

**MONTANARO SMALLER COMPANIES PLC**

**ANNUAL REPORT  
AND  
AUDITED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

An open-ended umbrella variable capital investment company with segregated liability between funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (together the “UCITS Regulations”)

**Registered Number:** 330162

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## MONTANARO SMALLER COMPANIES PLC

### MANAGEMENT AND OTHER INFORMATION

#### Directors

Gavin Caldwell (Irish)\* (Chairman)<sup>†</sup>  
Cedric Durant des Aulnois (French)  
Lisa Martensson (Swedish)\*<sup>†</sup>  
Matthew Francis (British)  
John Ensor (British)\*\*  
Brian McDermott (Irish)\*\*\*

#### Investment Manager

Montanaro Asset Management Limited  
53 Threadneedle Street  
London EC2R 8AR  
United Kingdom

#### Depository

The Bank of New York Mellon SA/NV, Dublin Branch  
Riverside II  
Sir John Rogerson's Quay  
Grand Canal Dock  
Dublin 2  
Ireland

#### Administrator

BNY Mellon Fund Services (Ireland) Designated Activity Company  
One Dockland Central  
Guild Street  
IFSC  
Dublin 1  
Ireland

#### Secretary

Goodbody Secretarial Limited  
3 Dublin Landings  
North Wall Quay  
IFSC  
Dublin 1  
Ireland

#### Swiss Representative Office

Waystone Fund Services (Switzerland) SA  
Avenue Villamont 17  
1005 Lausanne  
Switzerland

#### Listing Sponsor

Matheson  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

#### Manager

Waystone Management Company (IE) Limited  
("WMC")  
35 Shelbourne Road  
4th Floor, Ballsbridge  
Dublin, D04 A4E0  
Ireland

#### Independent Auditor

Deloitte Ireland LLP  
29 Earlsfort Terrace  
Dublin 2, D02 AY28  
Ireland

#### Legal Advisor

*As to UK & US Law*  
Vedder Price LLP  
4 Coleman Street  
London EC2R 5AR  
United Kingdom

#### Legal Advisor

*As to Irish Law*  
A&L Goodbody LLP  
3 Dublin Landings  
North Wall Quay  
IFSC  
Dublin 1  
D01 C4E0  
Ireland

#### Registered Office

Goodbody Secretarial Limited  
3 Dublin Landings  
North Wall Quay  
IFSC  
Dublin 1  
D01 C4E0  
Ireland

#### Swiss Paying Agent

NPB New Private Bank Ltd  
Limmatquai 1 am Bellevue  
Post Box  
8024 Zurich  
Switzerland

\*Independent non-executive Directors.

<sup>†</sup>Irish Resident.

\*\*Alternate Director.

\*\*\*Appointed as a Director on 1 January 2025.

**DIRECTORS' REPORT**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors present, herewith, their annual report for the financial year ended 31 December 2024.

The Directors are responsible for preparing the annual report and financial statements in accordance with applicable Irish Law and General Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102: "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland".

Irish Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of Montanaro Smaller Companies Plc (the "Company") and the profit or loss of the Company for that financial year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements are prepared in accordance with FRS 102 and comply with Irish Statute comprising the Companies Act 2014 (the "Companies Act"), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, (the "Central Bank UCITS Regulations") and the Euronext Dublin Code of Listing Requirements and Procedures for Investment Funds. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are published at [www.montanaro.co.uk](http://www.montanaro.co.uk). The Directors together with the Investment Manager are responsible for the maintenance and integrity of the corporate and financial information included on the Investment Manager's website as far as it relates to the Company. Legislation in the Republic of Ireland governing the presentation and dissemination of the financial statements may differ from legislation in other jurisdictions.

**Audit Information Statement**

The Directors confirm that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware, and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

**Directors' Compliance Statement**

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in Section 225 of the Companies Act 2014.

The Directors confirm that:

- a compliance policy document has been drawn up that sets out policies, that in their opinion are appropriate to the Company, confirming compliance by the Company with its relevant obligations.
- appropriate arrangements or structures are in place that are, in their opinion, designed to secure material compliance with the Company's relevant obligations, and
- during the financial year, the arrangements or structures referred to above have been reviewed.

## MONTANARO SMALLER COMPANIES PLC

### DIRECTORS' REPORT (continued)

#### Background

The Company was incorporated in Ireland on 14 July 2000 under registered number 330162 as an open-ended, umbrella-type investment Company with variable capital and segregated liability under the Companies Act. On 29 November 2000, it was authorised by the Central Bank of Ireland (the "Central Bank") in accordance with the provisions of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (together the "UCITS Regulations").

The Company is constituted as an umbrella fund insofar as the share capital of the Company is divided into different series of Shares with each series of Shares representing a separate portfolio of assets which will comprise a separate sub-fund (a "Fund") of the Company. Shares of any particular Fund may be divided into different Classes of Shares ("Classes") to accommodate differing characteristics attributable to each such different Class of Shares.

A separate portfolio of assets will be maintained for each Fund and will be invested in accordance with the investment objective and strategies applicable to the particular Fund. As the Company has segregated liability since 16 June 2016 between its Funds, any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

The Funds are registered for marketing in the following countries:

<b>Funds/Share Classes</b>	<b>Countries of Registration</b>	
<b>Montanaro European Smaller Companies Fund (All Share Classes)</b>	Ireland	United Kingdom
Additional registration of Share Class:	Italy (Institutional Investors only)	
	Switzerland	
Euro Accumulation Class	Austria	Iceland
	Belgium	Netherlands
	Finland	Norway
	France	Spain
	Germany	Sweden
Euro Class	Austria	Netherlands
	Finland	Norway
	France	Spain
	Germany	Sweden
	Iceland	
Euro Institutional Accumulation Class	Netherlands	
Euro Institutional Distribution Class	Finland	Netherlands
	France	Norway
	Germany	Spain
	Iceland	Sweden
Swedish Krona Accumulation Class	Norway	Sweden
<b>Montanaro UK Income Fund (All Share Classes)</b>	Ireland	United Kingdom
Additional registration of Share Class:		
Euro Class	Iceland	Spain
	France	
Euro Seed Class	France	
Sterling Accumulation Class	Spain	
Sterling Class	France	Spain
Sterling Seed Class	France	

## MONTANARO SMALLER COMPANIES PLC

### DIRECTORS' REPORT (continued)

#### Background (continued)

<b>Montanaro European Income Fund (All Share Classes)</b>	Ireland	United Kingdom
Additional registration of share Class:		
Euro Class	Iceland	
Sterling Class	Iceland	
<b>Montanaro European Focus Fund (All Share Classes)</b>	Finland	Sweden
	France	Switzerland
	Ireland	United Kingdom
<b>Montanaro Global Innovation Fund (All Share Classes)</b>	Finland	Sweden
	Ireland	United Kingdom
<b>Montanaro Better World Fund</b>	Ireland	
Additional registration of Share Class:		
Euro Accumulation Class	Denmark	Spain
	France	United Kingdom
Euro Accumulation A Class	France	
Euro Distribution Class	Denmark	Netherlands
	Finland	Norway
	France	Spain
	Iceland	Sweden
	Italy (Institutional Investors only)	United Kingdom
Sterling Distribution Class	Finland	Iceland
	France	Netherlands
	Italy (Institutional Investors only)	Sweden
		United Kingdom
Swedish Krona Institutional Accumulation Class	Sweden	United Kingdom
<b>Montanaro Global Select Fund (All Share Classes)</b>	Ireland	
GBP B Accumulation Class	United Kingdom	

#### 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, Montanaro Better World Fund and Montanaro Global Select Fund.

#### Results for the financial year ended 31 December 2024

The results for the financial year are set out in the Statement of Comprehensive Income on pages 30 and 31 and the Statement of Financial Position of the Company is set out on pages 26 and 27.

As at 31 December 2024, the Net Asset Value ("NAV") of the Company was €1,256,827,842 (31 December 2023: €1,622,117,532).

#### Business Review and Future Developments

The Company's business activities together with the factors likely to affect its future development, performance and position are set out in the Performance Summary on pages 10 to 12. In addition, the Investment Manager's Review on pages 13 to 15 sets out the objectives of each Fund.

## MONTANARO SMALLER COMPANIES PLC

### DIRECTORS' REPORT (continued)

#### Environmental, Social and Governance Considerations

The sub-funds of Montanaro Smaller Companies Plc promote environmental and/or social characteristics and are therefore subject to the sustainability-related disclosure rules set out in Article 8 of the EU Sustainable Finance Disclosure Regulation ("SFDR"), while Montanaro Better World Fund is subject to the sustainability-related disclosure rules set out in Article 9 of the EU SFDR.

Further information about the environmental and/or social characteristics of the sub-funds are set out in the SFDR unaudited appendix to the financial statements on page 97 to 172.

#### Dividends and Distributions

The following distributions were paid during the financial years ending 31 December 2024 and 31 December 2023:

Fund	31 December 2024	31 December 2023
Montanaro European Smaller Companies Fund	€1,623,080	€827,372
Montanaro UK Income Fund	£12,725,828	£17,211,674
Montanaro European Income Fund	€3,413,520	€3,581,741
Montanaro European Focus Fund	€658,037	€219,406
Montanaro Global Innovation Fund	€Nil	€Nil
Montanaro Better World Fund	€Nil	€Nil
Montanaro Global Select Fund	€Nil	€Nil

The following distributions in respect of the financial year ending 31 December 2024 were approved by the Directors.

#### Ex-Date of 02 January 2025:

##### Montanaro UK Income Fund

Share Class	Rate per Share	Distribution
Euro Class	0.006365	990
Euro Seed Class	0.009187	6,516
Sterling Class	0.007497	906,149
Sterling Seed Class	0.013464	1,432,703

##### Montanaro European Income Fund

Share Class	Rate per Share	Distribution
Euro Class	0.006257	83,964
Sterling Class	0.009751	281,633

#### Directors

The Directors of the Company as at 31 December 2024 are stated on page 1.

#### Directors' & Secretary's Interests

Cedric Durant des Aulnois, a Director of the Company, held 2,919 (31 December 2023: 2,919) Shares in the Montanaro UK Income Fund as at 31 December 2024.

No other Directors, nor the Secretary, had any interest in the Shares or deferred Shares of the Company as at 31 December 2024 and 31 December 2023.

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

#### Directors' Remuneration

Each Director 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 (31 December 2023: £120,000) plus out of pocket expenses, or such higher amount as may be approved by the Company at a general meeting.

#### Cross Liability Risk

Other Funds may be introduced by the Company from time to time, with the prior approval of the Central Bank. As the Company has segregated liability between its Funds, any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

## **MONTANARO SMALLER COMPANIES PLC**

### **DIRECTORS' REPORT (continued)**

#### **Accounting Records**

The Directors are responsible for ensuring that adequate accounting records, as outlined in Section 281 to 285 of the Companies Act, are kept by the Company. To achieve this, the Directors have delegated the administration of the books and records to Waystone Management Company (IE) Limited (the "Manager"), who in turn have delegated it to BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator"). The Company's accounting records are maintained at the office of the Administrator at One Dockland Central, Guild Street, IFSC, Dublin 1, Ireland.

#### **Risk Management, Objectives and Policies, Uncertainties**

The main risks arising from the Company's financial instruments are market price, liquidity, credit/counterparty and foreign currency risk.

A detailed explanation of the risks to which the Company is exposed and the financial instruments utilised is provided in Note 8 to the financial statements.

The investment objectives of the Funds are set out in the Investment Manager's review and Note 8 to the financial statements.

There can be no assurance that the Funds will achieve their investment objectives. The value of Shares may rise or fall as the capital value of the securities in which the Funds invest may fluctuate.

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Funds' financial performance.

#### **Going Concern**

The Company has considerable financial resources in the form of highly liquid investments and cash balances. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

#### **Events during the Financial Year**

Please refer to Note 16 Events during the Financial Year on page 64.

#### **Events since the Financial Year End**

Please refer to Note 17 Events since the Financial Year End on page 64.

#### **Independent Auditor**

The Independent Auditor, Deloitte Ireland LLP have indicated their willingness to continue in office in accordance with Section 383 (2) of the Companies Act.

#### **Audit Committee**

The Directors are aware of Section 167 of the Companies Act which require certain companies to establish an audit committee. The Company as a Public Interest Entity and a UCITS is exempted by Regulation 115 of the European Union (Statutory Audits) Regulations 2016 from establishing an audit committee.

#### **Connected Persons**

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 82(4), the Directors, as responsible persons, are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) 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).

#### **Board Diversity**

The Board considers that diversity in its membership is beneficial and therefore seeks to ensure that the Board's size, structure and composition, including skills, knowledge, experience and diversity is sufficient for the effective direction and control of the Company.



## MONTANARO SMALLER COMPANIES PLC

### DIRECTORS' REPORT (continued)

#### Corporate Governance Statement

##### *General Principles*

The Company is required to comply with the requirements of the Companies Act, the UCITS Regulations and the Central Bank UCITS Regulations.

The European Communities Directive (2006/46/EC) Regulations (S.I. 450 of 2009 and S.I. 83 of 2010) (the "Regulations") requires the inclusion of a corporate governance statement in the Directors' Report.

In the financial year under review, there was no specific statutory corporate governance code applicable to Irish collective investment schemes whose Shares are admitted to trading on the Irish Stock Exchange Plc trading as 'Euronext Dublin'. However, the Company is subject to corporate governance practices imposed by:

- (i) The Companies Act, which is available for inspection at the registered office of the Company and may also be obtained at: <http://www.irishstatutebook.ie>;
- (ii) The Articles of Association of the Company, which are available for inspection at the registered office of the Company at Goodbody Secretarial Limited, 3 Dublin Landings, North Wall Quay, IFSC Dublin 1 and at the Companies Registration Office in Ireland;
- (iii) The Central Bank in their UCITS Regulations, which can be obtained from the Central Bank's website at: <https://www.centralbank.ie/regulation/industry-market-sectors/funds/ucits/legislation> and are available for inspection at the registered office of the Company; and
- (iv) Euronext Dublin, through the Euronext Dublin Code of Listing Requirements and Procedures for Investment Funds, which can be obtained at: <http://www.ise.ie>.

A corporate governance code applicable to Irish domiciled collective investment schemes was issued by the Irish Funds Industry Association on 14 December 2011 (the "Code"). The Board voluntarily adopted the Code on 11 December 2012 with effect from 1 January 2013.

##### *Internal Control and Risk Management Systems in Relation to Financial Reporting*

The Board is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage, rather than eliminate, the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has procedures in place to ensure that all relevant books of account are properly maintained and are readily available, including production of annual and half yearly financial statements. The Board has appointed Waystone Management Company (IE) Limited (the "Manager") to maintain the books and records of the Company. Waystone Management Company (IE) Limited (the "Manager") in turn have delegated the administration of the books and records to BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator"). The Administrator is authorised and regulated by the Central Bank and must comply with the rules imposed by the Central Bank. From time to time, the Board of Directors examines and evaluates the Administrator's financial accounting and reporting routines. The annual and half yearly financial statements of the Company are produced by the Administrator, reviewed by the Investment Manager, Waystone Management Company (IE) Limited, and approved by the Board. The annual financial statements of the Company are required to be filed with the Central Bank, Euronext Dublin and the Companies Registration Office. The half yearly financial statements are required to be filed with the Central Bank.

The Board is responsible for the review and approval of the annual financial statements as set out in the Statement of Directors' Responsibilities. The statutory financial statements are required to be audited by independent auditors who report annually to the Board on their findings. The Board monitors and evaluates the independent auditor's qualifications and independence. As part of its review procedures, the Board receives presentations from relevant parties including considerations of Irish accounting standards and their impact on the annual financial statements, and presentations and reports on the audit process. The Board evaluates and discusses significant accounting and reporting issues as the need arises.

##### *Dealings with Shareholders*

The convening and conduct of Shareholders' meetings are governed by the Articles of Association of the Company and the Companies Act. Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors are required to convene an annual general meeting of the Company within fifteen months of the date of the previous annual general meeting, provided that an annual general meeting is held once in each year within six months of the end of each accounting period of the Company.

**DIRECTORS' REPORT (continued)**

***Dealings with Shareholders (continued)***

At least twenty-one clear days' notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to Shareholders and seven days' notice must be given in the case of any other general meeting, unless the auditors of the Company and all the Shareholders of the Company entitled to attend and vote agree to a shorter notice period. Two Shareholders present either in person or by proxy constitutes a quorum at a general meeting. The share capital of the Company is divided into different Classes of Shares and the Companies Act and the Articles of Association provide that the quorum for a general meeting convened to consider any alteration to the rights attached to any Class of Shares, is two or more Shareholders present in person or by proxy, holding or representing by proxy at least one third of the issued Shares of the relevant Class.

Every holder of participating Shares or non-participating Shares present, in person or by proxy, who votes on a show of hands is entitled to one vote. On a poll, every holder of participating Shares present, in person or by proxy, is entitled to one vote in respect of each Share held by him. At any general meeting, a resolution put to the vote of the meeting is decided on a show of hands unless, before or upon the declaration of the result of the show of hands, a poll is demanded by the Chairman of the general meeting, or by at least three members or Shareholders present, in person or by proxy, or any holder or holders of participating Shares present, in person or by proxy, representing at least one tenth of the Shares in issue having the right to vote at such meeting.

Shareholders may resolve to sanction an ordinary resolution or special resolution at a Shareholders' meeting. Alternatively, a resolution in writing signed by all of the Shareholders and holders of non-participating Shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company, will be valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held. An ordinary resolution of the Company (or of the Shareholders of a particular fund or Class of Shares) requires a simple majority of the votes cast by the Shareholders voting, in person or by proxy, at the meeting at which the resolution is proposed. A special resolution of the Company (or of the Shareholders of a particular Fund or Class of Shares) requires a majority of not less than 75% of Shareholders present, in person or by proxy, and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

***Board Composition and Activities***

In accordance with the Companies Act and the Articles of Association, unless otherwise determined by an ordinary resolution of the Company in a general meeting, the number of Directors may not be less than three. Details of the current Directors are set out on page 1, under the heading "Directors".

The business of the Company is managed by the Directors, who exercise all such powers of the Company permitted by the Companies Act, or by the Articles of Association of the Company required to be exercised by the Company at a General Meeting.

The Board is responsible for the Company's overall direction and strategy and to this end it reserves the decision-making power on issues such as the determination of medium and long-term goals, review of managerial performance, organisational structure and capital needs and commitments to achieve the Company's strategic goals. To achieve these responsibilities, a Director may, and the Secretary on the requisition of a Director will, at any time, summon a meeting of the Directors in addition to the four regular Board Meetings which are convened as required.

Questions arising at any meeting of the Directors are determined by a majority of votes. In the case of an equality of votes, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two.

**On behalf of the Board of Directors:**



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**Gavin Caldwell**  
**Director**  
**26 March 2025**



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**Lisa Martensson**  
**Director**

## REPORT FROM THE DEPOSITARY TO THE SHAREHOLDERS

For the period from 1 January 2024 to 31 December 2024 (the “Period”)

The Bank of New York Mellon SA/NV, Dublin Branch (the “**Depositary**” “**us**”, “**we**”, or “**our**”) has enquired into the conduct of Montanaro Smaller Companies Plc (the “Company”) for the Period in its capacity as Depositary to the Company.

This report, including the opinion, has been prepared for the shareholders in the Company, in accordance with our role as Depositary to the Company and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the “Regulations”).

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company’s constitutional documentation and the Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not been so managed, we as Depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

### Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company’s constitutional documentation and the appropriate regulations.

### Opinion

In our opinion, the Company has been managed during the Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documentation and the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional documentation and the Regulations.



For and on behalf of  
The Bank of New York Mellon SA/NV, Dublin Branch  
Riverside Two,  
Sir John Rogerson's Quay,  
Grand Canal Dock,  
Dublin 2.

Date: 26 March 2025

Registered in Ireland No. 907126, VAT No. IE9578054E

The Bank of New York Mellon SA/NV, trading as The Bank of New York Mellon SA/NV, Dublin Branch is authorised by the National Bank of Belgium.

The Bank of New York Mellon SA/NV, Boulevard Anspachlaan 1, B-1000 Brussels Belgium – Tel. (32) 2 545 81 11, V.A.T. BE 0806.743.159-RPM-RPR Brussels Company No. 0806.743.159. The Bank of New York Mellon SA/NV is a Belgian limited liability company, authorized and regulated as a significant credit institution by the European Central Bank and the National Bank of Belgium under the Single Supervisory Mechanism and by the Belgian Financial Services and Markets Authority.

# MONTANARO SMALLER COMPANIES PLC

## PERFORMANCE SUMMARY

	Montanaro European Smaller Companies Fund							
	EUR	EUR (Acc) <sup>(7)</sup>	GBP	GBP (Inst)	USD	EUR (Inst)	EUR (Inst, Acc) <sup>(7)</sup>	SEK (Acc) <sup>(7)</sup>
31/12/24 NAV per share	7.752	7.467	6.429	6.821	3.812	7.917	8.692	28.702
2024 - 12 month Fund NAV return <sup>(1)</sup>	9.2%	9.6%	3.6%	4.5%	2.3%	8.4%	10.7%	12.6%
2024 - 12 month Benchmark return <sup>(2)</sup>	3.0%	3.0%	-1.8%	-1.8%	-3.5%	3.0%	3.0%	6.5%
3 year annualised return – Fund <sup>(1)</sup>	-8.2%	-8.1%	-8.9%	-8.4%	-11.1%	-8.2%	-7.2%	-4.8%
3 year annualised return – Benchmark <sup>(2)</sup>	-5.1%	-5.1%	-5.6%	-5.6%	-8.0%	-5.1%	-5.1%	-1.6%

	Montanaro UK Income Fund					Montanaro European Income Fund		
	EUR Seed	GBP Seed	EUR	GBP	GBP Acc	GBP	EUR	GBP Acc
31/12/24 NAV per share	1.314	1.925	0.910	1.071	1.137	2.114	1.357	1.330
2024 - 12 month Fund NAV return <sup>(1)</sup>	7.3%	2.4%	6.9%	2.0%	2.0%	0.9%	5.8%	0.9%
2024 - 12 month Benchmark return <sup>(2)</sup>	13.0%	7.9%	13.0%	7.9%	7.9%	1.7%	6.6%	1.7%
3 year annualised return - Fund <sup>(1)</sup>	-5.0%	-5.5%	-5.4%	-5.9%	-5.9%	-2.9%	-2.4%	-2.9%
3 year annualised return – Benchmark <sup>(2)</sup>	2.3%	1.8%	2.3%	1.8%	1.8%	1.8%	2.3%	1.8%

	Montanaro European Focus Fund <sup>(4)</sup>		Montanaro Global Innovation Fund			
	EUR	EUR (Inst, Acc) <sup>(7)</sup>	GBP Acc 'A'	EUR Acc 'A'	GBP Acc 'B'	EUR Acc 'B'
31/12/24 NAV per share	1.219	2.814	0.798	0.835	1.719	1.749
2024 - 12 month Fund NAV return <sup>(1)</sup>	-50.0%	6.8%	6.0%	11.1%	5.8%	10.8%
2024 - 12 month Benchmark return <sup>(2)</sup>	2.8%	2.8%	11.5%	16.9%	11.5%	16.9%
3 year annualised return - Fund <sup>(1)</sup>	-28.4%	-7.2%	-10.3%	-9.9%	-10.4%	-10.0%
3 year annualised return – Benchmark <sup>(2)</sup>	-3.2%	-3.2%	3.6%	4.1%	3.6%	4.1%

# MONTANARO SMALLER COMPANIES PLC

## PERFORMANCE SUMMARY (continued)

	Montanaro Better World Fund					Montanaro Global Select Fund		
	GBP	EUR	SEK	EUR Acc	EUR Acc 'A' <sup>(5)</sup>	EUR Acc 'A' <sup>(3)</sup>	EUR Acc 'B' <sup>(3)</sup>	GBP Acc 'B' <sup>(6)</sup>
31/12/24 NAV per share	1.414	1.492	13.837	0.980	0.932	1.222	1.223	1.030
2024 - 12 month Fund NAV return <sup>(1)</sup>	-6.9%	-2.4%	0.5%	-2.4%	-	13.5%	13.5%	-
2024 - 12 month Benchmark return <sup>(2)</sup>	11.5%	16.9%	20.8%	16.9%	-	16.9%	16.9%	-
3 year annualised return - Fund <sup>(1)</sup>	-11.1%	-10.6%	-7.1%	-10.6%	-	-	-	-
3 year annualised return – Benchmark <sup>(2)</sup>	3.6%	4.1%	8.0%	4.1%	-	-	-	-

<sup>(1)</sup> Source: Montanaro. NAV to NAV, unrounded. Montanaro UK Income Fund, Montanaro European Income Fund, Montanaro Global Innovation Fund and Montanaro Better World Fund dividends reinvested at EX date.

<sup>(2)</sup> The relevant benchmark information for all Sub Funds and Share Classes can be found on pages 13 to 16. Source for benchmark returns: Bloomberg, MSCI, FE Analytics.

<sup>(3)</sup> Launched 30/11/23

<sup>(4)</sup> Please note there was a name change for the sub-fund as reflected in the prospectus dated 17/05/23. Prior to the change, the sub-fund was called the Montanaro European MidCap Fund.

<sup>(5)</sup> Launched 28/03/24

<sup>(6)</sup> Launched 16/09/24

<sup>(7)</sup> Class is Accumulation, however please note that the official Benchmark and the performance shown in this table is capital return.

## **MONTANARO SMALLER COMPANIES PLC**

### **INVESTMENT MANAGER'S REVIEW**

#### **Review**

Smaller companies remained out of favour in 2024, overshadowed by the continued dominance of MegaCap stocks. The valuation gap between Global SMidCap and LargeCap reached historic extremes, with price-to-earnings and price-to-book multiples at their widest discount in over two decades.

Despite a challenging macroeconomic backdrop, there were signs of a shift in sentiment. The anticipated easing of monetary policy by central banks supported risk assets, while the search for diversification beyond the Magnificent Seven saw increased interest in undervalued segments of the market towards the end of the year. However, economic and geopolitical uncertainty remained a headwind to investor sentiment throughout the year.

One of the defining trends of the year was a notable pick-up in M&A activity, as corporate acquirers and private equity firms capitalised on historically low valuations. High-quality businesses with strong fundamentals proved particularly attractive targets, underscoring the latent value within the Small and MidCap space.

#### **Montanaro Global Select Fund**

From 1 January 2024 to 31 December 2024, the NAV of the EUR Accumulation Share Class rose by 13.5%, an underperformance of 3.4% relative to the MSCI World SMID Cap Index.

During the year, we purchased a position in Japan Elevator Service, a market leader in elevator maintenance in Japan, benefiting from a stable, recurring revenue model and strong industry consolidation trends. Keeper Technical Laboratory, a Japanese coatings business, was added due to its expanding market share and attractive margins, supported by growing demand for vehicle protection solutions. We also initiated positions in Tradeweb Markets, a leading electronic trading platform benefiting from structural tailwinds in fixed-income market automation, and TransMedics Group, a pioneer in organ transplantation technology, which is well-positioned to capitalise on increasing adoption of its innovative Organ Care System.

We exited positions in Medistim and Plejd as their liquidity profiles failed to improve despite solid performance. Partners Group was also sold having delivered a strong performance, as we felt the environment for private equity was becoming more difficult.

An uptick in M&A activity during the year highlighted the strategic value of the Fund's holdings, with two portfolio companies acquired at attractive premiums. Looking ahead, we anticipate double-digit EPS growth in 2024 and 2025, underpinned by solid balance sheets and prudent management. These characteristics should support the Fund in delivering attractive long-term returns, even amid ongoing macroeconomic uncertainties. The Fund's disciplined focus on high-quality companies with strong fundamentals ensures it is well-positioned to benefit from a potential reversal of the "SmallCap Effect" in 2025.

#### **Montanaro Better World Fund**

From 1 January 2024 to 31 December 2024, the NAV of the EUR Distribution Share Class of the Fund declined by 2.4%, an underperformance of 19.3% versus the MSCI World SMID Cap Index.

The Fund's impact focus faced significant headwinds, with key sectors such as Healthcare and Technology particularly affected by prolonged post-Covid inventory destocking and cyclical downturns. Meanwhile, non-impact sectors like Materials, traditional Energy and Financials outperformed, contributing to the ongoing divergence between impact-aligned investments and the broader market.

Despite these challenges, several portfolio companies continued to demonstrate resilience. Tyler Technologies, a leading US provider of software solutions for public sector organisations, delivered strong results, reinforcing the importance of digital transformation in government services. Similarly, Badger Meter, which specialises in water flow measurement and control technologies, benefited from growing regulatory and corporate focus on water efficiency. Elsewhere, healthcare-focused holdings such as Sartorius Stedim and Bio-Techne were impacted by extended destocking cycles and supply chain disruptions. However, towards the end of the year, signs of recovery emerged, suggesting a potential turning point for these sectors.

## **MONTANARO SMALLER COMPANIES PLC**

### **INVESTMENT MANAGER'S REVIEW (continued)**

#### **Montanaro Better World Fund (continued)**

During the year, we initiated a position in InPost, a leading European automated parcel locker provider, benefiting from the continued shift towards e-commerce and the efficiency gains of out-of-home delivery solutions. The company's strong market position in Poland and expansion across Western Europe provide attractive long-term growth potential. Stride was introduced to the portfolio as a leader in online education, capitalising on the increasing demand for digital learning solutions and workforce upskilling. We also bought a position in Universal Display Corp, a pioneer in OLED technology, which is well-positioned to benefit from rising adoption across consumer electronics, automotive displays and next-generation lighting.

During the year, we exited Chr. Hansen following its acquisition by Novozymes. While the merger created a global leader in biosolutions, we chose to sell post-announcement given limited upside and integration uncertainties. MIPS was also sold as the company faced slowing demand in the premium helmet market, coupled with increased competition and pricing pressure. We exited SolarEdge Technologies due to ongoing margin compression and weakening demand in the residential solar market, particularly in Europe, where subsidy reductions and higher financing costs weighed on installations.

Looking ahead, the Fund remains committed to its long-term strategy of investing in high-quality companies that address global sustainability challenges. With valuation dispersion between LargeCap and SmallCap at historic extremes, the Fund is well-positioned to benefit from a potential market rotation, should the concentration in MegaCap stocks begin to unwind. The structural themes underpinning the portfolio – healthcare innovation, environmental protection and the shift towards a greener economy – remain intact, providing a strong foundation for future growth.

#### **Montanaro Global Innovation Fund**

From 1 January 2024 to 31 December 2024, the NAV of the EUR 'B' Accumulation Share Class of the Fund increased by 10.8%, an underperformance of 6.0% relative to the MSCI World SMID Cap Index.

The Fund posted healthy absolute returns but underperformed on a relative basis due to its Technology focus as the Materials, Energy and Financials sectors outperformed.

During the year, we participated in the Raspberry Pi IPO, recognising its strong brand, dominant position in the single-board computer market and growing applications in education, industrial automation and embedded computing solutions.

We also initiated a position in ASM International, a leader in semiconductor equipment manufacturing, benefiting from increasing demand for advanced node fabrication and its strong exposure to next-generation chipmaking technologies.

Badger Meter was added to the portfolio due to its leadership in water flow measurement and control technologies, which continue to benefit from growing regulatory and corporate focus on water efficiency and sustainability.

Additionally, we invested in Globant SA, a high-growth digital transformation and IT services provider, well-positioned to capitalise on accelerating enterprise adoption of AI, cloud computing, and software development outsourcing.

As part of a strategic shift to reorient the Fund towards Technology, we exited several healthcare-focused positions during the year. Sartorius Stedim Biotech was sold, while we also exited Bachem, given margin pressures and near-term headwinds in the peptide manufacturing market. Additionally, we sold Medistim, as valuation concerns and slowing procedure volumes in the cardiovascular segment led us to reallocate capital towards high-growth technology opportunities.

#### **Montanaro European Smaller Companies Fund**

From 1 January 2024 to 31 December 2024, the NAV of the EUR Institutional Distribution Share Class of the Fund increased by 8.4%, an outperformance of 5.4% relative to the MSCI Europe Small Cap Index (Capital return).

Returns were driven by good stock-picking, particularly in the Industrials and IT sectors. These areas benefitted from long-term tailwinds such as automation, digital transformation and infrastructure renewal. While SmallCap stocks underperformed their LargeCap counterparts in the final weeks of the year, the Fund's focus on high-quality, innovative companies in structurally growing sectors helped it to deliver robust relative returns.

## **MONTANARO SMALLER COMPANIES PLC**

### **INVESTMENT MANAGER'S REVIEW (continued)**

#### **Montanaro European Smaller Companies Fund (continued)**

During the year, we added Interpump, a leading manufacturer of high-pressure pumps and hydraulic systems, benefiting from strong industrial demand and operational efficiencies. SOL, a European provider of industrial and medical gases, was introduced to the portfolio due to its stable cash flows and increasing demand in the healthcare and renewable energy sectors.

We also initiated a position in B&M, a well-managed discount retailer with resilient consumer demand and an expanding footprint in the UK and France. Technogym, a global leader in fitness equipment, was added as it continues to capitalise on the shift towards health and wellness, supported by innovation in digital fitness solutions.

The Portfolio experienced one takeover (following five the previous year) as Esker, the provider of cloud-based process automation solutions, was taken over at a 30% premium.

During the year, we exited Shaftesbury, as concerns over the UK commercial real estate sector, rising interest rates and weaker consumer spending impacted the company's near-term growth outlook. Marel was also sold due to continued operational challenges, margin pressures, and slower-than-expected recovery in food processing automation demand, leading us to reallocate capital to higher-conviction opportunities. Additionally, we exited NCC as the cybersecurity and software resilience firm faced profitability headwinds and increasing competition, limiting its ability to sustain growth at attractive margins.

#### **Montanaro European Income Fund**

From 1 January 2024 to 31 December 2024, the NAV of the EUR Share Class of the Fund increased by 5.8%, an underperformance of 0.8% relative to the IA Europe (excluding UK) sector.

2024 presented challenges for European equities, as concerns over slowing economic growth, rising interest rates and political uncertainty weighed on investor sentiment. While fears of a potential recession lingered, the overall economic picture remained mixed. Inflationary pressures began to ease from earlier peaks but remained above target levels, keeping policymakers under pressure to strike the right balance between growth and inflation.

During the year, we initiated a position in Atoss Software, a leading provider of workforce management solutions, which benefits from strong demand for digital workforce optimisation, driven by labour shortages and increasing regulatory complexity. CTS Eventim, a leading European ticketing and live entertainment company, was introduced as it continues to capitalise on the rebound in live events and its dominant market position.

Sales included Partners Group, while Chr. Hansen left the portfolio following its acquisition by Novozymes. We also sold Fjordkraft, as the Norwegian electricity retailer faced margin pressures due to increased regulatory scrutiny and volatile energy prices. Competitive dynamics in the sector also intensified, challenging the company's ability to sustain historical profitability levels.

There are signs that the smaller company thaw may finally be underway in Europe. During the last six months of the year, European SmallCap outperformed LargeCap by 2%, suggesting that investors are beginning to look beyond the tech giants to other areas of the market that could benefit from any wobble in their stellar performance.

#### **Montanaro European Focus Fund**

From 1 January 2024 to 31 December 2024, the NAV of the EUR Share Class of the Fund increased by 6.0%, in line with the Stoxx Europe 200 Mid Index.

During the year, purchases included CTS Eventim, the European ticketing and live entertainment company. Mensch und Maschine was introduced to the portfolio, capitalising on increasing demand for CAD and CAM software as industries embrace automation and digitalisation.

The Fund also initiated a position in B&M. Baltic Classifieds Group, a dominant online classifieds platform in the Baltic region, was added due to its high-margin business model and strong tailwinds from the digital transition.



## **MONTANARO SMALLER COMPANIES PLC**

### **INVESTMENT MANAGER'S REVIEW (continued)**

#### **Montanaro European Focus Fund (continued)**

As with our other Funds, Chr. Hansen left the portfolio following its acquisition by Novozymes. Dechra Pharmaceuticals was also sold after a private equity buyout, which provided an attractive exit opportunity. Bachem Holding was exited due to margin pressures and weaker demand in peptide manufacturing. Additionally, we sold Warehouses De Pauw as rising interest rates and weaker demand for logistics real estate weighed on valuation and growth expectations.

#### **Montanaro UK Income Fund**

From 1 January 2024 to 31 December 2024, the NAV of the EUR Seed Share Class of the Fund increased by 7.3%, an underperformance of 5.7% compared to the IA UK All Companies Sector (Total Return).

During the year, we added Macfarlane Group, a leading supplier of protective packaging solutions, benefiting from strong demand in e-commerce and sustainable packaging trends. B&M European Value Retail was introduced to the portfolio as a well-managed discount retailer with resilient consumer demand and an expanding footprint in the UK and France.

We also initiated a position in JTC Group, a high-quality provider of fund and corporate services, with strong recurring revenues and structural growth tailwinds in the outsourcing of fund administration. Finally, ME Group International was added, capitalising on its market leadership in vending and self-service photo booths, alongside emerging opportunities in automated laundromats and digital ID solutions.

Sales included Melexis, as concerns over a slowdown in semiconductor demand and inventory corrections in the automotive sector led us to reallocate capital to higher-conviction opportunities. Spirax was sold due to valuation concerns, as slowing industrial demand and margin pressures created a less favourable risk-reward profile. Additionally, we exited Vistry Group following a series of profit warnings and ongoing cost overruns in its southern division, raising concerns over execution risks.

Despite the challenging backdrop, several holdings demonstrated strong operational resilience. Games Workshop delivered impressive returns following a robust trading update and the announcement of a creative partnership with Amazon. Sage, the accounting and business management software provider, exceeded expectations with strong full-year results, while DiscoverIE benefited from record operating margins and an improvement in order intake.

While sentiment towards UK SMidCap remains subdued, history suggests that market pessimism often creates compelling opportunities for long-term investors. The Fund continues to invest in high-quality companies with strong returns on capital, resilient balance sheets, and exposure to long-term structural growth trends. With a forecasted two-year EPS CAGR of 12% and a 2025 dividend yield approaching 4%, valuations appear increasingly attractive, particularly given the widening gap between UK equities and their global counterparts.

#### **Outlook**

As we enter 2025, forecasting market direction remains more challenging than in previous years. While last year was marked by the start of easing cycles across developed market central banks and continued strength in mega-cap stocks, it was also a year of geopolitical volatility, with elections across multiple regions delivering unexpected results. These factors will continue to shape the investment landscape.

Growth is likely to be one of the dominant themes of the year, but its trajectory will vary by region. In the US, economic momentum remains positive, though much will depend on the policies of the new administration. While speculation around tax, trade and regulatory changes has already introduced market volatility, the broad direction appears supportive for corporate growth. Consumer health remains relatively strong, though there is a growing divide between higher and lower earners, with the latter still grappling with cost-of-living pressures.

Europe faces a more polarised outlook. Political uncertainty in key economies such as France and Germany will continue to create noise, while external pressures – particularly ongoing tensions in Ukraine and the Middle East – could weigh on investor sentiment. That said, opportunities exist, particularly in companies driving innovation, improving operational efficiencies, or developing new technologies to outgrow the broader market.

## **MONTANARO SMALLER COMPANIES PLC**

### **INVESTMENT MANAGER'S REVIEW (continued)**

#### **Outlook (continued)**

Against this backdrop, the equity outlook for 2025 is nuanced. The strong performance of US large caps in recent years has left many investors overweight in this space. However, conditions may now favour a shift towards Small and MidCap companies. The Magnificent Seven and other LargeCaps thrived in a high-interest-rate era and managed to sustain growth through a restrictive monetary environment - conditions that disproportionately weighed on smaller companies. With rates likely to stabilise or fall, the ability of Small and MidCap businesses to access capital and reinvest for growth should improve, creating a more favourable environment for their recovery.

The case for active management remains compelling. With valuation dispersion at extreme levels and implied correlations within major indices at historic lows, security selection will be critical to capitalising on opportunities in 2025. Investors who can identify quality businesses positioned for growth – particularly in areas overlooked by passive strategies – stand to benefit as market leadership broadens beyond a handful of dominant names.

**Montanaro Asset Management Limited**  
**March 2025**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANARO SMALLER COMPANIES PLC

### Report on the audit of the financial statements

#### Opinion on the financial statements of Montanaro Smaller Companies Plc (the 'company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Financial Position;
- the Statement of Comprehensive Income;
- the Statement of Changes in Net Assets attributable to Holders of Redeemable Participating Shares;
- the Schedule of Investments; and
- the related notes 1 to 19, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("the relevant financial reporting framework").



#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Summary of our audit approach

Key audit matters	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"><li>• Valuation of financial assets at fair value through profit or loss</li><li>• Existence of financial assets at fair value through profit or loss</li></ul> <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
Materiality	<p>The materiality that we used in the current year was €15,265k which was determined on the basis of 1% of Average Net Assets.</p>
Scoping	<p>Our audit is a risk-based approach taking into account the structure of the company, types of investments, the involvement of the third-party service providers, the accounting processes and controls in place and the industry in which the company operates.</p>

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANARO SMALLER COMPANIES PLC

### Significant changes in our approach

There are no significant changes to our approach which we feel require disclosure.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- As part of our risk assessment procedures, we obtained an understanding of the relevant controls in place regarding going concern as part of our audit risk assessment procedures.
- Held discussions with management on the directors' going concern assessment, the future plans for the company and the feasibility of those plans.
- Challenged the reasonableness of the key assumptions applied by the directors in their assessment.
- Reviewed all board meeting minutes during the period up to the date of approval of the financial statements, for evidence of any discussions and/or decisions that could impact the company's ability to continue as a going concern.
- Reviewed the capital activity and NAV movements, subsequent to the financial year end.
- Assessed the adequacy of the relevant going concern disclosures made in the annual accounts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Valuation of financial assets at fair value through profit or loss



#### Key audit matter description



For the financial year ended, the financial assets at fair value through profit or loss of the Company are €1,237 billion representing 98.45% of the net assets of €1.257 billion. The valuation of financial assets at fair value through profit or loss is considered a key audit matter as financial assets at fair value through profit or loss represents a significant balance on the Statement of Financial Position. There is a risk that financial assets at fair value through profit or loss are valued incorrectly, inappropriate valuation methodologies are applied, and the use of inappropriate assumptions could result in the valuation being materially misstated. Refer also to note 1 and note 8 in the financial statements.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANARO SMALLER COMPANIES PLC

### How the scope of our audit responded to the key audit matter



We have performed the following procedures to address the key audit matter:

- We obtained the BNY Mellon Fund Services (Ireland) Designated Activity Company SOC 1 Report in order to gain an understanding and evaluate the design and implementation of key controls over the valuation process for financial assets and liabilities at fair value through profit or loss; and
- We independently valued the financial assets by using independent market feeds. We compared the prices published by independent pricing sources to the investment portfolio.

### Existence of financial assets at fair value through profit or loss



#### Key audit matter description



For the financial year ended, the financial assets at fair value through profit or loss of the Company are €1,237 billion representing 98.45% of the net assets of €1.257 billion. The existence of financial assets and liabilities at fair value through profit or loss is considered a key audit matter as financial assets and liabilities at fair value through profit or loss represents a significant balance on the Statement of Financial Position.

The existence of financial assets and liabilities at fair value through profit or loss is crucial to ensuring the financial statements are free from material misstatement.

Refer also to note 1 and note 8 in the financial statements.

### How the scope of our audit responded to the key audit matter



We have performed the following procedures to address the key audit matter:

- We obtained the BNY Mellon Fund Services (Ireland) Designated Activity Company SOC 1 Report in order to gain an understanding and evaluate the design and implementation of key controls over the existence process for financial assets and liabilities at fair value through profit or loss; and
- We obtained independent confirmations from the depositary and counterparties at the financial year end and agreed the amounts held to the investment portfolio.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

### Our application of materiality

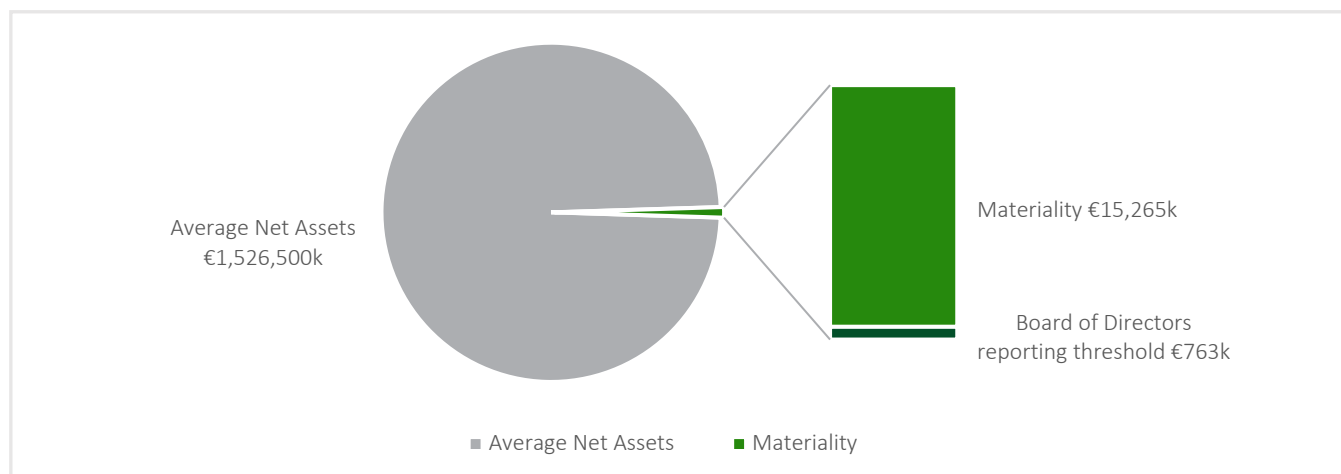
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Materiality</b>	€15,265k (2023 : €18,504k)
<b>Basis for determining materiality</b>	1% of Average Net Assets
<b>Rationale for the benchmark applied</b>	The Net Asset Value of the company is the primary indicator of the size and performance of the company and is considered the key area of interest for the shareholders, who are the primary users of the annual accounts. The use of the Average Net Asset Value is considered the industry practice benchmark for Investment Funds.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANARO SMALLER COMPANIES PLC



We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

Performance materiality was set at 80% of materiality for the 2024 audit (2023: 80%). In determining performance materiality, we considered the following factors:

- Our understanding of the company;
- The quality of the control environment;
- The nature and extent of misstatements identified in previous audits; and
- Our expectations in relation to misstatements in the current period.

We agreed with the Board of Directors that we would report to them all audit differences in excess of €763k (2023 : €925k) as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board of Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

### An overview of the scope of our audit

Our audit is a risk-based approach taking into account the structure of the company, types of investments, the involvement of the third-party service providers, the accounting processes and controls in place and the industry in which the company operates.

### Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANARO SMALLER COMPANIES PLC

### Responsibilities of directors

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As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

#### Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team and relevant internal specialists, including regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

Revenue Recognition and management override of controls

In common with all audits under ISAs (Ireland), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANARO SMALLER COMPANIES PLC

statements. The key laws and regulations we considered in this context included the Companies Act 2024, Listing Rules and the Applicable Regulations.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included matters regulated by the Central Bank of Ireland.

### Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and the board of directors concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with the Central Bank of Ireland;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

### Report on other legal and regulatory requirements

#### Opinion on other matters prescribed by the Companies Act 2014

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Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- In our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

#### Matters on which we are required to report by exception

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Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANARO SMALLER COMPANIES PLC

### Other matters which we are required to address

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We were appointed by Board of Directors on 19 August 2021 to audit the financial statements for the financial year ended 31 December 2021. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is four years, covering the years ending 31 December 2021 to 31 December 2024.

The non-audit services prohibited by IAASA's Ethical Standard were not provided and we remained independent of the company in conducting the audit.

Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISA (Ireland) 260.

### Use of our report

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This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Brian Forrester  
For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

28 March 2025

# MONTANARO SMALLER COMPANIES PLC

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund €
<b>Current assets</b>	<b>Note</b>				
Cash and cash equivalents	6	6,302,838	5,033,670	1,613,900	282,122
Financial assets at fair value through profit or loss	4				
- Equities		380,094,697	446,010,224	93,737,800	8,934,820
Dividends receivable		103,712	853,160	–	900
Receivable for fund Shares sold		30,576	–	19,184	–
Other receivables		613,646	211,747	755,162	173,698
<b>Total current assets</b>		<b>387,145,469</b>	<b>452,108,801</b>	<b>96,126,046</b>	<b>9,391,540</b>
<b>Current liabilities</b>					
Payable for fund Shares repurchased		(36,056)	(46,812)	–	(646)
Management fees payable	3	(5,626)	(6,874)	(1,698)	(137)
Investment management fees payable	3	(1,169,048)	(729,164)	(182,184)	(19,622)
Administration fees payable	3	(207,717)	(334,630)	(125,913)	(5,384)
Depositary fees payable	3	(49,923)	(45,931)	(32,087)	(3,357)
Legal fees payable		(8,695)	(9,394)	(770)	(217)
Professional fees payable	3	(8,092)	(9,924)	(2,022)	(194)
Audit fees payable	3	(20,738)	(25,428)	(5,148)	(503)
Other accrued expenses payable	3	(4,096)	(8,594)	(842)	(71)
<b>Total current liabilities</b>		<b>(1,509,991)</b>	<b>(1,216,751)</b>	<b>(350,664)</b>	<b>(30,131)</b>
<b>Net asset value attributable to holders of redeemable participating Shares</b>		<b>385,635,478</b>	<b>450,892,050</b>	<b>95,775,382</b>	<b>9,361,409</b>

Please refer to Note 15 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 2024 (continued)

		Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Montanaro Global Select Fund €	Total*** €
<b>Current assets</b>	<b>Note</b>				
Cash and cash equivalents	6	258,506	4,789,362	790,409	20,125,180
Financial assets at fair value through profit or loss	4				
- Equities		11,151,538	163,932,521	40,005,853	1,237,290,545
Dividends receivable		—	30,857	3,240	1,170,575
Receivable for fund Shares sold		—	15,432	—	65,192
Other receivables		4,040	425,382	4,373	2,232,402
<b>Total current assets</b>		<b>11,414,084</b>	<b>169,193,554</b>	<b>40,803,875</b>	<b>1,260,883,894</b>
<b>Current liabilities</b>					
Payable for fund Shares repurchased		—	(5,044)	—	(98,363)
Management fees payable	3	92,720	(3,071)	(556)	73,318
Investment management fees payable	3	(19,975)	(474,276)	—	(2,747,003)
Administration fees payable	3	(6,653)	(180,201)	(11,281)	(941,872)
Depositary fees payable	3	(4,423)	(32,647)	(4,264)	(182,253)
Legal fees payable		(302)	(4,052)	(1,284)	(26,682)
Professional fees payable	3	(2,957)	(11,676)	(1,383)	(38,327)
Audit fees payable	3	(620)	(12,188)	(2,004)	(71,955)
Other accrued expenses payable	3	(176)	(6,752)	(584)	(22,915)
<b>Total current liabilities</b>		<b>57,614</b>	<b>(729,907)</b>	<b>(21,356)</b>	<b>(4,056,052)</b>
<b>Net asset value attributable to holders of redeemable participating Shares</b>		<b>11,471,698</b>	<b>168,463,647</b>	<b>40,782,519</b>	<b>1,256,827,842</b>

\*\*\* See Note 1 Statement of Accounting Policies (h).

Please refer to Note 15 for NAV and NAV per Share details.

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

On behalf of the Board of Directors:



Gavin Caldwell  
Director  
26 March 2025



Lisa Martensson  
Director

# MONTANARO SMALLER COMPANIES PLC

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

		Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €
<b>Current assets</b>	<b>Note</b>				
Cash and cash equivalents	6	3,566,117	5,112,805	1,824,095	230,123
Financial assets at fair value through profit or loss	4				
- Equities		361,397,990	582,130,578	239,440,446	8,898,888
Dividends receivable		230,339	1,312,815	–	–
Receivable for fund Shares sold		232,634	–	10,046	15
Other receivables		624,908	521,927	806,255	173,960
<b>Total current assets</b>		<b>366,051,988</b>	<b>589,078,125</b>	<b>242,080,842</b>	<b>9,302,986</b>
<b>Current liabilities</b>					
Payable for fund Shares repurchased		(1,392,662)	–	(350)	–
Management fees payable	3	(3,705)	(5,707)	(2,356)	(395)
Investment management fees payable	3	(1,042,273)	(818,092)	(435,217)	(34,288)
Administration fees payable	3	(204,508)	(333,265)	(138,092)	(16,962)
Depository fees payable	3	(61,177)	(57,282)	(39,989)	(6,753)
Legal fees payable		(3,871)	(6,105)	(3,004)	(101)
Professional fees payable	3	(5,949)	(9,151)	(4,128)	(321)
Audit fees payable	3	(14,971)	(23,026)	(10,371)	(640)
Other accrued expenses payable	3	(5,091)	(14,078)	(2,698)	(138)
<b>Total current liabilities</b>		<b>(2,734,207)</b>	<b>(1,266,706)</b>	<b>(636,205)</b>	<b>(59,598)</b>
<b>Net asset value attributable to holders of redeemable participating Shares</b>		<b>363,317,781</b>	<b>587,811,419</b>	<b>241,444,637</b>	<b>9,243,388</b>

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

Please refer to Note 15 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 2023 (continued)*

		Montanaro Global Innovation Fund €	Montanaro Better World Fund €	Montanaro Global Select Fund** €	Total*** €
<b>Current assets</b>	<b>Note</b>				
Cash and cash equivalents	6	163,453	3,168,389	19,311	14,871,827
Financial assets at fair value through profit or loss	4				
- Equities		10,436,804	310,788,495	5,904,560	1,608,664,316
Dividends receivable		1,887	60,691	–	1,807,947
Receivable for fund Shares sold		–	141,438	–	384,133
Other receivables		3,926	402,557	302	2,614,229
<b>Total current assets</b>		<b>10,606,070</b>	<b>314,561,570</b>	<b>5,924,173</b>	<b>1,628,342,452</b>
<b>Current liabilities</b>					
Payable for fund Shares repurchased		(6,696)	(326,141)	–	(1,725,849)
Management fees payable	3	(102)	(3,698)	(30)	(16,872)
Investment management fees payable	3	33,236	(657,212)	–	(3,079,858)
Administration fees payable	3	(6,802)	(234,997)	(270)	(986,229)
Depository fees payable	3	(3,405)	(61,734)	(248)	(239,411)
Legal fees payable		(112)	(2,040)	(38)	(16,211)
Professional fees payable	3	(24,991)	(11,788)	(7)	(57,745)
Audit fees payable	3	(413)	(13,274)	(20)	(66,262)
Other accrued expenses payable	3	(131)	(12,148)	(30)	(36,483)
<b>Total current liabilities</b>		<b>(9,416)</b>	<b>(1,323,032)</b>	<b>(643)</b>	<b>(6,224,920)</b>
<b>Net asset value attributable to holders of redeemable participating Shares</b>		<b>10,596,654</b>	<b>313,238,538</b>	<b>5,923,530</b>	<b>1,622,117,532</b>

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

\*\*\* See Note 1 Statement of Accounting Policies (h).

Please refer to Note 15 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 year ended 31 December 2024*

		<b>Montanaro European Smaller Companies Fund €</b>	<b>Montanaro UK Income Fund £</b>	<b>Montanaro European Income Fund €</b>	<b>Montanaro European Focus Fund €</b>
<b>Income</b>	<b>Note</b>				
Net realised gain on financial assets at fair value through profit or loss and foreign exchange	1(g)	17,847,179	19,209,044	33,510,860	483,241
Net change in fair value of financial assets at fair value through profit or loss and foreign exchange	1(g)	17,205,621	9,199,579	(26,576,990)	20,123
Dividend income		6,085,658	18,582,177	6,811,101	200,897
Interest income		261,915	291,967	102,101	12,332
<b>Investment income</b>		<b>41,400,373</b>	<b>47,282,767</b>	<b>13,847,072</b>	<b>716,593</b>
<b>Expenses</b>					
Management fee	3	(34,603)	(47,763)	(14,910)	(568)
Investment management fees	3	(4,693,915)	(3,350,546)	(1,407,868)	(78,547)
Administration fees	3	(166,681)	(340,057)	(127,251)	(6,183)
Depositary fees	3	(67,274)	(90,229)	(46,977)	(3,643)
Legal fees		(50,498)	(70,258)	(21,664)	(1,759)
Directors' fees	3	(16,131)	(22,858)	(7,780)	(398)
Professional fees	3	(16,680)	(21,418)	(5,603)	(279)
Audit fees		(21,927)	(29,008)	(5,480)	(273)
Other expenses	3	(173,331)	(166,748)	(73,012)	(3,947)
<b>Total operating expenses</b>		<b>(5,241,040)</b>	<b>(4,138,885)</b>	<b>(1,710,545)</b>	<b>(95,597)</b>
<b>Net income from operations</b>		<b>36,159,333</b>	<b>43,143,882</b>	<b>12,136,527</b>	<b>620,996</b>
Withholding taxes		(449,924)	(430,881)	(327,726)	(3,170)
<b>Finance costs</b>					
Interest expense		(30,430)	(30,504)	(4,648)	(700)
Income distribution	5	(1,623,080)	(12,725,828)	(3,413,520)	(658,037)
<b>Profit/(Loss) for the financial year</b>		<b>34,055,899</b>	<b>29,956,669</b>	<b>8,390,633</b>	<b>(40,911)</b>

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 year ended 31 December 2024 (continued)*

		<b>Montanaro Global Innovation Fund €</b>	<b>Montanaro Better World Fund €</b>	<b>Montanaro Global Select Fund €</b>	<b>Total*** €</b>
<b>Income</b>	<b>Note</b>				
Net realised (loss)/gain on financial assets at fair value through profit or loss and foreign exchange	1(g)	(912,925)	(15,369,582)	(3,753)	58,244,720
Net change in fair value of financial assets at fair value through profit or loss and foreign exchange	1(g)	2,089,523	10,576,780	2,689,146	16,870,735
Dividend income		69,184	2,631,092	132,061	37,879,239
Interest income		6,213	216,652	2,766	946,850
<b>Investment income</b>		<b>1,251,995</b>	<b>(1,945,058)</b>	<b>2,820,220</b>	<b>113,941,544</b>
<b>Expenses</b>					
Management fee	3	(986)	(22,509)	(1,914)	(131,908)
Investment management fees	3	(34,037)	(2,315,139)	–	(12,487,167)
Administration fees	3	(6,655)	(184,267)	(11,308)	(904,020)
Depositary fees	3	(4,482)	(66,947)	(5,130)	(301,031)
Legal fees		(1,474)	(38,441)	(2,903)	(199,728)
Directors' fees	3	(466)	(11,256)	(773)	(63,804)
Professional fees	3	(50,633)	(17,340)	(1,822)	(117,656)
Audit fees		(678)	(12,778)	(2,246)	(77,646)
Other expenses	3	(4,953)	(114,331)	(3,257)	(569,794)
<b>Total operating expenses</b>		<b>(104,364)</b>	<b>(2,783,008)</b>	<b>(29,353)</b>	<b>(14,852,754)</b>
<b>Net income/(loss) from operations</b>		<b>1,147,631</b>	<b>(4,728,066)</b>	<b>2,790,867</b>	<b>99,088,790</b>
Withholding taxes		(9,047)	(401,352)	(23,095)	(1,723,270)
<b>Finance costs</b>					
Interest expense		(361)	(11,827)	(135)	(84,132)
Income distribution	5	–	–	–	(20,726,370)
<b>Profit/(Loss) for the financial year</b>		<b>1,138,223</b>	<b>(5,141,245)</b>	<b>2,767,637</b>	<b>76,555,018</b>

\*\*\* See Note 1 Statement of Accounting Policies (h).

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 year ended 31 December 2023*

		<b>Montanaro European Smaller Companies Fund €</b>	<b>Montanaro UK Income Fund £</b>	<b>Montanaro European Income Fund €</b>	<b>Montanaro European Focus Fund* €</b>
<b>Income</b>	<b>Note</b>				
Net realised gain/(loss) on financial assets at fair value through profit or loss and foreign exchange	1(g)	3,394,009	(26,836,513)	18,069,126	9,938,380
Net change in fair value of financial assets at fair value through profit or loss and foreign exchange	1(g)	13,207,434	68,631,898	7,652,428	(5,278,117)
Dividend income		8,013,655	23,884,840	8,469,948	1,632,662
Interest income		394,122	290,200	114,817	65,822
<b>Investment income</b>		<b>25,009,220</b>	<b>65,970,425</b>	<b>34,306,319</b>	<b>6,358,747</b>
<b>Expenses</b>					
Management fee	3	(25,515)	(37,990)	(16,624)	(3,608)
Investment management fees	3	(4,979,920)	(3,607,364)	(1,977,055)	(812,588)
Administration fees	3	(167,584)	(336,989)	(136,649)	(15,322)
Depositary fees	3	(74,144)	(87,413)	(55,634)	(11,312)
Legal fees		(27,410)	(41,729)	(18,029)	(2,011)
Directors' fees	3	(13,069)	(19,336)	(8,685)	(1,824)
Professional fees	3	(9,267)	(12,650)	(5,774)	(1,098)
Audit fees		(18,240)	(27,423)	(11,479)	(980)
Other expenses	3	(144,187)	(138,494)	(66,581)	(20,528)
<b>Total operating expenses</b>		<b>(5,459,336)</b>	<b>(4,309,388)</b>	<b>(2,296,510)</b>	<b>(869,271)</b>
<b>Net income from operations</b>		<b>19,549,884</b>	<b>61,661,037</b>	<b>32,009,809</b>	<b>5,489,476</b>
Withholding taxes		(478,251)	(425,578)	(427,379)	(65,370)
<b>Finance costs</b>					
Interest expense		(21)	–	(9)	–
Income distribution	5	(827,372)	(17,211,674)	(3,581,741)	(219,406)
<b>Profit for the financial year</b>		<b>18,244,240</b>	<b>44,023,785</b>	<b>28,000,680</b>	<b>5,204,700</b>

\* 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 year ended 31 December 2023 (continued)*

		<b>Montanaro Global Innovation Fund €</b>	<b>Montanaro Better World Fund €</b>	<b>Montanaro Global Select Fund** €</b>	<b>Total*** €</b>
<b>Income</b>	<b>Note</b>				
Net realised (loss)/gain on financial assets at fair value through profit or loss and foreign exchange	1(g)	(1,038,481)	(17,014,709)	3,865	(17,501,020)
Net change in fair value of financial assets at fair value through profit or loss and foreign exchange	1(g)	1,136,154	44,192,543	420,426	140,235,096
Dividend income		43,096	4,518,342	–	50,137,455
Interest income		5,879	269,117	–	1,183,392
<b>Investment income</b>		<b>146,648</b>	<b>31,965,293</b>	<b>424,291</b>	<b>174,054,923</b>
<b>Expenses</b>					
Management fee	3	(687)	(31,522)	(30)	(121,662)
Investment management fees	3	(25,781)	(3,785,828)	–	(15,728,461)
Administration fees	3	(7,386)	(227,046)	(270)	(941,684)
Depositary fees	3	(3,522)	(101,285)	(248)	(346,641)
Legal fees		(743)	(26,162)	(38)	(122,368)
Directors' fees	3	(358)	(16,034)	(18)	(62,218)
Professional fees	3	(61,696)	(21,804)	(7)	(114,189)
Audit fees		(472)	(10,871)	(20)	(73,590)
Other expenses	3	(2,408)	(151,758)	(130)	(544,815)
<b>Total operating expenses</b>		<b>(103,053)</b>	<b>(4,372,310)</b>	<b>(761)</b>	<b>(18,055,628)</b>
<b>Net income from operations</b>		<b>43,595</b>	<b>27,592,983</b>	<b>423,530</b>	<b>155,999,295</b>
Withholding taxes		(4,261)	(672,768)	–	(2,137,304)
<b>Finance costs</b>					
Interest expense		–	(13)	–	(43)
Income distribution	5	–	–	–	(24,416,313)
<b>Profit for the financial year</b>		<b>39,334</b>	<b>26,920,202</b>	<b>423,530</b>	<b>129,445,635</b>

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

\*\*\* See Note 1 Statement of Accounting Policies (h).

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 year ended 31 December 2024*

	Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund €
<b>Net assets value attributable to holders of redeemable participating Shares at the start of the financial year</b>	363,317,781	587,811,419	241,444,637	9,243,388
Profit/(Loss) for the financial year	34,055,899	29,956,669	8,390,633	(40,911)
Proceeds from issuance of Shares	74,245,485	106,956,201	14,454,546	433,749
Payments on redemption of Shares	(85,983,687)	(249,523,289)	(168,514,434)	(274,817)
Foreign currency translation adjustment	–	(24,308,950)	–	–
<b>Net asset value attributable to holders of redeemable participating Shares at the end of the financial year</b>	<b>385,635,478</b>	<b>450,892,050</b>	<b>95,775,382</b>	<b>9,361,409</b>

\*\*\* See Note 1 Statement of Accounting Policies (h).

*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 year ended 31 December 2024 (continued)*

	<b>Montanaro Global Innovation Fund €</b>	<b>Montanaro Better World Fund €</b>	<b>Montanaro Global Select Fund €</b>	<b>Total*** €</b>
<b>Net assets value attributable to holders of redeemable participating Shares at the start of the financial year</b>	10,596,654	313,238,538	5,923,530	1,622,117,532
Profit/(Loss) for the financial year	1,138,223	(5,141,245)	2,767,637	76,555,018
Proceeds from issuance of Shares	20,431	39,151,337	56,052,106	310,694,194
Payments on redemption of Shares	(283,610)	(178,784,983)	(23,960,754)	(752,538,902)
Foreign currency translation adjustment	—	—	—	—
<b>Net asset value attributable to holders of redeemable participating Shares at the end of the financial year</b>	<b>11,471,698</b>	<b>168,463,647</b>	<b>40,782,519</b>	<b>1,256,827,842</b>

\*\*\* See Note 1 Statement of Accounting Policies (h).

*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 year ended 31 December 2023*

	Montanaro European Smaller Companies Fund €	Montanaro UK Income Fund £	Montanaro European Income Fund €	Montanaro European Focus Fund* €
<b>Net assets value attributable to holders of redeemable participating Shares at the start of the financial year</b>	402,002,635	633,081,551	288,249,917	101,801,477
Profit for the financial year	18,244,240	44,023,785	28,000,680	5,204,700
Proceeds from issuance of Shares	67,295,405	158,106,607	83,774,588	417,415
Payments on redemption of Shares	(124,224,499)	(232,743,033)	(158,580,548)	(98,180,204)
Foreign currency translation adjustment***	–	(14,657,491)	–	–
<b>Net asset value attributable to holders of redeemable participating Shares at the end of the financial year</b>	<b>363,317,781</b>	<b>587,811,419</b>	<b>241,444,637</b>	<b>9,243,388</b>

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

\*\*\* See Note 1 Statement of Accounting Policies (h).

*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 year ended 31 December 2023 (continued)*

	<b>Montanaro Global Innovation Fund €</b>	<b>Montanaro Better World Fund €</b>	<b>Montanaro Global Select Fund** €</b>	<b>Total*** €</b>
<b>Net assets value attributable to holders of redeemable participating Shares at the start of the financial year</b>	11,090,960	608,514,303	–	2,125,206,818
Profit for the financial year	39,334	26,920,202	423,530	129,445,635
Proceeds from issuance of Shares	103,352	58,736,800	5,500,000	397,598,429
Payments on redemption of Shares	(636,992)	(380,932,767)	–	(1,030,133,350)
Foreign currency translation adjustment	–	–	–	–
<b>Net asset value attributable to holders of redeemable participating Shares at the end of the financial year</b>	<b>10,596,654</b>	<b>313,238,538</b>	<b>5,923,530</b>	<b>1,622,117,532</b>

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

\*\*\* See Note 1 Statement of Accounting Policies (h).

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

NOTES TO THE FINANCIAL STATEMENTS

**1. Statement of Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

***(a) Basis of Preparation***

The financial statements for the financial year ended 31 December 2024 have been prepared on a going concern basis in accordance with the provisions of the Companies Act, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, (as amended), the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"), the Financial Reporting Standard ("FRS") 102 the financial reporting standard applicable in the United Kingdom and Republic of Ireland issued by the Financial Reporting Council ("FRC") and the listing rules of the Euronext Dublin. The financial statements 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 format and certain wordings of the financial statements have been adapted from those contained in the Companies Act, so that, in the opinion of the Directors, they more appropriately reflect the Company's business as an investment fund.

The Company has availed itself 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.

***(b) Income***

Income received and receivable from investments and deposits is credited to the Statement of Comprehensive Income on an accruals basis. Dividend income is credited to the Statement of Comprehensive Income on an ex-dividend basis. Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

***(c) Fees and Charges***

The investment manager's fee, manager's fee, depositary's fee, administrator's fee, Directors' fees and other operating expenses are charged to the Statement of Comprehensive Income on an accruals basis.

***(d) Subscriber Shares***

The authorised share capital of the Company is €38,100 divided into 38,100 Subscriber Shares of €1 each and 1,000,000,000 participating Shares of no par value initially designated as unclassified Shares.

The Subscriber Shares do not participate in the profits of the Company.

***(e) Redeemable Participating Shares***

All redeemable participating Shares issued by the Company provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Company's net assets at the redemption date. Such instruments give rise to a financial liability for the present value of the redemption amount. In accordance with the Prospectus, the Company is contractually obliged to redeem Shares at the NAV per Share on the valuation date. Redeemable participating Shares are measured and presented at traded market price.

Receivable and payable amounts for Fund Shares sold and purchased are disclosed in the Statement of Financial Position.

***(f) Distributions to Holders of Redeemable Participating Shares***

Distributions to holders of redeemable participating Shares are recorded in the Statement of Comprehensive Income as a finance cost when the Fund incurs a legal or constructive obligation to pay such a dividend.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. Statement of Accounting Policies (continued)

**(g) Financial Instruments**

**(i) Classification**

The Company classifies its investments as financial assets at fair value through profit or loss. The category of financial assets and liabilities through profit or loss comprises financial instruments held for trading and those designated by the Investment Manager, at inception, as being at fair value through profit or loss. The financial assets at fair value held by the Company are equity securities and are classified as held for trading.

Under FRS 102, in accounting for all of its financial instruments, an entity is required to apply either of the following:

- (a) the full requirements of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of FRS 102; or
- (b) the recognition and measurement provisions of International Accounting Standards (“IAS”) 39 “Financial Instruments: Recognition and Measurement”, (as amended) (“IAS 39”) as adopted for use in the European Union and the disclosure requirements of Sections 11 and 12 of FRS 102; or
- (c) the recognition and measurement provisions of International Financial Reporting Standards (“IFRS”) 9 “Financial Instruments” (“IFRS 9”) and the disclosure requirements of Sections 11 and 12 of FRS 102.

The Company has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of Sections 11 and 12 of FRS 102. Under IAS 39, financial assets and liabilities are valued at their traded market price, consistent with the Prospectus.

**(ii) Initial Measurement**

Purchases and sales of financial instruments are recognised on the trade date, which is the date that the Company commits to purchase the asset. Realised gains and losses on disposal of financial instruments are calculated using the Average Cost method.

Financial instruments categorised at fair value through profit or loss are recognised initially at fair value, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Please see Note 3 for details.

**(iii) Subsequent Measurement**

After initial measurement, the Company measures financial instruments which are classified at fair value through profit or loss, at their fair value. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments is based on their traded market prices on a recognised exchange or sourced from a reputable broker/counterparty in the case of non-exchange traded instruments, at the Statement of Financial Position date without any deduction for estimated future selling costs. Financial assets and financial liabilities are priced at their traded market prices.

If a traded market price is not available on a recognised stock exchange or from a broker/counterparty, the fair value of the financial instruments may be estimated by the Directors using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Subsequent changes in the fair value of financial instruments at fair value through profit or loss are recognised in the Statement of Comprehensive Income.

**(iv) Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with FRS 102.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

**(v) Offsetting**

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously.

## MONTANARO SMALLER COMPANIES PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 1. Statement of Accounting Policies (continued)

##### *(h) Foreign Currency*

##### Functional and Presentation Currency

Transactions included in the Company's books and accounting records are measured and presented using the currency of the primary economic environment in which it operates (the "functional currency"). This is the "Euro", which reflects the Company's primary activity of investing in European securities.

Montanaro European Smaller Companies Fund, Montanaro European Income Fund, Montanaro European Focus Fund, Montanaro Global Innovation Fund, Montanaro Better World Fund and Montanaro Global Select Fund use Euro as the presentation currency, in line with the functional currency.

Montanaro UK Income Fund uses Pound Sterling rather than Euro (the functional currency of the Company and the sub-fund) as the presentation currency for financial statement purposes as this is the principal currency for most of their Shareholders. The difference between the financial year 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 year ended 31 December 2024 for Montanaro UK Income Fund was a loss of £(24,308,950) (31 December 2023: loss of £(14,657,491)).

Assets and liabilities of the Funds have been translated using the exchange rate prevailing at the Statement of Financial Position date. Income and expenses have been translated using the average exchange rate during the financial year. Foreign currency transaction gains and losses on financial instruments classified as financial assets and liabilities at fair value through profit or loss are included in the Statement of Comprehensive Income as part of gains/(losses) on financial assets and liabilities at fair value through profit or loss.

The Company Total is presented in the functional currency of the Company, Euro. Monetary assets and liabilities denominated in currencies other than Euro are translated into Euro in the accounting records at the closing rates of exchange at each financial year end date. Transactions during the financial year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in the Statement of Comprehensive Income as part of gains/(losses) on financial assets and liabilities at fair value through profit or loss.

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

##### **31 December 2024**

Average Euro/Pound Sterling 1.1812

Spot Euro/Pound Sterling 1.2095

##### **31 December 2023**

Average Euro/Pound Sterling 1.1497

Spot Euro/Pound Sterling 1.1540

##### *(i) Cash and Cash Equivalents*

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand and in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

##### *(j) Accrued Expenses*

Accrued expenses are measured at carrying cost which approximates their fair values.

##### *(k) Withholding Tax*

The Company currently incurs withholding taxes imposed by certain countries on investment income. Such income is recorded gross of withholding taxes in the Statement of Comprehensive Income. Withholding taxes are shown as a separate item in the Statement of Comprehensive Income.

#### 2. Background

Montanaro Smaller Companies Plc (the "Company" with registered number: 330162) is an open-ended umbrella variable capital investment company. The Company was incorporated on 14 July 2000 in Ireland under the laws of Ireland as an investment Company with variable capital under the laws of the Republic of Ireland and was listed on the main market of the Euronext Dublin exchange (formerly the Irish Stock Exchange) on 11 December 2000.



## MONTANARO SMALLER COMPANIES PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 2. Background (continued)

As at 31 December 2024, the Company had seven Funds in existence (collectively the “Funds”, each a “Fund”): 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 and Montanaro Global Select Fund.

Montanaro European Smaller Companies Fund has eight Classes of Shares available: a Euro Accumulation Class, a Euro Class, a Euro Institutional Accumulation Class, a Euro Institutional Distribution Class, a Sterling Class, a Sterling Institutional Distribution Class, a Swedish Krona Accumulation Class and a US Dollar Class.

Montanaro UK Income Fund has five Classes of Shares available: a Euro Class, a Euro Seed Class, a Sterling Accumulation Class, a Sterling Class and a Sterling Seed Class.

Montanaro European Income Fund has three Classes of Shares available: a Euro Class, a Sterling Class and a Sterling Accumulation Class.

Montanaro European Focus Fund has two Classes of Shares available: a Euro Distribution Class and a Euro Institutional Accumulation Class.

Montanaro Global Innovation Fund has four Classes of Shares available: a Euro Accumulation A Class, a Euro Accumulation B Class, a Sterling Accumulation A Class and a Sterling Accumulation B Class.

Montanaro Better World Fund has five Classes of Shares available: a Euro Accumulation A Class, a Euro Distribution Class, a Euro Accumulation Class, a Sterling Distribution Class and Swedish Krona Institutional Accumulation Class.

Montanaro Global Select Fund has three Classes of Shares available: the Euro Accumulation A Class, Euro Accumulation B Class and a GBP Accumulation B Class.

#### 3. Fees

##### *Management Fee*

Waystone Management Company (IE) 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 €75,000 per annum based on a single Fund and €20,000 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 year ended 31 December 2024 were €131,908 (31 December 2023: €121,662) of which €73,318 was payable at year end (31 December 2023: €(16,872)).

##### *Investment Management Fee*

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

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

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Fees (continued)

#### *Investment Management Fee (continued)*

	% of Net Assets	Minimum Subscription
<b>Montanaro UK Income Fund</b>		
Euro Class <sup>1</sup>	0.75	N/A
Euro Seed Class <sup>1,2</sup>	0.40	N/A
Sterling Accumulation Class <sup>1</sup>	0.75	N/A
Sterling Class <sup>1</sup>	0.75	N/A
Sterling Seed Class <sup>1,2</sup>	0.40	N/A
<b>Montanaro European Income Fund</b>		
Euro Class <sup>1</sup>	0.75	N/A
Sterling Accumulation Class <sup>1</sup>	0.75	N/A
Sterling Class <sup>1</sup>	0.75	N/A
<b>Montanaro European Focus Fund</b>		
Euro Distribution Class <sup>1</sup>	1.50	N/A
Euro Institutional Accumulation Class	0.75	€25,000,000
<b>Montanaro Global Innovation Fund</b>		
Euro Accumulation A Class <sup>1,3</sup>	0.55	N/A
Euro Accumulation B Class <sup>1,3</sup>	0.75	N/A
Sterling Accumulation A Class <sup>1,3</sup>	0.55	N/A
Sterling Accumulation B Class <sup>1,3</sup>	0.75	N/A
<b>Montanaro Better World Fund</b>		
Euro Accumulation A Class <sup>1</sup>	1.50	N/A
Euro Accumulation Class <sup>1,4</sup>	0.85	N/A
Euro Distribution Class <sup>1</sup>	0.85	N/A
Sterling Distribution Class <sup>1</sup>	0.85	N/A
Swedish Krona Institutional Accumulation Class <sup>4</sup>	0.70	€150,000,000
<b>Montanaro Global Select Fund</b>		
Euro Accumulation A Class <sup>1</sup>	0.75	N/A
Euro Accumulation B Class	0.55	€75,000,000
GBP Accumulation B Class	0.55	€75,000,000

The Investment Manager agreed to waive its fee from launch date until 31 December 2024.

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

<sup>2</sup> Effective 1 January 2024, the Management fee rate charged to Euro Seed Class and Sterling Seed Class of Montanaro UK Income fund increased from 0.35% per annum to 0.40% per annum. However, as per the Prospectus, the Investment Manager is entitled to charge a fee of up to 0.75% per annum.

<sup>3</sup> The Investment Management fee rate charged to Euro Accumulation A Class and Sterling Accumulation A Class of the Montanaro Global Innovation Fund is 0.55% per annum, while the Investment Management fee rate charged to Euro Accumulation B Class and Sterling Accumulation B Class is 0.75% per annum.

<sup>4</sup> 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.

The Investment Manager earned an Investment Management fee of €12,487,167 for the financial year ended 31 December 2024 (31 December 2023: €15,778,516) of which €2,747,003 (31 December 2023: €3,129,914) was payable at the financial year end.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**3. Fees (continued)**

*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, all Classes of the Montanaro Better World Fund and all Classes of the Montanaro Global Select 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).

For the financial year ended 31 December 2024, the Investment Manager earned Performance fees of €Nil (31 December 2023: €Nil), of which €Nil (31 December 2023: €Nil) was payable at the financial year end.

There were no Performance fees charged during the financial year ended 31 December 2024 and 31 December 2023.

*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 €904,020 for the financial year ended 31 December 2024 (31 December 2023: €941,684) of which €941,872 (31 December 2023: €986,229) was payable at the financial year end.

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 €301,031 for the financial year ended 31 December 2024 (31 December 2023: €346,641) of which €182,253 (31 December 2023: €239,411) was payable at the financial year end.

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

*Directors’ Fees*

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 general meeting. The Directors’ fees were €63,804 for the financial year ended 31 December 2024 (31 December 2023: €62,218).

*Professional Fees*

For the financial year ended 31 December 2024, Professional Fees, which principally comprised Taxation fees, Directors’ indemnity insurance premiums (D&O) and Investment Committee fees (charged only in respect of the Montanaro Global Innovation Fund), amounted to €117,656 (31 December 2023: €114,189) of which €38,327 (31 December 2023: €57,745) was payable at the financial year end.

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Fees (continued)

*Professional Fees (continued)*

**31 December 2024**

	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 €	Montanaro Global Select Fund €	Total*** €
Taxation fees	(11,665)	(16,353)	(2,587)	(85)	(3,062)	(13,349)	(1,734)	(48,835)
Directors' indemnity insurance premiums (D&O)	(5,015)	(8,946)	(3,016)	(194)	(141)	(3,991)	(88)	(21,391)
Investment Committee fees	—	—	—	—	(47,430)	—	—	(47,430)
	(16,680)	(25,299)	(5,603)	(279)	(50,633)	(17,340)	(1,822)	(117,656)

\*\*\* See Note 1 Statement of Accounting Policies (h).

**31 December 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 €	Montanaro Global Select Fund** €	Total*** €
Taxation fees	(7,334)	(9,848)	(4,195)	(337)	(2,896)	(16,553)	—	(42,637)
Directors' indemnity insurance premiums (D&O)	(1,933)	(2,802)	(1,579)	(761)	(64)	(5,251)	(7)	(12,816)
Investment Committee fees	—	—	—	—	(58,736)	—	—	(58,736)
	(9,267)	(12,650)	(5,774)	(1,098)	(61,696)	(21,804)	(7)	(114,189)

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

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

\*\*\* See Foreign Currency Translation Adjustment Note 14.

#### *Auditor's Remuneration*

Fees charged by the Independent Auditor in respect of the financial year ended 31 December 2024 and 31 December 2023 (exclusive of VAT) were:

	Statutory audit €	Other assurance services €	Tax advisory services €	Other non-audit services €
31 December 2024	64,000	—	—	—
31 December 2023	58,500	—	—	—

#### *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 year ended 31 December 2024, other expenses

## MONTANARO SMALLER COMPANIES PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 3. Fees (continued)

##### *Other Expenses (continued)*

totalled €569,794 (31 December 2023: €522,954). Other expenses payable at the financial year end amounted to €22,915 (year ended: €36,483).

##### *Transaction Costs*

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When financial assets or financial liabilities are initially recognised at fair value through profit or loss, transaction costs for such instruments are recognised directly in profit and loss.

Transaction costs on purchases and sales of equities measured at fair value through profit or loss are included in net gains/(losses) on investments in the Statement of Financial Position for each Fund. Depositary transaction costs are included in Depositary fees in the Statement of Comprehensive Income for each Fund. These costs are separately identifiable transaction costs and the total costs incurred by each Fund during the financial year are disclosed below.

For the financial years ended 31 December 2024 and 31 December 2023, the Company incurred transaction costs on purchases and sales as below:

<b>Fund</b>	<b>Currency</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Montanaro European Smaller Companies Fund	€	139,851	115,860
Montanaro UK Income Fund	£	385,802	571,299
Montanaro European Income Fund	€	78,281	97,177
Montanaro European Focus Fund*	€	11,006	37,794
Montanaro Global Innovation Fund	€	7,672	2,054
Montanaro Better World Fund	€	131,097	178,426
Montanaro Global Select Fund**	€	37,660	5,279

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

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

#### 4. Financial Assets at Fair Value through Profit or Loss

As at 31 December 2024 and 31 December 2023, the fair value of financial assets held at fair value through profit or loss are based on closing last prices which are derived from traded market prices in active markets.

#### 5. 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, Global Innovation Fund (with the exception of the Euro Accumulation A and Euro Accumulation B Share Classes), Montanaro Better World Fund and the Global Select Fund (with the exception of the Euro Accumulation A and Euro Accumulation B Share Classes) are registered as reporting funds under the UK Reporting Fund Regime.

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 year ended 31 December 2024 all distributions were paid out of income apart from distributions of £Nil on the Montanaro UK Income Fund and distributions of €171,970 on the Montanaro European Income Fund. For the financial year ended 31 December 2023 all distributions were paid out of income apart from distributions of £Nil on the Montanaro UK Income Fund and distributions of €211,468 on the Montanaro European Income Fund.

The Company made the following distributions to redeemable participating Shareholders during the financial year ended 31 December 2024 and 31 December 2023:

## MONTANARO SMALLER COMPANIES PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 5. Distribution Policy (continued)

	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 €	Montanaro Global Select Fund** €	Total*** €
31 December 2024	1,623,080	12,725,828	3,413,520	658,037	–	–	–	20,726,370
31 December 2023	827,372	17,211,674	3,581,741	219,406	–	–	–	24,416,313

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

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

\*\*\* See Note 1 Statement of Accounting Policies (h).

#### 6. Cash and Cash Equivalents

At the financial year end, the Company had a cash balance totalling €20,125,180 (31 December 2023: €14,871,827) with Bank of New York Mellon SA/NV, Dublin Branch.

#### 7. 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.

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

Please refer to Note 3 Fees for the Director Fee details.

Cedric Durant des Aulnois, a Director of the Company, held 2,919 (31 December 2023: 2,919) Shares in the Montanaro UK Income Fund as at 31 December 2024.

No other Directors, nor the Secretary, had any interest in the Shares or deferred Shares of the Company as at 31 December 2024 and 31 December 2023.

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

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:

	31 December 2024	31 December 2023
Montanaro Asset Management Limited	14,331,142	14,015,294
Montanaro Growth & Income Fund Limited Partnership No. 3	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 3. As at 31 December 2024 and 31 December 2023 there were 7 Subscriber Shares of €1 each in issue (being the minimum share capital of the Company) held by the Investment Manager.

The Investment Manager agreed to waive its entitlement to any Performance fees for the Montanaro Global Innovation Fund for the years ended 31 December 2024 and 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS (continued)

**8. Risks Associated with Financial Instruments**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, cash flow and price risk), credit risk, liquidity risk and capital risk management. The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Further, the Company has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control economic hedging transactions in a timely and accurate manner.

The Company's assets and liabilities comprise financial instruments which mainly include:

- Investments in equity Shares, preferred stock and collective investment schemes. These are held in accordance with the Company's investment objectives and policies;
- Cash, liquid resources and short-term debtors and creditors that arise directly from its investment activities.

The investment objectives of the Funds are as follows:

*Montanaro European Smaller Companies Fund*

The investment objective of the Fund is to outperform its Benchmark, the MSCI Europe SmallCap (Capital Return) Index.

*Montanaro UK Income Fund*

The investment objective of the Fund is to deliver capital growth and income.

*Montanaro European Income Fund*

The investment objective of the Fund is to deliver capital growth and income.

*Montanaro European Focus Fund*

The investment objective of the Fund is to outperform its Benchmark, the STOXX Europe Mid 200 (Capital Return) Index.

*Montanaro Global Innovation Fund*

The investment objective of the Fund is to outperform its Benchmark, the MSCI World SMID Cap (Total Return) Index.

*Montanaro Better World Fund*

The investment objective of the Fund is to deliver long-term capital growth.

*Montanaro Global Select Fund*

The investment objective of the Fund is to outperform the Benchmark, the MSCI World SMID Cap (Total Return) Index.

**Market Price Risk**

The Company trades in financial instruments, taking positions in traded instruments to take advantage of market movements in the equity markets.

All securities investments present a risk of loss of capital. Each of the Funds' overall market positions are monitored on a daily basis by the Company's Investment Manager and are reported on a monthly basis to the Directors and Waystone Management Company (IE) Limited (the "Manager") in the monthly Investment Manager's factsheet. The monthly Investment Manager's factsheet includes details of the Company's performance, relative performance, a Fund analysis, a list of the top ten holdings and a sector and country distribution analysis.

The Company's investments are in accordance with UCITS Regulations investment restrictions and also comply with the investment restrictions as disclosed in the Company's Prospectus.

The total value of investments held by the Company at the financial year end is disclosed in the Statement of Financial Position.

The Company's equity instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Company's market price risk is managed through diversification of the investment portfolios. In the case of each of the Funds, all invested assets are in securities traded on recognised European exchanges. At 31 December 2024 and 31 December 2023, the overall market exposures were:

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 8. Risks Associated with Financial Instruments (continued)

#### Market Price Risk (continued)

	Currency	31 December 2024		31 December 2023	
		% of Net Assets at		% of Net Assets at	
Securities held for trading		Fair value	Mid-Prices	Fair value	Mid-Prices
Montanaro European Smaller Companies Fund	€	380,094,697	98.56	361,397,990	99.47
Montanaro UK Income Fund	£	446,010,224	98.92	582,130,578	99.03
Montanaro European Income Fund	€	93,737,800	97.87	239,440,446	99.17
Montanaro European Focus Fund*	€	8,934,820	95.44	8,898,888	96.27
Montanaro Global Innovation Fund	€	11,151,538	97.21	10,436,804	98.49
Montanaro Better World Fund	€	163,932,521	97.31	310,788,495	99.22
Montanaro Global Select Fund**	€	40,005,853	98.10	5,904,560	99.68

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

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

If the Company's underlying investments at 31 December 2024 had increased or decreased by 5% with all other variables held constant, this would have increased or reduced net assets attributable to holders of redeemable Shares of the Montanaro European Smaller Companies Fund by approximately €19.3m (31 December 2023: €18.1m), Montanaro UK Income Fund by approximately £22.5m (31 December 2023: £29.1m), Montanaro European Income Fund by approximately €4.8m (31 December 2023: €12.0m), Montanaro European Focus Fund by approximately €0.5m (31 December 2023: €0.4m), Montanaro Global Innovation Fund by approximately €0.6m (31 December 2023: €0.5m), Montanaro Better World Fund by approximately €8.4m (31 December 2023: €15.5m) and Montanaro Global Select Fund by approximately €2.0m (31 December 2023: €0.3m).

The top ten country distribution of the Company's investments at 31 December 2024 and 31 December 2023 is as follows:

31 December 2024		31 December 2024	
Country	Montanaro European Smaller Companies Fund % of Net Assets at mid prices	Country	Montanaro UK Income Fund % of Net Assets at mid prices
United Kingdom	28.57	United Kingdom	92.06
Sweden	18.14	Sweden	2.04
Italy	15.38	Vietnam	1.76
Germany	12.38	Jersey	0.75
Switzerland	10.58		
France	3.45		
Netherlands	3.09		
Belgium	3.04		
Denmark	1.69		
Spain	1.32		



**MONTANARO SMALLER COMPANIES PLC**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**8. Risks Associated with Financial Instruments (continued)**

*Market Price Risk (continued)*

<b>31 December 2024</b>	<b>Montanaro European Income Fund % of Net Assets at mid prices</b>	<b>31 December 2024</b>	<b>Montanaro European Focus Fund % of Net Assets at mid prices</b>
<b>Country</b>		<b>Country</b>	
Italy	23.69	United Kingdom	31.21
Sweden	16.06	Italy	20.12
France	13.99	Sweden	18.36
Germany	11.55	Germany	11.99
Norway	11.35	France	6.43
Belgium	5.35	Belgium	4.06
Switzerland	5.09	Switzerland	3.27
Spain	3.29		
Netherlands	3.28		
Denmark	3.03		

<b>31 December 2024</b>	<b>Montanaro Global Innovation Fund % of Net Assets at mid prices</b>	<b>31 December 2024</b>	<b>Montanaro Better World Fund % of Net Assets at mid prices</b>
<b>Country</b>		<b>Country</b>	
United States	48.00	United States	55.92
United Kingdom	6.12	Japan	10.61
Japan	5.79	United Kingdom	6.70
Sweden	5.44	France	5.59
Italy	5.36	Italy	4.32
Australia	5.25	Sweden	3.82
Germany	4.62	Switzerland	3.47
Netherlands	3.78	Germany	2.05
Canada	2.98	Australia	1.48
Israel	2.91	Israel	1.47

**MONTANARO SMALLER COMPANIES PLC**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**8. Risks Associated with Financial Instruments (continued)**

***Market Price Risk (continued)***

	<b>Montanaro Global Select Fund % of Net Assets at mid prices</b>
<b>31 December 2024</b>	
<b>Country</b>	
United States	47.62
United Kingdom	13.99
Germany	12.05
France	5.76
Sweden	5.29
Japan	4.29
Netherlands	4.05
Switzerland	3.76
Australia	1.29

	<b>Montanaro European Smaller Companies Fund % of Net Assets at mid prices</b>		<b>Montanaro UK Income Fund % of Net Assets at mid prices</b>
<b>31 December 2023</b>		<b>31 December 2023</b>	
<b>Country</b>		<b>Country</b>	
United Kingdom	30.23	United Kingdom	94.01
Sweden	17.82	Sweden	2.98
Italy	12.41	Vietnam	1.50
Switzerland	12.11	Belgium	0.54
Germany	10.07		
France	5.27		
Netherlands	3.90		
Belgium	2.59		
Denmark	1.43		
Spain	1.39		

**MONTANARO SMALLER COMPANIES PLC**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**8. Risks Associated with Financial Instruments (continued)**

*Market Price Risk (continued)*

<b>31 December 2023</b>	<b>Montanaro European Income Fund % of Net</b>	<b>31 December 2023</b>	<b>Montanaro European Focus Fund* % of Net</b>
<b>Country</b>	<b>Assets at mid prices</b>	<b>Country</b>	<b>Assets at mid prices</b>
Italy	24.87	United Kingdom	29.39
Sweden	13.91	Italy	19.30
France	13.42	France	13.33
Germany	11.90	Belgium	9.09
Norway	11.18	Switzerland	7.95
Belgium	6.59	Sweden	5.64
Denmark	4.83	Denmark	4.52
Spain	4.25	Germany	4.01
Switzerland	3.79	Norway	2.02
Netherlands	2.53	Netherlands	1.02

<b>31 December 2023</b>	<b>Montanaro Global Innovation Fund % of Net</b>	<b>31 December 2023</b>	<b>Montanaro Better World Fund % of Net</b>
<b>Country</b>	<b>Assets at mid prices</b>	<b>Country</b>	<b>Assets at mid prices</b>
United States	47.30	United States	50.36
Sweden	9.44	Japan	8.48
United Kingdom	7.83	United Kingdom	8.42
Australia	5.62	Switzerland	5.77
France	5.46	Sweden	4.15
Switzerland	4.48	Denmark	3.65
Italy	4.16	Australia	2.91
Germany	3.92	Israel	2.72
Israel	2.72	France	2.60
Netherlands	2.48	Germany	2.23

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 8. Risks Associated with Financial Instruments (continued)

#### Market Price Risk (continued)

	Montanaro Global Select Fund** % of Net Assets at mid prices
<b>31 December 2023</b>	
<b>Country</b>	
United States	46.18
United Kingdom	11.76
Germany	10.57
Switzerland	8.06
France	7.81
Sweden	7.60
Netherlands	3.65
Australia	2.20
Israel	1.04
Norway	0.81

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

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

#### Interest Rate Risk

The majority of the Company's financial assets are equity shares and other instruments which neither pay interest nor have a maturity date. As a result, the Company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Cash balances of the Company are not subject to significant interest rate risk.

#### Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. In accordance with the Company's policy, the Investment Manager monitors the Company's currency position on a daily basis. The Company's currency position is reported to Waystone Management Company (IE) Limited (the "Manager") on a monthly basis in the monthly Administrator's report and Investment Manager's reports and reported to the Directors on a quarterly basis.

The Company holds assets denominated in currencies other than their functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. The Company's policy is not to enter into any currency hedging.

The following table indicates the currencies to which the Company had significant exposure at 31 December 2024 and 31 December 2023 along with the expected movement in value of the currency given a 5% movement relative to the presentation currency:

	Montanaro European Smaller Companies Fund				Montanaro UK Income Fund			
	31 December 2024		31 December 2023		31 December 2024		31 December 2023	
	Net Exposure	5% movement	Net Exposure	5% movement	Net Exposure	5% movement	Net Exposure	5% movement
	€	€	€	€	£	£	£	£
Danish Krone	6,641,511	332,076	5,320,160	266,008	—	—	—	—
Pound Sterling	117,195,294	5,859,765	115,215,917	5,760,796	442,403,383	22,120,169	566,869,440	28,343,472
Swedish Krona	70,016,275	3,500,814	64,810,679	3,240,534	9,415,318	470,766	17,532,343	876,617
Swiss Franc	40,819,571	2,040,979	44,006,382	2,200,319	—	—	—	—
US Dollar	96,966	4,848	100,070	5,004	—	—	—	—

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 8. Risks Associated with Financial Instruments (continued)

#### Foreign Currency Risk (continued)

	Montanaro European Income Fund				Montanaro European Focus Fund*			
	31 December 2024		31 December 2023		31 December 2024		31 December 2023	
	Net Exposure	5% movement	Net Exposure	5% movement	Net Exposure	5% movement	Net Exposure	5% movement
	€	€	€	€	€	€	€	€
Danish Krone	3,135,605	156,780	11,844,514	592,226	25,198	1,260	442,951	22,148
Norwegian Krone	12,686,038	634,302	32,081,031	1,604,052	—	—	186,396	9,320
Pound Sterling	560,722	28,036	(730,388)	(36,519)	3,010,070	150,504	2,916,586	145,829
Swedish Krona	13,642,742	682,137	28,567,936	1,428,397	1,719,144	85,957	521,123	26,056
Swiss Franc	4,872,006	243,600	9,151,110	457,555	306,152	15,308	735,127	36,756
	Montanaro Global Innovation Fund				Montanaro Better World Fund			
	31 December 2024		31 December 2023		31 December 2024		31 December 2023	
	Net Exposure	5% movement	Net Exposure	5% movement	Net Exposure	5% movement	Net Exposure	5% movement
	€	€	€	€	€	€	€	€
Australian Dollar	602,299	30,115	595,040	29,752	2,491,330	124,567	9,109,210	455,460
Danish Krone	122,466	6,123	256	13	110,172	5,509	11,557,156	577,858
Israeli Shekel	—	—	103,149	5,157	—	—	—	—
Japanese Yen	664,563	33,228	—	—	17,873,038	893,652	26,564,107	1,328,205
New Taiwan Dollar	251,301	12,565	110,406	5,520	—	—	—	—
New Zealand Dollar	—	—	—	—	—	—	3,432,416	171,621
Norwegian Krone	187	9	86,036	4,302	—	—	—	—
Pound Sterling	836,593	41,830	1,154,110	57,706	11,543,258	577,163	26,894,931	1,344,747
Swedish Krona	623,845	31,192	1,000,068	50,003	6,963,525	348,176	13,066,477	653,324
Swiss Franc	—	—	475,160	23,758	5,854,581	292,729	18,059,030	902,951
US Dollar	6,158,515	307,926	4,917,449	245,872	96,686,409	4,834,320	166,292,459	8,314,623
	Montanaro Global Select Fund**							
	31 December 2024		31 December 2023					
	Net Exposure	5% movement	Net Exposure	5% movement				
	€	€	€	€				
Australian Dollar	523,434	26,172	130,229	6,511				
Danish Krone	—	—	—	—				
Euro	—	—	—	—				
Hong Kong Dollar	—	—	—	—				
Israeli Shekel	—	—	61,890	3,094				
Japanese Yen	1,747,826	87,391	—	—				
New Zealand Dollar	—	—	—	—				
Norwegian Krone	—	—	47,689	2,384				
Pound Sterling	5,718,558	285,928	702,064	35,103				
Swedish Krona	2,155,661	107,783	450,411	22,521				
Swiss Franc	1,534,490	76,725	477,451	23,873				
US Dollar	19,420,129	971,006	2,735,677	136,784				

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

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

#### Credit/Counterparty Risk

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Company. The Company's maximum exposure to credit risk (not taking into account the value of any collateral or other security held) in the event that counterparties fail to perform their obligations in relation to each Class of recognised financial assets, is the carrying amount of those assets as indicated in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS (continued)

**8. Risks Associated with Financial Instruments (continued)**

***Credit/Counterparty Risk (continued)***

All transactions in traded securities are settled/paid for using approved brokers. The risk of default is considered minimal, as delivery of securities sold and receipt of payment by the broker and payment on a purchase and receipt of securities by the broker are done simultaneously. The trade will fail if either party fails to meet its obligation.

In accordance with the Company's policy, the Investment Manager monitors the Company's credit position on a daily basis and the Administrator reports on it to the Board of Directors quarterly in the Administrator's report. At 31 December 2024, the Company held cash of €20,125,180 with the Bank of New York Mellon SA/NV, Dublin Branch (31 December 2023: €14,871,827) who has a credit rating of AA- (31 December 2023: AA-) by Standard & Poor's.

The Company's securities are maintained within the Depositary's network in segregated accounts. The Depositary is required to ensure that any agent it appoints to assist in safekeeping the assets of the Company will segregate the assets of the Company. Thus, in the event of insolvency or bankruptcy of the Depositary, the Company's assets should be segregated and protected and this should further reduce counterparty risk. The Company is, however, exposed to the risk that the Depositary or certain depositories used by the Depositary may fail. In event of the insolvency or bankruptcy of the Depositary, the Company will be treated as a general creditor of the Depositary in relation to cash holdings of the Company and as such the amount that the Company will recover is dependent on the amount of cash available to the liquidator to distribute.

***Significant concentrations of credit risk***

Concentrations of credit risk exist when changes in economic, industry or geographic factors affect counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instruments is broadly diversified along industry, product and geographic lines, and transactions are entered into with creditworthy counterparties, thereby mitigating any significant concentration of credit risk.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must be based on future events and must not be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty. As at 31 December 2024 and 31 December 2023, the Company was not subject to master netting arrangements with its counterparties.

***Liquidity Risk***

The Company is exposed to daily cash redemptions of redeemable Shares. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Company's traded securities are considered readily realisable as they are traded on recognised stock exchanges. The Company is permitted to borrow in the short term to ensure settlement. As at 31 December 2024, no such borrowings existed (31 December 2023: Nil).

In accordance with the Company's policy, the Investment Manager monitors the Company's liquidity on a daily basis. The Board of Directors receives reports on it on a quarterly basis in the Administrator's report and the Investment Manager's report.

All of the liabilities of the Company are payable in less than three months.

***Capital Risk Management***

The capital of the Company is represented by the NAV attributable to the holder of redeemable participating Shares. The amount of NAV attributable to the holder of redeemable participating Shares can change significantly on a monthly basis, as the Company is subject to daily subscriptions and redemptions at the discretion of the Shareholder. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for the Shareholder and maintain a strong capital base to support the development of the investment activities of the Company.

Investors should note that the smaller companies market in which the Company invests may be less liquid than the market in larger capitalisation stocks and can be more sensitive to economic and other factors. As a result, the Company may experience greater volatility both in the value of its investments and in its NAV per Share than a Company investing in larger capitalisation Shares. This may be particularly relevant where positions need to be liquidated to meet redemption requests or other funding requirements.

The Directors' current intention is to make at their discretion a distribution of substantially the whole of the net income (including interest and dividend income less expenditure and liabilities) to Shareholders each calendar quarter.

NOTES TO THE FINANCIAL STATEMENTS (continued)

**8. Risks Associated with Financial Instruments (continued)**

***Capital Risk Management (continued)***

In the event that the net distributable income generated by the Montanaro UK Income Fund and European Income Fund during the relevant 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 Montanaro UK Income Fund and European Income Fund. Investors 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.

***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 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.

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 31 December 2024 and 31 December 2023. There were no transfers between levels during the financial year. 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 31 December 2024 and 31 December 2023.

**9. Soft Commission Arrangements**

No soft commission arrangements were entered into during the financial years ended 31 December 2024 and 31 December 2023.

**10. 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.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**10. Efficient Portfolio Management (continued)**

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.

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 year ended 31 December 2024 or the financial year ended 31 December 2023 for efficient portfolio management or any other purpose.

**11. 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 31 December 2024 and 31 December 2023 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.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 11. Share Capital and Redeemable Participating Shares (continued)

**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.

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.

	Shares in issue at beginning of financial year	Subscriptions	Redemptions	Shares in issue at end of financial year
<b>Montanaro European Smaller Companies Fund</b>				
Euro Accumulation Class	17,219,632	2,058,970	(2,162,076)	17,116,526
Euro Class	16,307,470	100,174	(2,195,206)	14,212,438
Euro Institutional Accumulation Class	4,635,193	1,224,949	(1,499,901)	4,360,241
Euro Institutional Distribution Class	5,590,376	4,595,194	(578,074)	9,607,496
Sterling Class	1,543,088	355,785	(835,336)	1,063,537
Sterling Institutional Distribution Class	5,449,524	1,100,129	(3,589,604)	2,960,049
Swedish Krona Accumulation Class	317,630	–	–	317,630
US Dollar Class	56,673	–	(2,018)	54,655

**MONTANARO SMALLER COMPANIES PLC**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**11. Share Capital and Redeemable Participating Shares (continued)**

**31 December 2024**

	Shares in issue at beginning of financial year	Subscriptions	Redemptions	Shares in issue at end of financial year
<b>Montanaro UK Income Fund</b>				
Euro Class	206,100	43,485	(94,099)	155,486
Euro Seed Class	1,014,577	69,477	(374,805)	709,249
Sterling Accumulation Class	161,750,080	26,991,952	(87,015,617)	101,726,415
Sterling Class	172,925,151	20,074,750	(72,084,982)	120,914,919
Sterling Seed Class	112,671,222	26,842,518	(33,112,247)	106,401,493
<b>Montanaro European Income Fund</b>				
Euro Class	12,779,313	1,962,435	(1,330,487)	13,411,261
Sterling Accumulation Class	88,837,058	268,514	(86,783,681)	2,321,891
Sterling Class	35,705,306	4,491,273	(11,313,201)	28,883,378
<b>Montanaro European Focus Fund</b>				
Euro Distribution Class	505,441	357,868	(151,521)	711,788
Euro Institutional Accumulation Class	3,039,723	—	(20,859)	3,018,864
<b>Montanaro Global Innovation Fund</b>				
Euro Accumulation A Class	1,200,378	—	—	1,200,378
Euro Accumulation B Class	1,105,367	—	—	1,105,367
Sterling Accumulation A Class	2,131,050	19,374	(172,480)	1,977,944
Sterling Accumulation B Class	3,250,962	1,227	(64,944)	3,187,245
<b>Montanaro Better World Fund</b>				
A Euro Accumulation Class	—	1,705,782	(75,238)	1,630,544
Euro Accumulation Class	19,363,375	4,543,650	(7,673,738)	16,233,287
Euro Distribution Class	77,543,487	5,555,450	(59,073,241)	24,025,696
Sterling Distribution Class	96,306,702	13,773,025	(46,051,236)	64,028,491
Swedish Krona Institutional Accumulation Class	5,375,790	153,187	(801,119)	4,727,858
<b>Montanaro Global Select Fund</b>				
Euro Accumulation A Class	2,750,000	—	(429,185)	2,320,815
Euro Accumulation B Class	2,750,000	19,206,196	(19,635,381)	2,320,815
GBP Accumulation B Class	—	28,189,068	—	28,189,068

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 11. Share Capital and Redeemable Participating Shares (continued)

31 December 2023

	Shares in issue at beginning of financial year	Subscriptions	Redemptions	Shares in issue at end of financial year
<b>Montanaro European Smaller Companies Fund</b>				
Euro Accumulation Class	18,398,137	3,803,505	(4,982,010)	17,219,632
Euro Class	16,988,667	110,925	(792,122)	16,307,470
Euro Institutional Accumulation Class	4,238,215	851,484	(454,506)	4,635,193
Euro Institutional Distribution Class	12,655,471	876,065	(7,941,160)	5,590,376
Sterling Class	3,894,309	616,186	(2,967,407)	1,543,088
Sterling Institutional Distribution Class	3,564,114	3,395,800	(1,510,390)	5,449,524
Swedish Krona Accumulation Class	317,630	—	—	317,630
US Dollar Class	72,973	18,174	(34,474)	56,673
<b>Montanaro UK Income Fund</b>				
Euro Class	1,635,534	53,701	(1,483,135)	206,100
Euro Seed Class	823,374	396,026	(204,823)	1,014,577
Sterling Accumulation Class	173,079,256	57,091,728	(68,420,904)	161,750,080
Sterling Class	186,565,994	57,158,520	(70,799,363)	172,925,151
Sterling Seed Class	137,097,674	19,889,772	(44,316,224)	112,671,222
<b>Montanaro European Income Fund</b>				
Euro Class	13,485,857	1,490,907	(2,197,451)	12,779,313
Sterling Accumulation Class	102,873,478	33,718,287	(47,754,707)	88,837,058
Sterling Class	58,502,321	14,413,883	(37,210,898)	35,705,306
<b>Montanaro European Focus Fund*</b>				
Euro Distribution Class	39,576,883	162,040	(39,233,482)	505,441
Euro Institutional Accumulation Class	3,043,112	3,969	(7,358)	3,039,723
<b>Montanaro Global Innovation Fund</b>				
Euro Accumulation A Class	1,253,095	—	(52,717)	1,200,378
Euro Accumulation B Class	1,109,635	—	(4,268)	1,105,367
Sterling Accumulation A Class	2,384,863	93,987	(347,800)	2,131,050
Sterling Accumulation B Class	3,395,875	9,384	(154,297)	3,250,962
<b>Montanaro Better World Fund</b>				
Euro Accumulation Class	21,405,246	7,206,573	(9,248,444)	19,363,375
Euro Distribution Class	92,911,489	7,550,409	(22,918,411)	77,543,487
Sterling Distribution Class	188,604,426	17,280,050	(109,577,774)	96,306,702
Swedish Krona Institutional Accumulation Class	141,392,445	10,540,402	(146,557,057)	5,375,790
<b>Montanaro Global Select Fund**</b>				
Euro Accumulation A Class	—	2,750,000	—	2,750,000
Euro Accumulation B Class	—	2,750,000	—	2,750,000

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

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

## MONTANARO SMALLER COMPANIES PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 12. Exchange Rates

The exchange rates to Euro (€) at the financial years ended 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Australian Dollar	1.6725	1.6189
Canadian Dollar	1.4893	1.4566
Danish Krone	7.4573	7.4546
Israeli New Shekel	3.773	3.9777
Japanese Yen	162.7393	155.7336
New Taiwan Dollar	33.9484	33.9023
New Zealand Dollar	1.8483	1.7447
Norwegian Krone	11.7605	11.2185
Pound Sterling	0.8268	0.8665
Swedish Krona	11.4415	11.1325
Swiss Franc	0.9384	0.9297
US Dollar	1.0355	1.1047

#### 13. 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.

#### 14. Comparatives

The comparative financial statements relate to the financial year ended 31 December 2023.

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

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

The below share classes are unhedged.

31 December 2024	Net Assets for dealing	Shares in issue	NAV per Share
<b>Montanaro European Smaller Companies Fund</b>			
Euro Accumulation Class	€127,806,771	17,116,526	€7.467
Euro Class	€110,179,085	14,212,438	€7.752
Euro Institutional Accumulation Class	€37,899,072	4,360,241	€8.692
Euro Institutional Distribution Class	€76,061,876	9,607,496	€7.917
Sterling Class	£6,837,642	1,063,537	£6.429
Sterling Institutional Distribution Class	£20,191,434	2,960,049	£6.821
Swedish Krona Accumulation Class	SEK9,116,531	317,630	SEK28.702
US Dollar Class	\$208,325	54,655	\$3.812
<b>Montanaro UK Income Fund</b>			
Euro Class	€141,437	155,486	€0.910
Euro Seed Class	€931,674	709,249	€1.314
Sterling Accumulation Class	£115,638,496	101,726,415	£1.137
Sterling Class	£129,540,912	120,914,919	£1.071
Sterling Seed Class	£204,825,331	106,401,493	£1.925
<b>Montanaro European Income Fund</b>			
Euro Class	€18,193,339	13,411,261	€1.357
Sterling Accumulation Class	£3,088,819	2,321,891	£1.330
Sterling Class	£61,056,980	28,883,378	£2.114
<b>Montanaro European Focus Fund</b>			
Euro Distribution Class	€867,752	711,788	€1.219
Euro Institutional Accumulation Class	€8,493,658	3,018,864	€2.814
<b>Montanaro Global Innovation Fund</b>			
Euro Accumulation A Class	€1,002,360	1,200,378	€0.835
Euro Accumulation B Class	€1,932,794	1,105,367	€1.749
Sterling Accumulation A Class	£1,577,993	1,977,944	£0.798
Sterling Accumulation B Class	£5,480,128	3,187,245	£1.719
<b>Montanaro Better World Fund</b>			
A Euro Accumulation Class	€1,519,501	1,630,544	€0.932
Euro Accumulation Class	€15,913,861	16,233,287	€0.980
Euro Distribution Class	€35,837,723	24,025,696	€1.492
Sterling Distribution Class	£90,515,216	64,028,491	£1.414
Swedish Krona Institutional Accumulation Class	SEK65,418,587	4,727,858	SEK13.837
<b>Montanaro Global Select Fund</b>			
Euro Accumulation A Class	€2,836,612	2,320,815	€1.222
Euro Accumulation B Class	€2,838,070	2,320,815	€1.223
GBP Accumulation B Class	£29,027,596	28,189,068	£1.030

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

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

31 December 2023	Net Assets for dealing	Shares in issue	NAV per Share
<b>Montanaro European Smaller Companies Fund</b>			
Euro Accumulation Class	€117,329,321	17,219,632	€6.814
Euro Class	€115,724,161	16,307,470	€7.096
Euro Institutional Accumulation Class	€36,396,255	4,635,193	€7.852
Euro Institutional Distribution Class	€40,837,368	5,590,376	€7.305
Sterling Class	£9,573,465	1,543,089	£6.204
Sterling Institutional Distribution Class	£35,583,436	5,449,524	£6.530
Swedish Krona Accumulation Class	SEK8,094,410	317,630	SEK25.484
US Dollar Class	\$211,081	56,673	\$3.725
<b>Montanaro UK Income Fund</b>			
Euro Class	€181,069	206,100	€0.879
Euro Seed Class	€1,282,789	1,014,577	€1.264
Sterling Accumulation Class	£180,235,408	161,750,080	£1.114
Sterling Class	£187,528,179	172,925,151	£1.084
Sterling Seed Class	£218,779,360	112,671,222	£1.942
<b>Montanaro European Income Fund</b>			
Euro Class	€16,965,193	12,779,313	€1.328
Sterling Accumulation Class	£117,108,478	88,837,058	£1.318
Sterling Class	£77,409,096	35,705,306	£2.168
<b>Montanaro European Focus Fund*</b>			
Euro Distribution Class	€1,232,867	505,441	€2.439
Euro Institutional Accumulation Class	€8,010,521	3,039,723	€2.635
<b>Montanaro Global Innovation Fund</b>			
Euro Accumulation A Class	€902,479	1,200,378	€0.752
Euro Accumulation B Class	€1,743,704	1,105,367	€1.577
Sterling Accumulation A Class	£1,604,240	2,131,050	£0.753
Sterling Accumulation B Class	£5,285,061	3,250,962	£1.626
<b>Montanaro Better World Fund</b>			
Euro Accumulation Class	€19,442,919	19,363,375	€1.004
Euro Distribution Class	€118,475,446	77,543,487	€1.528
Sterling Distribution Class	£146,157,916	96,306,702	£1.518
Swedish Krona Institutional Accumulation Class	SEK74,023,384	5,375,790	SEK13.770
<b>Montanaro Global Select Fund**</b>			
Euro Accumulation A Class	€2,961,765	2,750,000	€1.077
Euro Accumulation B Class	€2,961,765	2,750,000	€1.077

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

\*\* Montanaro Global Select Fund was launched on 30 November 2023.

# MONTANARO SMALLER COMPANIES PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 15. 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
<b>Montanaro European Smaller Companies Fund</b>			
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
<b>Montanaro UK Income Fund</b>			
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
<b>Montanaro European Income Fund</b>			
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
<b>Montanaro European Focus Fund*</b>			
Euro Distribution Class	€94,062,595	39,576,883	€2.377
Euro Institutional Accumulation Class	€7,738,882	3,043,112	€2.543
<b>Montanaro Global Innovation Fund</b>			
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
<b>Montanaro Better World Fund</b>			
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)

#### 16. Events during the Financial Year

A new prospectus was issued on 26 March 2024, and a supplement was issued on 10 September 2024.

The following distributions were approved by the Directors during the financial year ended 31 December 2023 and paid during the financial year ending 31 December 2024:

##### Ex-Date of 30 January 2024:

##### Montanaro UK Income Fund

Share Class	Rate per Share	Distribution
Euro Class	€0.005167	€1,065
Euro Seed Class	€0.007435	€7,543
Sterling Class	£0.006377	£1,102,620
Sterling Seed Class	£0.011415	£1,283,043

##### Montanaro European Income Fund

Share Class	Rate per Share	Distribution
Euro Class	€0.006908	€88,279
Sterling Class	£0.011282	£402,800

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

#### 17. Events since the Financial Year End

Brian McDermott was appointed as a Director on 1 January 2025.

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

#### 18. Commitments and Contingent Liabilities

As at 31 December 2024 and 31 December 2023 there were no commitments or contingent liabilities.

#### 19. Approval of Financial Statements

These financial statements were approved by the Directors of the Company on 26 March 2025.



# MONTANARO SMALLER COMPANIES PLC

## SCHEDULE OF INVESTMENTS MONTANARO EUROPEAN SMALLER COMPANIES FUND

As at 31 December 2024

Shares	Description	Fair value €	% of net assets
<b>Transferable securities admitted to a stock exchange listing or dealt in on another regulated market</b>			
<b>Belgium (31 December 2023: 2.59%)</b>			
310,000	Warehouses De Pauw CVA (REIT)	5,890,000	1.53
103,000	Melexis NV	5,819,500	1.51
		<b>11,709,500</b>	<b>3.04</b>
<b>Denmark (31 December 2023: 1.43%)</b>			
100,000	Chemometec A/S	6,519,820	1.69
		<b>6,519,820</b>	<b>1.69</b>
<b>France (31 December 2023: 5.27%)</b>			
36,000	Sartorius Stedim Biotech	6,793,200	1.76
25,000	Esker SA	6,520,000	1.69
		<b>13,313,200</b>	<b>3.45</b>
<b>Germany (31 December 2023: 10.07%)</b>			
38,000	MTU Aero Engines AG	12,236,000	3.17
140,000	CTS Eventim AG & Co KGaA	11,431,000	2.96
13,000	Rational AG	10,712,000	2.78
51,000	Atoss Software SE	5,824,200	1.51
170,000	Schott Pharma AG & Co KGaA	4,277,200	1.11
19,500	Hypoport SE	3,277,950	0.85
		<b>47,758,350</b>	<b>12.38</b>
<b>Iceland - Nil (31 December 2023: 1.28%)</b>			
<b>Italy (31 December 2023: 12.41%)</b>			
92,500	Reply SpA	14,189,500	3.68
250,000	SOL SpA	9,287,500	2.41
750,000	Technogym SpA '144A'	7,837,500	2.03
180,000	Interpump Group SpA	7,678,800	1.99
292,500	Carel Industries SpA '144A'	5,422,950	1.41
102,000	Moncler SpA	5,199,960	1.35
560,000	Brembo NV	5,092,080	1.32
800,000	Technoprobe SpA	4,596,000	1.19
		<b>59,304,290</b>	<b>15.38</b>
<b>Netherlands (31 December 2023: 3.90%)</b>			
83,000	IMCD NV	11,910,500	3.09
		<b>11,910,500</b>	<b>3.09</b>
<b>Spain (31 December 2023: 1.39%)</b>			
500,000	Merlin Properties Socimi SA (REIT)	5,080,000	1.32
		<b>5,080,000</b>	<b>1.32</b>
<b>Sweden (31 December 2023: 17.82%)</b>			
500,000	AAK AB	13,791,892	3.57
350,000	Thule Group AB '144A'	10,449,674	2.71
225,000	Plejd AB	7,276,141	1.89
300,000	Sectra AB	7,253,854	1.88
1,150,000	Fortnox AB	7,246,861	1.88
139,175	MIPS AB	5,721,968	1.48
400,000	Biotage AB	5,621,638	1.46

**MONTANARO SMALLER COMPANIES PLC**

**SCHEDULE OF INVESTMENTS**

**MONTANARO EUROPEAN SMALLER COMPANIES FUND (continued)**

*As at 31 December 2024*

Shares	Description	Fair value €	% of net assets
<b>Sweden (31 December 2023: 17.82%) (continued)</b>			
200,000	Avanza Bank Holding AB	4,770,351	1.24
452,407	BioGaia AB - Class B	4,424,623	1.15
600,454	NCAB Group AB	3,384,982	0.88
		<b>69,941,984</b>	<b>18.14</b>
<b>Switzerland (31 December 2023: 12.11%)</b>			
89,000	VZ Holding AG	13,656,963	3.54
15,000	Belimo Holding AG	9,582,572	2.48
23,000	Kardex Holding AG	6,629,744	1.72
90,000	Bachem Holding AG	5,552,936	1.44
25,000	Tecan Group AG	5,397,356	1.40
		<b>40,819,571</b>	<b>10.58</b>
<b>United Kingdom (31 December 2023: 30.23%)</b>			
90,000	Games Workshop Group Plc	14,488,169	3.76
217,000	Cranswick Plc	12,768,372	3.31
240,000	Diploma Plc	12,336,533	3.20
350,000	Halma Plc	11,382,871	2.95
185,000	4imprint Group Plc	10,863,103	2.81
2,500,000	Marshalls Plc	8,904,679	2.31
1,865,000	IntegraFin Holdings Plc	7,793,272	2.02
85,000	Spirax Group Plc	7,047,244	1.83
125,000	Clarkson Plc	5,979,288	1.55
1,200,000	B&M European Value Retail SA	5,326,480	1.38
2,000,000	Advanced Medical Solutions Group Plc	4,779,802	1.24
385,000	Big Yellow Group Plc (REIT)	4,470,179	1.16
120,000	Greggs Plc	4,043,480	1.05
		<b>110,183,472</b>	<b>28.57</b>
<b>Vietnam (31 December 2023: 0.97%)</b>			
225,000	XP Power Ltd	3,554,010	0.92
		<b>3,554,010</b>	<b>0.92</b>
<b>Total equities</b>		<b>380,094,697</b>	<b>98.56</b>
<b>Total financial assets at fair value through profit or loss</b>		<b>380,094,697</b>	<b>98.56</b>
Cash and cash equivalents		6,302,838	1.63
Other net liabilities		(762,057)	(0.19)
<b>Net assets attributable to holders of redeemable participating Shares</b>		<b>385,635,478</b>	<b>100.00</b>
<b>Analysis of Total Assets</b>			<b>% of Total Assets</b>
Financial assets at fair value through profit or loss			98.18
Cash and cash equivalents			1.63
Other assets			0.19
<b>Total assets</b>			<b>100.00</b>

# MONTANARO SMALLER COMPANIES PLC

## SCHEDULE OF INVESTMENTS MONTANARO UK INCOME FUND

*As at 31 December 2024*

Shares	Description	Fair value £	% of net assets
<b>Transferable securities admitted to a stock exchange listing or dealt in on another regulated market</b>			
<b>Jersey (31 December 2023: Nil%)</b>			
350,000	JTC Plc '144A'	3,444,000	0.76
		<b>3,444,000</b>	<b>0.76</b>
<b>Sweden (31 December 2023: Nil%)</b>			
2,020,000	NCAB Group AB	9,415,318	2.09
		<b>9,415,318</b>	<b>2.09</b>
<b>United Kingdom (31 December 2023: Nil%)</b>			
187,500	Games Workshop Group Plc	24,956,250	5.53
3,244,000	Bloomsbury Publishing Plc	21,864,560	4.85
429,000	Diploma Plc	18,232,500	4.04
2,520,000	DiscoverIE Group Plc	18,018,000	4.00
4,945,000	XPS Pensions Group Plc	16,862,450	3.74
340,000	4imprint Group Plc	16,507,000	3.66
580,000	Greggs Plc	16,158,800	3.58
396,000	Clarkson Plc	15,661,800	3.47
905,000	Telecom Plus Plc	15,547,900	3.45
1,540,000	Big Yellow Group Plc (REIT)	14,784,000	3.28
1,135,000	Sage Group Plc/The	14,448,550	3.20
7,565,000	LondonMetric Property Plc (REIT)	13,624,565	3.02
1,200,000	Hilton Food Group Plc	10,884,000	2.41
4,650,000	Man Group Plc/Jersey	9,969,600	2.21
8,000,000	Taylor Wimpey Plc	9,768,000	2.17
365,000	Severn Trent Plc	9,154,200	2.03
345,000	Admiral Group Plc	9,121,800	2.02
532,500	Rathbones Group Plc	8,839,500	1.96
440,000	IMI Plc	8,012,400	1.78
2,700,000	SThree Plc	7,992,000	1.77
752,500	United Utilities Group Plc	7,912,538	1.75
8,450,000	Primary Health Properties Plc (REIT)	7,883,850	1.75
2,050,000	B&M European Value Retail SA	7,523,500	1.67
155,000	Intertek Group Plc	7,328,400	1.63
2,440,000	Marshalls Plc	7,185,800	1.59
330,000	Computacenter Plc	7,009,200	1.55
640,000	Hiscox Ltd	6,931,200	1.54
655,000	Savills Plc	6,785,800	1.50
5,000,000	Tritax Big Box REIT Plc (REIT)	6,635,000	1.47
1,395,000	Ricardo Plc	5,859,000	1.30
1,665,000	IntegraFin Holdings Plc	5,752,575	1.28
1,425,000	Genuit Group Plc	5,550,375	1.23
787,500	RS GROUP Plc	5,366,813	1.19
2,607,990	ME GROUP INTERNATIONAL Plc	5,346,380	1.19
2,565,000	Pets at Home Group Plc	5,273,640	1.17
5,675,000	Jupiter Fund Management Plc	4,920,225	1.09
98,000	Cranswick Plc	4,767,700	1.06
1,500,000	FDM Group Holdings Plc	4,725,000	1.05
1,000,000	Bytes Technology Group Plc	4,226,000	0.94
210,000	Derwent London Plc (REIT)	4,113,900	0.91
3,650,000	Macfarlane Group Plc	3,923,750	0.87
225,000	Smiths Group Plc	3,867,750	0.86

**MONTANARO SMALLER COMPANIES PLC**

**SCHEDULE OF INVESTMENTS**  
**MONTANARO UK INCOME FUND (continued)**

*As at 31 December 2024*

<b>Shares</b>	<b>Description</b>	<b>Fair value £</b>	<b>% of net assets</b>
<b>United Kingdom (31 December 2023: Nil%) (continued)</b>			
2,800,000	Luceco Plc '144A'	3,595,200	0.80
420,916	Kainos Group Plc	3,405,210	0.76
2,250,000	NCC Group Plc	3,388,500	0.75
425,000	Howden Joinery Group Plc	3,372,375	0.75
150,000	Britvic Plc	1,963,500	0.44
		<b>425,021,056</b>	<b>94.26</b>
<b>Vietnam (31 December 2023: Nil%)</b>			
622,500	XP Power Ltd	8,129,850	1.80
		<b>8,129,850</b>	<b>1.80</b>
<b>Total equities</b>		<b>446,010,224</b>	<b>98.92</b>
<b>Total financial assets at fair value through profit or loss</b>		<b>446,010,224</b>	<b>98.92</b>
Cash and cash equivalents		5,033,670	1.12
Other net liabilities		(151,844)	(0.04)
<b>Net assets attributable to holders of redeemable participating Shares</b>		<b>450,892,050</b>	<b>100.00</b>
<b>Analysis of Total Assets</b>			<b>% of Total Assets</b>
Financial assets at fair value through profit or loss			98.65
Cash and cash equivalents			1.11
Other assets			0.24
<b>Total assets</b>			<b>100.00</b>

# MONTANARO SMALLER COMPANIES PLC

## SCHEDULE OF INVESTMENTS MONTANARO EUROPEAN INCOME FUND

As at 31 December 2024

Shares	Description	Fair value €	% of net assets
<b>Transferable securities admitted to a stock exchange listing or dealt in on another regulated market</b>			
<b>Belgium (31 December 2023: 6.59%)</b>			
140,000	Azelis Group NV	2,660,000	2.78
76,000	Warehouses De Pauw CVA (REIT)	1,444,000	1.51
18,000	Melexis NV	1,017,000	1.06
		<b>5,121,000</b>	<b>5.35</b>
<b>Denmark (31 December 2023: 4.83%)</b>			
143,000	Tryg A/S	2,905,155	3.03
		<b>2,905,155</b>	<b>3.03</b>
<b>France (31 December 2023: 13.42%)</b>			
97,000	Bureau Veritas SA	2,845,980	2.97
87,000	Kaufman & Broad SA	2,840,550	2.96
44,000	Amundi SA '144A'	2,824,800	2.95
14,800	Gaztransport Et Technigaz SA	1,903,280	1.99
22,000	Thermador Groupe	1,586,200	1.66
44,000	Edenred SE	1,397,000	1.46
		<b>13,397,810</b>	<b>13.99</b>
<b>Germany (31 December 2023: 11.90%)</b>			
9,600	MTU Aero Engines AG	3,091,200	3.23
45,700	Mensch und Maschine Software SE	2,417,530	2.52
20,000	CTS Eventim AG & Co KGaA	1,633,000	1.71
24,000	Brenntag SE	1,389,120	1.45
1,650	Rational AG	1,359,600	1.42
15,400	Amadeus Fire AG	1,171,940	1.22
		<b>11,062,390</b>	<b>11.55</b>
<b>Italy (31 December 2023: 24.87%)</b>			
20,000	Reply SpA	3,068,000	3.20
400,000	Terna - Rete Elettrica Nazionale	3,048,000	3.18
59,000	Recordati Industria Chimica e Farmaceutica SpA	2,985,400	3.12
78,000	SOL SpA	2,897,700	3.02
270,000	Technogym SpA '144A'	2,821,500	2.95
610,000	Enav SpA '144A'	2,487,580	2.60
48,000	Cembre SpA	1,999,200	2.09
30,000	Moncler SpA	1,529,400	1.60
100,000	Zignago Vetro SpA	940,000	0.98
100,000	Brembo NV	909,300	0.95
		<b>22,686,080</b>	<b>23.69</b>
<b>Netherlands (31 December 2023: 2.53%)</b>			
29,000	Euronext NV '144A'	3,140,700	3.28
		<b>3,140,700</b>	<b>3.28</b>
<b>Norway (31 December 2023: 11.18%)</b>			
900,000	Elmera Group ASA '144A'	2,923,334	3.05
415,000	Bouvet ASA	2,699,493	2.82
175,000	Kid ASA '144A'	1,993,956	2.08
120,000	Borregaard ASA	1,861,139	1.94
485,000	Kitron ASA	1,394,723	1.46
		<b>10,872,645</b>	<b>11.35</b>

**MONTANARO SMALLER COMPANIES PLC**

**SCHEDULE OF INVESTMENTS**

**MONTANARO EUROPEAN INCOME FUND (continued)**

*As at 31 December 2024*

<b>Shares</b>	<b>Description</b>	<b>Fair value €</b>	<b>% of net assets</b>
<b>Portugal (31 December 2023: 1.90%)</b>			
142,000	Corticeira Amorim SGPS SA	1,143,100	1.19
		<b>1,143,100</b>	<b>1.19</b>
<b>Spain (31 December 2023: 4.25%)</b>			
30,000	Viscofan SA	1,830,000	1.91
130,000	Merlin Properties Socimi SA (REIT)	1,320,800	1.38
		<b>3,150,800</b>	<b>3.29</b>
<b>Sweden (31 December 2023: 13.91%)</b>			
107,000	Loomis AB - Class B	3,145,985	3.29
95,000	Thule Group AB '144A'	2,836,340	2.96
84,500	AAK AB	2,330,830	2.43
145,000	Atea ASA	1,743,372	1.82
60,000	Avanza Bank Holding AB	1,431,105	1.49
245,000	NCAB Group AB	1,381,156	1.44
140,000	BioGaia AB - Class B	1,369,225	1.43
80,000	Beijer Alma AB	1,148,101	1.20
		<b>15,386,114</b>	<b>16.06</b>
<b>Switzerland (31 December 2023: 3.79%)</b>			
16,000	VZ Holding AG	2,455,184	2.57
3,500	Burckhardt Compression Holding AG	2,416,822	2.52
		<b>4,872,006</b>	<b>5.09</b>
<b>Total equities</b>		<b>93,737,800</b>	<b>97.87</b>
<b>Total financial assets at fair value through profit or loss</b>		<b>93,737,800</b>	<b>97.87</b>
Cash and cash equivalents		1,613,900	1.69
Other net assets		423,682	0.44
<b>Net assets attributable to holders of redeemable participating Shares</b>		<b>95,775,382</b>	<b>100.00</b>
<b>Analysis of Total Assets</b>			<b>% of Total Assets</b>
Financial assets at fair value through profit or loss			97.52
Cash and cash equivalents			1.68
Other assets			0.80
<b>Total assets</b>			<b>100.00</b>

# MONTANARO SMALLER COMPANIES PLC

## SCHEDULE OF INVESTMENTS MONTANARO EUROPEAN FOCUS FUND

*As at 31 December 2024*

Shares	Description	Fair value €	% of net assets
<b>Transferable securities admitted to a stock exchange listing or dealt in on another regulated market</b>			
<b>Belgium (31 December 2023: 9.09%)</b>			
20,000	Azelis Group NV	380,000	4.06
		<b>380,000</b>	<b>4.06</b>
<b>Denmark - Nil (31 December 2023: 4.52%)</b>			
<b>France (31 December 2023: 13.33%)</b>			
6,900	Amundi SA '144A'	442,980	4.73
5,000	Edenred SE	158,750	1.70
		<b>601,730</b>	<b>6.43</b>
<b>Germany (31 December 2023: 4.01%)</b>			
1,650	MTU Aero Engines AG	531,300	5.67
4,000	CTS Eventim AG & Co KGaA	326,600	3.49
5,000	Mensch und Maschine Software SE	264,500	2.83
		<b>1,122,400</b>	<b>11.99</b>
<b>Italy (31 December 2023: 19.30%)</b>			
3,000	Reply SpA	460,200	4.92
9,000	Recordati Industria Chimica e Farmaceutica SpA	455,400	4.86
10,000	SOL SpA	371,500	3.97
8,000	Interpump Group SpA	341,280	3.65
5,000	Moncler SpA	254,900	2.72
		<b>1,883,280</b>	<b>20.12</b>
<b>Netherlands - Nil (31 December 2023: 1.02%)</b>			
<b>Norway - Nil (31 December 2023: 2.02%)</b>			
<b>Sweden (31 December 2023: 5.64%)</b>			
16,000	Loomis AB - Class B	470,428	5.02
15,000	AAK AB	413,757	4.42
12,000	Thule Group AB '144A'	358,274	3.83
20,000	Biotage AB	281,082	3.00
20,000	BioGaia AB - Class B	195,604	2.09
		<b>1,719,145</b>	<b>18.36</b>
<b>Switzerland (31 December 2023: 7.95%)</b>			
1,300	Dottikon Es Holding AG	306,152	3.27
		<b>306,152</b>	<b>3.27</b>
<b>United Kingdom (31 December 2023: 29.39%)</b>			
10,000	Diploma Plc	514,022	5.49
2,850	Games Workshop Group Plc	458,792	4.90
26,000	Sage Group Plc/The	400,308	4.28
80,000	B&M European Value Retail SA	355,099	3.79
5,500	4imprint Group Plc	322,957	3.45
5,000	Ashtead Group Plc	300,249	3.21
75,000	Baltic Classifieds Group Plc	285,736	3.05

**MONTANARO SMALLER COMPANIES PLC**

**SCHEDULE OF INVESTMENTS**

**MONTANARO EUROPEAN FOCUS FUND (continued)**

*As at 31 December 2024*

<b>Shares</b>	<b>Description</b>	<b>Fair value €</b>	<b>% of net assets</b>
<b>United Kingdom (31 December 2023: 29.39%) (continued)</b>			
80,000	Marshalls Plc	284,950	3.04
		<b>2,922,113</b>	<b>31.21</b>
<b>Total equities</b>		<b>8,934,820</b>	<b>95.44</b>
<b>Total financial assets at fair value through profit or loss</b>		<b>8,934,820</b>	<b>95.44</b>
Cash and cash equivalents		282,122	3.01
Other net assets		144,467	1.55
<b>Net assets attributable to holders of redeemable participating Shares</b>		<b>9,361,409</b>	<b>100.00</b>
<b>Analysis of Total Assets</b>			<b>% of Total Assets</b>
Financial assets at fair value through profit or loss			95.14
Cash and cash equivalents			3.00
Other assets			1.86
<b>Total assets</b>			<b>100.00</b>



# MONTANARO SMALLER COMPANIES PLC

## SCHEDULE OF INVESTMENTS MONTANARO GLOBAL INNOVATION FUND

*As at 31 December 2024*

Shares	Description	Fair value €	% of net assets
<b>Transferable securities admitted to a stock exchange listing or dealt in on another regulated market</b>			
<b>Australia (31 December 2023: 5.62%)</b>			
19,950	Technology One Ltd	373,484	3.26
1,530	Pro Medicus Ltd	228,815	1.99
		<b>602,299</b>	<b>5.25</b>
<b>Canada (31 December 2023: 1.43%)</b>			
2,950	Kinaxis Inc	341,796	2.98
		<b>341,796</b>	<b>2.98</b>
<b>Denmark (31 December 2023: Nil%)</b>			
5,080	cBrain A/S	122,210	1.07
		<b>122,210</b>	<b>1.07</b>
<b>France (31 December 2023: 5.46%)</b>			
810	Esker SA	211,248	1.84
		<b>211,248</b>	<b>1.84</b>
<b>Germany (31 December 2023: 3.92%)</b>			
2,675	Atoss Software SE	305,485	2.66
4,250	Mensch und Maschine Software SE	224,825	1.96
		<b>530,310</b>	<b>4.62</b>
<b>Greece - Nil (31 December 2023: 1.80%)</b>			
<b>Israel (31 December 2023: 2.72%)</b>			
1,758	Nova Ltd	334,232	2.91
		<b>334,232</b>	<b>2.91</b>
<b>Italy (31 December 2023: 4.16%)</b>			
2,550	Reply SpA	391,170	3.41
20,672	Technoprobe SpA	118,761	1.04
4,800	Stevanato Group SpA	104,297	0.91
		<b>614,228</b>	<b>5.36</b>
<b>Japan (31 December 2023: Nil%)</b>			
8,976	Zuken Inc	228,896	2.00
6,600	Riken Keiki Co Ltd	156,139	1.36
5,250	Shimadzu Corp	143,913	1.25
12,500	Hamamatsu Photonics KK	135,608	1.18
		<b>664,556</b>	<b>5.79</b>
<b>Netherlands (31 December 2023: 2.48%)</b>			
1,800	BE Semiconductor Industries NV	238,140	2.08
350	ASM International NV	195,580	1.70
		<b>433,720</b>	<b>3.78</b>
<b>Norway - Nil (31 December 2023: 0.81%)</b>			
<b>Sweden (31 December 2023: 9.44%)</b>			
60,000	Fortnox AB	378,097	3.30
32,000	NCAB Group AB	180,396	1.57

# MONTANARO SMALLER COMPANIES PLC

## SCHEDULE OF INVESTMENTS

### MONTANARO GLOBAL INNOVATION FUND (continued)

As at 31 December 2024

Shares	Description	Fair value €	% of net assets
<b>Sweden (31 December 2023: 9.44%) (continued)</b>			
4,650	Biotage AB	65,352	0.57
		<b>623,845</b>	<b>5.44</b>
<b>Switzerland - Nil (31 December 2023: 4.48%)</b>			
<b>Taiwan (31 December 2023: 1.04%)</b>			
31,250	E Ink Holdings Inc	251,301	2.19
		<b>251,301</b>	<b>2.19</b>
<b>Thailand (31 December 2023: Nil%)</b>			
1,020	Fabrinet	213,387	1.86
		<b>213,387</b>	<b>1.86</b>
<b>United Kingdom (31 December 2023: 7.83%)</b>			
44,000	Bytes Technology Group Plc	224,893	1.96
4,950	Computacenter Plc	127,161	1.11
5,725	Cerillion Plc	121,173	1.06
15,839	Raspberry PI Holdings Plc	119,729	1.04
18,000	Tracsis Plc	108,852	0.95
		<b>701,808</b>	<b>6.12</b>
<b>United States (31 December 2023: 47.30%)</b>			
860	Tyler Technologies Inc	479,523	4.18
9,016	Bentley Systems Inc - Class B	409,834	3.57
1,250	ANSYS Inc	409,114	3.56
700	Axon Enterprise Inc	402,829	3.51
1,240	Manhattan Associates Inc	326,064	2.84
1,550	Badger Meter Inc	321,571	2.80
1,475	Globant SA	310,483	2.71
3,100	Entegris Inc	296,917	2.59
7,950	Cognex Corp	277,540	2.42
1,350	Veeva Systems Inc - Class A	274,954	2.40
4,400	Alarm.com Holdings Inc	260,261	2.27
5,161	FormFactor Inc	223,037	1.94
3,665	Pure Storage Inc	218,873	1.91
880	SiTime Corp	187,728	1.64
925	Paycom Software Inc	183,365	1.60
1,260	Universal Display Corp	179,831	1.57
3,150	Bruker Corp	178,931	1.56
2,935	TransMedics Group Inc	172,996	1.51
2,854	Power Integrations Inc	172,039	1.50
800	Zscaler Inc	140,616	1.22
4,850	Aehr Test Systems	80,092	0.70
		<b>5,506,598</b>	<b>48.00</b>
<b>Total equities</b>		<b>11,151,538</b>	<b>97.21</b>
<b>Total financial assets at fair value through profit or loss</b>		<b>11,151,538</b>	<b>97.21</b>
Cash and cash equivalents		258,506	2.25
Other net assets		61,654	0.54
<b>Net assets attributable to holders of redeemable participating Shares</b>		<b>11,471,698</b>	<b>100.00</b>

**MONTANARO SMALLER COMPANIES PLC**

**SCHEDULE OF INVESTMENTS**  
**MONTANARO GLOBAL INNOVATION FUND (continued)**

*As at 31 December 2024*

	<b>% of Total</b>
<b>Analysis of Total Assets</b>	<b>Assets</b>
Financial assets at fair value through profit or loss	97.70
Cash and cash equivalents	2.26
Other assets	0.04
<b>Total assets</b>	<b>100.00</b>

# MONTANARO SMALLER COMPANIES PLC

## SCHEDULE OF INVESTMENTS MONTANARO BETTER WORLD FUND

*As at 31 December 2024*

Shares	Description	Fair value €	% of net assets
<b>Transferable securities admitted to a stock exchange listing or dealt in on another regulated market</b>			
<b>Australia (31 December 2023: 2.91%)</b>			
329,900	IDP Education Ltd	2,491,330	1.48
		<b>2,491,330</b>	<b>1.48</b>
<b>Belgium (31 December 2023: 1.63%)</b>			
35,478	Melexis NV	2,004,507	1.19
		<b>2,004,507</b>	<b>1.19</b>
<b>Denmark - Nil (31 December 2023: 3.65%)</b>			
<b>France (31 December 2023: 2.60%)</b>			
29,700	Sartorius Stedim Biotech	5,604,390	3.33
129,900	Bureau Veritas SA	3,811,266	2.26
		<b>9,415,656</b>	<b>5.59</b>
<b>Germany (31 December 2023: 2.23%)</b>			
4,200	Rational AG	3,460,800	2.05
		<b>3,460,800</b>	<b>2.05</b>
<b>Greece - Nil (31 December 2023: 1.73%)</b>			
<b>Israel (31 December 2023: 2.72%)</b>			
13,000	Nova Ltd	2,471,568	1.47
		<b>2,471,568</b>	<b>1.47</b>
<b>Italy (31 December 2023: 1.55%)</b>			
356,400	Technogym SpA '144A'	3,724,380	2.21
467,400	Terna - Rete Elettrica Nazionale	3,561,588	2.11
		<b>7,285,968</b>	<b>4.32</b>
<b>Japan (31 December 2023: 8.48%)</b>			
594,100	Azbil Corp	4,481,142	2.66
66,500	Visional Inc	3,275,979	1.94
118,000	Riken Keiki Co Ltd	2,791,582	1.66
227,600	Mani Inc	2,528,589	1.50
601,400	Nihon M&A Center Holdings Inc	2,443,453	1.45
148,600	Asahi Intecc Co Ltd	2,352,189	1.40
		<b>17,872,934</b>	<b>10.61</b>
<b>Netherlands - Nil (31 December 2023: 1.92%)</b>			
<b>New Zealand - Nil (31 December 2023: 1.10%)</b>			
<b>Poland (31 December 2023: Nil%)</b>			
70,000	InPost SA	1,155,700	0.69
		<b>1,155,700</b>	<b>0.69</b>
<b>Sweden (31 December 2023: 4.15%)</b>			
266,900	Surgical Science Sweden AB	3,636,734	2.16
285,753	BioGaia AB - Class B	2,794,716	1.66
		<b>6,431,450</b>	<b>3.82</b>

**MONTANARO SMALLER COMPANIES PLC**

**SCHEDULE OF INVESTMENTS**

**MONTANARO BETTER WORLD FUND (continued)**

*As at 31 December 2024*

<b>Shares</b>	<b>Description</b>	<b>Fair value €</b>	<b>% of net assets</b>
<b>Switzerland (31 December 2023: 5.77%)</b>			
5,900	Belimo Holding AG	3,769,145	2.23
33,800	Bachem Holding AG	2,085,436	1.24
		<b>5,854,581</b>	<b>3.47</b>
<b>United Kingdom (31 December 2023: 8.42%)</b>			
136,700	Halma Plc	4,445,824	2.64
534,300	Tristel Plc	2,746,421	1.63
651,900	Marshalls Plc	2,321,984	1.38
21,400	Spirax Group Plc	1,774,247	1.05
		<b>11,288,476</b>	<b>6.70</b>
<b>United States (31 December 2023: 50.36%)</b>			
79,700	Bio-Techne Corp	5,559,370	3.30
26,200	Veeva Systems Inc - Class A	5,336,144	3.17
43,000	American Water Works Co Inc	5,164,565	3.07
84,400	Bruker Corp	4,794,211	2.85
21,700	Badger Meter Inc	4,501,988	2.67
7,800	Tyler Technologies Inc	4,349,166	2.58
26,000	Balchem Corp	4,128,612	2.45
69,400	Alarm.com Holdings Inc	4,105,019	2.44
40,000	Stride Inc	4,062,963	2.41
19,400	IDEX Corp	3,936,952	2.34
83,400	Bentley Systems Inc - Class B	3,791,053	2.25
39,000	Entegris Inc	3,735,411	2.22
14,200	Manhattan Associates Inc	3,733,960	2.22
22,800	Masimo Corp	3,680,585	2.18
11,200	ANSYS Inc	3,665,659	2.18
59,400	Power Integrations Inc	3,580,633	2.12
39,800	Exponent Inc	3,457,659	2.05
98,300	Cognex Corp	3,431,717	2.04
5,800	MSCI Inc - Class A	3,382,874	2.01
29,000	Advanced Drainage Systems Inc	3,272,475	1.94
41,900	Trex Co Inc	2,821,926	1.67
13,300	ICON Plc	2,707,907	1.61
189,400	Energy Recovery Inc	2,705,190	1.61
16,000	Universal Display Corp	2,283,572	1.35
34,100	TransMedics Group Inc	2,009,940	1.19
		<b>94,199,551</b>	<b>55.92</b>
<b>Total equities</b>		<b>163,932,521</b>	<b>97.31</b>
<b>Total financial assets at fair value through profit or loss</b>		<b>163,932,521</b>	<b>97.31</b>
Cash and cash equivalents		4,789,362	2.84
Other net liabilities		(258,236)	(0.15)
<b>Net assets attributable to holders of redeemable participating Shares</b>		<b>168,463,647</b>	<b>100.00</b>

**MONTANARO SMALLER COMPANIES PLC**

**SCHEDULE OF INVESTMENTS**  
**MONTANARO BETTER WORLD FUND (continued)**

*As at 31 December 2024*

	<b>% of Total</b>
<b>Analysis of Total Assets</b>	<b>Assets</b>
Financial assets at fair value through profit or loss	96.89
Cash and cash equivalents	2.83
Other assets	0.28
<b>Total assets</b>	<b>100.00</b>

# MONTANARO SMALLER COMPANIES PLC

## SCHEDULE OF INVESTMENTS MONTANARO GLOBAL SELECT FUND

*As at 31 December 2024*

Shares	Description	Fair value €	% of net assets
<b>Transferable securities admitted to a stock exchange listing or dealt in on another regulated market</b>			
<b>Australia (31 December 2023: 2.20%)</b>			
3,500	Pro Medicus Ltd	523,434	1.29
		<b>523,434</b>	<b>1.29</b>
<b>France (31 December 2023: 7.81%)</b>			
9,000	Sartorius Stedim Biotech	1,698,300	4.16
2,500	Esker SA	652,000	1.60
		<b>2,350,300</b>	<b>5.76</b>
<b>Germany (31 December 2023: 10.57%)</b>			
7,500	MTU Aero Engines AG	2,415,000	5.92
1,750	Rational AG	1,442,000	3.54
20,000	Mensch und Maschine Software SE	1,058,000	2.59
		<b>4,915,000</b>	<b>12.05</b>
<b>Israel - Nil (31 December 2023: 1.04%)</b>			
<b>Japan (31 December 2023: Nil%)</b>			
60,000	Japan Elevator Service Holdings Co Ltd	1,075,094	2.64
23,000	KeePer Technical Laboratory Co Ltd	672,732	1.65
		<b>1,747,826</b>	<b>4.29</b>
<b>Netherlands (31 December 2023: 3.65%)</b>			
1,150	Adyen NV '144A'	1,652,550	4.05
		<b>1,652,550</b>	<b>4.05</b>
<b>Norway - Nil (31 December 2023: 0.81%)</b>			
<b>Sweden (31 December 2023: 7.60%)</b>			
190,000	Fortnox AB	1,197,308	2.94
170,000	NCAB Group AB	958,353	2.35
		<b>2,155,661</b>	<b>5.29</b>
<b>Switzerland (31 December 2023: 8.06%)</b>			
10,000	VZ Holding AG	1,534,490	3.76
		<b>1,534,490</b>	<b>3.76</b>
<b>United Kingdom (31 December 2023: 11.76%)</b>			
15,000	Games Workshop Group Plc	2,414,695	5.92
22,500	Ashtead Group Plc	1,351,123	3.31
270,000	Baltic Classifieds Group Plc	1,028,649	2.52
11,000	Spirax Group Plc	911,996	2.24
		<b>5,706,463</b>	<b>13.99</b>
<b>United States (31 December 2023: 46.18%)</b>			
4,000	Tyler Technologies Inc	2,230,342	5.47
6,000	ANSYS Inc	1,963,746	4.81
42,000	Rollins Inc	1,881,988	4.61
13,000	Tradeweb Markets Inc - Class A	1,626,223	3.99
12,500	American Water Works Co Inc	1,501,327	3.68
33,000	Bentley Systems Inc - Class B	1,500,057	3.68
2,500	MSCI Inc - Class A	1,458,135	3.58
20,000	Bio-Techne Corp	1,395,074	3.42

**MONTANARO SMALLER COMPANIES PLC**

**SCHEDULE OF INVESTMENTS**

**MONTANARO GLOBAL SELECT FUND (continued)**

*As at 31 December 2024*

<b>Shares</b>	<b>Description</b>	<b>Fair value €</b>	<b>% of net assets</b>
<b>United States (31 December 2023: 46.18%) (continued)</b>			
20,000	Trex Co Inc	1,346,982	3.30
8,000	Houlihan Lokey Inc - Class A	1,346,518	3.30
18,000	Bruker Corp	1,022,462	2.51
5,000	Paycom Software Inc	991,163	2.43
3,500	Manhattan Associates Inc	920,342	2.26
4,000	TransMedics Group Inc	235,770	0.58
		<b>19,420,129</b>	<b>47.62</b>
<b>Total equities</b>		<b>40,005,853</b>	<b>98.10</b>
<b>Total financial assets at fair value through profit or loss</b>		<b>40,005,853</b>	<b>98.10</b>
Cash and cash equivalents		790,409	1.94
Other net liabilities		(13,743)	(0.04)
<b>Net assets attributable to holders of redeemable participating Shares</b>		<b>40,782,519</b>	<b>100.00</b>

	<b>% of Total Assets</b>
<b>Analysis of Total Assets</b>	
Financial assets at fair value through profit or loss	98.04
Cash and cash equivalents	1.94
Other assets	0.02
<b>Total assets</b>	<b>100.00</b>



**MONTANARO SMALLER COMPANIES PLC****MONTANARO EUROPEAN SMALLER COMPANIES FUND****PORTFOLIO CHANGES – PURCHASES (unaudited)***For the financial year ended 31 December 2024*

<b>Purchases</b>	<b>Nominal</b>	<b>Cost €</b>
SOL SpA	250,000	8,608,593
Interpump Group SpA	180,000	7,834,295
B&M European Value Retail SA	1,200,000	7,492,178
Warehouses De Pauw CVA (REIT)	310,000	7,175,126
Technogym SpA 'I44A'	750,000	7,080,029
Atoss Software SE	51,000	6,772,768
BioGaia AB - Class B	452,407	4,660,790
Greggs Plc	120,000	4,068,022
Schott Pharma AG & Co KGaA	85,000	2,723,258
Hypoport SE	8,500	2,061,688
IntegraFin Holdings Plc	365,000	1,673,235
Big Yellow Group Plc (REIT)	85,000	1,229,056
Biotage AB	75,000	1,154,304
VZ Holding AG	10,000	1,114,014
Kardex Holding AG	3,000	776,009
MIPS AB	14,175	525,808
NCAB Group AB	55,000	362,460
Reply SpA	2,500	340,760

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO EUROPEAN SMALLER COMPANIES FUND****PORTFOLIO CHANGES – SALES (unaudited)***For the financial year ended 31 December 2024*

<b>Sales</b>	<b>Nominal</b>	<b>Proceeds €</b>
Esker SA	35,000	9,053,858
Kainos Group Plc	760,000	7,691,642
MTU Aero Engines AG	27,000	7,213,444
Marel HF '144A'	1,500,000	4,926,792
Shaftesbury Capital Plc (REIT)	3,000,000	4,856,461
Fortnox AB	850,000	4,679,219
Hufvudstaden AB	350,000	4,053,227
Moncler SpA	58,000	3,671,677
VZ Holding AG	26,000	3,619,813
NCC Group Plc	2,500,000	3,560,698
Brembo SpA	290,000	3,524,097
Surgical Science Sweden AB	275,000	3,033,859
Halma Plc	100,000	2,989,494
Belimo Holding AG	4,000	2,383,763
Kardex Holding AG	8,000	2,144,939
Cranswick Plc	33,000	1,984,425
CTS Eventim AG & Co KGaA	20,000	1,806,741
Sectra AB	75,000	1,790,827
Bachem Holding AG	20,000	1,768,432
Technoprobe SpA	200,000	1,767,109
Diploma Plc	25,000	1,275,468
IMCD NV	7,000	1,094,349
Sectra AB	50,000	1,059,176
Sartorius Stedim Biotech	4,000	1,010,478

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO UK INCOME FUND****PORTFOLIO CHANGES – PURCHASES (unaudited)***For the financial year ended 31 December 2024*

<b>Purchases</b>	<b>Nominal</b>	<b>Cost £</b>
B&M European Value Retail SA	2,050,000	11,987,912
Telecom Plus Plc	400,000	7,722,837
ME GROUP INTERNATIONAL Plc	2,607,990	6,828,120
Macfarlane Group Plc	3,750,000	6,167,711
Greggs Plc	142,500	4,721,345
JTC Plc '144A'	350,000	4,408,936
Computacenter Plc	122,500	3,698,251
Man Group Plc/Jersey	1,075,000	3,164,443
Admiral Group Plc	101,170	3,137,970
Diploma Plc	70,000	2,876,751
DiscoverIE Group Plc	355,000	2,605,822
Pennon Group Plc	300,000	2,503,367
Pets at Home Group Plc	700,000	2,123,859
Primary Health Properties Plc (REIT)	1,750,000	2,100,107
RS GROUP Plc	250,000	2,073,393
Derwent London Plc (REIT)	70,000	1,745,642
Big Yellow Group Plc (REIT)	136,363	1,713,574
Taylor Wimpey Plc	1,000,000	1,643,359
Clarkson Plc	35,000	1,572,142
United Utilities Group Plc	125,000	1,487,726
Hiscox Ltd	100,000	1,331,441
Intertek Group Plc	22,500	1,302,153
LondonMetric Property Plc (REIT)	500,000	1,202,783
Vistry Group Plc	102,746	1,109,445
Tritax Big Box REIT Plc (REIT)	600,000	1,005,087
Bytes Technology Group Plc	175,000	1,001,664

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO UK INCOME FUND****PORTFOLIO CHANGES – SALES (unaudited)***For the financial year ended 31 December 2024*

<b>Sales</b>	<b>Nominal</b>	<b>Proceeds £</b>
Vistry Group Plc	2,002,746	20,061,978
Britvic Plc	1,250,000	17,443,758
Kainos Group Plc	1,279,084	14,104,703
Sage Group Plc/The	890,000	12,003,905
Diploma Plc	241,000	11,782,068
Games Workshop Group Plc	80,000	10,847,403
Clarkson Plc	189,000	8,551,985
Pennon Group Plc	1,150,000	8,234,506
Marshalls Plc	2,060,000	7,950,100
NCC Group Plc	3,750,000	7,122,047
NCAB Group AB	1,055,000	6,738,726
Howden Joinery Group Plc	625,000	6,374,649
Taylor Wimpey Plc	3,500,000	6,121,115
Bytes Technology Group Plc	1,025,000	6,063,177
Smiths Group Plc	275,000	5,678,081
Spirax Group Plc	52,500	5,610,466
Greggs Plc	147,500	5,025,149
Severn Trent Plc	160,000	4,845,243
XPS Pensions Group Plc	1,405,000	4,739,273
Hilton Food Group Plc	425,000	4,571,792
Cranswick Plc	82,000	4,569,753
Intertek Group Plc	82,500	4,565,508
Big Yellow Group Plc (REIT)	310,000	4,518,477
Savills Plc	345,000	4,078,249
Hiscox Ltd	310,000	4,050,548
Admiral Group Plc	126,170	4,000,195
Tritax Big Box REIT Plc (REIT)	1,850,000	3,408,237
Genuit Group Plc	675,000	3,377,777
Rathbones Group Plc	164,902	3,309,128
Melexis NV	40,000	3,215,410
4imprint Group Plc	47,500	3,168,586
Primary Health Properties Plc (REIT)	2,800,000	3,107,797
Computacenter Plc	105,000	3,092,794
DiscoverIE Group Plc	335,000	2,890,126
IMI Plc	135,000	2,849,270
LondonMetric Property Plc (REIT)	1,085,000	2,509,235

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO EUROPEAN INCOME FUND****PORTFOLIO CHANGES – PURCHASES (unaudited)***For the financial year ended 31 December 2024*

<b>Purchases</b>	<b>Nominal</b>	<b>Cost £</b>
AAK AB	175,000	3,750,482
VZ Holding AG	28,000	3,418,235
SOL SpA	91,000	2,724,488
CTS Eventim AG & Co KGaA	20,000	1,714,931
Bureau Veritas SA	26,000	747,872
Terna - Rete Elettrica Nazionale	60,000	484,964
Enav SpA '144A'	110,000	436,804
Tryg A/S	13,000	283,812
Amundi SA '144A'	4,000	271,390
Recordati Industria Chimica e Farmaceutica SpA	5,000	270,905
Reply SpA	1,500	217,301
Burckhardt Compression Holding AG	300	203,277
Loomis AB - Class B	7,000	195,326
Euronext NV '144A'	1,500	155,591

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO EUROPEAN INCOME FUND****PORTFOLIO CHANGES – SALES (unaudited)***For the financial year ended 31 December 2024*

<b>Sales</b>	<b>Nominal</b>	<b>Proceeds €</b>
MTU Aero Engines AG	24,900	6,357,615
Recordati Industria Chimica e Farmaceutica SpA	116,000	5,903,764
Partners Group Holding AG	4,250	5,303,011
Loomis AB - Class B	180,000	5,191,147
Technogym SpA '144A'	550,000	5,187,618
Amundi SA '144A'	75,000	5,064,009
SOL SpA	138,000	4,864,843
Merlin Properties Socimi SA (REIT)	450,000	4,861,063
Tryg A/S	230,000	4,769,946
Bouvet ASA	835,000	4,670,729
Terna - Rete Elettrica Nazionale	585,000	4,603,063
Euronext NV '144A'	50,150	4,597,232
Chr Hansen Holding A/S	60,000	4,536,383
Cembre SpA	117,000	4,472,435
Reply SpA	31,700	4,251,381
Gaztransport Et Technigaz SA	31,700	4,129,262
Amadeus Fire AG	43,600	4,046,109
Moncler SpA	73,000	3,890,277
Carel Industries SpA '144A'	210,937	3,813,931
Rational AG	4,350	3,664,770
Elmera Group ASA '144A'	1,320,000	3,651,519
Atea ASA	290,000	3,477,321
Azelis Group NV	175,000	3,412,395
Borregaard ASA	206,000	3,379,589
Corticeira Amorim SGPS SA	358,000	3,295,402
Kitron ASA	1,215,000	3,204,694
Viscofan SA	52,000	3,185,934
BioGaia AB - Class B	320,000	3,173,665
NCAB Group AB	475,000	3,159,216
Edenred SE	74,000	3,115,886
Kaufman & Broad SA	93,000	2,905,444
Kid ASA '144A'	225,000	2,806,380
Thule Group AB '144A'	107,000	2,780,445
Avanza Bank Holding AB	135,000	2,720,329
Warehouses De Pauw CVA (REIT)	108,500	2,708,345
Mensch und Maschine Software SE	47,800	2,641,435
Brenntag SE	41,000	2,638,324
AAK AB	90,500	2,558,432
Thermador Groupe	31,000	2,413,435
Bureau Veritas SA	79,000	2,351,627
Beijer Alma AB	140,000	2,253,084
Burckhardt Compression Holding AG	3,400	2,110,805
Enav SpA '144A'	540,000	2,092,666
Brembo NV	185,000	1,862,833
Zignago Vetro SpA	150,000	1,736,112

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO EUROPEAN FOCUS FUND****PORTFOLIO CHANGES – PURCHASES (unaudited)***For the financial year ended 31 December 2024*

<b>Purchases</b>	<b>Nominal</b>	<b>Cost €</b>
B&M European Value Retail SA	80,000	491,392
4imprint Group Plc	5,500	369,147
Interpump Group SpA	8,000	355,941
CTS Eventim AG & Co KGaA	4,000	319,421
AAK AB	15,000	308,188
SOL SpA	10,000	299,278
Biotage AB	20,000	299,208
Thule Group AB '144A'	12,000	296,763
Baltic Classifieds Group Plc	75,000	294,697
Mensch und Maschine Software SE	5,000	284,173
Hilton Food Group Plc	30,000	278,640
Marshalls Plc	80,000	248,073
Edenred SE	5,000	187,033
Loomis AB - Class B	5,400	127,036
Dottikon Es Holding AG	500	126,226
ASM International NV	150	85,430
Ashtead Group Plc	1,000	68,939
Reply SpA	400	51,017
Sage Group Plc/The	2,800	35,106
SThree Plc	7,000	34,375

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO EUROPEAN FOCUS FUND****PORTFOLIO CHANGES – SALES (unaudited)***For the financial year ended 31 December 2024*

<b>Sales</b>	<b>Nominal</b>	<b>Proceeds €</b>
Terna - Rete Elettrica Nazionale	58,700	449,137
Chr Hansen Holding A/S	5,500	415,835
Dechra Pharmaceuticals Plc	9,000	406,899
Rentokil Initial Plc	71,000	342,915
Warehouses De Pauw CVA (REIT)	13,100	330,026
Teleperformance SE	2,950	328,221
Hilton Food Group Plc	30,000	325,123
SThree Plc	70,000	312,236
Edenred SE	7,700	310,234
Tecan Group AG	840	285,568
Ashtead Group Plc	4,000	267,561
ASM International NV	350	232,772
Bachem Holding AG	3,250	208,129
Borregaard ASA	12,200	203,860
Moncler SpA	2,700	130,075
Diploma Plc	2,300	117,394
BioGaia AB - Class B	9,200	88,497
Reply SpA	700	88,118
Recordati Industria Chimica e Farmaceutica SpA	1,550	79,096
MTU Aero Engines AG	250	70,545
Azelis Group NV	3,000	66,635

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



**MONTANARO SMALLER COMPANIES PLC****MONTANARO GLOBAL INNOVATION FUND****PORTFOLIO CHANGES – PURCHASES (unaudited)***For the financial year ended 31 December 2024*

<b>Purchases</b>	<b>Nominal</b>	<b>Cost €</b>
Entegris Inc	3,490	406,922
Atoss Software SE	2,100	367,798
ASM International NV	575	329,633
Bytes Technology Group Plc	44,000	312,691
Manhattan Associates Inc	1,240	311,367
BE Semiconductor Industries NV	1,800	288,553
Alarm.com Holdings Inc	4,400	277,713
Fabrinet	1,425	271,962
Globant SA	1,475	257,712
Universal Display Corp	1,260	232,911
Nova Ltd	1,508	230,323
Zuken Inc	8,976	226,152
Riken Keiki Co Ltd	4,300	223,086
Badger Meter Inc	1,550	217,939
Hamamatsu Photonics KK	6,250	217,116
Daifuku Co Ltd	10,750	214,464
Altium Ltd	6,850	212,632
Pure Storage Inc	3,665	193,374
Stevanato Group SpA	6,300	191,440
Computacenter Plc	4,950	167,764
Technoprobe SpA	23,422	165,542
KeePer Technical Laboratory Co Ltd	4,100	164,692
Kinaxis Inc	1,450	160,853
Shimadzu Corp	6,250	159,270
Cognex Corp	3,950	147,875
Bentley Systems Inc - Class B	3,141	147,552
Biotage AB	9,300	136,091
Tracsis Plc	18,000	129,789
Dynavox Group AB	25,000	128,096
cBrain A/S	5,080	127,923
Zscaler Inc	675	126,739
FormFactor Inc	3,111	123,315
SolarEdge Technologies Inc	1,575	122,028
Fortnox AB	21,250	113,166
Power Integrations Inc	1,704	112,202
Aehr Test Systems	8,750	111,936
E Ink Holdings Inc	12,250	93,432

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO GLOBAL INNOVATION FUND****PORTFOLIO CHANGES – SALES (unaudited)***For the financial year ended 31 December 2024*

<b>Sales</b>	<b>Nominal</b>	<b>Proceeds €</b>
TransMedics Group Inc	4,915	424,729
Adyen NV '144A'	225	337,728
Sartorius Stedim Biotech	1,450	329,819
Pro Medicus Ltd	3,470	305,907
Tecan Group AG	775	282,071
Altium Ltd	6,850	281,724
MTU Aero Engines AG	1,000	270,750
Epsilon Net SA	22,400	268,662
Nova Ltd	1,250	235,922
SiTime Corp	1,670	221,612
Technology One Ltd	15,550	211,667
Daifuku Co Ltd	10,750	209,425
Bruker Corp	2,800	206,153
Invisio AB	10,500	200,989
Kainos Group Plc	18,500	194,372
Bio-Techne Corp	3,000	193,074
Plejd AB	11,500	192,548
Boku Inc '144A'	105,000	189,320
Shockwave Medical Inc	850	185,189
Bachem Holding AG	2,700	173,450
Axon Enterprise Inc	450	155,374
ASM International NV	225	149,575
ANSYS Inc	475	148,211
Masimo Corp	1,150	145,016
Zscaler Inc	875	142,879
Fortnox AB	23,750	133,530
MaxCyte Inc	29,000	129,702
Inmode Ltdee	5,250	128,591
Dynavox Group AB	25,000	127,142
FormFactor Inc	2,450	126,912
Esker SA	640	123,055
Ambarella Inc	2,200	113,948
Cerillion Plc	6,275	112,650
Energy Recovery Inc	7,000	103,073
Power Integrations Inc	1,600	102,963
Brembo SpA	8,750	98,518
Surgical Science Sweden AB	6,000	95,085
Advanced Medical Solutions Group Plc	37,500	91,622
Fabrinet	405	89,902
KeePer Technical Laboratory Co Ltd	4,100	87,127

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO BETTER WORLD FUND****PORTFOLIO CHANGES – PURCHASES (unaudited)***For the financial year ended 31 December 2024*

<b>Purchases</b>	<b>Nominal</b>	<b>Cost €</b>
TransMedics Group Inc	71,000	5,250,138
Bureau Veritas SA	185,000	4,948,766
Manhattan Associates Inc	19,000	4,816,901
Terna - Rete Elettrica Nazionale	630,000	4,659,342
BioGaia AB - Class B	393,153	4,020,861
Universal Display Corp	21,000	3,918,776
Visional Inc	89,000	3,906,877
Riken Keiki Co Ltd	104,417	3,423,714
Asahi Intecc Co Ltd	200,000	2,884,645
Stride Inc	40,000	2,544,946
IDP Education Ltd	220,000	2,519,132
Surgical Science Sweden AB	171,443	1,854,704
American Water Works Co Inc	12,000	1,293,579
InPost SA	70,000	1,254,886
Sartorius Stedim Biotech	5,000	961,389
Bio-Techne Corp	10,000	697,365
Nova Ltd	4,000	667,258
SolarEdge Technologies Inc	8,000	619,826
Entegris Inc	5,000	471,186
Yaskawa Electric Corp	7,324	203,415

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO BETTER WORLD FUND****PORTFOLIO CHANGES – SALES (unaudited)***For the financial year ended 31 December 2024*

<b>Sales</b>	<b>Nominal</b>	<b>Proceeds €</b>
Nova Ltd	60,000	10,615,006
Xylem Inc/NY	65,000	8,164,034
Terna Energy SA	341,000	6,813,010
ANSYS Inc	20,800	6,764,893
MSCI Inc - Class A	12,200	6,161,397
Spirax Group Plc	59,600	6,079,652
ICON Plc	24,700	5,727,008
Halma Plc	184,300	5,533,543
Tecan Group AG	20,000	5,504,531
American Water Works Co Inc	42,000	5,431,729
Balchem Corp	33,000	5,278,257
Pro Medicus Ltd	87,000	5,084,936
Yaskawa Electric Corp	172,324	5,050,325
Rational AG	5,800	4,983,848
Masimo Corp	39,200	4,828,626
Shionogi & Co Ltd	111,000	4,723,993
Bio-Techne Corp	69,300	4,676,146
Tyler Technologies Inc	8,200	4,490,661
Bruker Corp	63,600	4,472,011
Sdipitech AB - Class B	217,000	4,403,851
TransMedics Group Inc	36,900	3,968,749
Belimo Holding AG	7,100	3,876,030
Chemometec A/S	74,000	3,775,554
Chr Hansen Holding A/S	50,000	3,698,390
Veeva Systems Inc - Class A	17,800	3,688,081
Novonesis (Novozymes)	76,630	3,639,992
Entegris Inc	32,000	3,612,789
MIPS AB	112,000	3,258,153
Badger Meter Inc	15,300	3,098,980
Advanced Drainage Systems Inc	21,000	2,916,219
Ryman Healthcare Ltd	1,015,000	2,432,309
Marshalls Plc	594,100	2,239,457
IDEX Corp	10,600	2,225,351
Mani Inc	185,400	2,098,772
Surgical Science Sweden AB	149,543	2,076,234
Bachem Holding AG	26,200	1,949,607

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO GLOBAL SELECT FUND****PORTFOLIO CHANGES – PURCHASES (unaudited)***For the financial year ended 31 December 2024*

<b>Purchases</b>	<b>Nominal</b>	<b>Cost €</b>
Tyler Technologies Inc	3,600	1,870,030
MTU Aero Engines AG	6,300	1,716,116
Games Workshop Group Plc	12,600	1,692,879
Rollins Inc	35,500	1,619,041
ANSYS Inc	5,100	1,534,832
Houlihan Lokey Inc - Class A	10,250	1,399,025
Tradeweb Markets Inc - Class A	13,000	1,382,980
American Water Works Co Inc	11,150	1,379,634
Sartorius Stedim Biotech	7,900	1,332,765
Ashtead Group Plc	19,250	1,297,936
Bentley Systems Inc - Class B	28,000	1,273,617
Rational AG	1,485	1,237,754
Bio-Techne Corp	17,200	1,179,893
Adyen NV '144A'	965	1,179,883
Trex Co Inc	17,000	1,122,857
VZ Holding AG	8,500	1,119,281
MSCI Inc - Class A	2,125	1,077,945
Fortnox AB	180,000	1,010,571
Japan Elevator Service Holdings Co Ltd	60,000	1,005,534
Baltic Classifieds Group Plc	270,000	996,612
ICON Plc	3,675	982,002
Manhattan Associates Inc	3,500	906,981
Mensch und Maschine Software SE	16,250	893,683
NCAB Group AB	142,000	886,991
Bruker Corp	15,000	860,187
Spirax Group Plc	9,200	844,611
Paycom Software Inc	4,300	704,064
Esker SA	3,250	621,056
KeePer Technical Laboratory Co Ltd	23,000	597,943
TransMedics Group Inc	4,000	489,719

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

**MONTANARO SMALLER COMPANIES PLC****MONTANARO GLOBAL SELECT FUND****PORTFOLIO CHANGES – SALES (unaudited)***For the financial year ended 31 December 2024*

<b>Sales</b>	<b>Nominal</b>	<b>Proceeds €</b>
ICON Plc	4,575	809,656
Houlihan Lokey Inc - Class A	4,500	783,164
Esker SA	2,000	526,021
Partners Group Holding AG	225	278,608
Tyler Technologies Inc	300	170,478
Fortnox AB	25,000	131,622
Pro Medicus Ltd	1,300	120,094
Plejd AB	5,000	111,315
Trex Co Inc	500	46,139
Bruker Corp	500	43,091
Medistim ASA	2,500	40,296
VZ Holding AG	250	26,742
Maytronics Ltd	6,000	24,064
Bentley Systems Inc - Class B	500	23,692

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

## MONTANARO SMALLER COMPANIES PLC

### TOTAL EXPENSE RATIOS (ANNUALISED) (unaudited)

*For the financial year ended 31 December 2024*

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

	Total expense ratio %
<b>Montanaro European Smaller Companies Fund</b>	
Euro Accumulation Class	1.64
Euro Class	1.64
Euro Institutional Accumulation Class	0.64
Euro Institutional Distribution Class	0.90
Sterling Class	1.64
Sterling Institutional Distribution Class	0.88
Swedish Krona Accumulation Class	1.64
US Dollar Class	1.64
<b>Montanaro UK Income Fund</b>	
Euro Class	0.89
Euro Seed Class	0.54
Sterling Accumulation Class	0.89
Sterling Class	0.89
Sterling Seed Class	0.55
<b>Montanaro European Income Fund</b>	
Euro Class	0.92
Sterling Accumulation Class	0.90
Sterling Class	0.92
<b>Montanaro European Focus Fund</b>	
Euro Distribution Class	1.68
Euro Institutional Accumulation Class	0.93
<b>Montanaro Global Innovation Fund</b>	
Euro Accumulation A Class	0.80
Euro Accumulation B Class	1.00
Sterling Accumulation A Class	0.80
Sterling Accumulation B Class	1.00
<b>Montanaro Better World Fund</b>	
Euro Accumulation Class	1.02
Euro A Accumulation Class	1.68
Euro Distribution Class	1.02
Sterling Distribution Class	1.02
Swedish Krona Institutional Accumulation Class	0.88
<b>Montanaro Global Select Fund</b>	
Euro Accumulation A Class	0.16
Euro Accumulation B Class	0.13
Sterling Accumulation B Class	0.23

## MONTANARO SMALLER COMPANIES PLC

### PORTFOLIO TURNOVER RATES (unaudited)

*For the financial year ended 31 December 2024*

The portfolio turnover rate shows the turnover\* incurred by each Fund, whose redeemable participating Shares are registered for sale in Switzerland during the financial year, expressed as a percentage of the average NAV of that Fund for the corresponding financial year.

	<b>Portfolio Turnover %</b>
Montanaro European Smaller Companies Fund	(4.79%)
Montanaro UK Income Fund	(14.35%)
Montanaro European Income Fund	0.20%
Montanaro European Focus Fund	95.28%
Montanaro Global Innovation Fund	146.84%
Montanaro Better World Fund	9.64%
Montanaro Global Select Fund	(241.53%)

\* Turnover being a Fund's aggregate value of total cost of securities purchased plus total disposal proceeds of securities sold, less the aggregate value of that Fund's redeemable participating Shares' subscriptions plus redemptions, during the financial reporting period. All values in the turnover calculation are in the functional currency of the respective Fund.

Past performance is no indication of current or future performance and the performance data does not take account of commissions and costs incurred on the issue and redemption of Shares.



## MONTANARO SMALLER COMPANIES PLC

### REMUNERATION DISCLOSURE (unaudited)

The Manager has designed and implemented a remuneration policy (the “Policy”) in line with the provisions of S.I. 257 of 2013 European Union (Alternative Investment Fund Managers) Regulations 2013 (the “AIFM Regulations”), S.I. 352 of 2011 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the “ESMA Guidelines”). The Policy is designed to ensure that the remuneration of key decision makers is aligned with the management of short and long-term risks, including the oversight and where appropriate the management of sustainability risks in line with the Sustainable Finance Disclosure Regulations.

The Manager’s remuneration policy applies to its identified staff whose professional activities might have a material impact on the Company’s risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the Company. The Manager’s policy is to pay identified staff a fixed component with the potential for identified staff to receive a variable component. It is intended that the fixed component will represent a sufficiently high proportion of the total remuneration of the individual to allow the Manager to operate a fully flexible policy, with the possibility of not paying any variable component. When the Manager pays a variable component as performance related pay certain criteria, as set out in the Manager’s remuneration policy, must be adhered to. The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant staff rank and professional activity as well as best market practice. The Manager’s remuneration policy is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the funds it manages.

These disclosures are made in respect of the remuneration policies of the Manager. The disclosures are made in accordance with the ESMA Guidelines.

Total remuneration (in EUR) paid to the identified staff of the Manager fully or partly involved in the activities of the Company that have a material impact on the Company’s risk profile during the financial year to 31 December 2024 (the Manager’s financial year):

<b>Fixed remuneration</b>		<b>EUR</b>
Senior Management	€	3,377,918
Other identified staff	€	-
<b>Variable remuneration</b>		
Senior Management	€	732,962
Other identified staff	€	-
<b>Total remuneration paid</b>	<b>€</b>	<b>4,110,880</b>

Number of identified staff – 20

Neither the Manager nor the Company pays any fixed or variable remuneration to identified staff of the Investment Manager.

There have been no material changes made to the Remuneration Policy or the Manager’s remuneration practices and procedures during the financial year.

### Securities Financing Transactions Regulation (Unaudited)

During the year to which this Report relates, the Company did not engage in transactions which are the subject of EU Regulation No. 2015/2365 on the transparency of securities financing transactions and of reuse. Accordingly, no global, concentration or transactions data, or information on the reuse or safekeeping of collateral is required to be reported.

## ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Montanaro European Smaller Companies Fund

**Legal entity identifier:** 635400TW8AKLKNTQLF58

### Environmental and/or social characteristics (unaudited)

Did this financial product have a sustainable investment objective? <i>[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]</i>	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> <b>Yes</b>	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ____% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ____%	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 10.3% of sustainable investments <input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund seeks to promote environmental characteristics including:

- the prevention of climate change
- the reduction of greenhouse gas emissions
- the prevention of resource depletion
- the reduction of waste and pollution

The Fund seeks to promote social characteristics including:

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

- improving working conditions
- improving health and safety
- improving employee relations
- achieving better diversity

● ***How did the sustainability indicators perform?***

The Investment Manager uses the following indicators to measure the environmental or social characteristics promoted by the Fund:

- (i) Carbon intensity of the Fund (Scope 1 + 2) both absolute and relative to its Benchmark;
- (ii) Percentage of investee companies which have credible Net Zero Carbon strategies;
- (iii) Percentage of women on boards of investee companies;
- (iv) Percentage of independent directors on boards of investee companies;
- (v) Percentage of companies which have an anti-bribery policy.

During 2024, the quarterly average for these indicators for the Fund were as follows (unless otherwise stated):

- (i) Carbon intensity (Scope 1 + 2):
  - a) Fund: 19.2 tons of CO<sub>2</sub>e / \$1m of Sales
  - b) Benchmark: 95.9 tons of CO<sub>2</sub>e / \$1m of Sales
- (ii) Percentage of investee companies with credible Net Zero Carbon strategies: 34.6% (as at 31 December 2024)
- (iii) Percentage of women on boards of investee companies: 36%
- (iv) Percentage of independent directors on boards of investee companies: 71%
- (v) Percentage of companies which have an anti-bribery policy: 99%

Note: The benchmark is the Fund's official benchmark, i.e. the MSCI Europe Small Cap (Capital Return) Index.

The data above is sourced from MSCI and / or Bloomberg and updated on a quarterly basis. Where the indicators differ from expectations, the indicator will be investigated.

● ***...and compared to previous periods?***

All of the metrics improved on a quarterly average basis in 2024, compared with 2023, with the exception independent directors on boards which remained above 70%.



● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A. The Fund does not have an objective of making sustainable investments.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

N/A. The Fund does not have an objective of making sustainable investments.

- — *How were the indicators for adverse impacts on sustainability factors taken into account?*

N/A. The Fund does not have an objective of making sustainable investments.

- — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

N/A. The Fund does not have an objective of making sustainable investments.

Impact Cubed made an assessment of the Fund and, based on their findings, it was determined that there were no violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



**How did this financial product consider principal adverse impacts on sustainability factors?**

As part of its investment process (both pre-investment and on an ongoing basis), the Investment Manager considers 10 of the 14 PAIs at Portfolio level:

- Scope 1 GHG emissions;
- Scope 2 GHG emissions;
- Scope 3 GHG emissions;
- Total GHG emissions;
- Carbon footprint;
- GHG intensity of investee companies;
- Share of investments in companies active in the fossil fuel sector;
- Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average;
- Average ratio of female to male board members in investee companies, expressed as a percentage of all board members;
- Share of investments in investee companies involved in the manufacture or selling of controversial weapons.

These Portfolio-level PAIs are reported at the end of this document.

In addition to the Portfolio-level PAIs, the Investment Manager reviews the internal ESG Checklists of each of the Fund’s holdings on an ongoing basis (i.e. quarterly at a minimum). These Checklists have three sections (Environmental, Social and Governance) scored separately which are incorporated into a total score out of 10. Any significant change in a company’s score – whether per section or in aggregate – will result in further investigation and possible engagement with the company.

During the year, the Investment Manager engaged with 25 companies held in the Fund in

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

respect of the following:

- Climate: 5
- Environment: 5
- Social: 4
- Governance: 11



**Asset allocation**  
describes the share  
of investments in  
specific assets.

## What were the top investments of this financial product?

GAMES WORKSHOP GROUP	PLConsumer Discretionary	3.7%	UK
REPLY SPA	Information Technology	3.6%	Switzerland
AAK AB	Consumer Staples	3.5%	Germany
VZ HOLDING AG	Financials	3.5%	Sweden
CRANSWICK PLC	Consumer Staples	3.4%	UK
DIPLOMA PLC	Industrials	3.4%	UK
MTU AERO ENGINES AG	Industrials	3.3%	UK
IMCD NV	Industrials	3.2%	Italy
CTS EVENTIM AG & CO KGAA	Communication Services	3.0%	Germany
HALMA PLC	Information Technology	2.9%	UK
4IMPRINT GROUP PLC	Communication Services	2.8%	Netherlands
RATIONAL AG	Industrials	2.7%	France
THULE GROUP AB/THE	Consumer Discretionary	2.6%	Germany
BELIMO HOLDING AG-REG	Industrials	2.4%	Switzerland
SOL SPA	Materials	2.4%	Italy

The list includes the  
investments  
constituting the  
**greatest proportion  
of investments** of  
the financial product



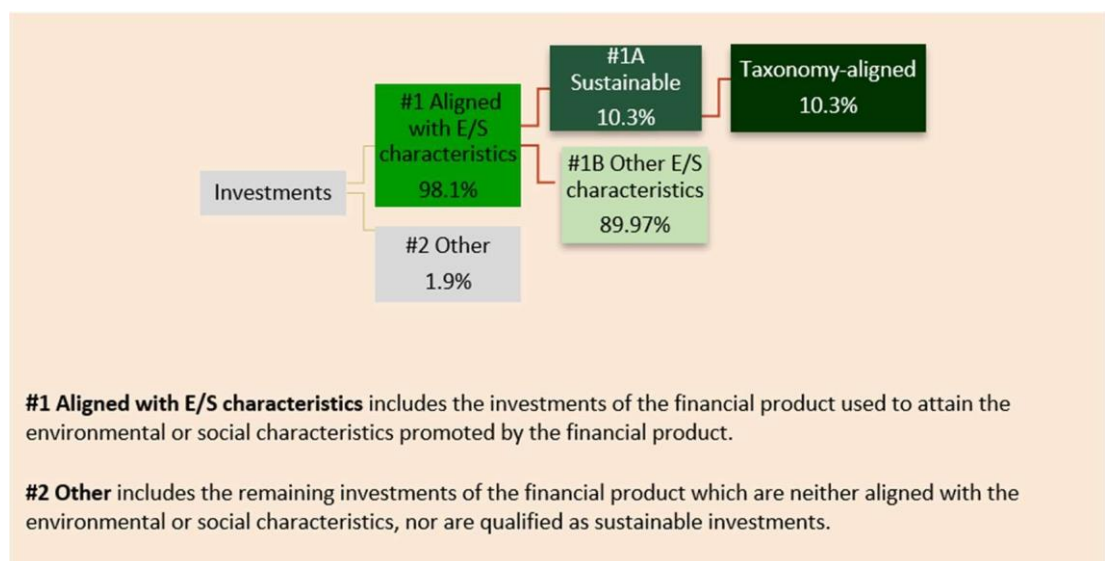
Taxonomy-aligned  
activities are  
expressed as a share  
of:

- **turnover**  
reflecting the  
share of revenue  
from green  
activities of  
investee  
companies
- **capital  
expenditure**  
(CapEx) showing  
the green  
investments made  
by investee  
companies, e.g. for  
a transition to a  
green economy.
- **operational  
expenditure**  
(OpEx) reflecting  
green operational  
activities of  
investee  
companies.

## What was the proportion of sustainability-related investments?

### What was the asset allocation?

Please see chart below, which outlines the average quarterly asset allocation within the Fund during 2024:



### In which economic sectors were the investments made?

On a quarterly average basis, the breakdown of investments by economic sector during 2024 was as follows:

Energy	0.0%
Materials	3.3%
Industrials	24.3%
Consumer Discretionary	10.4%
Consumer Staples	5.1%
Health Care	17.5%
Financials	6.3%
Information Technology	22.0%
Communication Services	4.9%
Utilities	1.3%
Real Estate	3.0%
<u>CASH</u>	<u>1.9%</u>



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

N/A. The Fund did not make sustainable investments aligned with the EU Taxonomy.

On a quarterly average basis, the Fund had the following alignment with the EU Taxonomy in 2024:

- 10.3% by Turnover
- 9.6% by CapEx
- 10.3% by OpEx

● **Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

☐

Yes:

☐

In fossil gas

☐

In nuclear energy



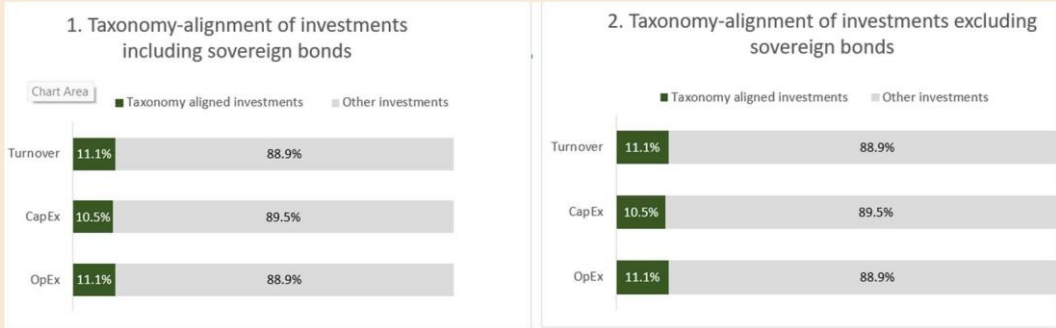
No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

As of 31 December 2024, the Fund's alignment (by Turnover) with the EU Taxonomy by economic activity was as follows (data sourced from Impact Cubed):

		% Turnovers Eligible
Portfolio Summary		15.66%
Climate Change Mitigation (totals)		15.56%
Sector	Activity	
Manufacturing	Manufacture of other low carbon technologies	6.53%
	Manufacturing of Aircraft	4.56%
Construction and real estate activities		
	Acquisition and ownership of buildings	4.07%
	Construction of new buildings	0.40%
Finance and Insurance		
Climate Change Adaptation (totals)		0.10%
Sector	Activity	
Manufacturing		
Construction and real estate activities		
Finance and Insurance		

What was the share of investments made in transitional and enabling activities?

Although the Fund has no target exposure to transitional and enabling activities, on a quarterly average basis 6.3% of the Fund's investments were aligned with primary transitional and enabling activities in 2024.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Alignment with the taxonomy remained consistent at 10%.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A. The Fund does not have sustainable investments.



### What was the share of socially sustainable investments?

N/A. The Fund does not have sustainable investments.



### What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Only Cash was included under “Other”.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the year, the Investment Manager engaged with 25 companies held in the Fund in respect of the following:

- Climate: 5
- Environment: 5
- Social: 4
- Governance: 11

As responsible shareholders the Investment Manager believes that it is their duty to engage with their investee companies where necessary. Active engagement can help to foster positive long-term change and improved societal and environmental outcomes. The Investment Manager will engage with companies where they become aware of any weakness or incident relating to our ESG policies or international norms. They also conduct thematic “Deep Dive” engagement projects on specific subjects to better understand how the investee companies are exposed to a particular issue or area of risk. An ongoing area of focus is climate change and achieving net zero emissions.



### How did this financial product perform compared to the reference benchmark?

N/A. No sustainable reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

- *How does the reference benchmark differ from a broad market index?*

N/A

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

N/A

- *How did this financial product perform compared with the reference benchmark?*

N/A

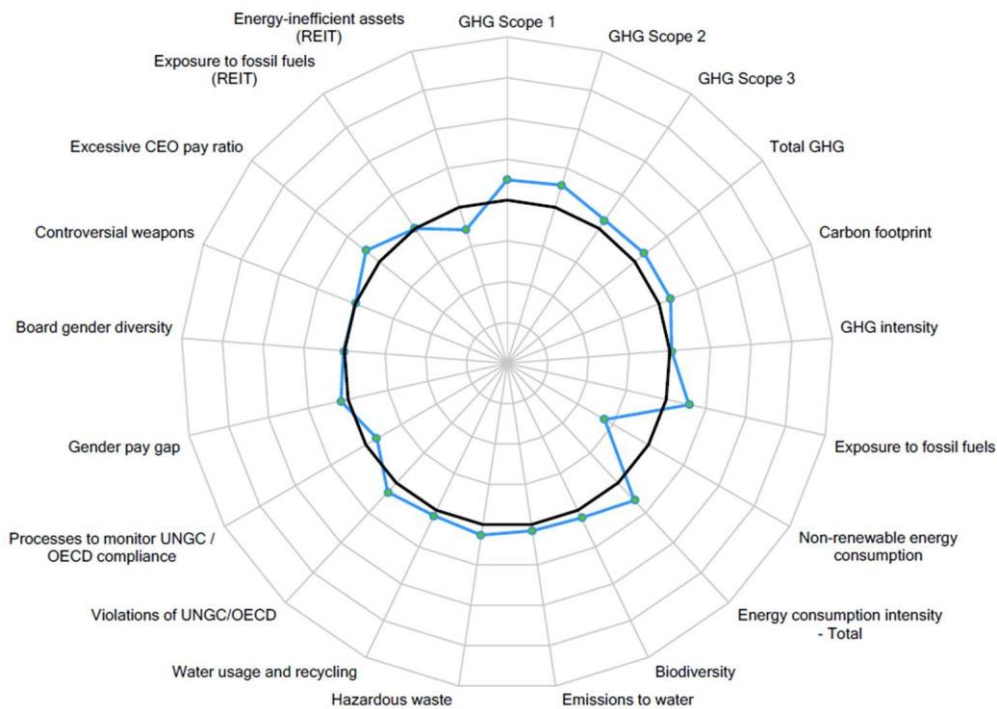
- *How did this financial product perform compared with the broad market index?*

The reference benchmark for the Fund is the MSCI Europe Small Cap (Capital Return) index.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



In the chart below (dated 31 December 2024), Impact Cubed compare the Fund (blue line) to the benchmark (black line) across 20 Principal Adverse Impact indicators. When the blue line sits above the black line it indicates that the Fund fares better than the benchmark on the particular indicator (and vice versa).



The table below highlights the PAI indicators of the Fund relative to its benchmark, the MSCI Europe Small Cap (Capital Return) index, as at 31 December 2024:

# PAI MEASURES

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
GHG Scope 1	scope 1 GHG emissions	1,840	85%	46,830	76%
GHG Scope 2	scope 2 GHG emissions	2,350	82%	12,310	59%
GHG Scope 3	scope 3 GHG emissions	86,050	65%	305,930	52%
Total GHG	total GHG emissions	90,240	63%	365,070	39%
Carbon footprint	carbon footprint	251.78	63%	1,018.61	39%
GHG intensity	GHG intensity of investee companies	750.33	63%	802.47	39%
Exposure to fossil fuels	share of investments in companies active in the fossil fuel sector	0.00%	100%	3.50%	100%
Non-renewable energy consumption	share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	64.68%	13%	58.45%	3%
Non-renewable energy production	share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	N/A	N/A	57.39%	100%
Energy consumption intensity - Total	energy consumption in GWh per million EUR of revenue of investee companies - Total	0.20	31%	0.46	8%
Energy consumption intensity - NACE Sector A	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A (Agriculture, forestry and fishing)	N/A	N/A	0.14	0%
Energy consumption intensity - NACE Sector B	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	N/A	N/A	1.14	0%
Energy consumption intensity - NACE Sector C	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.35	35%	0.55	10%
Energy consumption intensity - NACE Sector D	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	N/A	N/A	5.44	0%
Energy consumption intensity - NACE Sector E	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	N/A	N/A	0.51	0%
Energy consumption intensity - NACE Sector F	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	0.08	100%	0.12	0%
Energy consumption intensity - NACE Sector G	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.04	81%	0.44	21%
Energy consumption intensity - NACE Sector H	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	0.01	0%	1.14	0%

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
Energy consumption intensity - NACE Sector L	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	0.33	71%	0.25	17%
Biodiversity	share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0.00%	100%	0.27%	100%
Emissions to water	tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	47.02	50%	2,004.98	39%
Hazardous waste	tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	1.08	19%	19.32	4%
Water usage and recycling	average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	603.57	50%	4,053.32	39%
Violations of UNGC/OECD	share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	100%	0.41%	100%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	64.44%	100%	59.86%	100%
Gender pay gap	average unadjusted gender pay gap of investee companies	12.46%	1%	12.66%	1%
Board gender diversity	average ratio of female to male board members in investee companies	35.60%	100%	35.51%	100%
Controversial weapons	share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	100%	0.00%	100%
Excessive CEO pay ratio	average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	25.34	70%	29.81	73%
GHG intensity (Sovereign)	GHG intensity of investee countries	N/A	N/A	N/A	N/A
Social violations (Sovereign)	number of investee countries subject to social violations as referred to in international treaties and conventions divided by all investee countries, United Nations principles and, where applicable, national law	N/A	N/A	N/A	N/A
Exposure to fossil fuels (REIT)	share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0.00%	100%	0.00%	100%
Energy-inefficient assets (REIT)	share of investments in energy inefficient real estate assets	82.51%	100%	80.73%	100%

## ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Montanaro UK Income Fund  
**Legal entity identifier:** 635400QDCQQQGXYS5U77

## Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? <i>[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]</i>	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ____% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 25.4% of sustainable investments <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ____%	<input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund seeks to promote environmental characteristics including:

- the prevention of climate change
- the reduction of greenhouse gas emissions
- the prevention of resource depletion
- the reduction of waste and pollution

The Fund seeks to promote social characteristics including:

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

- improving working conditions
- improving health and safety
- improving employee relations
- achieving better diversity

● ***How did the sustainability indicators perform?***

The Investment Manager uses the following indicators to measure the environmental or social characteristics promoted by the Fund:

- (i) Carbon intensity of the Fund (Scope 1 + 2) both absolute and relative to its Benchmark;
- (ii) Percentage of investee companies which have credible Net Zero Carbon strategies;
- (iii) Percentage of women on boards of investee companies;
- (iv) Percentage of independent directors on boards of investee companies;
- (v) Percentage of companies which have an anti-bribery policy.

During 2024, the quarterly average for these indicators for the Fund were as follows (unless otherwise stated):

- (i) Carbon intensity (Scope 1 + 2):
  - a. Fund: 17.8 tons of CO<sub>2</sub>e / \$1m of Sales
  - b. Benchmark: 81.8 tons of CO<sub>2</sub>e / \$1m of Sales
- (ii) Percentage of investee companies with credible Net Zero Carbon strategies: 67.4% (as at 31 December 2024)
- (iii) Percentage of women on boards of investee companies: 41%
- (iv) Percentage of independent directors on boards of investee companies: 66%
- (v) Percentage of companies which have an anti-bribery policy: 100%

Note: The benchmark is the Fund’s official benchmark, i.e. the IA UK All Companies Sector (Total Return).

The data above is sourced from MSCI and / or Bloomberg and updated on a quarterly basis. Where the indicators differ from expectations, the indicator will be investigated.

● ***...and compared to previous periods?***

The Fund no material change in metrics in 2024, versus the 2023 reporting period.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A. The Fund does not have an objective of making sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

N/A. The Fund does not have an objective of making sustainable investments.

— — *How were the indicators for adverse impacts on sustainability factors taken into account?*

N/A. The Fund does not have an objective of making sustainable investments.

— — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

N/A. The Fund does not have an objective of making sustainable investments.

Impact Cubed made an assessment of the Fund and, based on their findings, it was determined that there were no violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



### **How did this financial product consider principal adverse impacts on sustainability factors?**

As part of its investment process (both pre-investment and on an ongoing basis), the Investment Manager considers 10 of the 14 PAIs at Portfolio level:

- Scope 1 GHG emissions;
- Scope 2 GHG emissions;
- Scope 3 GHG emissions;
- Total GHG emissions;
- Carbon footprint;
- GHG intensity of investee companies;
- Share of investments in companies active in the fossil fuel sector;
- Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average;
- Average ratio of female to male board members in investee companies, expressed as a percentage of all board members;
- Share of investments in investee companies involved in the manufacture or selling of controversial weapons.

These Portfolio-level PAIs are reported at the end of this document.

In addition to the Portfolio-level PAIs, the Investment Manager reviews the internal ESG Checklists of each of the Fund's holdings on an ongoing basis (i.e. quarterly at a minimum). These Checklists have three sections (Environmental, Social and Governance) scored separately which are incorporated into a total score out of 10. Any significant change in a company's score – whether per section or in aggregate – will result in further investigation and possible engagement with the company.

During the year, the Investment Manager engaged with 10 companies held in the Fund in respect of the following:

- Climate: 2
- Environment: 2
- Social: 1

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



- Governance: 5



## What were the top investments of this financial product?

GAMES WORKSHOP GROUP PLC	Consumer Discretionary	5.5%	UK
BLOOMSBURY PUBLISHING PL	Communication Services	4.8%	UK
DIPLOMA PLC	Industrials	4.0%	UK
DISCOVERIE GROUP PLC	Industrials	4.0%	UK
XPS PENSIONS GROUP PLC	Financials	3.7%	UK
4IMPRINT GROUP PLC	Communication Services	3.7%	UK
GREGGS PLC	Consumer Discretionary	3.6%	UK
BIG YELLOW GROUP PLC	Real Estate	3.5%	UK
CLARKSON PLC	Industrials	3.5%	UK
TELECOM PLUS PLC	Utilities	3.4%	UK
SAGE GROUP PLC/THE	Information Technology	3.2%	UK
LONDONMETRIC PROPERTY PL	Real Estate	3.0%	UK
HILTON FOOD GROUP PLC	Consumer Staples	2.4%	UK
MAN GROUP PLC/JERSEY	Financials	2.2%	UK
TAYLOR WIMPEY PLC	Consumer Discretionary	2.2%	UK

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects

The list includes the investments

constituting **the greatest proportion of investments** of the financial product during the reference period which is:



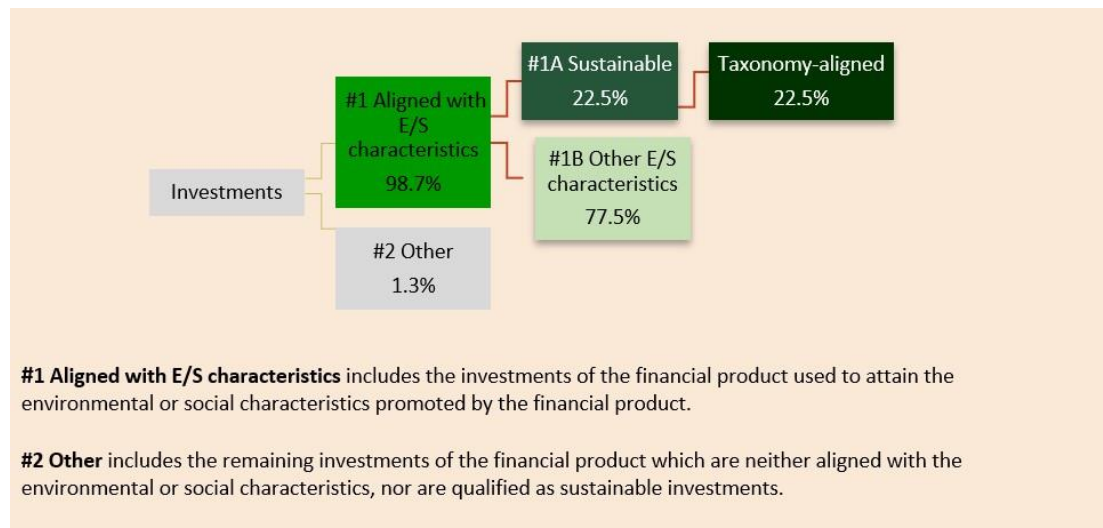
transition to a green economy.

- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

## What was the proportion of sustainability-related investments?

### ● *What was the asset allocation?*

Please see chart below, which outlines the average quarterly asset allocation within the Fund during 2024:



**Asset allocation** describes the share of investments in specific assets.

### ● *In which economic sectors were the investments made?*

On a quarterly average basis, the breakdown of investments by economic sector during 2024 was as follows:

Energy	0.0%
Materials	2.1%
Industrials	24.7%
Consumer Discretionary	15.8%
Consumer Staples	4.8%
Health Care	0.0%
Financials	12.1%
Information Technology	12.7%
Communication Services	7.8%
Utilities	6.9%
Real Estate	11.8%
CASH	1.3%



### To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A. The Fund did not make sustainable investments aligned with the EU Taxonomy.

On a quarterly average basis, the Fund had the following alignment with the EU Taxonomy in 2024:

- 22.5% by Turnover
- 22.4% by CapEx
- 22.5% by OpEx

### ● Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

☐

Yes:

☐

In fossil gas

☐

In nuclear energy




No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

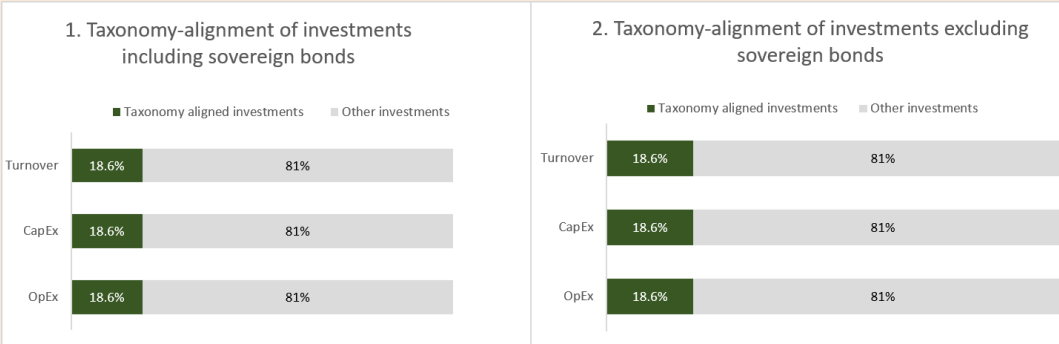


**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



*\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures*

As of 31 December 2024, the Fund’s alignment (by Turnover) with the EU Taxonomy by economic activity was as follows (data sourced from Impact Cubed):

		% Turnovers Eligible
Portfolio Summary		18.56%
Climate Change Mitigation (totals)		15.09%
Sector	Activity	
Manufacturing		
	Manufacture of other low carbon technologies	2.12%
Construction and real estate activities		
	Acquisition and ownership of buildings	10.73%
	Construction of new buildings	2.24%
Finance and Insurance		
Climate Change Adaptation (totals)		3.47%
Sector	Activity	
Manufacturing		
Construction and real estate activities		
Finance and Insurance		

● **What was the share of investments made in transitional and enabling activities?**

Although the Fund has no target exposure to transitional and enabling activities, on a quarterly average basis 4.9% of the Fund’s investments were aligned with primary transitional and enabling activities in 2024.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Alignment with the taxonomy remained consistent at 22.5%.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

N/A. The Fund does not have sustainable investments.



**What was the share of socially sustainable investments?**

N/A. The Fund does not have sustainable investments.



### **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

Only Cash was included under “Other”.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the year, the Investment Manager engaged with 10 companies held in the Fund in respect of the following:

- Climate: 2
- Environment: 2
- Social: 1
- Governance: 5



As responsible shareholders the Investment Manager believes that it is their duty to engage with their investee companies where necessary. Active engagement can help to foster positive long-term change and improved societal and environmental outcomes. The Investment Manager will engage with companies where they become aware of any weakness or incident relating to our ESG policies or international norms. They also conduct thematic “Deep Dive” engagement projects on specific subjects to better understand how the investee companies are exposed to a particular issue or area of risk. An ongoing area of focus is climate change and achieving net zero emissions.

### **How did this financial product perform compared to the reference benchmark?**

N/A. No sustainable reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

#### **● How does the reference benchmark differ from a broad market index?**

N/A

#### **● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

#### **● How did this financial product perform compared with the reference benchmark?**

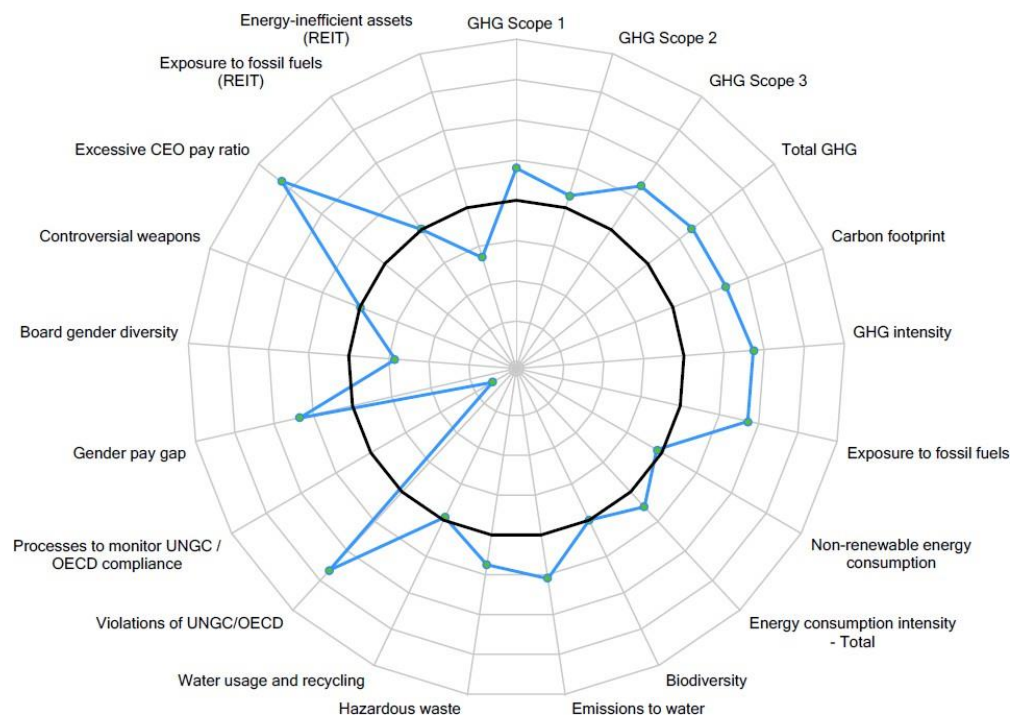
N/A

#### **● How did this financial product perform compared with the broad market index?**

The benchmark of the Fund is the IA UK All Companies Sector.

In the chart below (dated 31 December 2024), Impact Cubed compare the Fund (blue line) to the benchmark (black line) across 20 Principal Adverse Impact indicators. When the blue line

sits above the black line it indicates that the Fund fares better than the benchmark on the particular indicator (and vice versa).



The table below highlights the PAI indicators of the Fund relative to its benchmark, the IA UK All Companies Sector, as at 31 December 2024:

## PAI MEASURES

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
GHG Scope 1	scope 1 GHG emissions	1,660	94%	28,030	99%
GHG Scope 2	scope 2 GHG emissions	2,310	90%	7,050	92%
GHG Scope 3	scope 3 GHG emissions	220,100	85%	469,380	86%
Total GHG	total GHG emissions	224,060	80%	504,460	79%
Carbon footprint	carbon footprint	439.18	80%	988.80	79%
GHG intensity	GHG intensity of investee companies	405.29	80%	1,172.67	79%
Exposure to fossil fuels	share of investments in companies active in the fossil fuel sector	3.48%	100%	14.04%	100%
Non-renewable energy consumption	share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	61.03%	8%	60.42%	49%
Non-renewable energy production	share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	N/A	N/A	61.00%	100%
Energy consumption intensity - Total	energy consumption in GWh per million EUR of revenue of investee companies - Total	0.10	29%	0.28	79%
Energy consumption intensity - NACE Sector A	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A (Agriculture, forestry and fishing)	N/A	N/A	0.14	0%
Energy consumption intensity - NACE Sector B	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	N/A	N/A	1.30	65%
Energy consumption intensity - NACE Sector C	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.33	46%	0.25	87%
Energy consumption intensity - NACE Sector D	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	N/A	N/A	1.04	87%
Energy consumption intensity - NACE Sector E	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	0.51	46%	0.52	46%
Energy consumption intensity - NACE Sector F	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	0.07	0%	0.06	34%
Energy consumption intensity - NACE Sector G	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.05	50%	0.42	64%
Energy consumption intensity - NACE Sector H	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	0.01	0%	1.15	66%

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
Energy consumption intensity - NACE Sector L	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	0.06	44%	0.28	66%
Biodiversity	share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0.00%	100%	0.00%	100%
Emissions to water	tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	19.37	39%	221.87	80%
Hazardous waste	tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.63	3%	97.39	37%
Water usage and recycling	average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	3,012.32	39%	2,798.54	80%
Violations of UNGC/OECD	share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	100%	8.64%	100%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	82.88%	100%	32.96%	100%
Gender pay gap	average unadjusted gender pay gap of investee companies	15.11%	0%	15.63%	0%
Board gender diversity	average ratio of female to male board members in investee companies	39.18%	100%	42.00%	100%
Controversial weapons	share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	100%	0.00%	100%
Excessive CEO pay ratio	average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	31.84	84%	72.03	70%
GHG intensity (Sovereign)	GHG intensity of investee countries	N/A	N/A	N/A	N/A
Social violations (Sovereign)	number of investee countries subject to social violations as referred to in international treaties and conventions divided by all investee countries, United Nations principles and, where applicable, national law	N/A	N/A	N/A	N/A
Exposure to fossil fuels (REIT)	share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0.00%	100%	0.00%	100%
Energy-inefficient assets (REIT)	share of investments in energy inefficient real estate assets	89.36%	100%	85.69%	100%



## ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1g, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:** Montanaro European Income Fund  
**Legal entity identifier:** 635400NIKW6KIUJQQG41

## Environmental and/or social characteristics

Did this financial product have a sustainable investment objective? <i>[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]</i>	
<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ____% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 17.3% of sustainable investments <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ____%	<input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund seeks to promote environmental characteristics including:

- the prevention of climate change
- the reduction of greenhouse gas emissions
- the prevention of resource depletion
- the reduction of waste and pollution

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

The Fund seeks to promote social characteristics including:

- improving working conditions
- improving health and safety
- improving employee relations
- achieving better diversity

● ***How did the sustainability indicators perform?***

The Investment Manager uses the following indicators to measure the environmental or social characteristics promoted by the Fund:

- (i) Carbon intensity of the Fund (Scope 1 + 2) both absolute and relative to its Benchmark;
- (ii) Percentage of investee companies which have credible Net Zero Carbon strategies;
- (iii) Percentage of women on boards of investee companies;
- (iv) Percentage of independent directors on boards of investee companies;
- (v) Percentage of companies which have an anti-bribery policy.

During 2024, the quarterly average for these indicators for the Fund were as follows (unless otherwise stated):

- (i) Carbon intensity (Scope 1 + 2):
  - a. Fund: 56 tons of CO<sub>2</sub>e / \$1m of Sales
  - b. Benchmark: 112.9 tons of CO<sub>2</sub>e / \$1m of Sales
- (ii) Percentage of investee companies with credible Net Zero Carbon strategies: 38.1% (as at 31 December 2024)
- (iii) Percentage of women on boards of investee companies: 42%
- (iv) Percentage of independent directors on boards of investee companies: 63%
- (v) Percentage of companies which have an anti-bribery policy: 97%

Note: The benchmark is the Fund's official benchmark, i.e. the IA Europe (excluding UK) Sector (Total Return).

The data above is sourced from MSCI and / or Bloomberg and updated on a quarterly basis. Where the indicators differ from expectations, the indicator will be investigated.

● ***...and compared to previous periods?***

There has been a reduction in the carbon intensity of the portfolio. All other metrics have remained consistent.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A. The Fund does not have an objective of making sustainable investments.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

N/A. The Fund does not have an objective of making sustainable investments.

- — *How were the indicators for adverse impacts on sustainability factors taken into account?*

N/A. The Fund does not have an objective of making sustainable investments.

- — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

N/A. The Fund does not have an objective of making sustainable investments.

Impact Cubed made an assessment of the Fund and, based on their findings, it was determined that there were no violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

**How did this financial product consider principal adverse impacts on sustainability factors?**

As part of its investment process (both pre-investment and on an ongoing basis), the Investment Manager considers 10 of the 14 PAIs at Portfolio level:

- Scope 1 GHG emissions;
- Scope 2 GHG emissions;
- Scope 3 GHG emissions;
- Total GHG emissions;
- Carbon footprint;
- GHG intensity of investee companies;
- Share of investments in companies active in the fossil fuel sector;
- Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average;
- Average ratio of female to male board members in investee companies, expressed as a percentage of all board members;
- Share of investments in investee companies involved in the manufacture or selling of controversial weapons.

These Portfolio-level PAIs are reported at the end of this document.

In addition to the Portfolio-level PAIs, the Investment Manager reviews the internal ESG Checklists of each of the Fund’s holdings on an ongoing basis (i.e. quarterly at a minimum). These Checklists have three sections (Environmental, Social and Governance) scored separately which are incorporated into a total score out of 10. Any significant change in a company’s score – whether per section or in aggregate – will result in further investigation and possible engagement with the company.

During the year, the Investment Manager engaged with 13 held in the Fund in respect of



the following:

- Climate: 1
- Environment: 3
- Social: 4
- Governance: 5



## What were the top investments of this financial product?

EURONEXT NV	Financials	3.3%	France
LOOMIS AB	Industrials	3.3%	Sweden
MTU AERO ENGINES AG	Industrials	3.2%	Germany
REPLY SPA	Information Technology	3.2%	Italy
TERNA-RETE ELETTRICA NAZIO	Utilities	3.2%	Italy
RECORDATI INDUSTRIA CHIMI	Health Care	3.1%	Italy
ELMERA GROUP ASA	Utilities	3.1%	Norway
TRYG A/S	Financials	3.0%	Denmark
SOL SPA	Materials	3.0%	Italy
BUREAU VERITAS SA	Industrials	3.0%	France
KAUFMAN & BROAD SA	Consumer Discretionary	3.0%	France
THULE GROUP AB/THE	Consumer Discretionary	3.0%	Sweden
AMUNDI SA	Financials	3.0%	France
TECHNOGYM SPA	Consumer Discretionary	3.0%	Italy
BOUVET ASA	Information Technology	2.8%	Norway

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

relevant for a transition to a green economy.

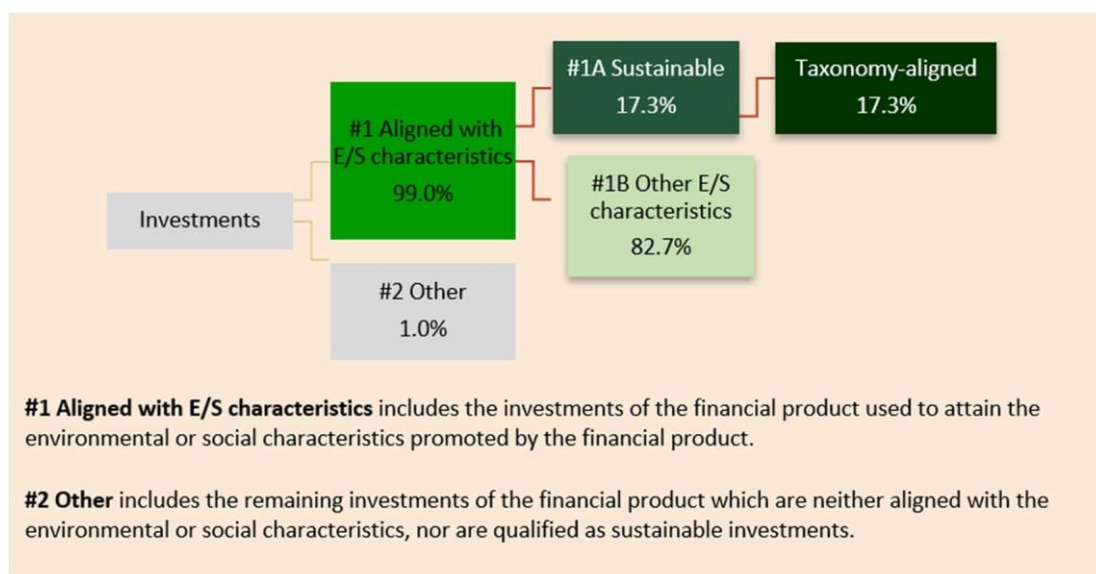
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



## What was the proportion of sustainability-related investments?

### What was the asset allocation?

Please see chart below, which outlines the average quarterly asset allocation within the Fund during 2024:



**Asset allocation** describes the share of investments in specific assets.

● **In which economic sectors were the investments made?**

On a quarterly average basis, the breakdown of investments by economic sector during 2024 was as follows:

Energy	2.3%
Materials	7.8%
Industrials	27.4%
Consumer Discretionary	14.0%
Consumer Staples	4.1%
Health Care	5.1%
Financials	13.8%
Information Technology	14.7%
Communication Services	0.4%
Utilities	5.7%
Real Estate	3.8%
CASH	1.0%



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

N/A. The Fund did not make sustainable investments aligned with the EU Taxonomy.

On a quarterly average basis, the Fund had the following alignment with the EU Taxonomy in 2024:

- 17.3% by Turnover
- 17.6% by CapEx
- 17.5% by OpEx

● **Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

☐

Yes:

☐

In fossil gas

☐

In nuclear energy



No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

As of 31 December 2024, the Fund’s alignment (by Turnover) with the EU Taxonomy by economic activity was as follows (data sourced from Impact Cubed):

		% Turnovers Eligible
Portfolio Summary		19.81%
Climate Change Mitigation (totals)		16.64%
Sector	Activity	
Agriculture, forestry, and fishing		
	Forest management	0.02%
Electricity, gas, steam and air conditioning supply		
	Transmission and Distribution of Electricity	1.47%
Transportation and storage		
	Air transport ground handling operations	2.61%
Construction and real estate activities		
	Construction of new buildings	3.93%
	Acquisition and ownership of buildings	2.95%
Finance and Insurance		
Manufacturing		
	Manufacturing of Aircraft	3.30%
	Manufacture of other low carbon technologies	2.36%
Climate Change Adaptation (totals)		3.17%
Sector	Activity	
Agriculture, forestry, and fishing		
Electricity, gas, steam and air conditioning supply		
Transportation and storage		
Construction and real estate activities		
Finance and Insurance		

● What was the share of investments made in transitional and enabling activities?

Although the Fund has no target exposure to transitional and enabling activities, on a quarterly average basis 10.7% of the Fund’s investments were aligned with primary transitional and enabling activities in 2024.

● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Total alignment with the Taxonomy declined slightly over the period due to changes in the underlying holdings within the Portfolio. The average for the year was above 17%.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

N/A. The Fund does not have sustainable investments.



**What was the share of socially sustainable investments?**

N/A. The Fund does not have sustainable investments.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

Only Cash was included under “Other”.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the year, the Investment Manager engaged with 13 companies held in the Fund in respect of the following:

- Climate: 1
- Environment: 3
- Social: 4
- Governance: 5

As responsible shareholders the Investment Manager believes that it is their duty to engage with their investee companies where necessary. Active engagement can help to foster positive long-term change and improved societal and environmental outcomes. The Investment Manager will engage with companies where they become aware of any weakness or incident relating to our ESG policies or international norms. They also conduct thematic “Deep Dive” engagement projects on specific subjects to better understand how the investee companies are exposed to a particular issue or area of risk. An ongoing area of focus is climate change and achieving net zero emissions.



**How did this financial product perform compared to the reference benchmark?**

N/A. No sustainable reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

- ***How does the reference benchmark differ from a broad market index?***

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

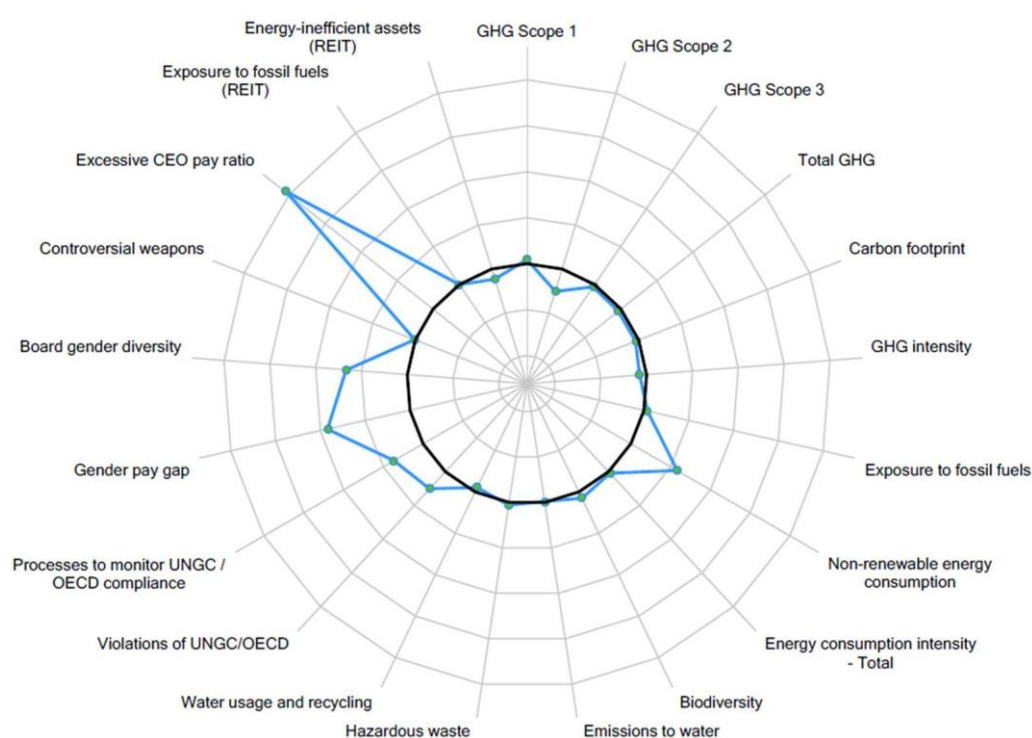
N/A

● **How did this financial product perform compared with the reference benchmark?**

N/A

● **How did this financial product perform compared with the broad market index?**

In the chart below (dated 31 December 2024), Impact Cubed compare the Fund (blue line) to the MSCI Europe ex-UK Small Cap index (black line) across 20 Principal Adverse Impact indicators. When the blue line sits above the black line it indicates that the Fund fares better than the benchmark on the particular indicator (and vice versa).



The table below highlights the PAI indicators of the Fund relative to the MSCI Europe ex-UK Small Cap index, as at 31 December 2024:

# PAI MEASURES

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
GHG Scope 1	scope 1 GHG emissions	1,320	88%	4,740	90%
GHG Scope 2	scope 2 GHG emissions	7,740	68%	1,260	86%
GHG Scope 3	scope 3 GHG emissions	48,450	53%	38,930	73%
Total GHG	total GHG emissions	57,500	46%	44,930	70%
Carbon footprint	carbon footprint	575.01	46%	449.26	70%
GHG intensity	GHG intensity of investee companies	1,272.05	46%	884.24	70%
Exposure to fossil fuels	share of investments in companies active in the fossil fuel sector	5.14%	100%	6.11%	100%
Non-renewable energy consumption	share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	60.17%	14%	69.09%	25%
Non-renewable energy production	share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	N/A	N/A	78.71%	100%
Energy consumption intensity - Total	energy consumption in GWh per million EUR of revenue of investee companies - Total	0.38	30%	0.45	41%
Energy consumption intensity - NACE Sector A	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A (Agriculture, forestry and fishing)	N/A	N/A	1.12	6%
Energy consumption intensity - NACE Sector B	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	2.58	0%	1.47	49%
Energy consumption intensity - NACE Sector C	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.49	43%	0.39	50%
Energy consumption intensity - NACE Sector D	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	1.05	39%	8.57	29%
Energy consumption intensity - NACE Sector E	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	N/A	N/A	0.62	10%
Energy consumption intensity - NACE Sector F	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	0.07	0%	0.42	34%
Energy consumption intensity - NACE Sector G	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.07	0%	0.23	21%
Energy consumption intensity - NACE Sector H	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	0.20	0%	1.06	24%



	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
Energy consumption intensity - NACE Sector L	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	0.39	100%	0.22	33%
Biodiversity	share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0.00%	100%	1.93%	100%
Emissions to water	tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	2,340.72	54%	665.76	75%
Hazardous waste	tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	1.59	19%	21.14	32%
Water usage and recycling	average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	25,384.08	54%	8,639.55	75%
Violations of UNGC/OECD	share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	100%	1.82%	100%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	43.27%	100%	59.07%	100%
Gender pay gap	average unadjusted gender pay gap of investee companies	11.62%	0%	16.24%	0%
Board gender diversity	average ratio of female to male board members in investee companies	40.79%	100%	31.29%	100%
Controversial weapons	share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	100%	0.02%	100%
Excessive CEO pay ratio	average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	21.55	74%	269.48	81%
GHG intensity (Sovereign)	GHG intensity of investee countries	N/A	N/A	N/A	N/A
Social violations (Sovereign)	number of investee countries subject to social violations as referred to in international treaties and conventions divided by all investee countries, United Nations principles and, where applicable, national law	N/A	N/A	N/A	N/A
Exposure to fossil fuels (REIT)	share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0.00%	100%	0.00%	100%
Energy-inefficient assets (REIT)	share of investments in energy inefficient real estate assets	82.18%	100%	80.35%	100%

## ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Montanaro European Focus Fund

**Legal entity identifier:** 6354001PHJU2IW4SCG72

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*



**Yes**



It made **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It made **sustainable investments with a social objective:** \_\_\_\_%



**No**



It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 5.8% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promoted E/S characteristics, but **did not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

The Fund seeks to promote environmental characteristics including:

- the prevention of climate change
- the reduction of greenhouse gas emissions
- the prevention of resource depletion
- the reduction of waste and pollution

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.



**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others

The Fund seeks to promote social characteristics including:

- improving working conditions
- improving health and safety
- improving employee relations
- achieving better diversity

● ***How did the sustainability indicators perform?***

The Investment Manager uses the following indicators to measure the environmental or social characteristics promoted by the Fund:

- (i) Carbon intensity of the Fund (Scope 1 + 2) both absolute and relative to its Benchmark;
- (ii) Percentage of investee companies which have credible Net Zero Carbon strategies;
- (iii) Percentage of women on boards of investee companies;
- (iv) Percentage of independent directors on boards of investee companies;
- (v) Percentage of companies which have an anti-bribery policy.

During 2024, the quarterly average for these indicators for the Fund were as follows (unless otherwise stated):

- (i) Carbon intensity (Scope 1 + 2):
  - a) 47 tons of CO<sub>2</sub>e / \$1m of Sales
  - b) Benchmark: 141.1 tons of CO<sub>2</sub>e / \$1m of Sales
- (ii) Percentage of investee companies with credible Net Zero Carbon strategies: 46.3% (as at 31 December 2024)
- (iii) Percentage of women on boards of investee companies: 32%
- (iv) Percentage of independent directors on boards of investee companies: 72%
- (v) Percentage of companies which have an anti-bribery policy: 96%

Note: The benchmark is the Fund’s official benchmark, i.e. the STOXX Europe Mid 200 (Capital Return) Index.

The data above is sourced from MSCI and / or Bloomberg and updated on a quarterly basis. Where the indicators differ from expectations, the indicator will be investigated.

● ***...and compared to previous periods?***

There have been no material changes compared to the previous period.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A. The Fund does not have an objective of making sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

N/A. The Fund does not have an objective of making sustainable investments.

— — ***How were the indicators for adverse impacts on sustainability factors taken into account?***

N/A. The Fund does not have an objective of making sustainable investments.

— — ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

N/A. The Fund does not have an objective of making sustainable investments.

Impact Cubed made an assessment of the Fund and, based on their findings, it was determined that there were no violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



**How did this financial product consider principal adverse impacts on sustainability factors?**

As part of its investment process (both pre-investment and on an ongoing basis), the Investment Manager considers 10 of the 14 PAIs at Portfolio level:

- Scope 1 GHG emissions;
- Scope 2 GHG emissions;
- Scope 3 GHG emissions;
- Total GHG emissions;
- Carbon footprint;
- GHG intensity of investee companies;
- Share of investments in companies active in the fossil fuel sector;
- Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average;
- Average ratio of female to male board members in investee companies, expressed as a percentage of all board members;
- Share of investments in investee companies involved in the manufacture or selling of controversial weapons.

These Portfolio-level PAIs are reported at the end of this document.

In addition to the Portfolio-level PAIs, the Investment Manager reviews the internal ESG Checklists of each of the Fund's holdings on an ongoing basis (i.e. quarterly at a minimum). These Checklists have three sections (Environmental, Social and Governance) scored separately which are incorporated into a total score out of 10. Any significant change in a company's score – whether per section or in aggregate – will result in further investigation and possible engagement with the company.

During the year, the Investment Manager engaged with 8 companies held in the Fund in

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

respect of the following:

- Climate: 1
- Environment: 3
- Social: 1
- Governance: 3



### What were the top investments of this financial product?

MTU AERO ENGINES AG	Industrials	5.8%	Germany
DIPLOMA PLC	Industrials	5.6%	UK
LOOMIS AB	Industrials	5.1%	Sweden
REPLY SPA	Information Technology	5.0%	Italy
GAMES WORKSHOP GROUP PLC	Consumer Discretionary	5.0%	UK
RECORDATI INDUSTRIA CHIMI	Health Care	4.9%	Italy
AMUNDI SA	Financials	4.8%	France
AAK AB	Consumer Staples	4.5%	Sweden
SAGE GROUP PLC/THE	Information Technology	4.3%	UK
AZELIS GROUP NV	Industrials	4.1%	Belgium
SOL SPA	Materials	4.0%	Italy
THULE GROUP AB/THE	Consumer Discretionary	3.9%	Sweden
B&M EUROPEAN VALUE RETAIL	Consumer Discretionary	3.9%	UK
INTERPUMP GROUP SPA	Industrials	3.7%	Italy
CTS EVENTIM AG & CO KGAA	Communication Services	3.5%	Germany

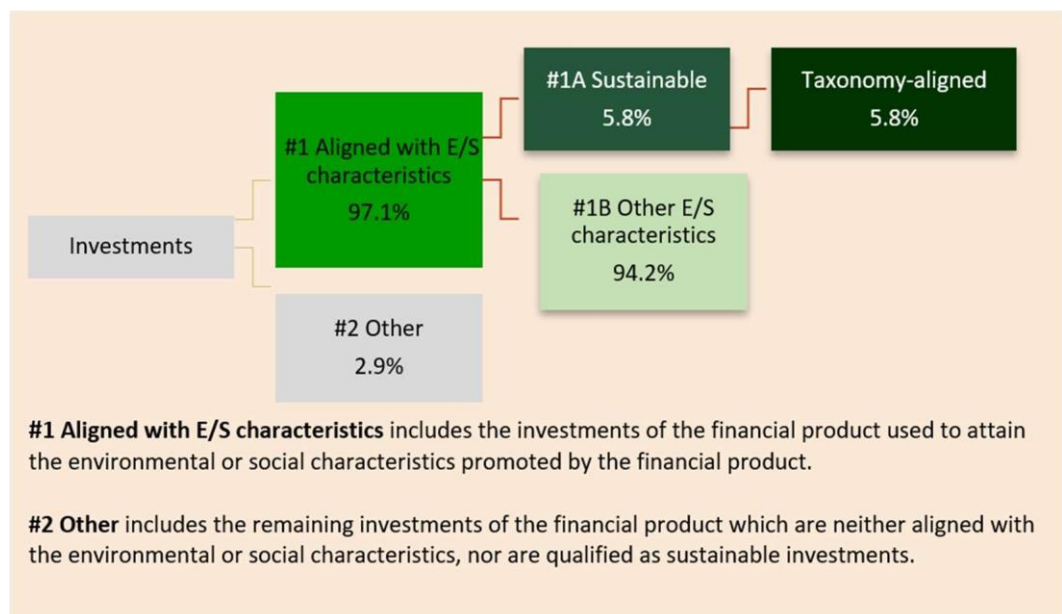
The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:



### What was the proportion of sustainability-related investments?

#### What was the asset allocation?

Please see chart below, which outlines the average quarterly asset allocation within the Fund during 2024:



#### In which economic sectors were the investments made?

Energy	0.0%
Materials	7.3%
Industrials	29.7%
Consumer Discretionary	15.0%
Consumer Staples	5.1%
Health Care	13.8%
Financials	7.4%
Information Technology	10.7%
Communication Services	6.1%
Utilities	2.0%
Real Estate	0.0%
CASH	2.9%



### To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A. The Fund did not make sustainable investments aligned with the EU Taxonomy.

On a quarterly average basis, the Fund had the following alignment with the EU Taxonomy in 2024:

- 5.8% by Turnover
- 6.1% by CapEx
- 6.0% by OpEx

#### ● Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?



Yes:



In fossil gas



In nuclear energy



No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

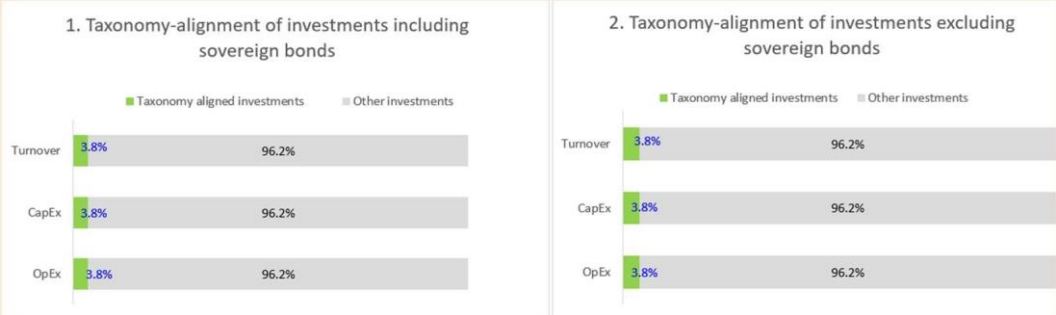
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

[include note only for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]  
[include note for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

As of 31 December 2024, the Fund’s alignment (by Turnover) with the EU Taxonomy by economic activity was as follows (data sourced from Impact Cubed):

		% Turnovers Eligible
Portfolio Summary		10.73%
Climate Change Mitigation (totals)		10.73%
Sector	Activity	
Manufacturing	Manufacture of other low carbon technologies	4.78%
	Manufacturing of Aircraft	5.95%
Climate Change Adaptation (totals)		0.00%
Sector	Activity	
Manufacturing		
		% CapEx Eligible
Portfolio Summary		10.73%
Climate Change Mitigation (totals)		10.73%
Climate Change Adaptation (totals)		0.00%

● What was the share of investments made in transitional and enabling activities?

Although the Fund has no target exposure to transitional and enabling activities, on a quarterly average basis 4.8% of the Fund’s investments were aligned with primary transitional and enabling activities in 2024.

● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

There was an increase in the percentage of investments that were aligned with the EU Taxonomy during the reporting period.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A. The Fund does not have sustainable investments.



### What was the share of socially sustainable investments?

N/A. The Fund does not have sustainable investments.



### What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Only Cash was included under “Other”.



### What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the year, the Investment Manager engaged with 8 companies held in the Fund in respect of the following:

- Climate: 1
- Environment: 3
- Social: 1
- Governance: 3



As responsible shareholders the Investment Manager believes that it is their duty to engage with their investee companies where necessary. Active engagement can help to foster positive long-term change and improved societal and environmental outcomes. The Investment Manager will engage with companies where they become aware of any weakness or incident relating to our ESG policies or international norms. They also conduct thematic “Deep Dive” engagement projects on specific subjects to better understand how the investee companies are exposed to a particular issue or area of risk. An ongoing area of focus is climate change and achieving net zero emissions.

### How did this financial product perform compared to the reference benchmark?

N/A. No sustainable reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

#### ● *How does the reference benchmark differ from a broad market index?*

N/A

#### ● *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

N/A

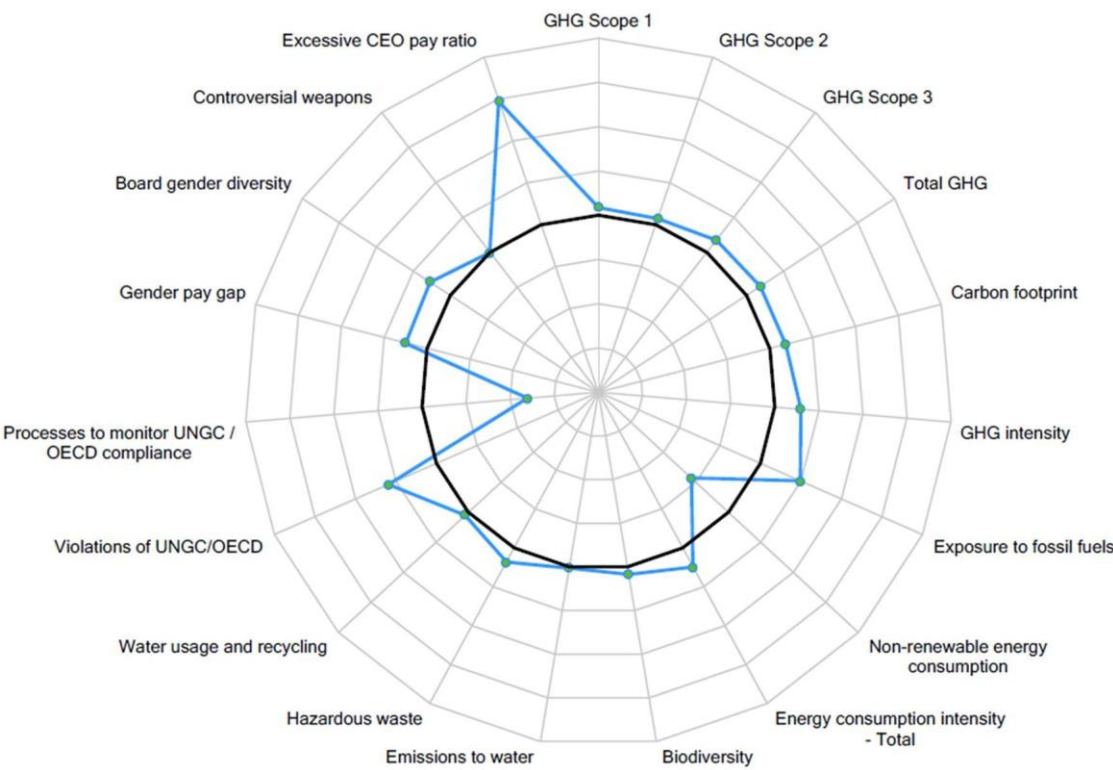
#### ● *How did this financial product perform compared with the reference benchmark?*

N/A

#### ● *How did this financial product perform compared with the broad market index?*

The benchmark of the Fund is the STOXX Europe Mid 200 (Capital Return) Index.

In the chart below (dated 31 December 2024), Impact Cubed compare the Fund (blue line) to the benchmark (black line) across 20 Principal Adverse Impact indicators. When the blue line sits above the black line it indicates that the Fund fares better than the benchmark on the particular indicator (and vice versa).



The table below highlights the PAI indicators of the Fund relative to its benchmark, the STOXX Europe Mid 200 (Capital Return) Index, as at 31 December 2024:



# PAI MEASURES

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
GHG Scope 1	scope 1 GHG emissions	80	79%	510	97%
GHG Scope 2	scope 2 GHG emissions	70	79%	110	91%
GHG Scope 3	scope 3 GHG emissions	2,150	63%	7,420	86%
Total GHG	total GHG emissions	2,290	59%	8,040	81%
Carbon footprint	carbon footprint	272.19	59%	953.64	81%
GHG intensity	GHG intensity of investee companies	740.70	59%	1,328.25	81%
Exposure to fossil fuels	share of investments in companies active in the fossil fuel sector	0.00%	100%	6.20%	100%
Non-renewable energy consumption	share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	65.97%	19%	59.60%	51%
Non-renewable energy production	share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	N/A	N/A	61.62%	100%
Energy consumption intensity - Total	energy consumption in GWh per million EUR of revenue of investee companies - Total	0.25	48%	0.51	75%
Energy consumption intensity - NACE Sector A	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A (Agriculture, forestry and fishing)	N/A	N/A	0.14	0%
Energy consumption intensity - NACE Sector B	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	N/A	N/A	1.51	53%
Energy consumption intensity - NACE Sector C	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.53	55%	0.43	82%
Energy consumption intensity - NACE Sector D	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	N/A	N/A	6.36	81%
Energy consumption intensity - NACE Sector E	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	N/A	N/A	1.55	69%
Energy consumption intensity - NACE Sector F	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	N/A	N/A	0.14	76%
Energy consumption intensity - NACE Sector G	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.04	100%	0.32	61%
Energy consumption intensity - NACE Sector H	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	N/A	N/A	0.65	51%



	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
Energy consumption intensity - NACE Sector L	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	N/A	N/A	0.36	66%
Biodiversity	share of investments in investee companies with sites/operations located in or near to biodiversity -sensitive areas where activities of those investee companies negatively affect those areas	0.00%	100%	0.37%	100%
Emissions to water	tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	96.38	44%	347.60	84%
Hazardous waste	tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.95	19%	24.93	44%
Water usage and recycling	average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	992.75	44%	2,650.18	84%
Violations of UNGC/OECD	share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	100%	2.32%	100%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	59.56%	100%	23.76%	100%
Gender pay gap	average unadjusted gender pay gap of investee companies	12.96%	0%	13.51%	0%
Board gender diversity	average ratio of female to male board members in investee companies	40.88%	100%	39.12%	100%
Controversial weapons	share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	100%	0.00%	100%
Excessive CEO pay ratio	average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	27.17	83%	64.60	80%
GHG intensity (Sovereign)	GHG intensity of investee countries	N/A	N/A	N/A	N/A
Social violations (Sovereign)	number of investee countries subject to social violations as referred to in international treaties and conventions divided by all investee countries, United Nations principles and, where applicable, national law	N/A	N/A	N/A	N/A
Exposure to fossil fuels (REIT)	share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A	0.00%	100%
Energy-inefficient assets (REIT)	share of investments in energy inefficient real estate assets	N/A	N/A	81.04%	100%

## ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Montanaro Global Innovation Fund

**Legal entity identifier:** 635400JTZXUUL9CM83

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*



Yes



No

☐ It made **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It made **sustainable investments with a social objective:** \_\_\_\_%



It **promoted Environmental/Social (E/S) characteristics** and

while it did not have as its objective a sustainable investment, it had a proportion of 11% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promoted E/S characteristics, but **did not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

The Fund seeks to promote environmental characteristics including:

- the prevention of climate change
- the reduction of greenhouse gas emissions
- the prevention of resource depletion
- the reduction of waste and pollution

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The Fund seeks to promote social characteristics including:

- improving working conditions
- improving health and safety
- improving employee relations
- achieving better diversity

● ***How did the sustainability indicators perform?***

The Investment Manager uses the following indicators to measure the environmental or social characteristics promoted by the Fund:

- (i) Carbon intensity of the Fund (Scope 1 + 2) both absolute and relative to its Benchmark;
- (ii) Percentage of investee companies which have credible Net Zero Carbon strategies;
- (iii) Percentage of women on boards of investee companies;
- (iv) Percentage of independent directors on boards of investee companies;
- (v) Percentage of companies which have an anti-bribery policy.

During 2024, the quarterly average for these indicators for the Fund were as follows (unless otherwise stated):

- (i) Carbon intensity (Scope 1 + 2):
  - a. Fund: 12.7 tons of CO<sub>2</sub>e / \$1m of Sales
  - b. Benchmark: 161.6 tons of CO<sub>2</sub>e / \$1m of Sales
- (ii) Percentage of investee companies with credible Net Zero Carbon strategies: 21.8% (as at 31 December 2024)
- (iii) Percentage of women on boards of investee companies: 29%
- (iv) Percentage of independent directors on boards of investee companies: 62%
- (v) Percentage of companies which have an anti-bribery policy: 94%

Note: The benchmark is the Fund’s official benchmark, i.e. the MSCI World SMID Cap (Total Return) Index.

The data above is sourced from MSCI and / or Bloomberg and updated on a quarterly basis. Where the indicators differ from expectations, the indicator will be investigated.

● ***...and compared to previous periods?***

There has been a notable reduction in the carbon intensity of the Fund. The percentage of independent directors on boards of investee companies declined from 82% to 62%.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A. The Fund does not have an objective of making sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

N/A. The Fund does not have an objective of making sustainable investments.

— — ***How were the indicators for adverse impacts on sustainability factors taken into account?***

N/A. The Fund does not have an objective of making sustainable investments.

— — ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

N/A. The Fund does not have an objective of making sustainable investments.

Impact Cubed made an assessment of the Fund and, based on their findings, it was determined that there were no violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



**How did this financial product consider principal adverse impacts on sustainability factors?**

As part of its investment process (both pre-investment and on an ongoing basis), the Investment Manager considers 10 of the 14 PAIs at Portfolio level:

- Scope 1 GHG emissions;
- Scope 2 GHG emissions;
- Scope 3 GHG emissions;
- Total GHG emissions;
- Carbon footprint;
- GHG intensity of investee companies;
- Share of investments in companies active in the fossil fuel sector;
- Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average;
- Average ratio of female to male board members in investee companies, expressed as a percentage of all board members;
- Share of investments in investee companies involved in the manufacture or selling of controversial weapons.

These Portfolio-level PAIs are reported at the end of this document.

In addition to the Portfolio-level PAIs, the Investment Manager reviews the internal ESG Checklists of each of the Fund's holdings on an ongoing basis (i.e. quarterly at a minimum). These Checklists have three sections (Environmental, Social and Governance) scored separately which are incorporated into a total score out of 10. Any significant change in a company's score – whether per section or in aggregate – will result in further investigation and possible engagement with the company.

During the year, the Investment Manager engaged with 8 companies held in the Fund in

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

respect of the following:

- Climate: 2
- Environment: 0
- Social: 3
- Governance: 3



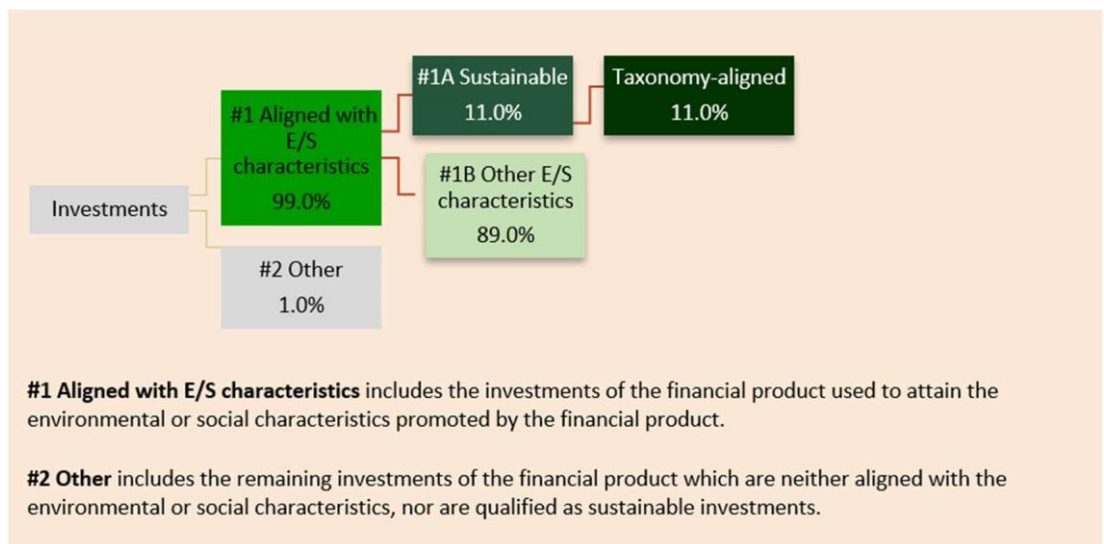
## What were the top investments of this financial product?

TYLER TECHNOLOGIES INC	Information Technology	4.2%	United States of America
ANSYS INC	Information Technology	3.6%	United States of America
BENTLEY SYSTEMS INC-CLASS	Information Technology	3.6%	United States of America
AXON ENTERPRISE INC	Industrials	3.5%	United States of America
REPLY SPA	Information Technology	3.4%	Italy
FORTNOX AB	Information Technology	3.3%	Sweden
TECHNOLOGY ONE LTD	Information Technology	3.3%	Australia
KINAXIS INC	Information Technology	3.0%	Canada
NOVA LTD	Information Technology	2.9%	United States of America
MANHATTAN ASSOCIATES INC	Information Technology	2.8%	United States of America
BADGER METER INC	Information Technology	2.8%	United States of America
ATOSS SOFTWARE SE	Information Technology	2.7%	Germany
GLOBANT SA	Information Technology	2.7%	United States of America
ENTEGRIS INC	Information Technology	2.6%	United States of America
COGNEX CORP	Information Technology	2.4%	United States of America

## What was the proportion of sustainability-related investments?

### What was the asset allocation?

Please see chart below, which outlines the average quarterly asset allocation within the Fund during 2024:



### In which economic sectors were the investments made?

On a quarterly average basis, the breakdown of investments by economic sector during 2024 was as follows:

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

**Asset allocation** describes the share of investments in specific assets.

Energy	0.0%
Materials	0.5%
Industrials	5.8%
Consumer Discretionary	0.3%
Consumer Staples	0.0%
Health Care	10.7%
Financials	0.0%
Information Technology	81.6%
Communication Services	0.0%
Utilities	0.0%
Real Estate	0.0%
CASH	1.0%



### To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A. The Fund did not make sustainable investments aligned with the EU Taxonomy.

On a quarterly average basis, the Fund had the following alignment with the EU Taxonomy in 2024:

- 11% by Turnover
- 11% by CapEx
- 11% by OpEx
- **Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

☐

Yes:

☐

In fossil gas

☐

In nuclear energy



No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

As of 31 December 2024, the Fund's alignment (by Turnover) with the EU Taxonomy by economic activity was as follows (data sourced from Impact Cubed):

		% Turnovers Eligible
Portfolio Summary		7.42%
Climate Change Mitigation (totals)		7.42%
Sector	Activity	
Manufacturing		
	Manufacture of other low carbon technologies	7.35%
	Manufacturing of Aircraft	0.07%
Climate Change Adaptation (totals)		0.00%
Sector	Activity	
Manufacturing		
		% CapEx Eligible
Portfolio Summary		7.42%
Climate Change Mitigation (totals)		7.42%
Climate Change Adaptation (totals)		0.00%

● **What was the share of investments made in transitional and enabling activities?**

Although the Fund has no target exposure to transitional and enabling activities, on a quarterly average basis 10.7% of the Fund's investments were aligned with primary transitional and enabling activities in 2024.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

There was an increase in the percentage of investments aligned with the EU Taxonomy.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

N/A. The Fund does not have sustainable investments.





## What was the share of socially sustainable investments?

N/A. The Fund does not have sustainable investments.



## What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Only Cash was included under “Other”.



## What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the year, the Investment Manager engaged with 8 companies held in the Fund in respect of the following:

- Climate: 2
- Environment: 0
- Social: 3
- Governance: 3



As responsible shareholders the Investment Manager believes that it is their duty to engage with their investee companies where necessary. Active engagement can help to foster positive long-term change and improved societal and environmental outcomes. The Investment Manager will engage with companies where they become aware of any weakness or incident relating to our ESG policies or international norms. They also conduct thematic “Deep Dive” engagement projects on specific subjects to better understand how the investee companies are exposed to a particular issue or area of risk. An ongoing area of focus is climate change and achieving net zero emissions.

## How did this financial product perform compared to the reference benchmark?

N/A. No sustainable reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

### ● *How does the reference benchmark differ from a broad market index?*

N/A

### ● *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*

N/A

### ● *How did this financial product perform compared with the reference benchmark?*

N/A

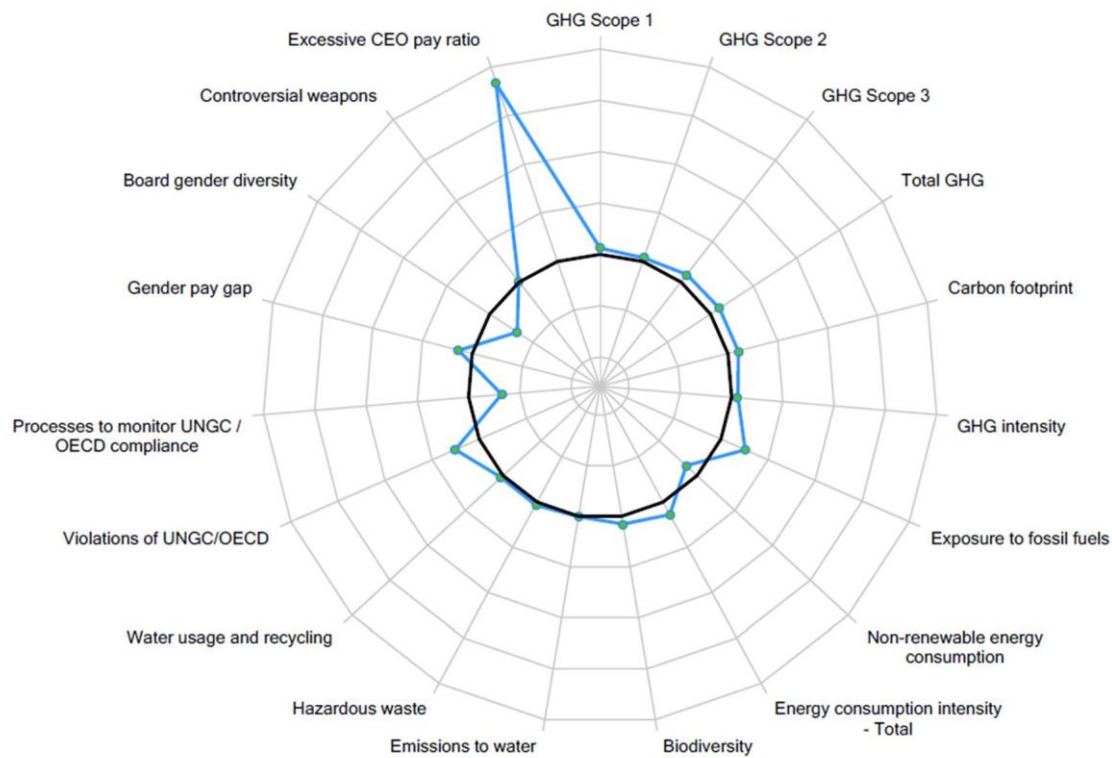
### ● *How did this financial product perform compared with the broad market index?*

The benchmark of the Fund is the MSCI World SMID Cap (Total Return) index.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



In the chart below (dated 31 December 2024), Impact Cubed compare the Fund (blue line) to the benchmark (black line) across 20 Principal Adverse Impact indicators. When the blue line sits above the black line it indicates that the Fund fares better than the benchmark on the particular indicator (and vice versa).



The table below highlights the PAI indicators of the Fund relative to its benchmark, the MSCI World SMID Cap (Total Return) index, as at 31 December 2024:

# PAI MEASURES

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
GHG Scope 1	scope 1 GHG emissions	10	50%	500	90%
GHG Scope 2	scope 2 GHG emissions	30	39%	130	86%
GHG Scope 3	scope 3 GHG emissions	950	41%	4,080	73%
Total GHG	total GHG emissions	990	25%	4,710	70%
Carbon footprint	carbon footprint	94.48	25%	449.26	70%
GHG intensity	GHG intensity of investee companies	560.84	25%	884.24	70%
Exposure to fossil fuels	share of investments in companies active in the fossil fuel sector	0.00%	100%	6.11%	100%
Non-renewable energy consumption	share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	71.27%	0%	69.09%	25%
Non-renewable energy production	share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	N/A	N/A	78.71%	100%
Energy consumption intensity - Total	energy consumption in GWh per million EUR of revenue of investee companies - Total	0.03	3%	0.45	41%
Energy consumption intensity - NACE Sector A	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A (Agriculture, forestry and fishing)	N/A	N/A	1.12	6%
Energy consumption intensity - NACE Sector B	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	N/A	N/A	1.47	49%
Energy consumption intensity - NACE Sector C	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.05	0%	0.39	50%
Energy consumption intensity - NACE Sector D	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	N/A	N/A	8.57	29%
Energy consumption intensity - NACE Sector E	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	N/A	N/A	0.62	10%
Energy consumption intensity - NACE Sector F	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	N/A	N/A	0.42	34%
Energy consumption intensity - NACE Sector G	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	N/A	N/A	0.23	21%
Energy consumption intensity - NACE Sector H	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	N/A	N/A	1.06	24%

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
Energy consumption intensity - NACE Sector L	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	N/A	N/A	0.22	33%
Biodiversity	share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0.00%	100%	1.93%	100%
Emissions to water	tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	15.86	31%	665.76	75%
Hazardous waste	tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.07	4%	21.14	32%
Water usage and recycling	average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	362.32	31%	8,639.55	75%
Violations of UNGC/OECD	share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	100%	1.82%	100%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	72.94%	100%	59.07%	100%
Gender pay gap	average unadjusted gender pay gap of investee companies	15.56%	0%	16.24%	0%
Board gender diversity	average ratio of female to male board members in investee companies	26.73%	99%	31.29%	100%
Controversial weapons	share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	100%	0.02%	100%
Excessive CEO pay ratio	average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	48.73	60%	269.48	81%
GHG intensity (Sovereign)	GHG intensity of investee countries	N/A	N/A	N/A	N/A
Social violations (Sovereign)	number of investee countries subject to social violations as referred to in international treaties and conventions divided by all investee countries, United Nations principles and, where applicable, national law	N/A	N/A	N/A	N/A
Exposure to fossil fuels (REIT)	share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A	0.00%	100%
Energy-inefficient assets (REIT)	share of investments in energy inefficient real estate assets	N/A	N/A	80.35%	100%

## ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

**Product name:** Montanaro Better World Fund

**Legal entity identifier:** 635400INKQVF8Y5I5P87

## Sustainable investment objective

Did this financial product have a sustainable investment objective?

☒ ☒ ☒ Yes

☒ It made **sustainable investments with an environmental objective: 44.3%**

☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It made **sustainable investments with a social objective: 55.0%**

☐ ☐ ☐ No

☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**To what extent was the sustainable investment objective of this financial product met?**

The Fund's Sustainability Objective is as follows:

*The Fund will seek to invest in high quality companies whose products, services or behaviour are deemed to make a positive impact on society and which emphasise sound environmental, social and governance (ESG) practices. Through the Fund's investments, the Investment Manager seeks to improve access to, and quality of, basic life essentials, reduce inequality, and mitigate the effects of climate change.*

In practice, and to contribute to the Sustainable Investment Objective, the Fund invests in

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

small and midcap companies which have at least 50% of their revenues aligned with one or more of the six themes below:

1. **Environmental Protection** (including pollution control; water treatment; waste recycling and management; testing, inspection & certification);
2. **Green Economy** (including renewable energies; improved infrastructure; energy transition and efficient transportation);
3. **Healthcare** (including treatment of illnesses and diseases; medical innovation; affordable healthcare and prevention);
4. **Innovative Technologies** (including manufacturing efficiencies; robotics & artificial intelligence; connected world and product optimisation);
5. **Nutrition** (including efficient food production, sustainable food distribution; healthy eating and food security);
6. **Wellbeing** (including addressing the challenges of safety & security; improved lifestyle (physical & mental); sustainable finance; and education).

(together the “Sustainability Themes”)

These Sustainability Themes were chosen because they directly support 14 of the United Nations’ 17 Sustainable Development Goals (“SDGs”), namely:

- GOAL 2: Zero Hunger
- GOAL 3: Good Health and Well-being
- GOAL 4: Quality Education
- GOAL 5: Gender Equality
- GOAL 6: Clean Water and Sanitation
- GOAL 7: Affordable and Clean Energy
- GOAL 8: Decent Work and Economic Growth
- GOAL 9: Industry, Innovation and Infrastructure
- GOAL 10: Reduced Inequality
- GOAL 11: Sustainable Cities and Communities
- GOAL 12: Responsible Consumption and Production
- GOAL 13: Climate Action
- GOAL 14: Life below Water
- GOAL 15: Life on Land

Three Goals are not targeted directly by the Fund. These are:

- GOAL 1: No Poverty
- GOAL 16: Peace, Justice and Strong Institutions
- GOAL 17: Partnerships for the Goals

The average weighted quarterly revenues in the Fund aligned with at least one of the six Sustainability Themes during 2024 was 98%.

● **How did the sustainability indicators perform?**

The Investment Manager uses the following indicators to measure the attainment of the

sustainable investment objective of the Fund.

- (i) Percentage of investee companies' revenue alignment with the targets which underpin the SDGs. The minimum required for a company to be eligible for investment (both new and ongoing) by the Fund is 50%.
- (ii) Carbon intensity of the Fund (Scope 1 + 2) relative to its Benchmark;
- (iii) Percentage of investee companies which have credible Net Zero Carbon strategies;
- (iv) Percentage of women on boards of investee companies;
- (v) Percentage of independent directors on boards of investee companies;
- (vi) Percentage of companies which have an anti-bribery policy.

During 2024, the quarterly average for these indicators for the Fund were as follows (unless otherwise stated):

(i) **Percentage of investee companies' revenue aligned:** 98%

(ii) **Carbon intensity (Scope 1 + 2):**

a. Fund: 31.7 tons of CO<sub>2</sub>e / \$1m of Sales

b. Benchmark: 161.6 tons of CO<sub>2</sub>e / \$1m of Sales

**Percentage of investee companies with credible Net Zero Carbon strategies:** 25.8%  
(as of 31 December 2024)

(iii) **Percentage of women on boards of investee companies:** 34%

(iv) **Percentage of independent directors on boards of investee companies:** 76%

(v) **Percentage of companies which have an anti-bribery policy:** 99%

Note: The benchmark is the Fund's official benchmark, i.e. the MSCI World SMID Cap (Total Return) Index.

The data above is sourced from MSCI and / or Bloomberg and updated on a quarterly basis. Where the indicators differ from expectations, the indicator will be investigated.

In addition to the above, the Investment Manager monitors the Fund's overall exposure to the Sustainable Development Goals. According to Impact Cubed, the exposure as of 31 December 2024 was as follows:



**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Note: This graph shows to what degree the portfolio analysed contributes to each of the 17 SDGs versus the benchmark. SDG alignment looks at both a company's revenues (products and services) and ESG operational factors to see how well they are aligned with the UN SDGs. If the Fund is outside the benchmark (the red dotted circle in the middle of the spider chart) it is outperforming on that SDG.

● **...and compared to previous periods?**

The Fund saw a modest increase in its carbon intensity over the reporting period. All other metrics improved or were stable.

● **How did the sustainable investments not cause significant harm to any sustainable investment objective?**

In order to satisfy the ‘Do No Significant Harm’ principle, the Investment Manager reviews the following:

- 1) Ethical exclusions;
- 2) UNGC Violations;
- 3) Controversies;
- 4) Principal Adverse Indicators (PAIs).

Ethical Exclusions:

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others

The Fund invests exclusively in Sustainable investments as defined by the Investment Manager. In addition, the Fund does not invest in companies with more than 10% revenue exposure to:

- Tobacco;
- Alcohol;
- Manufacturing or supply of weapons;
- Pornography;
- Gambling;
- High-interest Rate Lending;
- Fossil Fuels; and
- Animal Testing (except for human healthcare purposes).

The data used to monitor the Fund’s exposure to these exclusions is sourced from the investee companies, MSCI and Bloomberg.

The Fund fully complied with all of these exclusions during the year.

UNGC Violations:

The Fund’s exposure to UNGC violations is monitored based on data received from MSCI. During the year, the Fund had no holdings with UNGC violations.

Severe Controversies:

The Fund’s exposure to Severe Controversies is monitored based on data received from MSCI. During the year, the Fund had no holdings with Severe or Very Severe Controversies.

Principal Adverse Indicators:

The Investment Manager collects and monitors the PAI data on individual holdings in the Fund. The data is reviewed to ensure that the ‘Do No Significant Harm’ principle is adhered to for each holding.

\_\_\_\_ *How were the indicators for adverse impacts on sustainability factors taken into account?*

As part of its investment process (both pre-investment and on an ongoing basis), the Investment Manager considers 10 of the 14 PAIs at Portfolio level:

- Scope 1 GHG emissions;
- Scope 2 GHG emissions;
- Scope 3 GHG emissions;
- Total GHG emissions;
- Carbon footprint;
- GHG intensity of investee companies;
- Share of investments in companies active in the fossil fuel sector;
- Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average;



**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others

- Average ratio of female to male board members in investee companies, expressed as a percentage of all board members;
- Share of investments in investee companies involved in the manufacture or selling of controversial weapons.

These Portfolio-level PAIs are reported at the end of this document.

In addition to the Portfolio-level PAIs, the Investment Manager reviews the internal ESG Checklists of each of the Fund’s holdings on an ongoing basis (i.e. quarterly at a minimum). These Checklists have three sections (Environmental, Social and Governance) scored separately which are incorporated into a total score out of 10. Any significant change in a company’s score – whether per section or in aggregate – will result in further investigation and possible engagement with the company.

During the year, the Investment Manager engaged with 22 companies held in the Fund in respect of the following:

- Climate: 5
- Environment: 5
- Social: 6
- Governance: 6

A progress report on our engagement with investee companies is available here: <https://montanaro.co.uk/wp-content/uploads/2024-Impact-Report-Montanaro-Better-Word-Fund.pdf>

----- *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Impact Cubed performed an assessment of the Fund and, based on its findings, it was determined that there were no violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



**How did this financial product consider principal adverse impacts on sustainability factors?**

As part of its investment process (both pre-investment and on an ongoing basis), the Investment Manager considers the 14 mandatory PAIs and 2 additional PAIs:

1. GHG emissions (Scope 1, 2 and 3 emissions; and total GHG emissions);
2. Carbon footprint;
3. GHG intensity of investee companies;
4. Share of investments in companies active in the fossil fuel sector;
5. Share of non-renewable energy consumption and production;
6. Energy consumption intensity per high impact climate sector;
7. Biodiversity;
8. Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average;
9. Hazardous Waste;
10. Violations of UN Compact principles and OECD Guidelines for Multinational

Enterprises;

11. Lack of processes and compliance mechanisms to monitor compliance with UN Compact principles and OECD Guidelines for Multinational Enterprises;
12. Gender pay gap;
13. Average ratio of female to male board members in investee companies, expressed as a percentage of all board members;
14. Share of investments in investee companies involved in the manufacture or selling of controversial weapons;
15. Water usage and recycling;
16. Excessive CEO pay ratio.

The Investment Manager meets with the companies in which it invests on a regular basis. A decision to actively engage typically arises from any of the following:

- the company fares badly (relative to its sector or other companies in the Fund) on any of the PAIs considered by the Fund;
- the Investment Manager's proprietary ESG or Impact Checklists have flagged a weakness at the company;
- the Investment Manager's proprietary ESG Checklist has a score of 5 or below;
- the Investment Manager disagrees with one or several resolutions proposed at the company's forthcoming General Meeting;
- a sustainability-related controversy has emerged on the company.

During the year, the Investment Manager engaged with 22 companies held in the Fund in respect of the following:

- Climate: 5
- Environment: 5
- Social: 6
- Governance: 6

A progress report on our engagement with investee companies is available here:

<https://montanaro.co.uk/wp-content/uploads/2024-Impact-Report-Montanaro-Better-Word-Fund.pdf>



**What were the top investments of this financial product?**

**Asset allocation**  
describes the share  
of investments in  
specific assets.

Largest investments	Sector	% Assets	Country
SARTORIUS STEDIM BIOTECH	Health Care	3.7%	France
BIO-TECHNE CORP	Health Care	3.2%	United States of America
VEEVA SYSTEMS INC-CLASS A	Health Care	3.1%	United States of America
AMERICAN WATER WORKS CO	Utilities	3.0%	United States of America
BRUKER CORP	Health Care	2.9%	United States of America
AZBIL CORP	Information Technology	2.9%	Japan
BADGER METER INC	Information Technology	2.9%	United States of America
HALMA PLC	Information Technology	2.7%	UK
TYLER TECHNOLOGIES INC	Information Technology	2.7%	United States of America
BALCHEM CORP	Materials	2.7%	United States of America
ALARM.COM HOLDINGS INC	Information Technology	2.7%	United States of America
STRIDE INC	Consumer Discretionary	2.5%	United States of America
IDEX CORP	Industrials	2.4%	United States of America
BUREAU VERITAS SA	Industrials	2.4%	France
BELIMO HOLDING AG-REG	Industrials	2.3%	Switzerland



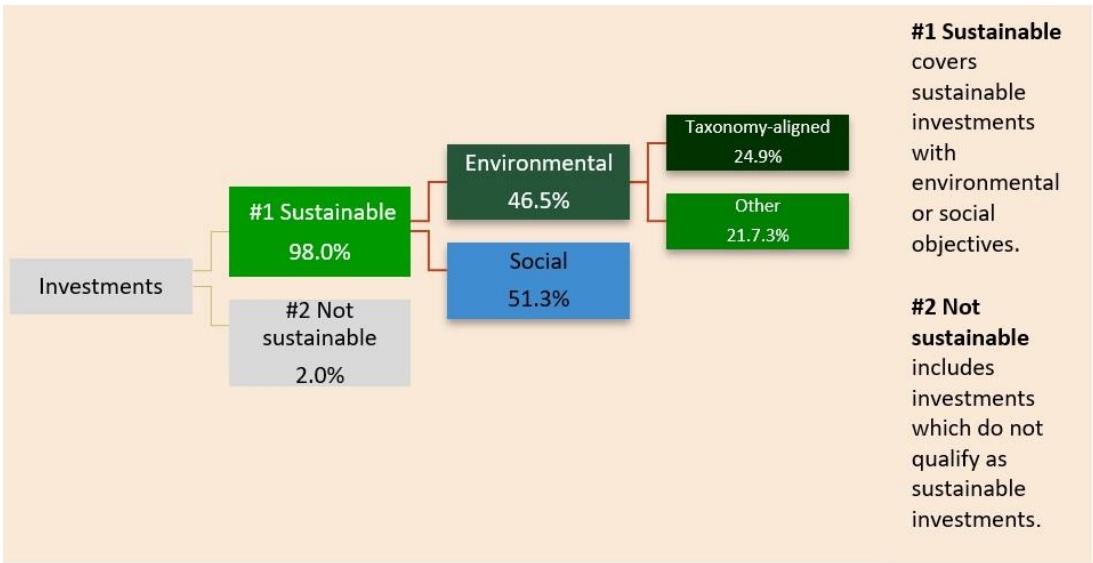
### What was the proportion of sustainability-related investments?

● *What was the asset allocation?*

Please see chart below, which outlines the average quarterly asset allocation within the Fund during 2024:

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



With the exception of Cash, which accounted for 2% of the Fund’s Net Asset Value on a quarerly average basis, all investments qualified as “#1 Sustainable”.

● *In which economic sectors were the investments made?*

On a quarerly average basis, the breakdown of investments by economic sector during 2024 was as follows:

Energy	0.0%
Materials	4.1%
Industrials	22.6%
Consumer Discretionary	4.8%
Consumer Staples	0.0%
Health Care	27.3%
Financials	3.4%
Information Technology	29.7%
Communication Services	0.0%
Utilities	6.1%
Real Estate	0.0%
CASH	2.0%



### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

During the year the Fund had set a minimum of 15% alignment with EU Taxonomy-aligned activities. in practice it had 25% alignment (based on Turnover) on a quarterly average basis in 2024, according to data from Impact Cubed.

#### ● Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?



Yes:



In fossil gas



In nuclear energy



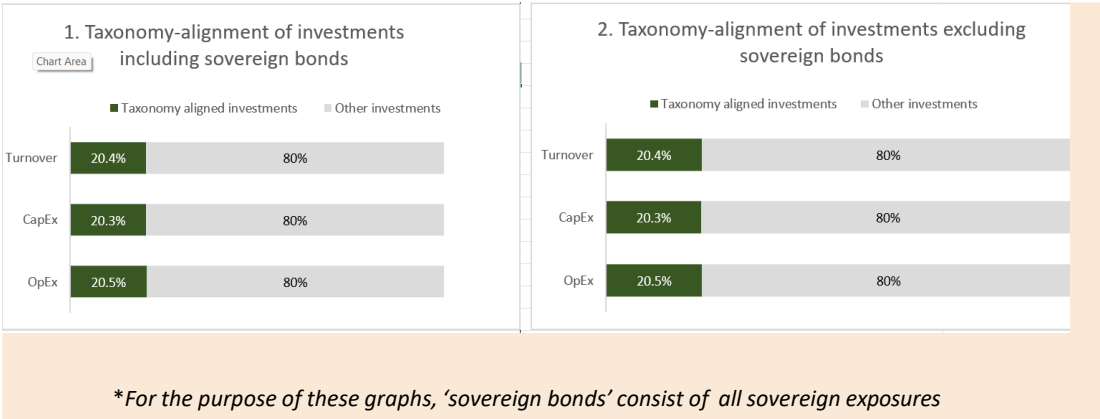
No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

*The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy as of 31 December 2024. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*


**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective

**Transitional activities are economic activities** for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.



As of 31 December 2024, the Fund’s alignment (by Turnover) with the EU Taxonomy by economic activity was as follows (data sourced from Impact Cubed):

		% Turnovers Eligible
Portfolio Summary		19.54%
Climate Change Mitigation (totals)		19.54%
Sector	Activity	
Manufacturing		
	Manufacture of other low carbon technologies	13.85%
	Manufacture of organic basic chemicals	1.65%
	Manufacture of Iron and Steel	0.20%
Water, sewerage, waste and remediation		
	Construction, extension and operation of waste water c	0.22%
	Water collection, treatment and supply	2.94%
Construction and real estate activities		
	Construction of new buildings	0.69%
Climate Change Adaptation (totals)		0.00%
Sector	Activity	

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

- **What was the share of investments made in transitional and enabling activities?**

Although the Fund has no target exposure to transitional and enabling activities, on a quarterly average basis 22% of the Fund’s investments were aligned with primary transitional and enabling activities in 2024.
- **How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?**

The alignment with the Taxonomy declined from 28% in 2023, to 25% in 2024.

- **What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?**

On a quarterly average basis, 21.7% of the Fund’s investments had an environmental objective that was not aligned with the EU Taxonomy in 2024.

- **What was the share of socially sustainable investments?**

On a quarterly average basis, 51% of the Fund’s investments qualified as socially sustainable in 2024.



## What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

All investments qualified as “sustainable”, either with an environmental or a social objective, with the exception of Cash. On a quarterly average basis, 2% of the Fund was held in cash in 2024.



## What actions have been taken to attain the sustainable investment objective during the reference period?

During the year, the Investment Manager engaged with 22 companies held in the Fund in respect of the following:

- Climate: 5
- Environment: 5
- Social: 6
- Governance: 6



**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.

As responsible shareholders the Investment Manager believes that it is their duty to engage with their investee companies where necessary. Active engagement can help to foster positive long-term change and improved societal and environmental outcomes. The Investment Manager will engage with companies where they become aware of any weakness or incident relating to our ESG policies or international norms. They also conduct thematic “Deep Dive” engagement projects on specific subjects to better understand how the investee companies are exposed to a particular issue or area of risk. An ongoing area of focus is climate change and achieving net zero emissions.

## How did this financial product perform compared to the reference sustainable benchmark?

N/A. No sustainable reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

### ● How did the reference benchmark differ from a broad market index?

N/A

### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

N/A

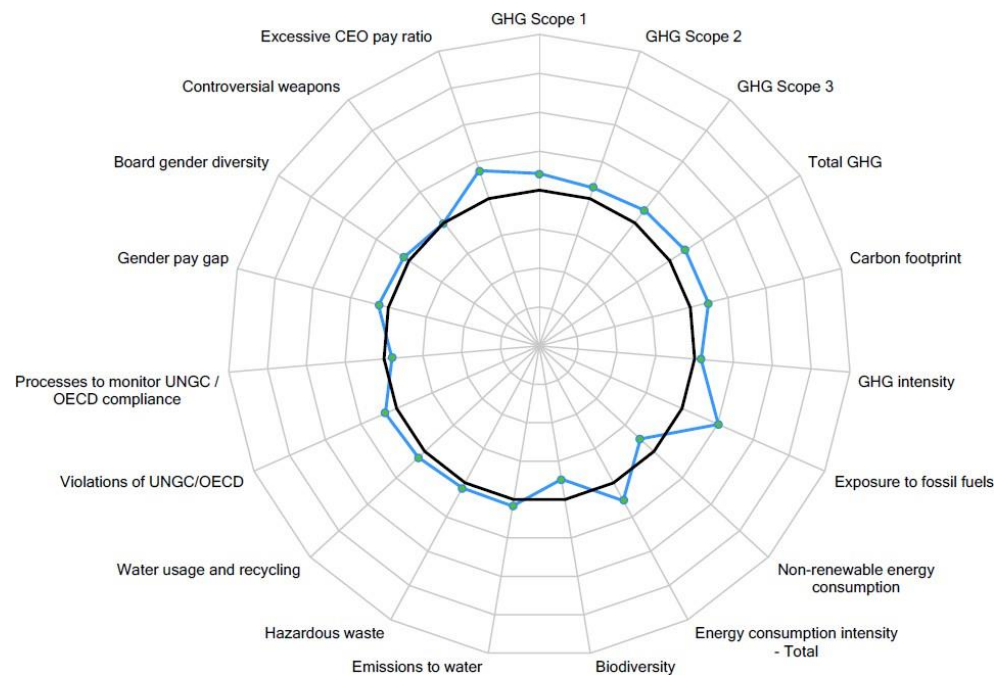
### ● How did this financial product perform compared with the reference benchmark?

N/A

### ● How did this financial product perform compared with the broad market index?

The benchmark of the Fund is the MSCI World SMID Cap (Total Return) index.

In the chart below (dated 31 December 2024), Impact Cubed compare the Fund (blue line) to the benchmark (black line) across 20 Principal Adverse Impact indicators. When the blue line sits above the black line it indicates that the Fund fares better than the benchmark on the particular indicator (and vice versa).



The table below highlights the PAI indicators of the Fund relative to its benchmark, the MSCI World SMID Cap (Total Return) index, as at 31 December 2024:



# PAI MEASURES

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
GHG Scope 1	scope 1 GHG emissions	320	59%	12,990	71%
GHG Scope 2	scope 2 GHG emissions	740	57%	3,400	63%
GHG Scope 3	scope 3 GHG emissions	21,500	44%	89,020	45%
Total GHG	total GHG emissions	22,560	40%	105,410	39%
Carbon footprint	carbon footprint	146.37	40%	684.06	39%
GHG intensity	GHG intensity of investee companies	816.09	40%	1,137.92	39%
Exposure to fossil fuels	share of investments in companies active in the fossil fuel sector	0.00%	100%	6.83%	100%
Non-renewable energy consumption	share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	73.03%	8%	71.00%	9%
Non-renewable energy production	share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	N/A	N/A	73.73%	100%
Energy consumption intensity - Total	energy consumption in GWh per million EUR of revenue of investee companies - Total	0.30	15%	0.84	19%
Energy consumption intensity - NACE Sector A	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A (Agriculture, forestry and fishing)	N/A	N/A	1.50	2%
Energy consumption intensity - NACE Sector B	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	N/A	N/A	1.38	13%
Energy consumption intensity - NACE Sector C	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.45	19%	0.60	26%
Energy consumption intensity - NACE Sector D	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	0.09	100%	9.75	16%
Energy consumption intensity - NACE Sector E	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	0.55	0%	0.77	16%
Energy consumption intensity - NACE Sector F	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	0.08	100%	0.12	20%
Energy consumption intensity - NACE Sector G	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	N/A	N/A	1.08	14%
Energy consumption intensity - NACE Sector H	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	0.54	0%	1.19	16%



	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
Energy consumption intensity - NACE Sector L	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	N/A	N/A	0.27	35%
Biodiversity	share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	2.74%	100%	0.94%	100%
Emissions to water	tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	488.72	51%	1,366.26	50%
Hazardous waste	tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.74	12%	34.29	9%
Water usage and recycling	average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	7,609.46	51%	17,284.54	50%
Violations of UNGC/OECD	share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	100%	0.54%	100%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	71.89%	100%	69.19%	100%
Gender pay gap	average unadjusted gender pay gap of investee companies	15.28%	0%	15.57%	1%
Board gender diversity	average ratio of female to male board members in investee companies	30.30%	100%	29.69%	99%
Controversial weapons	share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	100%	0.00%	100%
Excessive CEO pay ratio	average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	51.64	70%	67.85	71%
GHG intensity (Sovereign)	GHG intensity of investee countries	N/A	N/A	N/A	N/A
Social violations (Sovereign)	number of investee countries subject to social violations as referred to in international treaties and conventions divided by all investee countries, United Nations principles and, where applicable, national law	N/A	N/A	N/A	N/A
Exposure to fossil fuels (REIT)	share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A	0.00%	100%
Energy-inefficient assets (REIT)	share of investments in energy inefficient real estate assets	N/A	N/A	77.80%	100%

## ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Montanaro Global Select Fund

**Legal entity identifier:** 635400KKDJ7WYESIY588

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*



Yes



No



It made **sustainable investments with an environmental objective:** \_\_\_\_%



in economic activities that qualify as environmentally sustainable under the EU Taxonomy



in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



It made **sustainable investments with a social objective:** \_\_\_\_%



It **promoted Environmental/Social (E/S) characteristics** and

while it did not have as its objective a sustainable investment, it had a proportion of 13.5% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promoted E/S characteristics, but **did not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

The Fund seeks to promote environmental characteristics including:

- the prevention of climate change
- the reduction of greenhouse gas emissions
- the prevention of resource depletion
- the reduction of waste and pollution

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The Fund seeks to promote social characteristics including:

- improving working conditions
- improving health and safety
- improving employee relations
- achieving better diversity

● ***How did the sustainability indicators perform?***

The Investment Manager uses the following indicators to measure the environmental or social characteristics promoted by the Fund:

- (i) Carbon intensity of the Fund (Scope 1 + 2) both absolute and relative to its Benchmark;
- (ii) Percentage of investee companies which have credible Net Zero Carbon strategies;
- (iii) Percentage of women on boards of investee companies;
- (iv) Percentage of independent directors on boards of investee companies;
- (v) Percentage of companies which have an anti-bribery policy.

During 2024, the quarterly average for these indicators for the Fund were as follows (unless otherwise stated):

- (i) Carbon intensity (Scope 1 + 2):
  - a. Fund: 22.8 tons of CO2e / \$1m of Sales
  - b. Benchmark: 161.6 tons of CO2e / \$1m of Sales
- (ii) Percentage of investee companies with credible Net Zero Carbon strategies: 12.6%
- (iii) Percentage of women on boards of investee companies: 32%
- (iv) Percentage of independent directors on boards of investee companies: 72%
- (v) Percentage of companies which have an anti-bribery policy: 96%

Note: The benchmark is the Fund’s official benchmark, i.e. the MSCI World SMID Cap (Total Return) Index.

The data above is sourced from MSCI and / or Bloomberg. Where the indicators differ from expectations, the indicator will be investigated.

● ***...and compared to previous periods?***

The metrics have remained consistent with the previous reporting period.

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

N/A. The Fund does not have an objective of making sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

N/A. The Fund does not have an objective of making sustainable investments.

— — ***How were the indicators for adverse impacts on sustainability factors taken into account?***

N/A. The Fund does not have an objective of making sustainable investments.

— — ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

N/A. The Fund does not have an objective of making sustainable investments.

Impact Cubed made an assessment of the Fund and, based on their findings, it was determined that there were no violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.



**How did this financial product consider principal adverse impacts on sustainability factors?**

As part of its investment process (both pre-investment and on an ongoing basis), the Investment Manager considers 10 of the 14 PAIs at Portfolio level:

- Scope 1 GHG emissions;
- Scope 2 GHG emissions;
- Scope 3 GHG emissions;
- Total GHG emissions;
- Carbon footprint;
- GHG intensity of investee companies;
- Share of investments in companies active in the fossil fuel sector;
- Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average;
- Average ratio of female to male board members in investee companies, expressed as a percentage of all board members;
- Share of investments in investee companies involved in the manufacture or selling of controversial weapons.

These Portfolio-level PAIs are reported at the end of this document.

In addition to the Portfolio-level PAIs, the Investment Manager reviews the internal ESG Checklists of each of the Fund's holdings on an ongoing basis (i.e. quarterly at a minimum). These Checklists have three sections (Environmental, Social and Governance) scored separately which are incorporated into a total score out of 10. Any significant change in a company's score – whether per section or in aggregate – will result in further investigation and possible engagement with the company.

During the year, the Investment Manager engaged with 10 companies that were held in the

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Fund in respect of the following:

- Climate: 1
- Environment: 3
- Social: 4
- Governance: 2



## What were the top investments of this financial product?

MTU AERO ENGINES AG	Industrials	5.9%	Germany
GAMES WORKSHOP GROUP PL	Consumer Discretionary	5.9%	UK
TYLER TECHNOLOGIES INC	Information Technology	5.5%	United States of America
ANSYS INC	Information Technology	4.8%	United States of America
ROLLINS INC	Industrials	4.6%	United States of America
SARTORIUS STEDIM BIOTECH	Health Care	4.2%	France
ADYEN NV	Financials	4.1%	Netherlands
TRADEWEB MARKETS INC-CLA	Financials	4.0%	United States of America
VZ HOLDING AG	Financials	3.8%	Switzerland
AMERICAN WATER WORKS CO	Utilities	3.7%	United States of America
BENTLEY SYSTEMS INC-CLASS	Information Technology	3.7%	United States of America
MSCI INC	Financials	3.6%	United States of America
RATIONAL AG	Industrials	3.5%	Germany
BIO-TECHNE CORP	Health Care	3.4%	United States of America
ASHTED GROUP PLC	Industrials	3.3%	UK

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

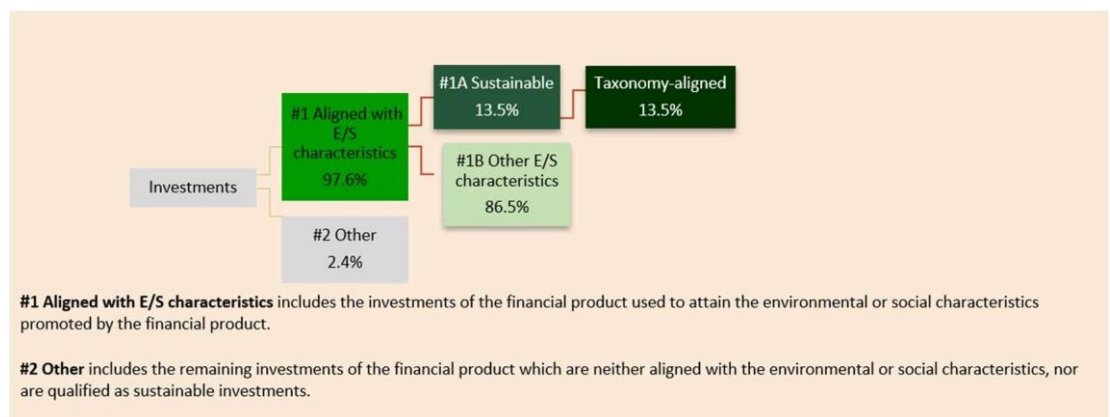


- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

## What was the proportion of sustainability-related investments?

### What was the asset allocation?

Please see chart below, which outlines the average quarterly asset allocation within the Fund during 2024:



**Asset allocation** describes the share of investments in specific assets.

### In which economic sectors were the investments made?

On a quarterly average basis, the breakdown of investments by economic sector during was as follows:

Energy	0.0%
Materials	1.0%
Industrials	26.9%
Consumer Discretionary	5.2%
Consumer Staples	0.0%
Health Care	15.8%
Financials	18.6%
Information Technology	25.6%
Communication Services	1.0%
Utilities	3.5%
Real Estate	0.0%
CASH	2.4%



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

N/A. The Fund did not make sustainable investments aligned with the EU Taxonomy.

On a quarterly average basis, the Fund had the following alignment with the EU Taxonomy in 2024:

- 13.5% by Turnover
- 12.7% by CapEx
- 13.5% by OpEx

**Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

☐

Yes:

☐

In fossil gas

☐

In nuclear energy



No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

As of 31 December 2024, the Fund’s alignment (by Turnover) with the EU Taxonomy by economic activity was as follows (data sourced from Impact Cubed):

		% Turnovers Eligible
Portfolio Summary		16.35%
Climate Change Mitigation (totals)		16.25%
Sector	Activity	
Manufacturing		
	Manufacture of other low carbon technologies	6.44%
	Manufacturing of Aircraft	6.05%
Water, sewerage, waste and remediation		
	Construction, extension and operation of waste water c	0.26%
	Water collection, treatment and supply	3.50%
Finance and Insurance		
Climate Change Adaptation (totals)		0.10%
Sector	Activity	

● **What was the share of investments made in transitional and enabling activities?**

Although the Fund has no target exposure to transitional and enabling activities, on a quarterly average basis 12.5% of the Fund’s investments were aligned with primary transitional and enabling activities in 2024.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

N/A. The Fund does not have sustainable investments.



**What was the share of socially sustainable investments?**



N/A. The Fund does not have sustainable investments.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

Only Cash was included under “Other”.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the year, the Investment Manager engaged with 10 companies that were held in the Fund in respect of the following:

- Climate: 1
- Environment: 3
- Social: 4
- Governance: 2



As responsible shareholders the Investment Manager believes that it is their duty to engage with their investee companies where necessary. Active engagement can help to foster positive long-term change and improved societal and environmental outcomes. The Investment Manager will engage with companies where they become aware of any weakness or incident relating to our ESG policies or international norms. They also conduct thematic “Deep Dive” engagement projects on specific subjects to better understand how the investee companies are exposed to a particular issue or area of risk. An ongoing area of focus is climate change and achieving net zero emissions.

**How did this financial product perform compared to the reference benchmark?**

N/A. No sustainable reference benchmark has been designated for the purpose of attaining the sustainable investment objective.

● ***How does the reference benchmark differ from a broad market index?***

N/A

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

● ***How did this financial product perform compared with the reference benchmark?***

N/A

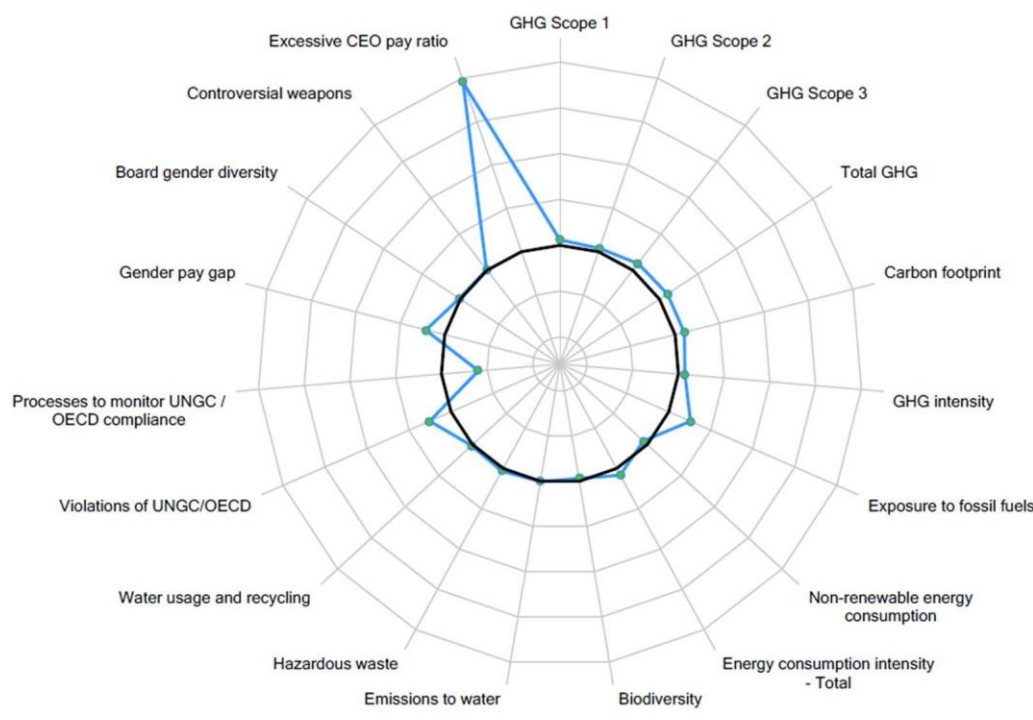
● ***How did this financial product perform compared with the broad market index?***

The benchmark of the Fund is the MSCI World SMID Cap (Total Return) index.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



In the chart below (dated 31 December 2024), Impact Cubed compare the Fund (blue line) to the benchmark (black line) across 20 Principal Adverse Impact indicators. When the blue line sits above the black line it indicates that the Fund fares better than the benchmark on the particular indicator (and vice versa).



The table below highlights the PAI indicators of the Fund relative to its benchmark, the MSCI World SMID Cap (Total Return) index, as at 31 December 2024:

# PAI MEASURES

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
GHG Scope 1	scope 1 GHG emissions	50	64%	1,790	90%
GHG Scope 2	scope 2 GHG emissions	110	61%	480	86%
GHG Scope 3	scope 3 GHG emissions	3,380	50%	14,670	73%
Total GHG	total GHG emissions	3,540	46%	16,940	70%
Carbon footprint	carbon footprint	93.84	46%	449.26	70%
GHG intensity	GHG intensity of investee companies	514.02	46%	884.24	70%
Exposure to fossil fuels	share of investments in companies active in the fossil fuel sector	0.00%	100%	6.11%	100%
Non-renewable energy consumption	share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	69.97%	10%	69.09%	25%
Non-renewable energy production	share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	N/A	N/A	78.71%	100%
Energy consumption intensity - Total	energy consumption in GWh per million EUR of revenue of investee companies - Total	0.20	22%	0.45	41%
Energy consumption intensity - NACE Sector A	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A (Agriculture, forestry and fishing)	N/A	N/A	1.12	6%
Energy consumption intensity - NACE Sector B	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	N/A	N/A	1.47	49%
Energy consumption intensity - NACE Sector C	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.05	64%	0.39	50%
Energy consumption intensity - NACE Sector D	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	N/A	N/A	8.57	29%
Energy consumption intensity - NACE Sector E	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	0.55	0%	0.62	10%
Energy consumption intensity - NACE Sector F	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	0.08	100%	0.42	34%
Energy consumption intensity - NACE Sector G	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.01	0%	0.23	21%
Energy consumption intensity - NACE Sector H	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	N/A	N/A	1.06	24%

	Based on company reported	Fund	% fund disclosed	Benchmark	% benchmark disclosed
Energy consumption intensity - NACE Sector L	energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	N/A	N/A	0.22	33%
Biodiversity	share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	2.69%	100%	1.93%	100%
Emissions to water	tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	116.82	39%	665.76	75%
Hazardous waste	tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.09	20%	21.14	32%
Water usage and recycling	average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	3,656.71	39%	8,639.55	75%
Violations of UNGC/OECD	share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00%	100%	1.82%	100%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	76.47%	100%	59.07%	100%
Gender pay gap	average unadjusted gender pay gap of investee companies	15.17%	0%	16.24%	0%
Board gender diversity	average ratio of female to male board members in investee companies	31.48%	100%	31.29%	100%
Controversial weapons	share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00%	100%	0.02%	100%
Excessive CEO pay ratio	average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	33.41	75%	269.48	81%
GHG intensity (Sovereign)	GHG intensity of investee countries	N/A	N/A	N/A	N/A
Social violations (Sovereign)	number of investee countries subject to social violations as referred to in international treaties and conventions divided by all investee countries, United Nations principles and, where applicable, national law	N/A	N/A	N/A	N/A
Exposure to fossil fuels (REIT)	share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A	0.00%	100%
Energy-inefficient assets (REIT)	share of investments in energy inefficient real estate assets	N/A	N/A	80.35%	100%