Share Class*	Benchmark
Montanaro European Smaller Companies Fund	3.5%	3.7%	-0.3%	EUR Institutional Distribution	MSCI Europe SmallCap (Capital Return) Index
Montanaro UK Income Fund	4.2%	4.9%	-0.7%	EUR Share Class	IA UK All Companies Sector (Total Return)
Montanaro European Income Fund	9.6%	11.3%	-1.7%	EUR Share Class	IA Europe (excluding UK) Sector (Total Return)
Montanaro European Focus Fund**	7.5%	5.9%	1.6%	EUR Institutional Accumulation	STOXX Europe Mid 200 (Capital Return) Index
Montanaro Better World Fund	9.2%	5.4%	3.8%	EUR Accumulation Share Class	MSCI World SMID Cap (Total Return) Index
Montanaro Global Innovation Fund	8.4%	5.4%	3.1%	EUR Accumulation B Share Class	MSCI World SMID Cap (Total Return) Index

* Please note that these are representative Share Classes for each Fund. Other Share Classes are available, details of these can be found in the Prospectus.

** Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

Review

“Things are not always what they seem”, said Phaedrus in discussion with Socrates. “The first appearance deceives many; the intelligence of a few perceives what has been carefully hidden”.

Equities delivered positive returns across most major developed markets during the first half of 2023. Yet the headline figures created something of an illusion. Not since the “Nifty Fifty” propelled the Bull Market of the early 1970s has US stock market performance been as reliant on so few names. Returns this year in the US were driven by the “Magnificent Seven”, the behemoth technology stocks: Apple; Microsoft; Alphabet; Amazon; Nvidia; Tesla; and Meta (listed in order of market capitalisation).

Together, they propelled the Nasdaq to its strongest first-half performance for 40 years and staggeringly accounted for 75% of the total gains made by world equity markets during the period. The market capitalisation of Apple again breached the \$3 trillion mark, more than the combined value of the entire FTSE-100 and more than the Russell 2000 of smaller US companies. Across the S&P 500, over 80% of the year’s return came from just 15 companies, many of them technology stocks. By contrast, the median company was flat. Pity those LargeCap managers underweight the Tech Titans.

Elsewhere, interest rates continued their rapid ascent. In the US, rates rose at their fastest pace in almost four decades, while the trajectory of tightening in the UK and Europe was also steep. “The times they are a-changin’”, sang Bob Dylan, and it is easy to forget that just two years ago, a quarter of government debt was trading at negative yields. Investors paid for the privilege of lending money to governments.

While investors in smaller companies enjoyed healthy returns in the US and Europe during the last 6 months, these lagged those of the technology dominated indices. The UK remained a laggard on a global basis, the FTSE-100 index hurt by its heavy exposure to oil majors and its limited technology weighting (no “AI hoopla” as one Analyst pithily put it), while inflation remained stubborn and persistent.

From an asset allocation perspective, SmallCap remained unloved. Investors rarely favour smaller companies when the economic backdrop is uncertain and economists are talking about recession. Some reassurance was to be found, however, in the outperformance of Quality and Growth during the first half of the year. Investors had not entirely forgotten the importance of fundamentals despite the cacophony of market noise.

INVESTMENT MANAGER'S REVIEW

Outlook

How will the market's concentrated performance resolve itself? There may be three possible routes from here: the Magnificent Seven continue to soar (potentially at some point approaching a level so disconnected from their fundamentals that a bubble appears); they fall back to earth; or the rest of the market catches up. Which route the market embarks on may come down to whether the US economy heads towards a recession, which depresses corporate earnings. Either that or the Federal Reserve pulls off an "immaculate disinflation" – an engineered soft economic landing where inflation falls without harming the economy.

With the diversification benefits and risk profiles of certain benchmarks highly questionable (Apple constitutes 5% of the MSCI ACWI Index), we believe one thing is clear: a greater focus on alpha rather than beta will continue to be a key theme of 2023. The environment is ripe for stock picking and investors may find it prudent to increase diversification over the remainder of the year.

While investors have shunned smaller companies, we believe this part of the market should not be ignored. Valuations are more attractive than they have been for many years – certainly compared with the big technology stocks – and any sign that the macro environment is stabilising is likely to bring this area of the market some much needed momentum.

Many investors believe SmallCap can be timed with the economic cycle. In our opinion it cannot. Forecasting is difficult at the best of times and to some extent is pointless because the future is always so uncertain. As Kevin Keegan, the former-England football manager said when facing the sack after a bad result, "I know what's around the corner, I just don't know where the corner is". Amidst a turbulent backdrop, we try to provide our clients with some certainty by sticking to our guns and focusing on holding the very best companies we can find for the long-term.

Montanaro Asset Management Limited
August 2023

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

		Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €
Current assets	Note				
Cash and cash equivalents	4	19,580,057	4,377,411	7,733,844	1,402,306
Financial assets at fair value through profit or loss					
- Equities		411,881,506	597,581,909	271,174,000	27,161,219
Dividends receivable		352,156	2,835,399	–	51,707
Receivable for fund Shares sold		1,239,062	–	–	–
Receivable for investments sold		–	–	3,053,872	–
Other receivables		712,322	459,302	940,155	187,561
Total current assets		433,765,103	605,254,021	282,901,871	28,802,793
Current liabilities					
Payable for fund Shares repurchased		–	–	(621)	–
Payable for investments purchased		–	–	(1,529,570)	–
Management fees payable		(2,265)	(3,245)	(1,468)	(384)
Investment management fees payable		(1,299,568)	(936,973)	(527,108)	(329,424)
Administration fees payable		(185,647)	(302,977)	(134,890)	(32,718)
Depositary fees payable		(68,733)	(65,568)	(49,816)	(15,596)
Legal fees payable		(5,633)	(8,317)	(5,146)	(2,098)
Professional fees payable		(6,392)	(10,311)	(5,184)	(1,886)
Audit fees payable		(1,964)	(3,518)	(2,804)	(1,076)
Other accrued expenses payable		(12,489)	(15,229)	(5,235)	(2,078)
Total current liabilities		(1,582,691)	(1,346,138)	(2,261,842)	(385,260)
Net asset value attributable to holders of redeemable participating Shares		432,182,412	603,907,883	280,640,029	28,417,533

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

Please refer to Note 12 for Net Asset Value (“NAV”) and NAV per Share details.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023 (continued)

		Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Total** €
Current assets	Note			
Cash and cash equivalents	4	242,026	7,935,003	41,994,265
Financial assets at fair value through profit or loss				
- Equities		11,636,966	498,898,301	1,917,118,602
Dividends receivable		–	407,078	4,115,053
Receivable for fund Shares sold		–	92,055	1,331,117
Receivable for investments sold		33,937	5,805,632	8,893,441
Other receivables		4,184	348,366	2,727,816
Total current assets		11,917,113	513,486,435	1,976,180,294
Current liabilities				
Payable for fund Shares repurchased		–	(130,347)	(130,968)
Payable for investments purchased		(16,998)	(5,570,337)	(7,116,905)
Management fees payable		19,588	(2,806)	8,883
Investment management fees payable		(20,015)	(1,060,546)	(4,328,522)
Administration fees payable		(5,993)	(296,733)	(1,009,042)
Depositary fees payable		(3,754)	(97,942)	(312,248)
Legal fees payable		(176)	(17,555)	(40,300)
Professional fees payable		(9,948)	(17,641)	(53,066)
Audit fees payable		(89)	(12,384)	(22,417)
Other accrued expenses payable		(248)	(19,883)	(57,680)
Total current liabilities		(37,633)	(7,226,174)	(13,062,265)
Net asset value attributable to holders of redeemable participating Shares		11,879,480	506,260,261	1,963,118,029

** See Foreign Currency Translation Adjustment Note 14.

Please refer to Note 12 for NAV and NAV per Share details.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

		Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €
Current assets	Note				
Cash and cash equivalents	4	6,844,192	12,898,626	6,152,571	3,712,866
Financial assets at fair value through profit or loss					
- Equities		395,876,138	619,198,810	281,957,439	98,323,034
Dividends receivable		277,222	1,846,995	–	37,419
Receivable for fund Shares sold		101,557	–	–	14
Other receivables		582,896	337,298	897,137	146,092
Total current assets		403,682,005	634,281,729	289,007,147	102,219,425
Current liabilities					
Payable for fund Shares repurchased		(280,281)	–	(59,053)	(923)
Management fees payable		(2,121)	(3,348)	(1,504)	(540)
Investment management fees payable		(1,177,118)	(876,211)	(542,064)	(373,684)
Administration fees payable		(147,979)	(238,241)	(104,260)	(26,374)
Depository fees payable		(43,805)	(36,099)	(32,326)	(9,812)
Legal fees payable		(2,289)	(3,238)	(1,972)	(730)
Professional fees payable		(6,140)	(9,386)	(4,563)	(1,662)
Audit fees payable		(10,472)	(16,066)	(7,830)	(2,833)
Other accrued expenses payable		(9,165)	(17,589)	(3,658)	(1,390)
Total current liabilities		(1,679,370)	(1,200,178)	(757,230)	(417,948)
Net asset value attributable to holders of redeemable participating Shares		402,002,635	633,081,551	288,249,917	101,801,477

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

Please refer to Note 12 for NAV and NAV per Share details.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022 (continued)

		Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Total** €
Current assets	Note			
Cash and cash equivalents	4	136,502	9,117,092	40,501,291
Financial assets at fair value through profit or loss				
- Equities		10,968,641	599,915,022	2,084,940,534
Dividends receivable		494	99,722	2,496,609
Receivable for fund Shares sold		—	783,428	884,999
Other receivables		3,830	280,585	2,290,709
Total current assets		11,109,467	610,195,849	2,131,114,142
Current liabilities				
Payable for fund Shares repurchased		—	(36,475)	(376,732)
Management fees payable		838	(3,268)	(10,369)
Investment management fees payable		(7,084)	(1,293,453)	(4,380,982)
Administration fees payable		(4,897)	(229,297)	(781,329)
Depository fees payable		(2,417)	(60,786)	(189,833)
Legal fees payable		(69)	(6,782)	(15,491)
Professional fees payable		(4,382)	(11,572)	(38,898)
Audit fees payable		(299)	(19,950)	(59,492)
Other accrued expenses payable		(197)	(19,963)	(54,198)
Total current liabilities		(18,507)	(1,681,546)	(5,907,324)
Net asset value attributable to holders of redeemable participating Shares		11,090,960	608,514,303	2,125,206,818

** See Foreign Currency Translation Adjustment Note 14.

Please refer to Note 12 for NAV and NAV per Share details.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF COMPREHENSIVE INCOME

Financial period ended 30 June 2023

		Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €
Income	Note				
Net realised (loss)/gain on financial assets at fair value through profit or loss and foreign exchange		(7,020,697)	(5,618,858)	9,945,950	10,574,980
Net change in fair value of financial assets at fair value through profit or loss and foreign exchange		20,253,422	21,627,833	10,939,308	(4,423,899)
Dividend income		5,906,375	14,346,460	6,821,126	1,547,992
Interest income		168,558	142,471	24,977	38,340
Investment income		19,307,658	30,497,906	27,731,361	7,737,413
Expenses					
Management fee	2	(13,312)	(19,691)	(8,700)	(3,010)
Investment management fees	2	(2,634,178)	(1,917,005)	(1,059,225)	(702,333)
Administration fees	2	(79,606)	(159,605)	(67,220)	(15,962)
Depositary fees	2	(37,165)	(44,403)	(30,044)	(9,518)
Legal fees		(11,142)	(16,897)	(8,334)	(3,012)
Directors' fees	2	(5,513)	(8,360)	(4,122)	(1,491)
Professional fees	2	(4,625)	(6,294)	(3,105)	(1,121)
Audit fees		(5,232)	(7,936)	(3,913)	(1,416)
Other expenses	2	(59,898)	(71,068)	(33,534)	(14,061)
Total operating expenses		(2,850,671)	(2,251,259)	(1,218,197)	(751,924)
Net income from operations		16,456,987	28,246,647	26,513,164	6,985,489
Withholding taxes		(421,481)	(228,584)	(376,629)	(64,028)
Finance costs					
Interest expense		(21)	–	(5)	–
Income distribution	3	(827,373)	(6,182,058)	(953,136)	(219,406)
Profit for the financial period		15,208,112	21,836,005	25,183,394	6,702,055

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF COMPREHENSIVE INCOME

Financial period ended 30 June 2023 (continued)

		Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Total** €
Income	Note			
Net realised (loss)/gain on financial assets at fair value through profit or loss and foreign exchange		(645,997)	(4,825,239)	1,617,821
Net change in fair value of financial assets at fair value through profit or loss and foreign exchange		1,604,416	57,106,495	110,157,327
Dividend income		23,640	2,829,992	33,498,587
Interest income		2,386	112,926	509,748
Investment income		984,445	55,224,174	145,783,483
Expenses				
Management fee	2	19,296	(18,392)	(46,586)
Investment management fees	2	(39,965)	(2,242,492)	(8,865,516)
Administration fees	2	(3,484)	(145,233)	(493,616)
Depositary fees	2	(2,026)	(60,232)	(189,649)
Legal fees		(317)	(21,252)	(63,336)
Directors' fees	2	(157)	(10,514)	(31,336)
Professional fees	2	(26,248)	(12,405)	(54,686)
Audit fees		(149)	(9,981)	(29,746)
Other expenses	2	(1,267)	(102,325)	(292,174)
Total operating expenses		(54,317)	(2,622,826)	(10,066,645)
Net income from operations		930,128	52,601,348	135,716,838
Withholding taxes		(1,819)	(445,429)	(1,570,203)
Finance costs				
Interest expense		–	(13)	(39)
Income distribution	3	–	–	(9,053,708)
Profit for the financial period		928,309	52,155,906	125,092,888

** See Foreign Currency Translation Adjustment Note 14.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF COMPREHENSIVE INCOME

Financial period ended 30 June 2022

		Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €
Income	Note				
Net realised gain on financial assets at fair value through profit or loss and foreign exchange		6,764,174	3,733,993	12,142,419	7,091,375
Net change in fair value of financial assets at fair value through profit or loss and foreign exchange		(225,484,180)	(252,524,807)	(118,035,020)	(60,449,519)
Dividend income		4,422,981	14,286,794	7,855,577	1,928,502
Investment income		(214,297,025)	(234,504,020)	(98,037,024)	(51,429,642)
Expenses					
Management fee	2	(14,231)	(21,762)	(10,822)	(4,059)
Investment management fees	2	(2,849,923)	(2,025,255)	(1,367,602)	(969,167)
Administration fees	2	(78,619)	(151,439)	(75,916)	(18,761)
Depositary fees	2	(43,589)	(48,768)	(36,557)	(12,205)
Legal fees		(10,935)	(15,496)	(7,917)	(3,287)
Directors' fees	2	(5,956)	(8,485)	(4,349)	(1,798)
Professional fees	2	(5,581)	(7,265)	(3,713)	(1,535)
Audit fees		(5,599)	(7,959)	(4,031)	(1,655)
Other expenses	2	(55,414)	(55,219)	(26,825)	(13,247)
Total operating expenses		(3,069,847)	(2,341,648)	(1,537,732)	(1,025,714)
Net loss from operations		(217,366,872)	(236,845,668)	(99,574,756)	(52,455,356)
Withholding taxes		(376,231)	(94,969)	(360,775)	(118,756)
Finance costs					
Interest expense		(41,968)	(174)	(23,952)	(7,844)
Income distribution	3	–	(6,365,754)	(1,159,757)	–
Loss for the financial period		(217,785,071)	(243,306,565)	(101,119,240)	(52,581,956)

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF COMPREHENSIVE INCOME

Financial period ended 30 June 2022 (continued)

		Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Total** €
Income	Note			
Net realised (loss)/gain on financial assets at fair value through profit or loss and foreign exchange		(405,475)	4,721,122	34,747,375
Net change in fair value of financial assets at fair value through profit or loss and foreign exchange		(5,625,021)	(343,097,722)	(1,052,540,541)
Dividend income		15,743	2,977,112	34,164,118
Investment income		(6,014,753)	(335,399,488)	(983,629,048)
Expenses				
Management fee	2	176	(23,492)	(78,268)
Investment management fees	2	(16,184)	(2,901,667)	(10,509,340)
Administration fees	2	(4,412)	(142,875)	(500,402)
Depository fees	2	(2,730)	(64,709)	(217,698)
Legal fees		(298)	(16,706)	(57,543)
Directors' fees	2	(162)	(9,078)	(31,418)
Professional fees	2	(26,447)	(12,275)	(58,177)
Audit fees		(154)	(8,692)	(29,582)
Other expenses	2	(999)	(74,832)	(236,884)
Total operating expenses		(51,210)	(3,254,326)	(11,719,312)
Net loss from operations		(6,065,963)	(338,653,814)	(995,348,360)
Withholding taxes		(2,046)	(457,188)	(1,427,763)
Finance costs				
Interest expense		(701)	(51,644)	(126,316)
Income distribution	3	—	—	(8,718,481)
Loss for the financial period		(6,068,710)	(339,162,646)	(1,005,620,920)

** See Foreign Currency Translation Adjustment Note 14.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

Financial period ended 30 June 2023

	Note	Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €
Net assets value attributable to holders of redeemable participating Shares at the start of the financial period		402,002,635	633,081,551	288,249,917	101,801,477
Profit for the financial period		15,208,112	21,836,005	25,183,394	6,702,055
Proceeds from issuance of Shares		50,768,065	97,734,601	48,666,738	156,953
Payments on redemption of Shares		(35,796,400)	(128,167,558)	(81,460,020)	(80,242,952)
Foreign currency translation adjustment	14	–	(20,576,716)	–	–
Net asset value attributable to holders of redeemable participating Shares at the end of the financial period		432,182,412	603,907,883	280,640,029	28,417,533

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

Financial period ended 30 June 2023 (continued)

	Note	Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Total** €
Net assets value attributable to holders of redeemable participating Shares at the start of the financial period		11,090,960	608,514,303	2,125,206,818
Profit for the financial period		928,309	52,155,906	125,092,888
Proceeds from issuance of Shares		68,815	28,349,217	239,525,996
Payments on redemption of Shares		(208,604)	(182,759,165)	(526,707,673)
Foreign currency translation adjustment	14	—	—	—
Net asset value attributable to holders of redeemable participating Shares at the end of the financial period		11,879,480	506,260,261	1,963,118,029

** See Foreign Currency Translation Adjustment Note 14.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

Financial period ended 30 June 2022

	Note	Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €
Net assets value attributable to holders of redeemable participating Shares at the start of the financial period		626,870,074	844,885,286	414,644,461	171,590,069
Loss for the financial period		(217,785,071)	(243,306,565)	(101,119,240)	(52,581,956)
Proceeds from issuance of Shares		59,486,504	115,605,630	35,705,754	8,965,149
Payments on redemption of Shares		(82,551,196)	(75,394,444)	(25,430,267)	(10,446,377)
Foreign currency translation adjustment	14	—	16,871,206	—	—
Net asset value attributable to holders of redeemable participating Shares at the end of the financial period		386,020,311	658,661,113	323,800,708	117,526,885

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

Financial period ended 30 June 2022 (continued)

	Note	Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Total** €
Net assets value attributable to holders of redeemable participating Shares at the start of the financial period		17,359,102	992,501,163	3,229,256,955
Loss for the financial period		(6,068,710)	(339,162,646)	(1,005,620,920)
Proceeds from issuance of Shares		1,199,186	139,938,212	382,565,444
Payments on redemption of Shares		(1,295,433)	(84,429,870)	(293,676,841)
Foreign currency translation adjustment	14	—	—	—
Net asset value attributable to holders of redeemable participating Shares at the end of the financial period		11,194,145	708,846,859	2,312,524,638

** See Foreign Currency Translation Adjustment Note 14.

The accompanying notes form an integral part of these financial statements.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS

Financial period ended 30 June 2023

1. Statement of Accounting Policies

Principal Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the financial year ended 31 December 2022 as described in those financial statements.

Basis of Preparation

These condensed interim financial statements (unaudited) for the financial period ended 30 June 2023 have been prepared on a going concern basis in accordance with the provisions of Financial Reporting Standard (“FRS”) 104 the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued by the Financial Reporting Council (“FRC”), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”), the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2019 (the “Central Bank UCITS Regulations”) and the listing rules of Euronext Dublin.

The condensed interim financial statements (unaudited) have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss that have been measured at fair value. The condensed interim financial statements (unaudited) should be read in conjunction with the annual audited financial statements for the financial year ended 31 December 2022 that were prepared in accordance with FRS 102 and Irish statute comprising the Companies Act 2014, the UCITS Regulations, the Central Bank UCITS Regulations and the listing rules of Euronext Dublin.

The Company has availed of the exemption available to open-ended investment funds under Section 7 “Statement of Cash Flows” of FRS 102, not to prepare a cash flow statement on the basis that substantially all of the Company’s investments are highly liquid and carried at fair value, and the Company provides a Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares. Under FRS 104, as the Company, in accordance with this FRS 102 exemption, has not presented a cash flow statement for its annual audited financial statements, there is a conditional exemption from the preparation of a cash flow statement for the condensed interim financial statements.

2. Fees

Management Fee

KBA Consulting Management Limited (the “Manager”), as per the agreement signed on 1 October 2021 between the Company and the Manager (the “Management Agreement”), shall be entitled to receive out of the assets of the Funds an annual fee in respect of such Fund or Funds or in respect of each Class of any such Fund, accrued daily, calculated monthly and payable monthly in arrears of up to and not exceeding 0.01% of the Net Asset Value of such Fund or Class as set out in the relevant Supplement. The fee payable to the Manager is subject to a minimum fee of €50,000 per annum based on a single Fund and €10,000 per annum per each additional Fund. The Manager shall be entitled to be reimbursed by the Company for reasonable out of pocket and marketing expenses incurred by it. Each Fund will bear its proportion of the fees and expenses of the Manager. Management fees charged during the financial period ended 30 June 2023 were €46,586 (30 June 2022: €78,268).

Investment Management Fee

The following Investment Management fees are paid to Montanaro Asset Management Limited (the “Investment Manager”):

	% of Net Assets	Minimum Subscription
Montanaro European Smaller Companies Fund		
Euro Accumulation Class ¹	1.50	N/A
Euro Class ¹	1.50	N/A
Euro Institutional Accumulation Class	0.50	€250,000,000
Euro Institutional Distribution Class	0.75	€50,000,000
Sterling Class ¹	1.50	N/A
Sterling Institutional Distribution Class	0.75	£50,000,000
Swedish Krona Accumulation Class	1.50	SEK10,000
US Dollar Class ¹	1.50	N/A

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

2. Fees (continued)

Investment Management Fee (continued)

	% of Net Assets	Minimum Subscription
Montanaro UK Income Fund		
Euro Class ¹	0.75	N/A
Euro Seed Class ^{1,2}	0.35	N/A
Sterling Accumulation Class ¹	0.75	N/A
Sterling Class ¹	0.75	N/A
Sterling Seed Class ^{1,2}	0.35	N/A
Montanaro European Income Fund		
Euro Class ¹	0.75	N/A
Sterling Accumulation Class ¹	0.75	N/A
Sterling Class ¹	0.75	N/A
Montanaro European Focus Fund*		
Euro Distribution Class ¹	1.50	N/A
Euro Institutional Accumulation Class	0.75	€25,000,000
Montanaro Global Innovation Fund		
Euro Accumulation A Class ^{1,3}	0.55	N/A
Euro Accumulation B Class ^{1,3}	0.75	N/A
Sterling Accumulation A Class ^{1,3}	0.55	N/A
Sterling Accumulation B Class ^{1,3}	0.75	N/A
Montanaro Better World Fund		
Euro Accumulation Class ^{1,4}	0.85	N/A
Euro Distribution Class ¹	0.85	N/A
Sterling Distribution Class ¹	0.85	N/A
Swedish Krona Institutional Accumulation Class ⁴	0.50	€150,000,000

* Effective from 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

¹ These respective Share Classes have no minimum subscription amount required to subscribe to the Share Class as per the Prospectus.

² Effective 1 January 2023, the Investment Management fee rate charged to Euro Seed Class and Sterling Seed Class of Montanaro UK Income fund increased from 0.30% per annum to 0.35% per annum. However, as per the Prospectus, the Investment Manager is entitled to charge a fee of up to 0.75% per annum.

³ Effective 1 January 2023, the Investment Management fee rate charged to Euro Accumulation A Class and Sterling Accumulation A Class of the Montanaro Global Innovation Fund increased from 0.25% per annum to 0.55% per annum, while the Investment Management fee rate charged to Euro Accumulation B Class and Sterling Accumulation B Class increased from 0.25% per annum to 0.75% per annum.

⁴ The Swedish Krona Institutional Accumulation Class of the Fund pays the Investment Manager a basic Management fee of 0.50% per annum. However, as per the Prospectus, the Investment Manager is entitled to charge a fee of up to 0.75% in respect of the Swedish Krona Institutional Accumulation Share Class.

The Investment Management fees accrue daily on the basis of the NAV of the Funds on each dealing day and will be payable quarterly in arrears.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

2. Fees (continued)

Investment Management Fee (continued)

Montanaro Asset Management Limited (the “Investment Manager”) earned an Investment Management fee of €8,865,516 for the financial period ended 30 June 2023 (30 June 2022: €10,509,340).

Performance Fees

The Investment Manager (with the exception of the Euro Institutional Accumulation Class of the Montanaro European Smaller Companies Fund, all Classes of the Montanaro UK Income Fund, all Classes of the Montanaro European Income Fund, the Euro Accumulation B Class and Sterling Accumulation B Class of the Montanaro Global Innovation Fund and all Classes of the Montanaro Better World Fund) may be entitled to receive an annual performance-related fee based on the outperformance per Share over the return on the benchmark in the relevant currency of the Share Class. The Performance fee payable will be 20%* (plus VAT, if any) of the amount by which the increase in the NAV per Share, having adjusted the closing NAV per Share by (i) adding back the impact of any accruing Performance fee, and (ii) adding back and compounding at the rate of return of the NAV of the Share Class any dividends paid or payable by reference to the financial period in question, exceeds the higher of High Water Mark or the return on the benchmark plus 3 percentage points (plus 3 percentage points not applicable for the Montanaro Global Innovation Fund) over the relevant financial period. It will be calculated based on the time weighted average number of Shares in issue during the relevant period.

* Effective 1 January 2023, the Performance fee charged to Euro Accumulation A Class and Sterling Accumulation A Class of the Montanaro Global Innovation Fund is 10% of outperformance. Prior to this date, Performance fees were waived.

A Performance fee will only be payable in respect of any financial period if the closing NAV per Share of the relevant Class at the end of the period (adjusted for the matters described above) exceeds the higher of (a) the opening NAV per Share of that Class for the relevant period or the price at which such Shares were issued if the initial issue of the relevant Class of Shares occurred during the Performance Fee Period; and (b) the closing NAV per Share of that Class on the last Performance Fee Period end when a Performance fee was paid (if any).

There were €Nil performance fees incurred by the Funds of the Company during the financial period ended 30 June 2023 (30 June 2022: €Nil).

Administration and Depositary Fees

The Company has entered into an administration agreement with BNY Mellon Fund Services (Ireland) Designated Activity Company (the “Administrator”) under which the Administrator receives an Administration fee. The Administration fee accrues daily and is paid monthly in arrears. The Administration fee was €493,616 for the financial period ended 30 June 2023 (30 June 2022: €500,402).

The Bank of New York Mellon SA/NV, Dublin Branch (the “Depositary”), is paid an annual fee accruing daily and paid monthly in arrears. The Depositary fee was €189,649 for the financial period ended 30 June 2023 (30 June 2022: €217,698).

The aggregate of the Administration and Depositary fee shall not exceed 0.25% of the NAV of each Fund.

Directors’ Fees

The Directors’ fees were €31,336 for the financial period ended 30 June 2023 (30 June 2022: €31,418). See Note 5 for further details.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

2. Fees (continued)

Professional Fees

For the financial period ended 30 June 2023, Professional Fees, which principally comprised Taxation fees, Directors' indemnity insurance premiums (D&O) and Investment Committee fees, amounted to €54,686 (30 June 2022: €58,177).

30 June 2023

	Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €	Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Total** €
Taxation fees	(2,583)	(3,198)	(1,578)	(570)	(60)	(8,510)	(16,950)
Directors' indemnity insurance premiums (D&O)	(2,042)	(3,096)	(1,527)	(551)	(58)	(3,895)	(11,606)
Investment Committee fees	—	—	—	—	(26,130)	—	(26,130)
	<u>(4,625)</u>	<u>(6,294)</u>	<u>(3,105)</u>	<u>(1,121)</u>	<u>(26,248)</u>	<u>(12,405)</u>	<u>(54,686)</u>

30 June 2022

	Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €	Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Total** €
Taxation fees	(3,057)	(3,691)	(1,865)	(764)	(71)	(8,495)	(18,635)
Directors' indemnity insurance premiums (D&O)	(2,524)	(3,574)	(1,848)	(771)	(69)	(3,780)	(13,235)
Investment Committee fees	—	—	—	—	(26,307)	—	(26,307)
	<u>(5,581)</u>	<u>(7,265)</u>	<u>(3,713)</u>	<u>(1,535)</u>	<u>(26,447)</u>	<u>(12,275)</u>	<u>(58,177)</u>

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

** See Foreign Currency Translation Adjustment Note 14.

Other Expenses

Other Expenses are principally comprised of Board Meeting fees, Listing and Publishing fees, VAT costs, Index fees, Printing fees, Electronic payment fees and Rating fees. For the financial period ended 30 June 2023, other expenses totalled €292,174 (30 June 2022: €236,884).

3. Distribution Policy

Distributions may be paid out of the net distributable income of the Company, otherwise, all income and gains of the Company will be accumulated within the Company. Montanaro European Smaller Companies Fund (with the exception of the Euro Institutional Accumulation Class and the Swedish Krona Accumulation Class), Montanaro UK Income Fund, Montanaro European Income Fund, Montanaro European Focus Fund and Montanaro Better World Fund are registered as reporting funds under the UK Reporting Fund Regime.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

3. Distribution Policy (continued)

In the event that the net distributable income generated by the Montanaro UK Income Fund and by the Montanaro European Income Fund during the relevant financial period and attributable to the relevant Class is insufficient to pay a distribution which is declared, the Directors may at their discretion determine such dividends may be paid from the capital of the Fund. For the financial period ended 30 June 2023 all distributions were paid out of income apart from distributions of £Nil (30 June 2022: £266,719) on the Montanaro UK Income Fund and distributions of €109,961 (30 June 2022: €353,344) on the Montanaro European Income Fund.

The Company made the following distributions to redeemable participating Shareholders during the financial period ended 30 June 2023 and 30 June 2022:

	Montanaro European Smaller Companies Fund	Montanaro UK Income Fund	Montanaro European Income Fund	Montanaro European Focus Fund*	Montanaro Global Innovation Fund	Montanaro Better World Fund	Total**
	€	£	€	€	€	€	€
30 June 2023	827,373	6,182,058	953,136	219,406	–	–	9,053,708
30 June 2022	–	6,365,754	1,159,757	–	–	–	8,718,481

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

** See Foreign Currency Translation Adjustment Note 14.

4. Cash and Cash Equivalents

At the financial period end, the Company had a cash balance totalling €41,994,265 (31 December 2022: €40,501,291) with Bank of New York Mellon SA/NV, Dublin Branch.

5. Connected Persons and Related Party Transactions

Parties are considered related if one party has the authority to control the other party or exercise significant influence over the other party in making financial or other reporting decisions, or is a member of the key management personnel of the reporting entity.

A connected person is defined as the management company or depositary to a UCITS; and the delegates or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of such a management company, depositary, delegate or sub-delegate. During the financial period, transactions were entered into with these connected persons of the Company. Details of fees paid to these entities are disclosed in Note 2.

During the financial period, the following Related Party Transactions were entered into:

Each of the Directors who are not Directors, officers or employees of the Investment Manager and Promoter or any affiliate thereof shall be entitled to such remuneration for his or her services as the Directors may determine provided that the aggregate emoluments of all Directors in respect of any twelve month period shall not exceed £120,000 plus out of pocket expenses, or such higher amount as may be approved by the Company in a general meeting. The Directors' fees were €31,336 for the financial period ended 30 June 2023 (30 June 2022: €31,418).

Cedric Durant des Aulnois, a Director of the Company, holds Shares in the Montanaro UK Income Fund. Since 31 December 2022, Cedric Durant des Aulnois did not buy or sell any Shares from his holdings which were disclosed in the annual financial statements.

No other Directors, nor the Secretary, had any interest in the Shares or deferred Shares of the Company during the financial period ending 30 June 2023 and 30 June 2022.

No other Director of the Company had at any time during the financial period a material interest in any contract of significance, existing during or at the end of the financial period, in relation to the business of the Company.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

5. Connected Persons and Related Party Transactions (continued)

The following entities are related parties, by virtue of the fact that each have the same ultimate parent group, Montanaro Asset Management Limited, which held Shares in the Company as follows:

	30 June 2023	31 December 2022	30 June 2022
Montanaro Asset Management Limited	8,510,923	8,508,637	8,504,580
Montanaro Growth & Income Fund Limited Partnership No. 3	12,016,544	12,016,544	12,016,544

The Investment Manager has the discretion to waive some or all of its “Investment Management Fee” on certain Share Classes and information concerning the various waivers in place for the reporting period are disclosed in Note 2. As at 30 June 2023 and 31 December 2022 there were 7 Subscriber Shares of €1 each in issue (being the minimum share capital of the Company) held by the Investment Manager.

Regulation 43 of the Central Bank UCITS Regulations “Restrictions of transactions with connected persons” states that “A responsible person shall ensure that any transaction between a UCITS and a connected person is conducted a) at arm’s length; and b) in the best interest of the unitholders of the UCITS”.

As required under Central Bank UCITS Regulation 81(4), the directors of the Company, as the responsible person, are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with a connected person; and all transactions with a connected person that were entered into during the financial period to which the report relates complied with the obligations that are prescribed by Regulation 43(1).

6. Risks Associated with Financial Instruments

Fair Value Estimation

Under FRS 102, the Company is required to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 The unadjusted traded price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than traded prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The best evidence of fair value is a traded price for an identical asset or liability in an active market and is therefore classified within Level 1. These include actively traded equities, exchange traded derivatives and other traded securities. Traded in an active market in this context means traded prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

When traded prices are unavailable, the price of a recent transaction for an identical asset or liability provides evidence of fair value and is classified within Level 2, as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. These include money market instruments, certain traded equities and open-ended collective investment schemes. If the Company can demonstrate that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distress sale), then that price is adjusted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

6. Risks Associated with Financial Instruments (continued)

Fair Value Estimation (continued)

If the market for the asset or liability is not active and recent transactions of an identical asset or liability on their own are not a good estimate of fair value, the Company estimates the fair value by using a valuation technique and classifies the asset or liability within Level 3. These include investment-grade government and corporate bonds, over-the-counter derivatives, private equity and corporate debt securities. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations. Valuation techniques include using recent arm's length market transactions for an identical asset or liability between knowledgeable, willing parties, if available, reference to the current fair value of another asset or liability that is substantially the same as the asset or liability being measured, discounted cash flow analysis and option pricing model.

If there is a valuation technique commonly used by market participants to price the asset or liability and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the Company uses that technique.

The Company's investments values are based on traded market prices in active markets and therefore all of the Company's investments were classified as Level 1 at 30 June 2023 and 31 December 2022. There were no transfers between levels during the financial period (31 December 2022: Nil). The Company does not hold any investments classified within Level 2 or Level 3. The fair value levels of the securities held by the Funds are monitored on a monthly basis by the Investment Manager. There were no financial liabilities held at 30 June 2023 and 31 December 2022.

7. Soft Commission Arrangements

No soft commission arrangements were entered into during the financial period ended 30 June 2023, the financial year ended 31 December 2022 or the financial period ended 30 June 2022.

8. Efficient Portfolio Management

The Company may, on behalf of a Fund, use techniques and instruments for the purposes of efficient portfolio management (including but not limited to forward foreign currency contracts, futures contracts, options, put and call options on securities, indices and currencies, stock index contracts, swap contracts) subject to the restrictions and limitations laid down by the Central Bank. The Company may engage in such techniques and instruments for the reduction of risk, cost or the generation of additional capital or income for a Fund with an appropriate level of risk, taking into account the risk profile of the Company as described in the Prospectus and the general provisions of the UCITS Regulations.

The Company may employ techniques and instruments relating to transferable securities provided that such techniques and instruments are used for efficient portfolio management purposes and techniques and instruments intended to provide protection against exchange rate risk and equity market risk. Where applicable, the entities to which direct and indirect operational costs and/or fees have been paid during the annual period to the relevant accounting year end of a Fund will be disclosed in the annual report for such period.

The prices of derivative instruments, including futures and options prices, are highly volatile. Price movements of forward foreign currency contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

8. Efficient Portfolio Management (continued)

The use of such techniques and instruments for efficient portfolio management involves certain special risks including: a dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, imperfect correlations between the hedging instruments and the securities or market sectors being hedged, the fact that skills needed to use these instruments are different from those needed to select the Company's securities, the possible absence of a liquid market for any particular instrument at any particular time and possible impediments to effective portfolio management such as the ability to meet redemption requests or other short term obligations because of the percentage of the Company's assets being segregated to cover its obligations.

The Company does not currently use financial derivative instruments and it is not the current intention of the Investment Manager to employ efficient portfolio management techniques. A risk management process will be submitted to the Central Bank in accordance with the Central Bank's requirements prior to the Company engaging in financial derivative transactions on behalf of a Fund.

The Company did not enter into any derivative contracts during the financial period ended 30 June 2023, the financial year ended 31 December 2022 or the financial period ended 30 June 2022 for efficient portfolio management or any other purpose.

9. Share Capital and Redeemable Participating Shares

The authorised share capital of the Company is 1,000,000,000 redeemable participating Shares of no par value. The redeemable participating Shares issued by the Company are freely transferable and are entitled to participate equally in the profits and dividends of the relevant Fund and its assets upon liquidation. The redeemable participating Shares, which are of no par value and which must be fully paid up on issue, carry no preferential or pre-emptive rights. Holders of redeemable participating Shares are entitled on a poll to one vote at general meetings of the Company in respect of each redeemable participating Share held.

Subscriber Shares

The Company has authorised share capital of €38,100 (divided into 38,100 Subscriber Shares of one Euro each). As at 30 June 2023 and 31 December 2022 there were 7 Subscriber Shares of €1 each in issue (being the minimum share capital of the Company) held by the Investment Manager. Subscriber Shares do not entitle the holders to any dividend and on a winding-up entitle the holder to receive the amount paid thereon but not otherwise to participate in the assets of the Company. The Subscriber Shares do not form part of redeemable participating Shareholders' Funds. They are thus disclosed by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment fund.

Redemption of Shares

Shareholders may redeem their Shares on and with effect from any dealing day at the NAV per Share calculated on or with respect to the relevant dealing day in accordance with the procedures specified in the relevant Supplement (save during any period when the calculation of NAV is suspended). If the redemption of part only of a Shareholder's shareholding would leave the Shareholder holding less than the Minimum Holding for the relevant Fund, the Directors or their delegates may, if they think fit, redeem the whole of that Shareholder's holding.

In the event that the net distributable income generated by the Montanaro UK Income Fund and by the Montanaro European Income Fund during the relevant financial period and attributable to the relevant Class is insufficient to pay a distribution which is declared, the Directors may at their discretion determine such dividends may be paid from the capital of the Fund. Shareholders should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount originally invested or capital gains attributable to and may result in an immediate decrease in the value of the Shares of the relevant Class and will reduce any capital appreciation for the Shareholders of such Class.

Share Classes

Shares will be issued to investors as Shares of a Class in the Funds. The Directors may, whether on the establishment of each Fund or from time to time, with prior notification to, and clearance by the Central Bank, create more than one Class of Shares in each of the Funds. The Directors may, in their absolute discretion, differentiate between Classes of Shares, without limitation, as to currency denomination of a particular Class, dividend policy, hedging strategies if any applied to the designated currency of particular Classes, fees and expenses or the minimum subscription or minimum holding applicable.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

9. Share Capital and Redeemable Participating Shares (continued)

Where the amount subscribed for Shares is not equivalent to an exact number of Shares, fractions of Shares may be issued to the nearest one thousandth of a Share. The holder of a fraction of a Share may not exercise any voting right in respect of such Share.

30 June 2023

	Shares in issue at beginning of financial period	Subscriptions	Redemptions	Shares in issue at end of financial period
Montanaro European Smaller Companies Fund				
Euro Accumulation Class	18,398,137	3,307,929	(779,082)	20,926,984
Euro Class	16,988,667	89,230	(208,212)	16,869,685
Euro Institutional Accumulation Class	4,238,215	129,791	(237,245)	4,130,761
Euro Institutional Distribution Class	12,655,471	421,987	(2,876,713)	10,200,745
Sterling Class	3,894,309	457,009	(102,485)	4,248,833
Sterling Institutional Distribution Class	3,564,114	2,780,327	(762,539)	5,581,902
Swedish Krona Accumulation Class	317,630	—	—	317,630
US Dollar Class	72,973	18,174	(18,174)	72,973
Montanaro UK Income Fund				
Euro Class	1,635,534	53,698	(760,000)	929,232
Euro Seed Class	823,374	331,653	(55,818)	1,099,209
Sterling Accumulation Class	173,079,256	41,838,856	(28,406,745)	186,511,367
Sterling Class	186,565,994	24,913,462	(36,476,663)	175,002,793
Sterling Seed Class	137,097,674	12,921,751	(29,094,446)	120,924,979
Montanaro European Income Fund				
Euro Class	13,485,857	612,938	(620,514)	13,478,281
Sterling Accumulation Class	102,873,478	31,678,346	(14,659,976)	119,891,848
Sterling Class	58,502,321	1,368,780	(25,074,252)	34,796,849
Montanaro European Focus Fund*				
Euro Distribution Class	39,576,883	57,098	(31,715,536)	7,918,445
Euro Institutional Accumulation Class	3,043,112	3,969	(4,903)	3,042,178
Montanaro Global Innovation Fund				
Euro Accumulation A Class	1,253,095	—	(2,195)	1,250,900
Euro Accumulation B Class	1,109,635	—	—	1,109,635
Sterling Accumulation A Class	2,384,863	65,101	(151,021)	2,298,943
Sterling Accumulation B Class	3,395,875	4,258	(37,376)	3,362,757
Montanaro Better World Fund				
Euro Accumulation Class	21,405,246	1,978,957	(1,104,498)	22,279,705
Euro Distribution Class	92,911,489	3,818,001	(11,734,601)	84,994,889
Sterling Distribution Class	188,604,426	8,303,912	(94,772,555)	102,135,783
Swedish Krona Institutional Accumulation Class	141,392,445	5,646,596	(2,957,902)	144,081,139

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

9. Share Capital and Redeemable Participating Shares (continued)

31 December 2022

	Shares in issue at beginning of financial year	Subscriptions	Redemptions	Shares in issue at end of financial year
Montanaro European Smaller Companies Fund				
Euro Accumulation Class	17,338,780	4,070,310	(3,010,953)	18,398,137
Euro Class	17,617,147	906,438	(1,534,918)	16,988,667
Euro Institutional Accumulation Class	3,615,503	1,982,109	(1,359,397)	4,238,215
Euro Institutional Distribution Class	14,192,708	4,989,523	(6,526,760)	12,655,471
Sterling Class	3,936,898	140,542	(183,131)	3,894,309
Sterling Institutional Distribution Class	5,390,007	507,753	(2,333,646)	3,564,114
Swedish Krona Accumulation Class	317,630	–	–	317,630
US Dollar Class	117,873	4,130	(49,030)	72,973
Montanaro UK Income Fund				
Euro Class	2,693,066	30,291	(1,087,823)	1,635,534
Euro Seed Class	963,224	54,901	(194,751)	823,374
Sterling Accumulation Class	155,640,408	37,493,758	(20,054,910)	173,079,256
Sterling Class	182,236,811	59,632,483	(55,303,300)	186,565,994
Sterling Seed Class	143,214,741	34,673,001	(40,790,068)	137,097,674
Montanaro European Income Fund				
Euro Class	13,137,238	1,867,917	(1,519,298)	13,485,857
Sterling Accumulation Class	123,861,930	4,464,677	(25,453,129)	102,873,478
Sterling Class	58,890,038	15,588,258	(15,975,975)	58,502,321
Montanaro European Focus Fund*				
Euro Distribution Class	44,873,516	3,383,592	(8,680,225)	39,576,883
Euro Institutional Accumulation Class	6,453,262	1,653	(3,411,803)	3,043,112
Montanaro Global Innovation Fund				
Euro Accumulation A Class	1,750,574	22,789	(520,268)	1,253,095
Euro Accumulation B Class	1,103,715	5,920	–	1,109,635
Sterling Accumulation A Class	2,059,553	1,145,434	(820,124)	2,384,863
Sterling Accumulation B Class	3,509,837	162,175	(276,137)	3,395,875
Montanaro Better World Fund				
Euro Accumulation Class	12,348,839	13,364,311	(4,307,904)	21,405,246
Euro Distribution Class	62,174,463	38,006,799	(7,269,773)	92,911,489
Sterling Distribution Class	217,423,128	48,766,476	(77,585,178)	188,604,426
Swedish Krona Institutional Accumulation Class	193,947,696	41,952,749	(94,508,000)	141,392,445

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

9. Share Capital and Redeemable Participating Shares (continued)

30 June 2022

	Shares in issue at beginning of financial period	Subscriptions	Redemptions	Shares in issue at end of financial period
Montanaro European Smaller Companies Fund				
Euro Accumulation Class	17,338,780	2,569,725	(2,166,968)	17,741,537
Euro Class	17,617,147	205,639	(1,443,065)	16,379,721
Euro Institutional Accumulation Class	3,615,503	1,897,979	(784,959)	4,728,523
Euro Institutional Distribution Class	14,192,708	2,338,060	(4,005,903)	12,524,865
Sterling Class	3,936,898	82,078	(105,417)	3,913,559
Sterling Institutional Distribution Class	5,390,007	431,253	(2,168,400)	3,652,860
Swedish Krona Accumulation Class	317,630	–	–	317,630
US Dollar Class	117,873	4,130	(4,130)	117,873
Montanaro UK Income Fund				
Euro Class	2,693,066	15,584	(1,000,001)	1,708,649
Euro Seed Class	963,224	51,631	(52,095)	962,760
Sterling Accumulation Class	155,640,408	29,270,958	(9,585,680)	175,325,686
Sterling Class	182,236,811	26,785,847	(27,903,011)	181,119,647
Sterling Seed Class	143,214,741	22,899,085	(13,861,065)	152,252,761
Montanaro European Income Fund				
Euro Class	13,137,238	1,082,519	(500,312)	13,719,445
Sterling Accumulation Class	123,861,930	3,488,523	(6,150,579)	121,199,874
Sterling Class	58,890,038	11,115,797	(6,305,797)	63,700,038
Montanaro European Focus Fund*				
Euro Distribution Class	44,873,516	3,299,754	(819,467)	47,353,803
Euro Institutional Accumulation Class	6,453,262	1,606	(3,138,139)	3,316,729
Montanaro Global Innovation Fund				
Euro Accumulation A Class	1,750,574	22,790	(252,057)	1,521,307
Euro Accumulation B Class	1,103,715	–	–	1,103,715
Sterling Accumulation A Class	2,059,553	889,314	(498,365)	2,450,502
Sterling Accumulation B Class	3,509,837	105,512	(220,228)	3,395,121
Montanaro Better World Fund				
Euro Accumulation Class	12,348,839	9,860,397	(2,981,230)	19,228,006
Euro Distribution Class	62,174,463	9,273,071	(3,393,808)	68,053,726
Sterling Distribution Class	217,423,128	39,425,371	(37,561,297)	219,287,202
Swedish Krona Institutional Accumulation Class	193,947,696	30,325,806	(5,963,602)	218,309,900

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

10. Exchange Rates

The exchange rates to Euro (€) at the financial period ended 30 June 2023, financial year ended 31 December 2022 and financial period ended 30 June 2022 are as follows:

	30 June 2023	31 December 2022	30 June 2022
Australian Dollar	1.6390	1.5738	1.5203
Canadian Dollar	1.437	—	—
Danish Krone	7.4459	7.4364	7.4367
Israeli New Shekel	4.0486	3.7658	3.6613
Japanese Yen	157.6877	140.8184	142.0297
New Taiwan Dollar	33.9787	—	—
New Zealand Dollar	1.7808	1.6875	1.6815
Norwegian Krone	11.6885	10.5135	10.3288
Pound Sterling	0.8581	0.8872	0.8608
Swedish Krona	11.7842	11.1202	10.7131
Swiss Franc	0.9761	0.9874	1.0009
US Dollar	1.0910	1.0673	1.0455

11. Taxation

Under current law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not liable to Irish tax on its income or gains. However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to Shareholders, any encashment, redemption, cancellation or transfer of Shares and the holding of Shares at the end of each eight year period beginning with the acquisition of such Shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

- (a) a Shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Fund; and
- (b) certain exempted Irish tax resident Shareholders who have provided the Fund with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Fund or its Shareholders.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

12. Net Asset Value per Redeemable Participating Share at last traded price

30 June 2023

	Net Assets for dealing	Shares in issue	NAV per Share
Montanaro European Smaller Companies Fund			
Euro Accumulation Class	€139,387,577	20,926,984	€6.661
Euro Class	€117,024,524	16,869,685	€6.937
Euro Institutional Accumulation Class	€31,548,763	4,130,761	€7.638
Euro Institutional Distribution Class	€72,569,984	10,200,745	€7.114
Sterling Class	£25,518,382	4,248,833	£6.006
Sterling Institutional Distribution Class	£35,152,545	5,581,902	£6.298
Swedish Krona Accumulation Class	SEK8,375,779	317,630	SEK26.370
US Dollar Class	\$262,410	72,973	\$3.596
Montanaro UK Income Fund			
Euro Class	€792,610	929,232	€0.853
Euro Seed Class	€1,346,651	1,099,209	€1.225
Sterling Accumulation Class	£194,301,179	186,511,367	£1.042
Sterling Class	£182,461,098	175,002,793	£1.043
Sterling Seed Class	£225,309,816	120,924,979	£1.863
Montanaro European Income Fund			
Euro Class	€17,760,673	13,478,281	€1.318
Sterling Accumulation Class	£151,431,102	119,891,848	£1.263
Sterling Class	£74,156,893	34,796,849	£2.131
Montanaro European Focus Fund*			
Euro Distribution Class	€20,102,991	7,918,445	€2.539
Euro Institutional Accumulation Class	€8,314,542	3,042,178	€2.733
Montanaro Global Innovation Fund			
Euro Accumulation A Class	€1,015,201	1,250,900	€0.812
Euro Accumulation B Class	€1,891,416	1,109,635	€1.705
Sterling Accumulation A Class	£1,850,020	2,298,943	£0.805
Sterling Accumulation B Class	£5,849,976	3,362,757	£1.740
Montanaro Better World Fund			
Euro Accumulation Class	€22,246,931	22,279,705	€0.999
Euro Distribution Class	€129,141,088	84,994,889	€1.519
Sterling Distribution Class	£152,655,502	102,135,783	£1.495
Swedish Krona Institutional Accumulation Class	SEK2,085,591,140	144,081,139	SEK14.475

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

12. Net Asset Value per Redeemable Participating Share at last traded price (continued)

31 December 2022

	Net Assets for dealing	Shares in issue	NAV per Share
Montanaro European Smaller Companies Fund			
Euro Accumulation Class	€118,027,059	18,398,137	€6.415
Euro Class	€113,506,114	16,988,667	€6.681
Euro Institutional Accumulation Class	€31,021,290	4,238,215	€7.319
Euro Institutional Distribution Class	€86,992,758	12,655,471	€6.874
Sterling Class	£23,290,718	3,894,309	£5.981
Sterling Institutional Distribution Class	£22,436,455	3,564,114	£6.295
Swedish Krona Accumulation Class	SEK7,612,505	317,630	SEK23.967
US Dollar Class	\$247,237	72,973	\$3.388
Montanaro UK Income Fund			
Euro Class	€1,356,913	1,635,534	€0.830
Euro Seed Class	€979,363	823,374	€1.189
Sterling Accumulation Class	£178,835,152	173,079,256	£1.033
Sterling Class	£195,665,060	186,565,994	£1.049
Sterling Seed Class	£256,508,522	137,097,674	£1.871
Montanaro European Income Fund			
Euro Class	€16,325,271	13,485,857	€1.211
Sterling Accumulation Class	£122,608,600	102,873,478	£1.192
Sterling Class	£118,651,401	58,502,321	£2.028
Montanaro European Focus Fund*			
Euro Distribution Class	€94,062,595	39,576,883	€2.377
Euro Institutional Accumulation Class	€7,738,882	3,043,112	€2.543
Montanaro Global Innovation Fund			
Euro Accumulation A Class	€936,997	1,253,095	€0.748
Euro Accumulation B Class	€1,744,397	1,109,635	€1.572
Sterling Accumulation A Class	£1,828,161	2,384,863	£0.767
Sterling Accumulation B Class	£5,633,068	3,395,875	£1.659
Montanaro Better World Fund			
Euro Accumulation Class	€19,575,390	21,405,246	€0.915
Euro Distribution Class	€129,292,889	92,911,489	€1.392
Sterling Distribution Class	£266,931,001	188,604,426	£1.415
Swedish Krona Institutional Accumulation Class	SEK1,765,752,114	141,392,445	SEK12.488

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

12. Net Asset Value per Redeemable Participating Share at last traded price (continued)

30 June 2022

	Net Assets for dealing	Shares in issue	NAV per Share
Montanaro European Smaller Companies Fund			
Euro Accumulation Class	€110,745,304	17,741,537	€6.242
Euro Class	€106,485,928	16,379,721	€6.501
Euro Institutional Accumulation Class	€33,507,883	4,728,523	€7.086
Euro Institutional Distribution Class	€83,457,764	12,524,865	€6.663
Sterling Class	£22,097,120	3,913,559	£5.646
Sterling Institutional Distribution Class	£21,627,825	3,652,860	£5.921
Swedish Krona Accumulation Class	SEK7,136,026	317,630	SEK22.466
US Dollar Class	\$380,660	117,873	\$3.229
Montanaro UK Income Fund			
Euro Class	€1,474,565	1,708,649	€0.863
Euro Seed Class	€1,188,489	962,760	€1.234
Sterling Accumulation Class	£177,819,802	175,325,686	£1.014
Sterling Class	£191,704,234	181,119,647	£1.058
Sterling Seed Class	£286,844,549	152,252,761	£1.884
Montanaro European Income Fund			
Euro Class	€16,773,642	13,719,445	€1.223
Sterling Accumulation Class	£137,713,486	121,199,874	£1.136
Sterling Class	£126,588,341	63,700,038	£1.987
Montanaro European Focus Fund*			
Euro Distribution Class	€109,361,615	47,353,803	€2.309
Euro Institutional Accumulation Class	€8,165,271	3,316,729	€2.462
Montanaro Global Innovation Fund			
Euro Accumulation A Class	€1,123,102	1,521,307	€0.738
Euro Accumulation B Class	€1,713,196	1,103,715	€1.552
Sterling Accumulation A Class	£1,799,436	2,450,502	£0.734
Sterling Accumulation B Class	£5,395,351	3,395,121	£1.589
Montanaro Better World Fund			
Euro Accumulation Class	€17,634,427	19,228,006	€0.917
Euro Distribution Class	€94,975,411	68,053,726	€1.396
Sterling Distribution Class	£301,982,773	219,287,203	£1.377
Swedish Krona Institutional Accumulation Class	SEK2,629,412,647	218,309,900	SEK12.044

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

13. Comparatives

Comparative information for the Statement of Financial Position is as at 31 December 2022. Comparative information for the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares is for the period ended 30 June 2022.

14. Foreign Currency Translation Adjustment

The difference between the financial period end and average exchange rates has resulted in a notional foreign currency translation adjustment in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares. The foreign currency translation adjustment for the financial period ended 30 June 2023 for Montanaro UK Income Fund was a loss of £20,576,716 (30 June 2022: £16,871,206).

The following exchange rates were used to convert the presentation currency of the Company.

30 June 2023

Average Euro/Pound Sterling 1.1410

Spot Euro/Pound Sterling 1.1653

30 June 2022

Average Euro/Pound Sterling 1.1874

Spot Euro/Pound Sterling 1.1617

15. Right to Publicly Market Shares in Germany

According to Sec. 310 German Capital Investment Code (Kapitalanlagegesetzbuch, KAGB) the Company has notified the Bundesanstalt für Finanzdienstleistungsaufsicht ("BaFin") (Federal Institute for the Supervision of Financial Services) of its intention to publicly distribute Shares in Germany. The Company has the right to publicly distribute Shares in Germany upon completion of the notification process. The following Share Classes of the Montanaro European Smaller Companies Fund may be marketed to investors in Germany:

- Euro Accumulation Class
- Euro Class
- Euro Institutional Distribution Class

No notification has been filed with BaFin for the remaining Classes of the Montanaro European Smaller Companies Fund (Euro Institutional Accumulation Class, Sterling Class, Sterling Institutional Distribution Class, Swedish Krona Accumulation Class and US Dollar Class), Montanaro UK Income Fund, Montanaro European Income Fund, Montanaro European Focus Fund, Montanaro Global Innovation Fund and Montanaro Better World Fund.

16. Events during the Financial Period

Effective 1 January 2023, the Investment Management fee rate charged to Euro Seed Class and Sterling Seed Class of Montanaro UK Income Fund increased from 0.30% per annum to 0.35% per annum.

Effective 1 January 2023, the Investment Management fee rate charged to Euro Accumulation A Class and Sterling Accumulation A Class of the Montanaro Global Innovation Fund increased from 0.25% per annum to 0.55% per annum, while the Investment Management fee rate charged to Euro Accumulation B Class and Sterling Accumulation B Class increased from 0.25% per annum to 0.75% per annum.

Effective 1 January 2023, the Performance fee charged to Euro Accumulation A Class and Sterling Accumulation A Class of the Montanaro Global Innovation Fund is 10% of outperformance. Prior to this date, Performance fees were waived.

Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

On 17 May 2023, updated versions of the prospectus and supplements were filed with the Central Bank for updates made to SFDR level 2 disclosures to incorporate additional disclosures related to fossil gas/nuclear in accordance with the Commission Delegated Regulation (EU) 2023/363.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

16. Events during the Financial Period (continued)

The significant decline in the net assets of the Montanaro European Focus Fund resulted from a redemption by a large investor in the Fund.

The following distributions were approved by the Directors during the financial year ended 31 December 2022 and paid during the financial period ending 30 June 2023:

Ex-Date of 30 January 2023:

Montanaro UK Income Fund

Share Class	Rate per Share	Distribution
Euro Class	€0.007093	€11,601
Euro Seed Class	€0.010671	€8,367
Sterling Class	£0.009422	£1,654,392
Sterling Seed Class	£0.017412	£2,167,261

Montanaro European Income Fund

Share Class	Rate per Share	Distribution
Euro Class	€0.007327	€98,617
Sterling Class	£0.016281	£675,109

Ex-Date of 15 March 2023:

Montanaro European Smaller Companies Fund

Share Class	Rate per Share	Distribution
Euro Institutional Distribution Class	€0.048040	€593,695
Sterling Institutional Distribution Class	£0.047299	£204,611

Montanaro European Focus Fund*

Share Class	Rate per Share	Distribution
Euro Institutional Distribution Class	€0.005892	€249,406

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

Ex-Date of 03 April 2023:

Montanaro UK Income Fund

Share Class	Rate per Share	Distribution
Euro Class	€0.004725	€7,728
Euro Seed Class	€0.006776	€7,423
Sterling Class	£0.005914	£1,039,378
Sterling Seed Class	£0.010555	£1,302,205

Montanaro European Income Fund

Share Class	Rate per Share	Distribution
Euro Class	€0.001056	€14,168
Sterling Class	£0.001702	£62,740

There were no other significant events affecting the Company during the financial period.

MONTANARO SMALLER COMPANIES PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

Financial period ended 30 June 2023

17. Events since the Financial Period End

The following distributions in respect of the financial period ending 30 June 2023 were approved by the Directors:

Ex-Date of 03 July 2023:

Montanaro UK Income Fund

Share Class	Rate per Share	Distribution
Euro Class	€0.014581	€13,549
Euro Seed Class	€0.020931	€22,711
Sterling Class	£0.017822	£3,117,201
Sterling Seed Class	£0.031833	£3,857,499

Montanaro European Income Fund

Share Class	Rate per Share	Distribution
Euro Class	€0.030741	€414,203
Sterling Class	£0.049718	£1,729,226

There were no other significant events affecting the Company since the financial period end.

18. Commitments and Contingent Liabilities

As at 30 June 2023 and 31 December 2022 there were no commitments or contingent liabilities.

19. Approval of Financial Statements

These financial statements were approved by the Directors of the Company on 21 August 2023.

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS

MONTANARO EUROPEAN SMALLER COMPANIES FUND

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Transferable securities admitted to a stock exchange listing or dealt in on another regulated market			
Belgium (31 December 2022: 2.53%)			
125,000	Melexis NV	11,256,250	2.60
		11,256,250	2.60
Denmark (31 December 2022: 5.25%)			
135,000	Chr Hansen Holding A/S	8,586,723	1.99
65,000	SimCorp A/S	6,311,516	1.46
100,000	Chemometec A/S	6,258,466	1.45
		21,156,705	4.90
France (31 December 2022: 5.40%)			
40,000	Sartorius Stedim Biotech	9,180,000	2.13
60,000	Esker SA	8,346,000	1.93
		17,526,000	4.06
Germany (31 December 2022: 8.93%)			
70,000	MTU Aero Engines AG	16,618,000	3.84
200,000	CTS Eventim AG & Co KGaA	11,570,000	2.68
13,000	Rational AG	8,554,000	1.98
11,000	Hypoport SE	1,841,400	0.43
210,000	hGears AG	1,039,500	0.24
		39,622,900	9.17
Iceland (31 December 2022: 1.63%)			
2,000,000	Marel HF '144A'	5,800,000	1.34
		5,800,000	1.34
Italy (31 December 2022: 10.61%)			
220,000	Moncler SpA	13,978,800	3.23
1,000,000	Brembo SpA	13,600,000	3.15
90,000	Reply SpA	9,441,000	2.18
1,000,000	Technoprobe SpA	7,205,000	1.67
260,000	Carel Industries SpA '144A'	7,176,000	1.66
		51,400,800	11.89
Netherlands (31 December 2022: 4.01%)			
120,000	IMCD NV	15,816,000	3.66
		15,816,000	3.66
Norway - Nil (31 December 2022: 1.26%)			
Singapore - Nil (31 December 2022: 1.00%)			

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS

MONTANARO EUROPEAN SMALLER COMPANIES FUND (continued)

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Spain (31 December 2022: 1.31%)			
600,000	Merlin Properties Socimi SA (REIT)	4,692,000	1.09
		4,692,000	1.09
Sweden (31 December 2022: 14.91%)			
2,350,000	Fortnox AB	12,663,119	2.93
350,000	Thule Group AB '144A'	9,418,102	2.18
500,000	AAK AB	8,596,240	1.99
500,000	Sectra AB	7,671,274	1.77
125,000	MIPS AB	5,649,503	1.31
275,000	Surgical Science Sweden AB	5,633,380	1.30
350,000	Hufvudstaden AB	3,792,783	0.88
200,000	Avanza Bank Holding AB	3,713,440	0.86
325,000	Biotage AB	3,706,651	0.86
211,243	Plejd AB	3,638,962	0.84
		64,483,454	14.92
Switzerland (31 December 2022: 10.99%)			
140,000	VZ Holding AG	11,732,844	2.71
22,000	Belimo Holding AG	10,102,212	2.34
110,000	Bachem Holding AG	8,779,143	2.03
25,000	Tecan Group AG	8,734,063	2.02
30,000	Kardex Holding AG	6,128,700	1.42
		45,476,962	10.52
United Kingdom (31 December 2022: 29.85%)			
300,000	4imprint Group Plc	16,902,784	3.91
400,000	Diploma Plc	13,946,399	3.23
90,000	Games Workshop Group Plc	11,499,836	2.66
425,000	Halma Plc	11,296,781	2.61
750,000	Kainos Group Plc	10,741,221	2.48
80,000	Spirax-Sarco Engineering Plc	9,672,051	2.24
250,000	Cranswick Plc	9,444,816	2.19
600,000	St James's Place Plc	7,565,175	1.75
160,000	Dechra Pharmaceuticals Plc	6,876,246	1.59
2,250,000	Marshalls Plc	6,339,855	1.47
1,750,000	Advanced Medical Solutions Group Plc	4,557,808	1.05
125,000	Clarkson Plc	4,311,637	1.00
1,500,000	IntegraFin Holdings Plc	4,167,139	0.96
2,684,800	Shaftesbury Capital Plc (REIT)	3,588,524	0.83
3,100,000	NCC Group Plc	3,507,692	0.81
350,000	RS GROUP Plc	3,104,612	0.72
250,000	Big Yellow Group Plc (REIT)	3,102,631	0.72
		130,625,207	30.22
United States - Nil (31 December 2022: 0.80%)			

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS

MONTANARO EUROPEAN SMALLER COMPANIES FUND (continued)

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Vietnam (31 December 2022: Nil%)			
175,000	XP Power Ltd	4,025,228	0.93
		4,025,228	0.93
Total equities		411,881,506	95.30
Total financial assets at fair value through profit or loss		411,881,506	95.30
Cash and cash equivalents		19,580,057	4.53
Other net assets		720,849	0.17
Total net assets attributable to holders of redeemable participating Shares		432,182,412	100.00

	% of Total Assets
Analysis of Total Assets	
Financial assets at fair value through profit or loss	93.62
Cash and cash equivalents	4.51
Other assets	1.87
Total assets	100.00

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS MONTANARO UK INCOME FUND

As at 30 June 2023

Shares	Description	Fair value £	% of net assets
Transferable securities admitted to a stock exchange listing or dealt in on another regulated market			
Belgium (31 December 2022: 0.97%)			
70,000	Melexis NV	5,409,302	0.90
		5,409,302	0.90
Singapore - Nil (31 December 2022: 1.61%)			
Sweden (31 December 2022: 3.71%)			
3,050,000	NCAB Group AB	18,601,298	3.08
		18,601,298	3.08
United Kingdom (31 December 2022: 91.52%)			
285,000	Games Workshop Group Plc	31,250,250	5.17
525,000	4imprint Group Plc	25,383,750	4.20
725,000	Diploma Plc	21,692,000	3.59
2,500,000	DiscoverIE Group Plc	21,025,000	3.48
1,700,000	Kainos Group Plc	20,893,000	3.46
2,200,000	Sage Group Plc/The	20,394,000	3.38
1,750,000	Big Yellow Group Plc (REIT)	18,637,500	3.09
1,675,000	St James's Place Plc	18,123,500	3.00
700,000	Severn Trent Plc	17,936,940	2.97
600,000	Clarkson Plc	17,760,000	2.94
875,000	Rathbones Group Plc	16,310,000	2.70
3,600,000	Bloomsbury Publishing Plc	15,642,000	2.59
400,000	Dechra Pharmaceuticals Plc	14,752,000	2.44
2,150,000	Vistry Group Plc	14,168,500	2.35
550,000	Greggs Plc	14,019,500	2.32
5,701,727	Marshalls Plc	13,786,776	2.28
8,250,000	LondonMetric Property Plc (REIT)	13,612,500	2.25
1,550,000	Britvic Plc	13,299,000	2.20
12,500,000	Taylor Wimpey Plc	12,862,500	2.13
7,000,000	XPS Pensions Group Plc	12,530,000	2.08
275,000	Intertek Group Plc	11,720,500	1.94
1,950,000	FDM Group Holdings Plc	10,959,000	1.81
1,350,000	RS GROUP Plc	10,276,200	1.70
1,625,000	Hilton Food Group Plc	10,172,500	1.68
10,250,000	Primary Health Properties Plc (REIT)	9,783,625	1.62
1,650,000	Ricardo Plc	9,457,800	1.57
450,000	Admiral Group Plc	9,355,500	1.55
850,000	Hiscox Ltd	9,282,000	1.54
950,000	United Utilities Group Plc	9,119,299	1.51
6,750,000	Tritax Big Box REIT Plc (REIT)	8,410,500	1.39
500,000	Smiths Group Plc	8,260,000	1.37
950,000	Savills Plc	8,060,750	1.34
4,750,000	Spirent Communications Plc	7,811,850	1.29
2,000,000	Pets at Home Group Plc	7,564,000	1.25
2,200,000	SThree Plc	7,546,000	1.25
7,750,000	NCC Group Plc	7,525,250	1.25
2,550,000	Genuit Group Plc	7,471,500	1.24
1,150,000	Howden Joinery Group Plc	7,408,300	1.23
200,000	Cranswick Plc	6,484,000	1.07
900,000	Liontrust Asset Management Plc	6,480,000	1.07
5,350,000	Jupiter Fund Management Plc	5,796,703	0.96
235,000	Computacenter Plc	5,405,000	0.90
725,000	Pennon Group Plc	5,172,875	0.86

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS
MONTANARO UK INCOME FUND (continued)

As at 30 June 2023

Shares	Description	Fair value £	% of net assets
Transferable securities admitted to a stock exchange listing or dealt in on another regulated market			
United Kingdom (31 December 2022: 91.52%) (continued)			
2,077,875	IntegraFin Holdings Plc	4,953,654	0.82
300,000	IMI Plc	4,920,000	0.81
235,000	Derwent London Plc (REIT)	4,826,900	0.80
3,000,000	Luceco Plc '144A'	3,780,000	0.63
306,179	Bytes Technology Group Plc	1,619,687	0.27
		563,702,109	93.34
Vietnam (31 December 2022: Nil%)			
500,000	XP Power Ltd	9,869,200	1.63
		9,869,200	1.63
Total equities		597,581,909	98.95
Total financial assets at fair value through profit or loss		597,581,909	98.95
Cash and cash equivalents		4,377,411	0.72
Other net assets		1,948,563	0.33
Total net assets attributable to holders of redeemable participating Shares		603,907,883	100.00
Analysis of Total Assets			% of Total
Financial assets at fair value through profit or loss			Assets
Cash and cash equivalents			98.73
Other assets			0.72
Total assets			100.00

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS MONTANARO EUROPEAN INCOME FUND

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Transferable securities admitted to a stock exchange listing or dealt in on another regulated market			
Belgium (31 December 2022: 4.03%)			
88,000	Melexis NV	7,924,400	2.82
184,500	Warehouses De Pauw CVA (REIT)	4,630,950	1.65
		12,555,350	4.47
Denmark (31 December 2022: 4.60%)			
325,000	Tryg A/S	6,444,642	2.30
60,000	Chr Hansen Holding A/S	3,816,322	1.36
		10,260,964	3.66
France (31 December 2022: 16.60%)			
145,000	Edenred	8,920,400	3.18
160,000	Amundi SA '144A'	8,680,000	3.09
84,000	Gaztransport Et Technigaz SA	7,816,200	2.78
295,000	Bureau Veritas SA	7,395,650	2.64
222,000	Kaufman & Broad SA	5,994,000	2.14
53,000	Thermador Groupe	4,372,500	1.56
		43,178,750	15.39
Germany (31 December 2022: 11.68%)			
41,800	MTU Aero Engines AG	9,923,320	3.54
120,000	Brenntag SE	8,568,000	3.05
62,511	Amadeus Fire AG	6,938,721	2.47
113,500	Mensch und Maschine Software SE	6,208,450	2.21
6,000	Rational AG	3,948,000	1.41
		35,586,491	12.68
Italy (31 December 2022: 17.01%)			
147,000	Moncler SpA	9,340,380	3.33
1,100,000	Terna - Rete Elettrica Nazionale	8,615,200	3.07
182,500	Recordati Industria Chimica e Farmaceutica SpA	7,993,500	2.85
485,000	Brembo SpA	6,596,000	2.35
390,000	MARR SpA	5,499,000	1.96
173,553	Cembre SpA	5,171,879	1.84
250,000	Zignago Vetro SpA	3,930,000	1.40
1,000,000	Enav SpA '144A'	3,904,000	1.39
125,000	Carel Industries SpA '144A'	3,450,000	1.23
		54,499,959	19.42
Netherlands (31 December 2022: 1.81%)			
75,000	Euronext NV '144A'	4,676,250	1.67
		4,676,250	1.67
Norway (31 December 2022: 12.50%)			
2,370,000	Kitron ASA	8,830,356	3.15
1,250,000	Bouvet ASA	6,940,591	2.47
290,000	Borregaard ASA	3,939,946	1.40
1,942,516	Elmera Group ASA '144A'	3,549,830	1.26
446,000	Kid ASA '144A'	2,877,053	1.03
		26,137,776	9.31

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS

MONTANARO EUROPEAN INCOME FUND (continued)

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Portugal (31 December 2022: 1.91%)			
626,000	Corticeira Amorim SGPS SA	6,040,900	2.15
		6,040,900	2.15
Spain (31 December 2022: 5.03%)			
110,000	Viscofan SA	6,996,000	2.49
730,000	Merlin Properties Socimi SA (REIT)	5,708,600	2.04
		12,704,600	4.53
Sweden (31 December 2022: 15.63%)			
675,000	Atea ASA	9,008,865	3.21
305,000	Loomis AB - Class B	8,116,616	2.89
220,000	Thule Group AB '144A'	5,919,949	2.11
790,000	NCAB Group AB	5,614,499	2.00
236,997	Beijer Alma AB	4,545,172	1.62
260,000	KNOW IT AB	3,852,270	1.37
350,000	BioGaia AB - Class B	3,454,195	1.23
360,000	Bravida Holding AB '144A'	3,174,075	1.13
170,000	Avanza Bank Holding AB	3,156,424	1.13
		46,842,065	16.69
Switzerland (31 December 2022: 7.02%)			
7,900	Partners Group Holding AG	6,798,738	2.42
85,000	Galenica AG '144A'	6,287,501	2.24
10,500	Burckhardt Compression Holding AG	5,604,656	2.00
		18,690,895	6.66
Total equities		271,174,000	96.63
Total financial assets at fair value through profit or loss		271,174,000	96.63
Cash and cash equivalents		7,733,844	2.76
Other net assets		1,732,185	0.61
Total net assets attributable to holders of redeemable participating Shares		280,640,029	100.00
Analysis of Total Assets			% of Total Assets
Financial assets at fair value through profit or loss			95.85
Cash and cash equivalents			2.73
Other assets			1.42
Total assets			100.00

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS MONTANARO EUROPEAN FOCUS FUND*

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Transferable securities admitted to a stock exchange listing or dealt in on another regulated market			
Belgium (31 December 2022: 6.88%)			
13,000	Melexis NV	1,170,650	4.12
39,000	Warehouses De Pauw CVA (REIT)	978,900	3.44
		2,149,550	7.56
Denmark (31 December 2022: 3.30%)			
13,100	Chr Hansen Holding A/S	833,230	2.93
		833,230	2.93
France (31 December 2022: 23.38%)			
25,600	Edenred	1,574,912	5.54
39,500	Worldline SA/France '144A'	1,325,620	4.66
24,100	Amundi SA '144A'	1,307,425	4.60
8,200	Teleperformance	1,261,570	4.44
34,300	Bureau Veritas SA	859,901	3.03
		6,329,428	22.27
Germany (31 December 2022: 4.37%)			
6,450	MTU Aero Engines AG	1,531,230	5.39
		1,531,230	5.39
Italy (31 December 2022: 15.92%)			
13,700	Reply SpA	1,437,130	5.06
32,300	Recordati Industria Chimica e Farmaceutica SpA	1,414,740	4.98
150,000	Terna - Rete Elettrica Nazionale	1,174,800	4.13
17,900	Moncler SpA	1,137,366	4.00
		5,164,036	18.17
Netherlands (31 December 2022: 7.12%)			
1,500	ASM International NV	583,725	2.06
4,400	IMCD NV	579,920	2.04
		1,163,645	4.10
Sweden (31 December 2022: Nil%)			
102,000	Fortnox AB	549,633	1.93
		549,633	1.93
Switzerland (31 December 2022: 9.63%)			
2,900	Dottikon Es Holding AG	726,439	2.56
1,700	Tecan Group AG	593,916	2.09
6,800	Bachem Holding AG	542,711	1.91
		1,863,066	6.56
United Kingdom (31 December 2022: 25.98%)			
44,800	Diploma Plc	1,561,997	5.50
32,900	Dechra Pharmaceuticals Plc	1,413,928	4.98
22,200	Ashtead Group Plc	1,408,871	4.96
100,000	St James's Place Plc	1,260,862	4.44
153,500	Rentokil Initial Plc	1,097,933	3.86

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS

MONTANARO EUROPEAN FOCUS FUND* (continued)

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
United Kingdom (31 December 2022: 25.98%) (continued)			
94,000	RS GROUP Plc	833,810	2.93
		7,577,401	26.67
Total equities		27,161,219	95.58
Total financial assets at fair value through profit or loss		27,161,219	95.58
Cash and cash equivalents		1,402,306	4.93
Other net liabilities		(145,992)	(0.51)
Total net assets attributable to holders of redeemable participating Shares		28,417,533	100.00
Analysis of Total Assets			% of Total Assets
Financial assets at fair value through profit or loss			94.30
Cash and cash equivalents			4.87
Other assets			0.83
Total assets			100.00

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS
MONTANARO GLOBAL INNOVATION FUND

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Transferable securities admitted to a stock exchange listing or dealt in on another regulated market			
Australia (31 December 2022: 4.65%)			
31,500	Technology One Ltd	300,778	2.53
7,200	Pro Medicus Ltd	288,352	2.43
		589,130	4.96
Canada (31 December 2022: Nil%)			
900	Kinaxis Inc	116,653	0.98
		116,653	0.98
Denmark (31 December 2022: 2.22%)			
2,650	Chemometec A/S	165,849	1.40
		165,849	1.40
France (31 December 2022: 5.37%)			
1,200	Sartorius Stedim Biotech	275,400	2.32
1,450	Esker SA	201,695	1.70
		477,095	4.02
Germany (31 December 2022: 1.76%)			
4,000	Mensch und Maschine Software SE	218,800	1.84
600	MTU Aero Engines AG	142,440	1.20
10,250	hGears AG	50,738	0.43
		411,978	3.47
Israel (31 December 2022: 2.82%)			
2,225	Nova Ltd	239,304	2.02
10,000	Maytronics Ltd	125,079	1.05
		364,383	3.07
Italy (31 December 2022: 2.51%)			
1,850	Reply SpA	194,065	1.63
7,500	Intred SpA	87,000	0.73
		281,065	2.36
Netherlands (31 December 2022: 2.64%)			
225	Adyen NV '144A'	358,380	3.02
		358,380	3.02
Norway (31 December 2022: 2.26%)			
4,500	Medistim ASA	107,413	0.90
		107,413	0.90
Sweden (31 December 2022: 9.73%)			
62,500	Fortnox AB	336,785	2.83
31,000	NCAB Group AB	220,316	1.85
10,500	INVISIO AB	204,935	1.73
9,231	Plejd AB	159,017	1.34
6,000	Surgical Science Sweden AB	122,910	1.03

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS

MONTANARO GLOBAL INNOVATION FUND (continued)

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Sweden (31 December 2022: 9.73%) (continued)			
1,700	MIPS AB	76,833	0.65
		1,120,796	9.43
Switzerland (31 December 2022: 4.19%)			
600	Tecan Group AG	209,618	1.77
1,850	Bachem Holding AG	147,649	1.24
		357,267	3.01
United Kingdom (31 December 2022: 8.95%)			
16,500	Kainos Group Plc	236,307	1.99
65,000	SDI Group Plc	113,618	0.96
42,500	Oxford Nanopore Technologies Plc	106,381	0.90
6,750	Cerillion Plc	102,308	0.86
37,500	Advanced Medical Solutions Group Plc	97,667	0.82
15,000	Focusrite Plc	75,162	0.63
9,250	Frontier Developments Plc	63,058	0.53
		794,501	6.69
United States (31 December 2022: 51.80%)			
8,000	TransMedics Group Inc	618,515	5.21
6,250	XPEL Inc	485,678	4.09
1,550	ANSYS Inc	470,953	3.96
1,000	Tyler Technologies Inc	380,962	3.21
5,150	Bruker Corp	349,832	2.94
1,100	Paycom Software Inc	319,665	2.69
6,250	Bentley Systems Inc - Class B	309,521	2.60
1,550	Veeva Systems Inc - Class A	282,395	2.38
2,550	SiTime Corp	281,692	2.37
170,000	Boku Inc '144A'	268,429	2.26
10,000	Energy Recovery Inc	256,829	2.16
4,500	Cognex Corp	230,939	1.94
3,000	Bio-Techne Corp	224,739	1.89
850	Shockwave Medical Inc	224,494	1.89
1,150	Axon Enterprise Inc	205,482	1.73
5,750	Inmode Ltd	197,587	1.66
800	SolarEdge Technologies Inc	192,425	1.62
1,275	Zscaler Inc	174,188	1.47
1,150	Masimo Corp	174,144	1.47
2,000	Power Integrations Inc	173,566	1.46
5,500	FormFactor Inc	171,856	1.45
2,200	Ambarella Inc	167,632	1.41
3,000	Unity Software Inc	120,825	1.02
29,000	MaxCyte Inc	119,968	1.01
3,150	TechTarget Inc	90,140	0.76
		6,492,456	54.65
Total equities		11,636,966	97.96
Total financial assets at fair value through profit or loss		11,636,966	97.96

MONTANARO SMALLER COMPANIES PLC**SCHEDULE OF INVESTMENTS****MONTANARO GLOBAL INNOVATION FUND (continued)***As at 30 June 2023*

	Fair value €	% of net assets
Cash and cash equivalents	242,026	2.04
Other net assets	488	—
Total net assets attributable to holders of redeemable participating Shares	11,879,480	100.00

Analysis of Total Assets	% of Total Assets
Financial assets at fair value through profit or loss	97.65
Cash and cash equivalents	2.03
Other assets	0.32
Total assets	100.00

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS MONTANARO BETTER WORLD FUND

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Transferable securities admitted to a stock exchange listing or dealt in on another regulated market			
Australia (31 December 2022: 5.44%)			
900,000	IDP Education Ltd	12,135,453	2.40
300,000	Pro Medicus Ltd	12,014,647	2.37
		24,150,100	4.77
Belgium (31 December 2022: 2.14%)			
145,000	Melexis NV	13,057,250	2.58
		13,057,250	2.58
Denmark (31 December 2022: 4.83%)			
200,000	Chr Hansen Holding A/S	12,721,072	2.51
100,000	Chemometec A/S	6,258,466	1.24
		18,979,538	3.75
France (31 December 2022: 2.62%)			
52,500	Sartorius Stedim Biotech	12,048,750	2.38
		12,048,750	2.38
Germany (31 December 2022: 1.37%)			
17,500	Rational AG	11,515,000	2.27
		11,515,000	2.27
Greece (31 December 2022: 2.85%)			
725,000	Terna Energy SA	14,645,000	2.89
		14,645,000	2.89
Israel (31 December 2022: 2.51%)			
100,000	Nova Ltd	10,755,267	2.12
		10,755,267	2.12
Japan (31 December 2022: 6.05%)			
300,000	Yaskawa Electric Corp	12,524,119	2.48
400,000	Azbil Corp	11,493,601	2.27
200,000	Shionogi & Co Ltd	7,698,759	1.52
700,000	Nihon M&A Center Holdings Inc	4,876,409	0.96
450,000	Mani Inc	4,844,226	0.96
		41,437,114	8.19
Netherlands (31 December 2022: 3.31%)			
100,000	Alfen N.V. '144A'	6,150,000	1.22
1,000	Adyen NV '144A'	1,592,800	0.31
		7,742,800	1.53
New Zealand (31 December 2022: 1.17%)			
3,000,000	Ryman Healthcare Ltd	11,084,977	2.19
		11,084,977	2.19

MONTANARO SMALLER COMPANIES PLC

SCHEDULE OF INVESTMENTS

MONTANARO BETTER WORLD FUND (continued)

As at 30 June 2023

Shares	Description	Fair value €	% of net assets
Sweden (31 December 2022: 6.03%)			
300,000	Sdiptech AB - Class B	6,792,133	1.34
125,000	MIPS AB	5,649,503	1.12
275,000	Surgical Science Sweden AB	5,633,380	1.11
75,000	Thule Group AB '144A'	2,018,165	0.40
		20,093,181	3.97
Switzerland (31 December 2022: 4.61%)			
25,000	Belimo Holding AG	11,479,786	2.27
20,000	Tecan Group AG	6,987,251	1.38
50,000	Bachem Holding AG	3,990,519	0.79
		22,457,556	4.44
United Kingdom (31 December 2022: 6.13%)			
125,000	Spirax-Sarco Engineering Plc	15,112,580	2.99
500,000	Halma Plc	13,290,331	2.63
1,500,000	Marshalls Plc	4,226,570	0.83
1,000,000	Tristel Plc	4,156,651	0.82
		36,786,132	7.27
United States (31 December 2022: 49.53%)			
75,000	ICON Plc	17,066,447	3.37
90,000	Veeva Systems Inc - Class A	16,397,153	3.24
52,500	ANSYS Inc	15,951,622	3.15
100,000	Masimo Corp	15,142,983	2.99
200,000	Bio-Techne Corp	14,982,580	2.96
250,000	Trex Co Inc	14,972,498	2.96
200,000	Bruker Corp	13,585,697	2.68
110,000	Balchem Corp	13,554,900	2.68
100,000	American Water Works Co Inc	12,965,166	2.56
60,000	IDEX Corp	11,819,611	2.34
115,000	Entegris Inc	11,671,811	2.31
45,000	SolarEdge Technologies Inc	10,823,920	2.14
100,000	Advanced Drainage Systems Inc	10,565,533	2.09
100,000	Xylem Inc/NY	10,312,554	2.04
400,000	Energy Recovery Inc	10,273,141	2.03
75,000	Badger Meter Inc	10,172,087	2.01
25,000	Tyler Technologies Inc	9,524,057	1.88
175,000	Cognex Corp	8,980,978	1.77
100,000	Power Integrations Inc	8,678,274	1.71
20,000	MSCI Inc - Class A	8,528,320	1.68
125,000	Alarm.com Holdings Inc	5,884,508	1.16
5,000	IDEXX Laboratories Inc	2,291,796	0.45
		254,145,636	50.20
Total equities		498,898,301	98.55
Total financial assets at fair value through profit or loss		498,898,301	98.55

MONTANARO SMALLER COMPANIES PLC**SCHEDULE OF INVESTMENTS****MONTANARO BETTER WORLD FUND (continued)***As at 30 June 2023*

	Fair value €	% of net assets
Cash and cash equivalents	7,935,003	1.57
Other net liabilities	(573,043)	(0.12)
Total net assets attributable to holders of redeemable participating Shares	506,260,261	100.00

Analysis of Total Assets	% of Total Assets
Financial assets at fair value through profit or loss	97.16
Cash and cash equivalents	1.55
Other assets	1.29
Total assets	100.00

MONTANARO SMALLER COMPANIES PLC**MONTANARO EUROPEAN SMALLER COMPANIES FUND****PORTFOLIO CHANGES – PURCHASES***For the financial period ended 30 June 2023*

Purchases	Nominal	Cost €
Kainos Group Plc	150,000	2,384,073
Diploma Plc	75,000	2,240,829
Fortnox AB	350,000	2,089,526
Games Workshop Group Plc	20,000	2,051,725
Halma Plc	75,000	1,932,106
Technoprobe SpA	200,000	1,256,846
Plejd AB	61,243	1,097,199
Chemometec A/S	15,283	787,721

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate purchases of an investment exceeding 1% of total value of purchases, for the financial period, or at a minimum the top 20 purchases. Due to trading volumes, the above discloses all purchases during the financial period.

MONTANARO SMALLER COMPANIES PLC**MONTANARO EUROPEAN SMALLER COMPANIES FUND****PORTFOLIO CHANGES – SALES***For the financial period ended 30 June 2023*

Sales	Nominal	Proceeds €
MIPS AB	75,000	3,772,228
MaxCyte Inc	650,000	2,462,182
PhotoCure ASA	500,000	2,249,931
NCC Group Plc	550,000	916,667
Thule Group AB '144A'	25,000	628,685
Surgical Science Sweden AB	25,010	503,332

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate sales of an investment exceeding 1% of total value of sales, for the financial period, or at a minimum the top 20 sales. Due to trading volumes, the above discloses all sales during the financial period.

MONTANARO SMALLER COMPANIES PLC**MONTANARO UK INCOME FUND****PORTFOLIO CHANGES – PURCHASES***For the financial period ended 30 June 2023*

Purchases	Nominal	Cost £
Howden Joinery Group Plc	1,150,000	7,980,954
Pets at Home Group Plc	2,000,000	7,739,273
IMI Plc	300,000	4,635,287
Kainos Group Plc	275,000	3,676,543
Diploma Plc	84,932	2,143,275
Games Workshop Group Plc	20,000	1,862,142
Tritax Big Box REIT Plc (REIT)	1,250,000	1,839,264
Primary Health Properties Plc (REIT)	1,500,000	1,699,994
Bytes Technology Group Plc	306,179	1,598,573
Sage Group Plc/The	200,000	1,550,642
LondonMetric Property Plc (REIT)	750,000	1,427,348
Severn Trent Plc	50,000	1,405,874
Greggs Plc	50,000	1,396,001
Spirent Communications Plc	750,000	1,394,998
Smiths Group Plc	75,000	1,248,300
Intertek Group Plc	25,000	1,051,837
Dechra Pharmaceuticals Plc	37,889	985,180
Marshalls Plc	301,727	927,574
Genuit Group Plc	314,545	894,841
SThree Plc	200,000	851,331

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate purchases investment exceeding 1% of total value of purchases, for the financial period, or at a minimum the top 20 purchases.

MONTANARO SMALLER COMPANIES PLC**MONTANARO UK INCOME FUND****PORTFOLIO CHANGES – SALES***For the financial period ended 30 June 2023*

Sales	Nominal	Proceeds £
Biffa Plc '144A'	2,250,000	9,212,266
Thule Group AB '144A'	350,000	7,839,397
Admiral Group Plc	250,000	5,515,493
Headlam Group Plc	1,750,000	4,309,466
Greggs Plc	150,000	3,999,717
Britvic Plc	350,000	3,145,170
Liontrust Asset Management Plc	300,000	3,057,534
Taylor Wimpey Plc	2,500,000	2,898,014
IntegraFin Holdings Plc	922,125	2,506,095
United Utilities Group Plc	200,000	2,071,360
Jupiter Fund Management Plc	1,400,000	1,956,063
Primary Health Properties Plc (REIT)	1,750,000	1,850,784
Diploma Plc	59,932	1,776,885
NCAB Group AB	275,000	1,637,737
Melexis NV	15,000	1,312,037
NCC Group Plc	750,000	1,095,523
Genuit Group Plc	300,000	1,020,193
Rathbones Group Plc	50,000	990,152
Computacenter Plc	40,000	913,653
Games Workshop Group Plc	9,847	888,805
Hiscox Ltd	75,000	842,250
Pennon Group Plc	100,000	826,909
Severn Trent Plc	25,000	730,104
Ricardo Plc	125,000	726,169
Savills Plc	75,000	712,000

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate sales of an investment exceeding 1% of total value of sales, for the financial period, or at a minimum the top 20 sales.

MONTANARO SMALLER COMPANIES PLC**MONTANARO EUROPEAN INCOME FUND****PORTFOLIO CHANGES – PURCHASES***For the financial period ended 30 June 2023*

Purchases	Nominal	Cost €
Partners Group Holding AG	2,900	2,571,531
Brembo SpA	135,000	1,922,248
Melexis NV	19,000	1,691,338

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate purchases investment exceeding 1% of total value of purchases, for the financial period, or at a minimum the top 20 purchases. Due to trading volumes, the above discloses all purchases during the financial period.

MONTANARO SMALLER COMPANIES PLC**MONTANARO EUROPEAN INCOME FUND****PORTFOLIO CHANGES – SALES***For the financial period ended 30 June 2023*

Sales	Nominal	Proceeds €
Kitron ASA	1,387,000	4,408,820
Loomis AB - Class B	95,000	2,897,003
NCAB Group AB	360,000	2,502,355
Burckhardt Compression Holding AG	4,500	2,496,048
Chr Hansen Holding A/S	30,000	2,076,032
Bredband2 i Skandinavien AB	15,000,000	1,782,677
Beijer Alma AB	93,003	1,727,695
Recordati Industria Chimica e Farmaceutica SpA	42,500	1,708,123
Brenntag SE	25,000	1,664,545
Amundi SA '144A'	30,000	1,659,259
Bravida Holding AB '144A'	140,000	1,514,995
Bureau Veritas SA	55,000	1,447,147
Viscofan SA	23,500	1,405,103
Thermador Groupe	15,000	1,390,355
Melexis NV	13,000	1,341,114
Galenica AG '144A'	15,000	1,322,357
Edenred	25,000	1,222,523
Borregaard ASA	50,000	835,744
KNOW IT AB	40,000	825,393
MARR SpA	60,000	791,440
Moncler SpA	13,000	719,073
MTU Aero Engines AG	3,200	712,385
Kid ASA '144A'	89,031	555,674

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate sales of an investment exceeding 1% of total value of sales, for the financial period, or at a minimum the top 20 sales.

MONTANARO SMALLER COMPANIES PLC**MONTANARO EUROPEAN FOCUS FUND*****PORTFOLIO CHANGES – PURCHASES***For the financial period ended 30 June 2023*

Purchases	Nominal	Cost €
Fortnox AB	300,000	1,765,297
Dottikon Es Holding AG	2,900	772,848
Terna - Rete Elettrica Nazionale	70,000	539,444
Diploma Plc	16,986	489,088

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate purchases investment exceeding 1% of total value of purchases, for the financial period, or at a minimum the top 20 purchases. Due to trading volumes, the above discloses all purchases during the financial period.

MONTANARO SMALLER COMPANIES PLC**MONTANARO EUROPEAN FOCUS FUND*****PORTFOLIO CHANGES – SALES***For the financial period ended 30 June 2023*

Sales	Nominal	Proceeds €
Rentokil Initial Plc	776,500	5,562,759
Moncler SpA	87,100	5,532,821
Edenred	84,400	5,096,942
Diploma Plc	127,186	4,515,905
Ashtead Group Plc	67,800	4,260,659
ASM International NV	11,000	3,700,536
IMCD NV	27,600	3,690,617
Galenica AG '144A'	50,000	3,634,367
MTU Aero Engines AG	15,550	3,626,132
Recordati Industria Chimica e Farmaceutica SpA	77,700	3,421,133
RS GROUP Plc	367,103	3,417,970
St James's Place Plc	250,000	3,232,452
Warehouses De Pauw CVA (REIT)	116,000	3,011,838
Amundi SA '144A'	55,900	2,990,101
Worldline SA/France '144A'	85,500	2,911,790
Tecan Group AG	7,700	2,821,849
Reply SpA	25,300	2,715,958
Chr Hansen Holding A/S	36,900	2,448,214
Dechra Pharmaceuticals Plc	52,100	2,202,917
Terna - Rete Elettrica Nazionale	280,000	2,170,576
Sartorius Stedim Biotech	9,000	2,161,620
Melexis NV	22,000	1,929,322
Bureau Veritas SA	65,700	1,619,945
Teleperformance	10,300	1,590,230
Bachem Holding AG	18,200	1,531,345
Fortnox AB	198,000	1,087,311

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate sales of an investment exceeding 1% of total value of sales, for the financial period, or at a minimum the top 20 sales.

MONTANARO SMALLER COMPANIES PLC**MONTANARO GLOBAL INNOVATION FUND****PORTFOLIO CHANGES – PURCHASES***For the financial period ended 30 June 2023*

Purchases	Nominal	Cost €
Mensch und Maschine Software SE	4,000	222,893
Kinaxis Inc	900	112,386
Power Integrations Inc	1,175	85,436
Plejd AB	2,731	51,236
Bentley Systems Inc - Class B	1,250	48,277
Veeva Systems Inc - Class A	200	32,676
Focusrite Plc	3,000	27,673
Reply SpA	250	27,644

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate purchases investment exceeding 1% of total value of purchases, for the financial period, or at a minimum the top 20 purchases. Due to trading volumes, the above discloses all purchases during the financial period.

MONTANARO SMALLER COMPANIES PLC**MONTANARO GLOBAL INNOVATION FUND****PORTFOLIO CHANGES – SALES***For the financial period ended 30 June 2023*

Sales	Nominal	Proceeds €
TransMedics Group Inc	2,000	124,458
MIPS AB	2,425	110,341
SolarEdge Technologies Inc	350	98,807
Surgical Science Sweden AB	4,000	79,960
PhotoCure ASA	15,000	67,498
Oxford Nanopore Technologies Plc	22,500	58,872
Tecan Group AG	150	56,782
Shockwave Medical Inc	225	54,789
Digital Turbine Inc	6,000	49,284
Unity Software Inc	1,250	43,266
Kornit Digital Ltd	2,400	40,324
Zscaler Inc	325	35,514
NCAB Group AB	4,000	27,804
INVISIO AB	1,250	25,364
Cognex Corp	500	22,559

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate sales of an investment exceeding 1% of total value of sales, for the financial period, or at a minimum the top 20 sales. Due to trading volumes, the above discloses all sales during the financial period.

MONTANARO SMALLER COMPANIES PLC**MONTANARO BETTER WORLD FUND****PORTFOLIO CHANGES – PURCHASES***For the financial period ended 30 June 2023*

Purchases	Nominal	Cost €
Bachem Holding AG	50,000	4,459,242
Power Integrations Inc	45,000	3,596,682
IDEXX Laboratories Inc	7,500	3,380,820
ANSYS Inc	10,000	3,042,350
SolarEdge Technologies Inc	10,000	2,894,628
Azbil Corp	100,000	2,761,309
Nihon M&A Center Holdings Inc	350,000	2,498,881
Masimo Corp	15,000	2,388,175
Ryman Healthcare Ltd	800,712	2,343,323
Advanced Drainage Systems Inc	25,000	2,173,295
MSCI Inc - Class A	5,000	2,116,508
Veeva Systems Inc - Class A	12,500	1,970,197
Mani Inc	149,000	1,761,941
Rational AG	2,500	1,619,694
Badger Meter Inc	10,000	1,374,555
Halma Plc	50,000	1,288,071
Balchem Corp	10,000	1,247,117
Bio-Techne Corp	15,000	1,169,505

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate purchases investment exceeding 1% of total value of purchases, for the financial period, or at a minimum the top 20 purchases. Due to trading volumes, the above discloses all purchases during the financial period.

MONTANARO SMALLER COMPANIES PLC**MONTANARO BETTER WORLD FUND****PORTFOLIO CHANGES – SALES***For the financial period ended 30 June 2023*

Sales	Nominal	Proceeds €
IDEXX Laboratories Inc	35,000	15,429,083
ANSYS Inc	47,500	13,367,136
Adyen NV '144A'	8,000	12,367,355
Thule Group AB '144A'	425,000	10,512,475
Zscaler Inc	95,000	10,178,402
Entegris Inc	110,000	9,408,058
Nova Ltd	100,000	9,279,069
MSCI Inc - Class A	20,000	8,748,276
Trex Co Inc	150,000	8,037,600
Pro Medicus Ltd	200,000	7,917,300
Tecan Group AG	20,000	7,832,144
Bruker Corp	110,000	7,799,600
Ameresco Inc - Class A	150,000	7,769,571
Surgical Science Sweden AB	325,000	6,259,700
IDEX Corp	25,000	5,295,881
Chr Hansen Holding A/S	75,000	5,076,237
Cognex Corp	100,000	4,723,373
MIPS AB	100,000	4,240,776
Halma Plc	150,000	4,149,153
Veeva Systems Inc - Class A	22,500	3,870,510
Yaskawa Electric Corp	100,000	3,854,865
Alarm.com Holdings Inc	75,000	3,349,191
Sdiptech AB - Class B	150,000	3,332,429
ICON Plc	15,000	3,060,588
SolarEdge Technologies Inc	10,000	2,631,599
Xylem Inc/NY	25,000	2,497,146
Terna Energy SA	125,000	2,439,421
Energy Recovery Inc	100,000	2,429,080
Advanced Drainage Systems Inc	25,000	2,385,242
Badger Meter Inc	20,000	2,258,976

In accordance with Central Bank UCITS Regulations, this statement presents the aggregate sales of an investment exceeding 1% of total value of sales, for the financial period, or at a minimum the top 20 sales.

MONTANARO SMALLER COMPANIES PLC

TOTAL EXPENSE RATIOS (ANNUALISED)

For the financial period ended 30 June 2023

The average total expense ratio table shows the annualised actual expenses incurred by each Fund during the financial reporting period, expressed as a percentage of the average NAV of that Fund for the corresponding financial period.

	Total expense ratio %
Montanaro European Smaller Companies Fund	
Euro Accumulation Class	1.60
Euro Class	1.60
Euro Institutional Accumulation Class	0.60
Euro Institutional Distribution Class	0.85
Sterling Class	1.60
Sterling Institutional Distribution Class	0.85
Swedish Krona Accumulation Class	1.60
US Dollar Class	1.60
Montanaro UK Income Fund	
Euro Class	0.85
Euro Seed Class	0.46
Sterling Accumulation Class	0.86
Sterling Class	0.85
Sterling Seed Class	0.45
Montanaro European Income Fund	
Euro Class	0.86
Sterling Accumulation Class	0.86
Sterling Class	0.86
Montanaro European Focus Fund*	
Euro Distribution Class	1.60
Euro Institutional Accumulation Class	0.86
Montanaro Global Innovation Fund	
Euro Accumulation A Class	0.80
Euro Accumulation B Class	1.00
Sterling Accumulation A Class	0.80
Sterling Accumulation B Class	1.00
Montanaro Better World Fund	
Euro Accumulation Class	0.98
Euro Distribution Class	0.98
Sterling Distribution Class	0.97
Swedish Krona Institutional Accumulation Class	0.63

* Effective 17 May 2023, Montanaro European MidCap Fund changed its name to Montanaro European Focus Fund.