

EUROPEAN OPPORTUNITIES TRUST PLC

Half Yearly Financial Report

for the six months to
30 November 2024

DEVON
Equity Management

INTRODUCING EUROPEAN OPPORTUNITIES TRUST PLC

Launched in November 2000, European Opportunities Trust PLC (the 'Company') is an investment trust that invests in European companies with the aim of delivering capital growth to shareholders over the long-term. From its launch to 30 November 2024 the Company's net asset value ('NAV') total return was +988.5%, compared to the Company's Benchmark total return of +287.3%.

The Board of Directors are committed to serving the best interests of shareholders as well as having regard for the wider community of stakeholders. Under the guidance of the Chair, the Board is responsible for the overall strategy of the Company and monitoring its performance. The Company's investment management is delegated to Devon Equity Management Limited ('Devon'), whose Chief Investment Officer, Alexander Darwall, has been responsible for the Company's portfolio since the Company's inception in November 2000. Alexander is supported by four investment professionals at Devon.

The Company's stated investment objective is to invest in the securities of European companies and in sectors or geographical areas which are considered by the Investment Manager to offer good prospects for capital growth, taking into account economic trends and business development.

LONG-TERM TRACK RECORD

| | 3 years % | 5 years % | 10 years % | Since launch on 20.11.2000 % | Annualised return since launch % |
|---|--------------|--------------|---------------|---------------------------------------|--|
| To 30 November 2024 | | | | | |
| Net asset value total return (with dividends reinvested)* | 0.1 | 10.6 | 108.3 | 988.5 | 10.5 |
| Share price total return (with dividends reinvested)* | (0.8) | (0.8) | 84.8 | 804.9 | 9.6 |
| MSCI Europe Total Return Index in GBP (Benchmark) | 19.7 | 41.8 | 107.9 | 287.3 | 5.8 |

* Alternative Performance Measure. For definitions, please refer to page 20. Source: MSCI & Devon Equity Management Limited. Past performance is no guide to the future.

CONTENTS

| | Page |
|--|------|
| Directors' Report | |
| Financial highlights | 2 |
| Chair's statement | 3 |
| Investment Manager's review | 5 |
| Investment portfolio | 10 |
| Classification of investments | 11 |
| Statement of Directors' responsibilities in relation to the financial statements | 12 |
| Financial | |
| Income statement | 13 |
| Statement of financial position | 14 |
| Statement of changes in equity | 15 |
| Cash flow statement | 16 |
| Notes to the financial statements | 17 |
| Other Information | |
| Glossary of terms and Alternative Performance Measures | 20 |
| Company information | 22 |

FINANCIAL HIGHLIGHTS

for the six months to 30 November 2024

**Net asset value total return^{1,2}
(with dividends reinvested)**

(8.4)%

This performance was behind that of the Company's Benchmark, the MSCI Europe Total Return Index in GBP, which decreased by 3.3%.

**Share price total return^{1,2}
(with dividends reinvested)**

(10.6)%

The Company's share price on 30 November 2024 was 808.0p.

**Shareholders' Funds
(as at 30 November 2024)**

£580m

Gross assets, including drawn down bank debt of £70m, were £650m.

**Discount to net asset value¹
(as at 30 November 2024)**

(12.3)%

| | 30 November 2024 | 31 May 2024 | % change |
|---|---------------------|----------------|----------|
| Net asset value per share (pence) | 921.66 | 1008.48 | (8.6) |
| Net asset value total return (with dividends reinvested) ^{1,2} | | | (8.4) |
| Middle market share price (pence) | 808.00 | 906.00 | (10.8) |
| Share price total return (with dividends reinvested) ^{1,2} | | | (10.6) |
| MSCI Europe Total Return Index in GBP (Benchmark) | | | (3.3) |
| Discount to net asset value at period end (%) ¹ | (12.3) | (10.2) | |

¹ Alternative Performance Measure. For definitions, please refer to page 20.

² A dividend of 2.0p was paid on 2 November 2024.

Source: MSCI & Devon Equity Management Limited. Past performance is no guide to the future.

CHAIR'S STATEMENT



I present the Company's interim results covering the six months ended 30 November 2024.

Performance overview

During the period under review the total return on the net asset value was -8.4% (with the annual dividend reinvested), which compares with a total return of -3.3% from our Benchmark, the MSCI Europe Total Return Index in GBP. The total return on the market price of the Company's shares was -10.6% (again, with the annual dividend reinvested).

Since launch, the Company has generated an annualised NAV total return of 10.5% and an annualised share price total return of 9.6% as at 30 November 2024, compared with 5.8% annualised for the Benchmark over the same period. However the results and our returns in recent years are clearly disappointing.

Our Investment Manager pursues a differentiated, high conviction approach to investment and we, as a Board, along with the team at Devon are fully committed to returning the Company to its former ranking at the head of its peer group.

Discount management

The discount to NAV on the Company's shares was 12.3% on 30 November 2024, widening from 10.2% on 31 May 2024, the Company's financial year end. This compares with the 10.7% weighted-average discount on 30 November 2024 for the Company's peers in the AIC Europe sector.

The Board has an active discount management policy, the primary purpose of which is to reduce discount volatility. It seeks to maintain the discount in single digits in normal market conditions through an active share buy back programme. Reflecting this, a total of 2.9 million shares have been repurchased into treasury at a cost of £24.5 million since the beginning of the financial year (as at 31 January 2025).

This has followed on from the implementation in January 2024 of a tender offer at close to NAV for up to 25% of the shares in issue, which was fully subscribed. The Board also announced at that time proposals for a further performance-related tender offer for up to 25% of the shares in issue in the event that the Company's net asset value total return does not equal or exceed the Benchmark total return over the three-year period ending on 31 May 2026. The Company is also committed to putting a continuation vote to shareholders at the 2026 AGM in accordance with its three-yearly continuation vote cycle.

Proposal for Additional Tender Offer

While the Board continues to place confidence in the people, process and philosophy of our Investment Manager, we are mindful of the persistence of the double-digit discount and the recently disappointing performance of the Company's portfolio. Accordingly, to supplement the Board's continuing use of share buy backs and to its existing commitments described above, the Board proposes to make an additional tender offer in 2025 for up to 25% of the issued share capital of the Company (the 'Tender Offer').

The Tender Offer, expected to take place in Q2 2025, will be priced at a two per cent. discount to the prevailing net asset value at the time of repurchase, less the costs of implementing the Tender Offer. The Tender Offer will be subject to shareholder approval. A circular setting out the full details of the Tender Offer and convening the necessary general meeting will be sent to shareholders in due course.

Gearing

As of 30 November 2024, the net gearing level on our portfolio was 11.5%, a notable increase from 1.3% on 30 November 2023. We believe that strategic borrowing can play an important role in enhancing long-term returns and the current level of gearing reflects our Investment Manager's confidence in the outlook for our portfolio. The Company has a £85 million secured multi-currency revolving credit facility with The Bank of Nova Scotia, London Branch.

Shareholder engagement

Engagement with our shareholders is a top priority. Over the past year we have interacted with a majority of our share register, gaining valuable insights and feedback. We remain committed to maintaining an open dialogue with all shareholders.

CHAIR'S STATEMENT continued

Outlook

Despite the current challenges, we and our Investment Manager continue to note the superior characteristics and earnings growth of our portfolio and we believe the Company is well-positioned to deliver attractive returns for our shareholders.

I would like to express my sincere thanks to all of our shareholders and stakeholders for their continuing support.

Matthew Dobbs

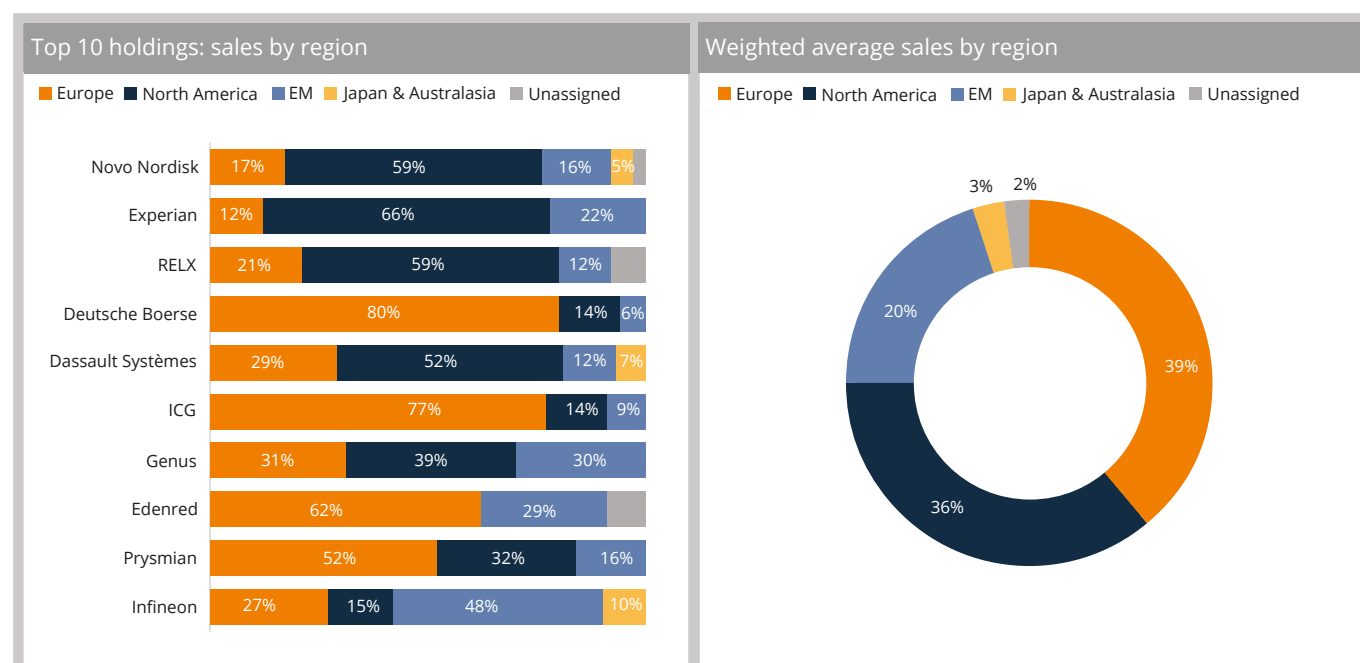
Chair

6 February 2025

INVESTMENT MANAGER'S REVIEW



Our positioning of the portfolio during the period under review recognises the broad spectrum of challenges in Europe: slow growth, high costs and political turmoil and is well positioned for a range of economic eventualities. It also recognises the tremendous growth opportunities available to be exploited by the best companies. Our investee companies are typically high margin, intellectual property and technology based (as distinct from energy or capital-intensive) service businesses that have significant revenues in the US and elsewhere in the world:



Source: Devon. 30.11.24. Excludes cash. Not all percentages will add up to 100%. Any stock examples are used for illustrative purposes only and should not be viewed as investment advice.

There are identifiable themes in our portfolio: Artificial Intelligence (AI) winners, technology leaders, electrification and disruptive business models.

As regards AI, we deem **RELX**, **Experian** and **Deutsche Boerse** to be beneficiaries, irrespective of which AI technologies prevail. In all cases, owning the data and flow of business is key. These companies enhance the quality of existing services with the use of AI in a way that competitors which lack the data and flows cannot. Our technology leaders span healthcare, with companies like **Camurus**, payments companies like **Edenred**, and information technology companies like **Dassault Systèmes**. As for electrification, we invest in **Prysmian**, which is the world's leading cable company and an obvious beneficiary of the electrification trend, and **GTT** which is a prime winner from the increasing use of liquefied natural gas, which is needed to satisfy growing electricity demand, itself driven by demand from energy intensive data centres and AI. **Ryanair**, **Wise**, and **Genus** are also strong examples of disruptive business models in their respective sectors. **Novo Nordisk**, our biggest holding, is also a disruptor, expanding into the prediabetic space, and blazing a trail with new therapies to tackle obesity.

INVESTMENT MANAGER'S REVIEW *continued*

Performance

Notwithstanding our strategy to avoid the challenges of Europe and tap into the faster growing global opportunities, our portfolio's performance fell behind the Benchmark during the period under review. We discuss the key contributors and detractors to this result below.

The following tables detail which stock positions in the Company's portfolio had the greatest impact on performance during the six months under review, both positive and negative. The impact is the result of price performance of each stock over the period, calculated on a transaction basis and including the impact of foreign currency:

Positive Contributors

| Security | Portfolio weight at 30.11.2024 % | Benchmark weight at 30.11.2024 % | 6 month price performance % | 6 month contribution to portfolio return % |
|--------------------------------|--|--|-----------------------------------|--|
| Deutsche Boerse | 7.4 | 0.4 | 18.0 | 1.1 |
| RELX | 7.7 | 0.8 | 9.0 | 0.6 |
| Experian | 8.1 | 0.4 | 4.8 | 0.3 |
| Gaztransport & Technigaz (GTT) | 3.9 | 0.0 | 2.3 | 0.1 |
| Grenke* | 0.0 | 0.0 | (12.4) | 0.1 |

* Sold during the period under review.

Negative Contributors

| Security | Portfolio weight at 30.11.2024 % | Benchmark weight at 30.11.2024 % | 6 month price performance % | 6 month contribution to portfolio return % |
|-----------------------|--|--|-----------------------------------|--|
| Novo Nordisk | 11.4 | 3.2 | (20.1) | (2.6) |
| Edenred | 4.7 | 0.1 | (27.7) | (1.4) |
| Dassault Systèmes | 6.9 | 0.2 | (14.2) | (1.0) |
| Infineon Technologies | 4.2 | 0.4 | (18.5) | (0.9) |
| Worldline | 1.2 | – | (47.7) | (0.6) |

The biggest positive contributor to our performance in the period under review was **Deutsche Boerse**. The combination of leading technology capabilities, the increase in exchange traded financial instruments and volatile energy and interest rates, has driven the strong performance.

The next biggest contributors to our performance were **RELX** and **Experian**. Both companies have strong proprietary data assets and have improved their offers with the use of AI. RELX's legal information business is a clear beneficiary in this respect. Indeed, the company raised its growth expectations on the back of AI. Experian's core credit and analytics businesses have, too, leveraged AI to buoy their offer. Whereas AI can be a disruption, we believe that our companies, where relevant, gain from the use of this technology both in improving their internal operations and in improving the quality of their offerings.

GTT also performed well. It provides services to Liquefied Natural Gas (LNG) carriers. As a 'transition' fuel, LNG is an important element in the move to more renewables in the energy mix.

INVESTMENT MANAGER'S REVIEW *continued*

Detractors

Whereas we believe the direction of politics in America is generally favourable for our companies, this is not necessarily the case for a couple of our holdings, notably **Novo Nordisk**, our biggest holding, and **Genus**. Both detracted from our performance in the period under review. The nomination of Robert F Kennedy Jr to be the next US health secretary has alarmed investors. The nominee is deemed to have eccentric views which could disturb current practices in healthcare and, in the case of Genus, animal husbandry.

The share price of **Edenred**, which offers specific-purpose payment solutions, fell sharply. Notwithstanding the record of excellent results, investors worried that politicians in France and Italy will seek to restrict returns through new regulations. We recognise these regulatory threats. However, we believe that Edenred can operate successfully even as regulations change.

Another detractor was **Dassault Systèmes**. The company has an excellent long-term record. However, the shares performed badly over the last six months as the rate of growth slowed. The main explanation is that European car manufacturers are grappling with high costs, especially the costs of producing electrical vehicles, and weak demand for those same electric vehicles. Their competitive position versus the Asian players has deteriorated. Nevertheless, we remain confident that Dassault Systèmes is an excellent company which will again capitalise on its strong technology platforms.

Even if individual stocks explain much, we also acknowledge the impact of our 'style bias'. The best performing sector in the index was Financials, notably the mainstream banks, a sector to which we have never had significant exposure. Our rationale is that we find better long-term value from innovative, world-leading companies in other sectors. However, in recent times the European-based banks have delivered better returns thanks to high-interest rate spreads, low loan losses and regulatory protection which keeps out new entrants. Central banks' money printing policies ('quantitative easing') has had the effect of extending the normal business cycle, supporting the banks' asset quality. In due course, we are confident that the cycle will turn down, vindicating our strategy.

Our strategy has also suffered from outflows from European equities. Private sector savings have been squeezed by higher taxes, levied to help straitened public finances. In addition, global asset allocators have avoided Europe, disproportionately hurting big (as distinct from mega-sized) and mid-sized stocks, parts of the market to which our portfolio has a greater than average exposure.

Portfolio Activity

Portfolio turnover in the six months was 22.7% annualised (defined as purchases as a percentage of net assets). Sales in the period totalled £76.5m, almost half of which was the sale of **Darktrace**, following an agreed offer for the company by a private equity firm. The next biggest sale was that of **Soitec**, as better opportunities were found elsewhere. The silicon carbide 'story' for Soitec stalled, in line with the slowing growth in sales of Electric Vehicles (EVs). We exited the position in **Grenke**. Having started selling on the back of good results earlier in the year as asset quality deteriorated, we accelerated selling. The lightening of holdings in **Novo Nordisk** and **RELX** was because of the size of the weightings, rather than any concern about the quality of the respective businesses.

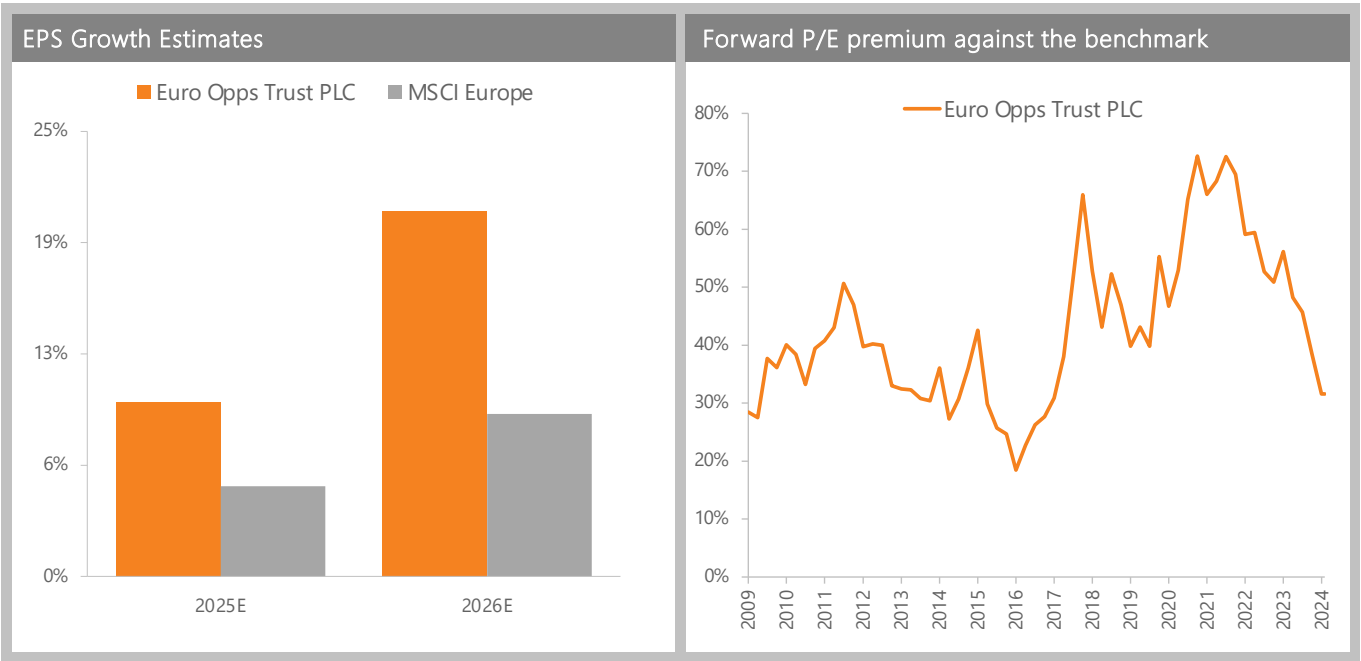
Significant new investments included **Universal Music Group** (UMG), the world's leading music company. It is the owner of a huge catalogue of recorded music. Digital technology allows UMG to develop new services, platforms and business models and thereby better monetise their catalogue. We also established positions in **BE Semiconductor Industries** (Besi) and **Yubico**. Besi is a Dutch technology company, a world leader in packaging processes and hybrid bonding for the semiconductor industry. Swedish-listed Yubico, is a world leader in multi-factor authentication, a hardware solution widely regarded as being the best way to foil cyber-attacks. Other smaller purchases included the French company, **Exosens**, which is the world leader in the manufacture of image intensifier tubes, the key component of night vision goggles. Finally, we bought shares in **Wise**, a London based global payments technology company.

INVESTMENT MANAGER’S REVIEW continued

Outlook

We believe that our portfolio is better value than at any time since 2017. Our earnings forecasts for the portfolio companies are markedly higher than those projected for the wider market. Yet the valuation premium on our portfolio is modest. We project that our portfolio will grow earnings at 9.9% and 20.7% in 2025 and 2026 respectively (as at 31 January 2025). The current year valuation premium for this earnings growth is low by historic standards. Moreover, we expect earnings momentum for our companies to continue in 2027.

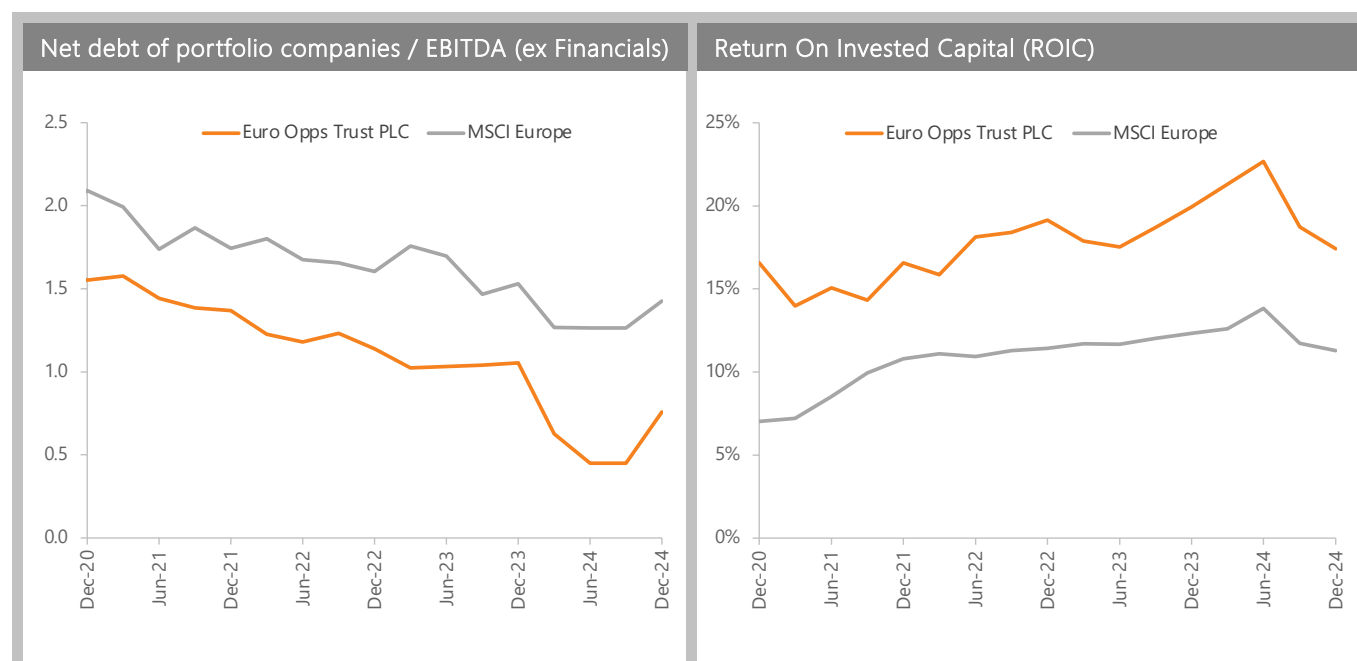
The lefthand graph below illustrates the expected earnings per share (EPS) growth for the portfolio in 2025 and 2026. The righthand graph shows the portfolio's premium (relative to the benchmark) of the forward price earnings ratio (an estimate of earnings over the next 12 months) over the past 15 years.



Source: Bloomberg, Devon as at 31.01.2025. 'E' designates an estimate.

It is worth noting that the reduction in the valuation premium of the portfolio relative to the Benchmark since 2022, as illustrated above, has been achieved without compromising our investment approach. Typically, our companies also have less debt than most European listed companies, which we regard as prudent. The portfolio also has higher returns on invested capital than the Benchmark. These points are illustrated overleaf:

INVESTMENT MANAGER'S REVIEW *continued*



Source: Bloomberg.

At a macro level, slower economic growth in Europe will stymie the banks' earnings. Our strategy is to identify 'winners through the cycle', a strategy that has been thwarted somewhat by the huge money printing programmes of the COVID era. The extended business cycle will turn down at which point our companies' earnings resilience will be clear. Typically, our investee companies have high recurrent revenues and benefit from exposure to faster growing economies like the US.

Despite the direction of fund flows and Europe's intractable problems, within this portfolio we do see numerous potential catalysts from our companies this year which would drive share prices. Although December 2024 saw disappointing phase three trial results for Novo Nordisk's next generation drug Cagrisema, the company has a bright future as a global leader in treating diabetes and obesity. Our healthcare, technology and payments companies should all make good progress. We remain confident that our strategy of picking companies that compete and succeed on the world stage will be vindicated.

Alexander Darwall

CIO, Devon Equity Management Limited
6 February 2025

INVESTMENT PORTFOLIO

as at 30 November 2024

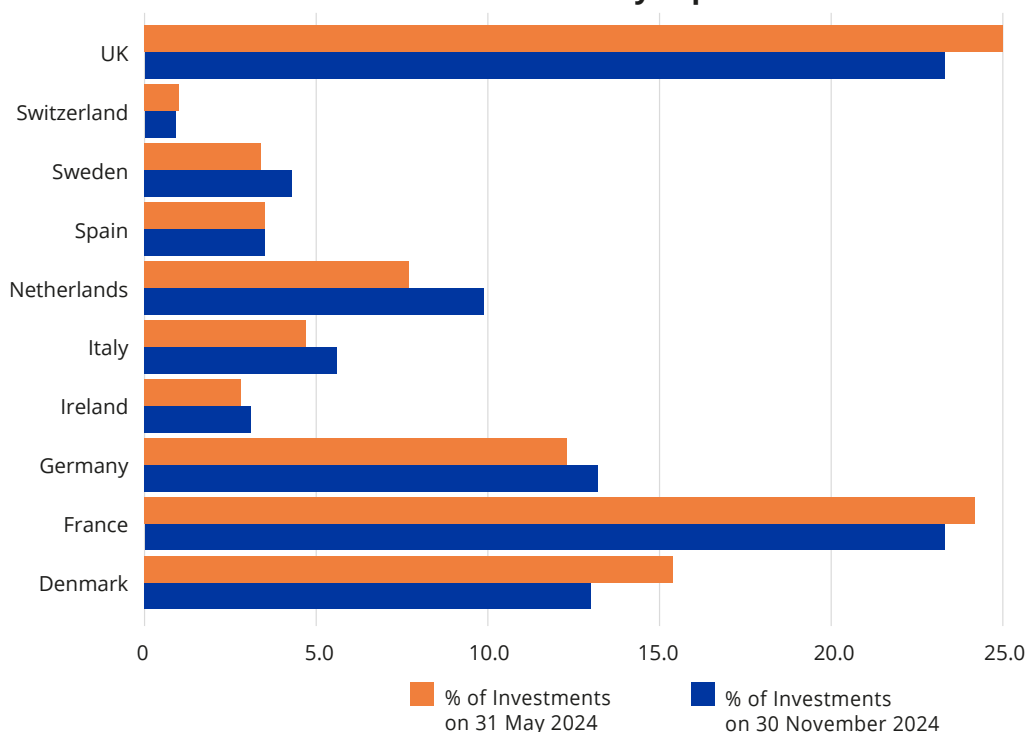
| Company | Market Value £'000 | Portfolio weight/% | Benchmark weight/% |
|----------------------------------|-----------------------|-----------------------|-----------------------|
| Novo Nordisk | 73,355 | 11.4 | 3.2 |
| Experian | 52,514 | 8.1 | 0.4 |
| RELX | 49,988 | 7.7 | 0.8 |
| Deutsche Boerse | 47,920 | 7.4 | 0.4 |
| Dassault Systèmes | 44,766 | 6.9 | 0.2 |
| Intermediate Capital Group (ICG) | 36,006 | 5.6 | – |
| Genus | 32,111 | 5.0 | – |
| Edenred | 30,171 | 4.7 | 0.1 |
| Prysmian | 29,090 | 4.5 | 0.2 |
| Infineon Technologies | 26,891 | 4.2 | 0.4 |
| Gaztransport Et Technigaz (GTT) | 25,155 | 3.9 | – |
| BioMérieux | 25,010 | 3.9 | – |
| Camurus | 23,553 | 3.7 | – |
| Grifols | 22,457 | 3.5 | – |
| Ryanair Holdings | 19,900 | 3.1 | – |
| Oxford Instruments | 15,882 | 2.5 | – |
| Genmab | 10,232 | 1.6 | 0.1 |
| BAE Systems | 9,808 | 1.5 | 0.4 |
| CTS Eventim | 9,857 | 1.5 | 0.1 |
| Universal Music Group | 8,999 | 1.4 | 0.2 |
| Thales | 8,228 | 1.3 | 0.1 |
| Worldline | 7,798 | 1.2 | – |
| Air Liquide | 7,775 | 1.2 | 0.9 |
| BFF Bank | 7,231 | 1.1 | – |
| Bachem | 5,970 | 0.9 | – |
| BE Semiconductor Industries | 4,693 | 0.7 | 0.1 |
| Yubico | 4,337 | 0.7 | – |
| Wise | 3,528 | 0.5 | 0.1 |
| Exosens | 1,865 | 0.3 | – |
| Total Investments | 645,090 | 100 | |

Source: Devon, Bloomberg.

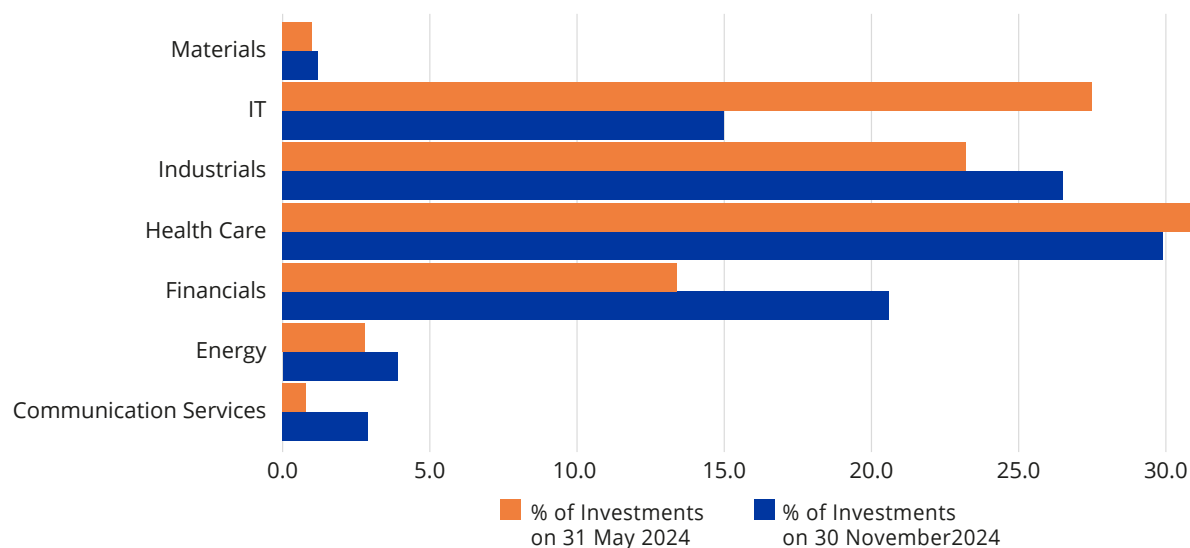
CLASSIFICATION OF INVESTMENTS

as at 30 November 2024

Country Exposure



Sector Exposure



STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Going concern

The Half Yearly Financial Report has been prepared on a going concern basis. The Directors consider that this is the appropriate basis as they have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its financial commitments as they fall due for a period of at least twelve months from the date of approval of the unaudited financial statements. In considering this, the Directors took into account the Company's investment objective, risk management policies and capital management policies, the diversified portfolio of readily realisable securities which can be used to meet short-term funding commitments and the ability of the Company to meet all of its liabilities and ongoing expenses.

The Directors continue to pay particular attention to the operational resilience and ongoing viability of the Investment Manager and the Company's other key service providers. Following review, the Directors are satisfied that Devon and the Company's other key service providers, notably JP Morgan, have the necessary contingency planning measures in place to ensure that operational functionality continues to be maintained.

The Directors continue to adopt the going concern basis of accounting in preparing the unaudited financial statements while recognising that the Articles of Association of the Company require a continuation vote at every third AGM, the next of which will take place at the AGM in 2026.

Principal and emerging risks and uncertainties

The principal risks facing the Company are investment strategy risk, market risk, operational risk and legal and regulatory risk. Full details of these risks and how they are managed are set out on pages 24 to 26 of the Company's Annual Report for the year ended 31 May 2024, which is available on the Company's website at www.europeanopportunities.com. The principal risks have not changed since those detailed in the Annual Report. The Board continues to monitor the principal risks facing the Company.

In addition, the Board monitors emerging risks. No new emerging risks were identified during the period under review. As part of its assessment of the viability of the Company, the Board has reviewed and considered the principal risks and uncertainties that may affect the Company, including emerging risks and ongoing matters relating to the ongoing global conflicts, rises in interest rates and inflation across Europe and worldwide. The Board has also considered the Company's business model including its investment objective and investment policy, a forecast of the Company's projected income and expenses and the liquidity of the Company's portfolio to ensure that it will be able to meet its liabilities as they fall due.

Directors' responsibility statement

We, the Directors of European Opportunities Trust PLC, confirm to the best of our knowledge that:

- (a) the condensed set of financial statements have been prepared in accordance with the Accounting Standards Board's statement 'Half Yearly Financial Reports' and give a true and fair view of the assets, liabilities, financial position and profit/(loss) of the Company for the period ended 30 November 2024;
- (b) the Half Yearly Financial Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R; and
- (c) the Half Yearly Financial Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R on related party transactions.

The Half Yearly Financial Report has not been audited or reviewed by the Company's auditors.

By order of the Board

Matthew Dobbs

Chair

6 February 2025

INCOME STATEMENT

for the six months ended 30 November 2024

| | Notes | Six months ended 30 November 2024 (unaudited) | | | Six months ended 30 November 2023 (unaudited) | | |
|--|-------|---|------------------|-----------------|---|------------------|----------------|
| | | Revenue £'000 | Capital £'000 | Total £'000 | Revenue £'000 | Capital £'000 | Total £'000 |
| (Losses)/gains on investments | | – | (55,669) | (55,669) | – | 34,914 | 34,914 |
| Other exchange gains/(losses) | | – | 19 | 19 | – | (100) | (100) |
| Income from investments | | 4,241 | – | 4,241 | 5,985 | – | 5,985 |
| Other income | | 26 | – | 26 | 38 | – | 38 |
| Total income/(loss) | | 4,267 | (55,650) | (51,383) | 6,023 | 34,814 | 40,837 |
| Investment management fee | 7 | (2,458) | – | (2,458) | (3,425) | – | (3,425) |
| Other expenses | | (387) | – | (387) | (627) | – | (627) |
| Total expenses | | (2,845) | – | (2,845) | (4,052) | – | (4,052) |
| Net return/(loss) before finance costs and taxation | | 1,422 | (55,650) | (54,228) | 1,971 | 34,814 | 36,785 |
| Finance costs | | (1,914) | – | (1,914) | (1,780) | – | (1,780) |
| (Loss)/return before taxation* | | (492) | (55,650) | (56,142) | 191 | 34,814 | 35,005 |
| Taxation | | (497) | – | (497) | (341) | – | (341) |
| Net (loss)/return after taxation* | | (989) | (55,650) | (56,639) | (150) | 34,814 | 34,664 |
| (Loss)/return per ordinary share | 2 | (1.54)p | (86.47)p | (88.01)p | (0.15)p | 35.85p | 35.70p |

* There is no other comprehensive income and therefore the 'Net (loss)/return after taxation' is the total comprehensive (loss)/income for the financial period.

The total column of this statement is the income statement of the Company, prepared in accordance with UK adopted International Accounting Standards.

The supplementary revenue return and capital return columns are both prepared under guidance produced by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the period.

The Notes on pages 17 to 19 form part of these accounts.

STATEMENT OF FINANCIAL POSITION

as at 30 November 2024

| | Notes | 30 November 2024 (unaudited) £'000 | 31 May 2024 (audited) £'000 |
|---|-------|---|--------------------------------------|
| Fixed assets | | | |
| Investments | 6 | 645,090 | 709,898 |
| Current assets | | | |
| Debtors | | 2,324 | 2,882 |
| Cash and cash equivalents | | 5,026 | 5,615 |
| | | 7,350 | 8,497 |
| Total assets | | 652,440 | 718,395 |
| Current liabilities | | | |
| Creditors – amounts falling due within 1 year | | (72,659) | (61,957) |
| Total assets less current liabilities | | 579,781 | 656,438 |
| Capital and reserves | | | |
| Called up share capital | | 888 | 888 |
| Share premium | | 204,133 | 204,133 |
| Special reserve | | 33,687 | 33,687 |
| Capital redemption reserve | | 286 | 286 |
| Reserves | 3 | 340,787 | 417,444 |
| Total shareholders' funds | | 579,781 | 656,438 |
| Net asset value per ordinary share | 4 | 921.66p | 1008.48p |

The Notes on pages 17 to 19 form part of these accounts.

STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 November 2024

| For the six months to 30 November 2024 (unaudited) | Share Capital £'000 | Share Premium £'000 | Special Reserve £'000 | Capital Redemption Reserve £'000 | Retained Earnings £'000 | Total £'000 |
|---|---------------------------|---------------------------|-----------------------------|---|-------------------------------|----------------|
| Balance as at 1 June 2024 | 888 | 204,133 | 33,687 | 286 | 417,444 | 656,438 |
| Net loss after taxation | – | – | – | – | (56,639) | (56,639) |
| Repurchase of ordinary shares into treasury | – | – | – | – | (18,753) | (18,753) |
| Dividends declared and paid* | – | – | – | – | (1,265) | (1,265) |
| Balance as at 30 November 2024 | 888 | 204,133 | 33,687 | 286 | 340,787 | 579,781 |

| For the six months to 30 November 2023 (unaudited) | Share Capital £'000 | Share Premium £'000 | Special Reserve £'000 | Capital Redemption Reserve £'000 | Retained Earnings £'000 | Total £'000 |
|---|---------------------------|---------------------------|-----------------------------|---|-------------------------------|----------------|
| Balance as at 1 June 2023 | 1,129 | 204,133 | 33,687 | 45 | 623,944 | 862,938 |
| Net profit after taxation | – | – | – | – | 34,664 | 34,664 |
| Repurchase of ordinary shares into treasury | – | – | – | – | (17,153) | (17,153) |
| Dividends declared and paid* | – | – | – | – | (3,375) | (3,375) |
| Balance as at 30 November 2023 | 1,129 | 204,133 | 33,687 | 45 | 638,080 | 877,074 |

* Dividends paid during the period were paid out of revenue reserves.

The Notes on pages 17 to 19 form part of these accounts.

CASH FLOW STATEMENT

for the six months ended 30 November 2024

| | Six months ended 30 November 2024 (unaudited) £'000 | Six months ended 30 November 2023 (unaudited) £'000 |
|---|--|--|
| Cash flows from operating activities | | |
| Investment income received (gross) | 4,457 | 6,812 |
| Deposit interest received | 26 | 38 |
| Investment management fee paid | (2,620) | (3,674) |
| Other cash expenses | (105) | (659) |
| Net cash inflow from operating activities before taxation and interest | 1,758 | 2,517 |
| Interest paid | (1,284) | (2,412) |
| Taxation | (203) | (332) |
| Net cash inflow/(outflow) from operating activities | 271 | (227) |
| Cash flows from investing activities | | |
| Purchases of investments | (67,352) | (70,849) |
| Sales of investments | 76,491 | 157,850 |
| Net cash inflow from investing activities | 9,139 | 87,001 |
| Cash flows from financing activities | | |
| Repurchase of ordinary shares into treasury | (18,753) | (22,195) |
| Equity dividends paid | (1,265) | (3,375) |
| Repayment of loan | (20,000) | (65,000) |
| Drawdown of loan | 30,000 | - |
| Net cash outflow from financing activities | (10,018) | (90,570) |
| Decrease in cash | (608) | (3,796) |
| Cash and cash equivalents at the start of the period | 5,615 | 6,951 |
| Realised gain/(loss) on foreign currency | 19 | (100) |
| Cash and cash equivalents at end of period | 5,026 | 3,055 |

The Notes on pages 17 to 19 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. Material Accounting Policies

The Accounts comprise the unaudited financial results of the Company for the period to 30 November 2024. The functional and reporting currency of the Company is pound sterling because that is the currency of the prime economic environment in which the Company operates. All values are rounded to the nearest thousand pounds (£'000) except where indicated.

The Accounts have been prepared in accordance with UK-adopted International Accounting Standards and the requirements of the Companies Act 2006.

Where presentational guidance set out in the Statement of Recommended Practice for Investment Trusts issued by the Association of Investment Companies in April 2021 (the 'AIC SORP') is consistent with the requirements of UK-adopted International Accounting Standards in conformity with the Companies Act 2006, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the AIC SORP. The Accounts have also been prepared in accordance with the Disclosure and Transparency Rules issued by the Financial Conduct Authority. The accounting policies applied are consistent with those of the audited annual financial statements for the year ended 31 May 2024 and are described in those financial statements. In this regard, comparative figures from previous periods are prepared to the same standards as the current period, unless otherwise stated.

The Board continues to adopt the going concern basis in the preparation of the financial statements.

(a) Income recognition

Ordinary dividends from investments are recognised when the investment is quoted ex-dividend on or before the date of the Statement of Financial Position. All overseas dividend income is disclosed net of withholding tax.

Ordinary dividends receivable from equity shares are taken to the revenue return column of the Income Statement. Deposit and other interest receivable are accounted for on an accruals basis. These are classified within operating activities in the Cash Flow Statement. Special dividends are reviewed on a case-by-case basis to determine if the dividend is to be treated as revenue or capital.

(b) Presentation of Income Statement

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the Association of Investment Companies (AIC), supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented. In accordance with the Company's Articles of Association, net capital returns may not be distributed by way of dividend. An analysis of retained earnings broken down into revenue (distributable) items and capital (non-distributable) items is given in Note 3. All other operational costs including administration expenses and finance costs are charged to revenue.

(c) Basis of valuation of investments

Investments are recognised and derecognised on a trade date where a purchase and sale of an investment is under contract whose terms require delivery of the investment within the timeframe established by the market concerned. Investments are included initially at fair value which is taken to be their cost, excluding expenses incidental to purchase which are written off to capital at the time of acquisition.

All investments are classified as held at fair value through profit or loss. All investments are measured at fair value with changes in their fair value recognised in the Income Statement in the period in which they arise. The fair value of listed investments is based on their quoted bid price at the reporting date without any deduction for estimated future selling costs.

Foreign exchange gains and losses on fair value through profit or loss investments are included within the changes in the fair value of the investments.

For investments that are not actively traded and/or where active stock exchange quoted bid prices are not available, fair value is determined by reference to a variety of valuation techniques. These techniques may draw, without limitation, on one or more of: the latest arm's length traded prices for the instrument concerned; financial modelling based on other observable market data; independent broker research; or the published accounts relating to the issuer of the investment concerned.

NOTES TO THE FINANCIAL STATEMENTS continued

2. Return per share

The table below shows the return per share figure analysed between revenue and capital.

| | Six months to 30 November 2024 £'000 | Six months to 30 November 2023 £'000 |
|--|---|---|
| Net revenue loss | (989) | (150) |
| Net capital (loss) / return | (55,650) | 34,814 |
| Net total (loss) / return | (56,639) | 34,664 |
| Weighted average number of shares in issue during the period | 64,354,393 | 97,105,597 |
| Revenue loss per ordinary share (p) | (1.54) | (0.15) |
| Capital (loss) / return per ordinary share (p) | (86.47) | 35.85 |
| Total (loss) / return per ordinary share (p) | (88.01) | 35.70 |

3. Retained earnings

The table below shows the movement in the retained earnings analysed between revenue and capital items.

| | Revenue* £'000 | Capital £'000 | Total £'000 |
|---|-------------------|------------------|----------------|
| On 1 June 2024 | 8,673 | 408,771 | 417,444 |
| Net loss for the period | (989) | (55,650) | (56,639) |
| Repurchase of ordinary shares into treasury | – | (18,753) | (18,753) |
| Dividends declared and paid | – | (1,265) | (1,265) |
| On 30 November 2024 | 7,684 | 333,103 | 340,787 |

* These reserves form the distributable reserves of the Company and may be used to fund distribution of profits to investors via dividend payments.

4. Net asset value per share

The net asset value per share is based on the net assets attributable to shareholders of £579,781,000 (31 May 2024: £656,438,000) and on 62,905,995 (31 May 2024: 65,091,784) shares, being the number of shares in issue at the period end.

5. Comparative information

The financial information contained in this interim report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the six months to 30 November 2024 and 30 November 2023 has not been audited. The information for the year ended 31 May 2024 has been extracted from the latest published audited financial statements. The audited financial statements for the year ended 31 May 2024 have been filed with the Register of Companies. The report of the auditors on those Accounts contained no qualification or statement under section 498(2) of the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS *continued*

6. Fair valuation of investments

IFRS 13 'Fair Value Measurement' requires an entity 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 shall have the following levels:

Level 1 reflects financial instruments quoted in an active market.

Level 2 reflects financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables includes only data from observable markets.

Level 3 reflects financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data.

The financial assets measured at fair value in the Statement of Financial Position are grouped into the fair value hierarchy as follows:

| | 30 November 2024 | | | | 31 May 2024 | | | |
|-------------|------------------|------------------|------------------|----------------|------------------|------------------|------------------|----------------|
| | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
| Investments | 645,090 | – | – | 645,090 | 709,898 | – | – | 709,898 |

7. Related parties

Devon Equity Management Limited ('Devon') has served as Investment Manager to the Company since 15 November 2019 and became AIFM on 1 July 2022.

Devon is entitled to aggregate management fees of 0.80% per annum of net assets up to £1 billion; 0.70% per annum on any net assets over £1 billion up to £1.25 billion; and 0.60% per annum on any net assets over this amount.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES

Alternative Investment Fund – an Alternative Investment Fund ('AIF') is a collective investment undertaking, including investment compartments of such an undertaking, which (1) raises capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors; and (2) does not require authorisation under the UCITS regime. The Company is an AIF.

AIFM / Alternative Investment Fund Manager – an Alternative Investment Fund Manager ('AIFM') is an entity that provides certain investment services to an AIF, including portfolio and risk management services. Devon Equity Management Limited is the Company's AIFM.

Alternative Performance Measures – The European Securities and Markets Authority ('ESMA') published its guidelines on Alternative Performance Measures ('APMs'). APMs are defined as being a 'financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable accounting framework.'

Benchmark – The Company's primary Benchmark Index, against which its performance is measured, is the MSCI Europe Index, total return in GBP.

Discount or Premium* – the share price of the Company is derived from buyers and sellers trading its shares on the stock market. The share price is not identical to the net asset value per share of the Company. If the share price is lower than NAV per share, the shares are trading at a discount. The discount is shown as a percentage of the NAV per share. Shares trading at a price above NAV per share are deemed to be at a premium.

| | | 30 Nov 2024 pence | 31 May 2024 pence |
|--|------------|----------------------|----------------------|
| Net asset value per share | (a) | 921.7 | 1008.5 |
| Share price | (b) | 808.0 | 906.0 |
| (Discount) or premium (c = (b-a)/a) | (c) | (12.3%) | (10.2%) |

Discount management – Discount management is the process of the buyback or issuance of the Company's own shares by the Company, with the intention of managing any imbalance between supply and demand for the Company's shares and thereby the market price. The authority to repurchase or issue the Company's own shares is voted upon by the shareholders at each Annual General Meeting.

Gearing* – Gearing is the borrowing of cash to buy more assets for the portfolio with the aim of making a gain on those assets larger than the cost of the loan. However, if the portfolio doesn't perform well the gain might not cover the costs. The more an investment company gears, the higher the risk. Gearing is typically expressed as a percentage of net asset value.

Borrowings have a prior charge over the assets of the Company, ranking before ordinary shareholders in their entitlement to capital and/or income. They may include preference shares; debentures; overdrafts and short and long-term loans from banks. If the Company has cash assets, these may be assumed either to net off against borrowings, giving a "net" or "effective" gearing percentage, or to be used to buy investments, giving a "gross" or "fully invested" gearing figure. Where cash assets exceed borrowings, the Company is described as having "net cash".

The Board oversees the level of gearing in the Company and reviews the position with the Investment Manager on a regular basis. In normal circumstances the Board does not expect the level of gearing to exceed 20% of the Company's total assets (calculated at the time of borrowing).

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES *continued*

The Company's net gearing as at 30 November 2024 is calculated as follows:

| | | 30 Nov 2024 £'000 | 31 May 2024 £'000 |
|---------------------------------|------------|----------------------|----------------------|
| Loan | | 70,000 | 60,000 |
| Less cash and cash equivalents* | | (3,287) | (4,601) |
| Net debt | (a) | 66,713 | 55,399 |
| Net asset value | (b) | 579,781 | 656,438 |
| Net gearing (c = a/b) | (c) | 11.5% | 8.4% |

Gross gearing (unadjusted for cash and cash equivalents) as at 30 November 2024 was 12.1% (31 May 2024: 9.1%)

* Includes unsettled transactions of £1,739,000 as of 30 November 2024 (31 May 2024: £1,014,000).

Net asset value – The net asset value in relation to a fund is the market value of its assets less its liabilities (and is sometimes also referred to as 'Shareholders' Funds'). The market value is usually determined by the price at which an investor can redeem a share. For valuation purposes it is common to express the net asset value on a per share basis.

Return – The return generated in a given period from the investments:

- **Revenue return** reflects the dividend and interest from investments and other income net of expenses, finance costs and taxation;
- **Capital return** reflects the capital gain, excluding any revenue return; and
- **Total return*** reflects the aggregate of revenue and capital returns and is the theoretical return to shareholders calculated on a per share basis by adding dividends paid in the period to the increase or decrease in the share price or net asset value in the period. The dividends are assumed to have been re-invested in the form of shares or net assets, respectively, on the date on which the shares were quoted ex-dividend. This is calculated as follows:

| | 2024 | |
|---|-----------------|----------------|
| | Net asset value | Share price |
| Net asset value / share price per share on 31 May 2024 (pence) | 1008.5 | 906.0 |
| Net asset value / share price per share on 30 November 2024 (pence) | 921.7 | 808.0 |
| Change in net asset value in the period | (8.6%) | (10.8%) |
| Impact of dividend reinvested | 0.2% | 0.2% |
| Total return for the period | (8.4%) | (10.6%) |

Treasury shares – Ordinary shares of the Company that have been repurchased by the Company and not cancelled but held in treasury. These shares do not pay dividends, have no voting rights and are excluded from the net asset value per share calculation.

* An Alternative Performance Measure.

COMPANY INFORMATION

| | |
|--|--|
| Directors | Matthew Dobbs (Chair) Sharon Brown Jeroen Huysinga Manisha Shukla Neeta Patel CBE |
| Registered office | 123 Victoria Street London SW1E 6DE www.europeanopportunities.com www.linkedin.com/company/europeanopportunities Telephone: 0203 985 0445 Email: enquiries@devonem.com |
| Investment Manager, Company Secretary and AIFM | Devon Equity Management Limited 123 Victoria Street London SW1E 6DE Authorised and regulated by the Financial Conduct Authority |
| Custodian, Administrator and provider of Company Secretarial services | J.P. Morgan Chase Bank N.A. 25 Bank Street Canary Wharf London E14 5JP Authorised and regulated by the Financial Conduct Authority |
| Depository | J.P. Morgan Europe Limited 25 Bank Street Canary Wharf London E14 5JP Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority |
| Registrars | MUFG Corporate Markets (formerly known as Link Group) Central Square 29 Wellington Street Leeds LS1 4DL Telephone: 0371 664 0300 Lines are open from 9.00am to 5.30pm Monday to Friday. Calls are charged at the standard geographic rate and will vary by provider. Telephone (international): +44 (0)371 664 0300 Calls outside the United Kingdom will be charged at the applicable international rate. www.signalshares.com Email: enquiries@linkgroup.co.uk MUFG Corporate Markets offer shareholders a free online service enabling shareholders to access a comprehensive range of shareholder related information. Through Share Portal, shareholders can view their current and historical shareholding details; obtain an indicative share price and valuation; amend address details; view details of dividend payments; and apply for dividends to be paid directly to a bank or change existing bank details. Shareholders will need to register for a Share Portal Account at www.signalshares.com by completing an on-screen registration form. An email address is required. |

COMPANY INFORMATION continued

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Broker

Singer Capital Markets
1 Bartholomew Lane
London EC2N 2AX

Authorised and regulated by the Financial Conduct Authority

Company information

Registered at Companies House in England & Wales with number 4056870
An investment company under section 833 of the Companies Act 2006

LEI: 549300XN7RXQWHN18849

FATCA GIIN: G0YWMG.99999.SL.826

Sedol: 0019772

ISIN: GB0000197722

Ticker: EOT.LN

Further Information

Visit www.europeanopportunities.com or **scan the QR code on the back cover of this report** for further information on the Company, including regulatory disclosures, factsheets and past annual and interim results. Should you wish to be added to an email distribution list for monthly newsletter, please send an email to enquiries@devonem.com. Shareholders who do not have access to the internet may request these documents by post from Devon on **020 3985 0445**.

The Company conducts its affairs so that its shares can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules relating to non-mainstream investment products and intends to continue to do so.

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