

# Montanaro European Income Fund

This is a Marketing Communication

For Professional and Institutional investors only

30 November 2023

Open Ended

This is a marketing communication. This is not a contractually binding document. Please refer to the Prospectus of the UCITS and to the KIID or KID and do not base any final investment decision on this communication alone.

## Fund Objective

Capital growth and income. The Fund will invest primarily in Small and MidCap companies quoted in the EU, Iceland, Norway and Switzerland that offer an attractive dividend yield or the potential for dividend growth. No unquoted investments are permitted.

## Performance

### Rolling Returns (£)

|                                      | YTD  | 1M   | 3M   | 6M    | 12M  | 3Y    | 5Y    | 10Y | Launch <sup>♦</sup> |
|--------------------------------------|------|------|------|-------|------|-------|-------|-----|---------------------|
| £ Class*                             | 3.2% | 8.4% | 0.2% | -2.5% | 4.8% | 4.8%  | 32.6% |     | 92.7%               |
| Composite Benchmark (£) <sup>†</sup> | 8.7% | 6.7% | 1.3% | 2.3%  | 8.8% | 17.5% | 43.8% |     | 116.5%              |

### Annual Returns (£)

|                                      | 2022   | 2021  | 2020  | 2019  | 2018   | 2017  | 2016  |
|--------------------------------------|--------|-------|-------|-------|--------|-------|-------|
| £ Class*                             | -17.9% | 18.9% | 12.0% | 20.1% | -6.8%  | 22.2% | 16.1% |
| Composite Benchmark (£) <sup>†</sup> | -8.9%  | 15.8% | 10.2% | 20.5% | -10.6% | 25.8% | 20.4% |

## Cumulative Performance Since Launch<sup>♦</sup>



Source: Montanaro, MSCI, Bloomberg, FE Analytics. NAV to NAV, unrounded.

♦ There was a change of strategy and name change for the European Income Fund as reflected in the addendum to the prospectus dated 5th November 2015. Performance history shown is therefore from this point.

\* Effective July 1st 2016 the performance of the Fund is Total Return. Prior to this the performance is Capital Return.

† Effective July 1st 2016 the Benchmark changed from the MSCI Europe (ex-UK) SmallCap (Capital Return) Index to the MSCI Europe (ex-UK) SmallCap (Total Return) Index. As of June 2018, the Fund's Benchmark was removed; during this period the IA Europe (excluding UK) (Total Return) Sector is shown here for comparison purposes only. Effective April 2020 the Benchmark became the IA Europe (excluding UK) (Total Return) Sector.

## Key Information

|                          |                       |
|--------------------------|-----------------------|
| Fund Launch <sup>♦</sup> | November 2015         |
| Depository               | BNY Mellon            |
| Administrator            | BNY Mellon            |
| Transfer Agent           | BNY Mellon            |
| Dividend Dates           | Quarterly             |
| Legal Status             | Irish OEIC            |
| Listing                  | Euronext Dublin       |
| Valuation Time           | Daily 4pm Dublin time |
| Dealing Cut-Off Time     | 12pm Dublin time      |
| Domicile                 | Ireland               |

## Fund Facts

|                        |                                     |
|------------------------|-------------------------------------|
| Lead Fund Manager      | Alex Magni                          |
| Co Fund Manager        | George Cooke                        |
| Benchmark <sup>†</sup> | IA Europe xUK (Total Return) Sector |

|                     |                |
|---------------------|----------------|
| Fund Size           | £197 million   |
| No. of Holdings     | 46             |
| Median Mkt Cap      | £2,129 million |
| Cash                | 0.7%           |
| Forecast Yield 24F* | 3.9%           |

\* Calculated as the weighted average forecast yield on the Portfolio. Expenses are paid out of capital.

## ESG

|                  |          |
|------------------|----------|
| Carbon Intensity | 72.5     |
| Water Intensity  | 60,089.5 |
| Waste Intensity  | 17.9     |
| Fund ESG Score*  | 6.16     |

\* The Fund ESG Score is the weighted average of Montanaro's proprietary company ESG Checklist scores (0-10; 10 is best).

## Risk & Reward Profile



These numbers rate how the Fund may perform and the risk of losing some or all of your investment. In general the potential for higher returns also implies a higher level of risk. However, the lowest category (1) does not mean a risk free investment.

This risk rating is based on historical data which may not be a reliable indication of the future risks and rewards of the fund. The risk rating of the fund may change over time.

Past performance is not a reliable indicator of future results. All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

For further information please see the Risk and Reward section of the Key Investor Information Document (KIID).

## Important Information

All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

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**Top 10 Holdings**

|                             |              |
|-----------------------------|--------------|
| Recordati                   | 3.3%         |
| Amadeus Fire                | 3.1%         |
| MTU Aero Engines            | 3.1%         |
| Tryg                        | 3.1%         |
| Terna-Rete                  | 3.0%         |
| Loomis                      | 3.0%         |
| Gaztransport Et Techniga SA | 2.9%         |
| Technogym                   | 2.9%         |
| Amundi                      | 2.8%         |
| Azelis Group                | 2.8%         |
| <b>Total</b>                | <b>30.2%</b> |

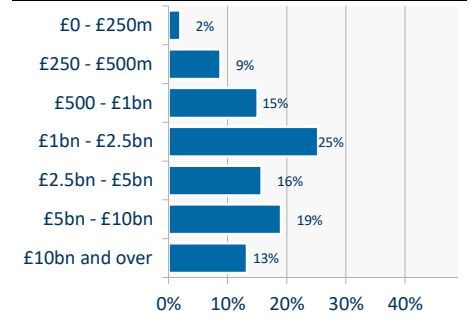
**Portfolio Analysis**

|                      |        |
|----------------------|--------|
| Price / Earnings 24F | 15.4   |
| EPS Growth 24F       | 9.6%   |
| Dividend Yield 24F   | 3.9%   |
| Dividend Growth 24F* | -11.8% |
| Return on Equity 24F | 16.4%  |
| EV/EBITDA 24F        | 11.9   |
| EBIT Margin 24F      | 25.9%  |
| Net Debt/Equity 24F  | 8.6%   |

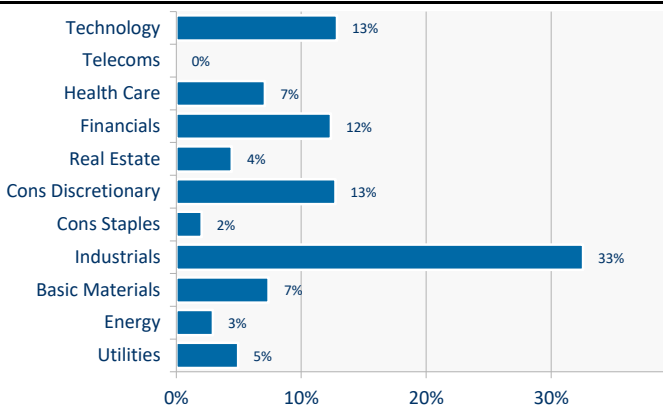
Source: Factset consensus estimates

\*Based on Bloomberg forecasts, overlaid with Montanaro adjustments

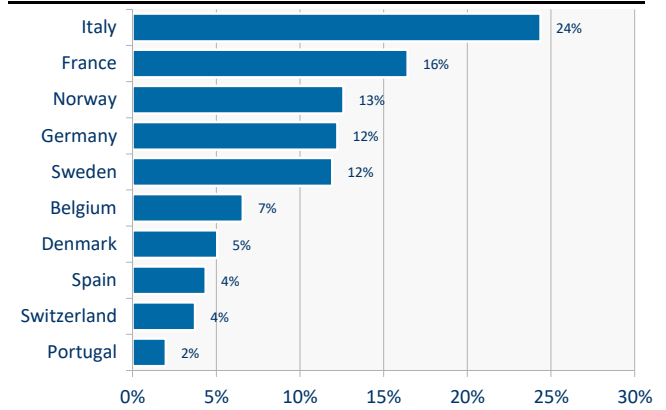
**Market Capitalisation Allocation**



**Sector Allocation**



**Country Allocation (Top 10)**



**Share Class Information**

|                             | Ticker     | ISIN         | SEDOL   | Launch     | NAV    | Ongoing Charge | Annual AMC | Perf Fee | High Water Mark | Initial Charge | Minimum Investment | SRRI |
|-----------------------------|------------|--------------|---------|------------|--------|----------------|------------|----------|-----------------|----------------|--------------------|------|
| <b>£ Class</b>              | MOCESCG ID | IE00B3Q8KY24 | B3Q8KY2 | 05/11/2015 | 202.3p | 0.85%          | 0.75%      | N/A      | N/A             | Nil            | N/A                | 6    |
| <b>£ Accumulation Class</b> | MOCESGA ID | IE00BFFK9M41 | BFFK9M4 | 02/07/2018 | 123p   | 0.85%          | 0.75%      | N/A      | N/A             | Nil            | N/A                | 6    |
| <b>€ Class</b>              | MOCEIEU ID | IE00BYSRYX17 | BYSRYX1 | 30/11/2015 | €1.245 | 0.85%          | 0.75%      | N/A      | N/A             | Nil            | N/A                | 6    |

**Platforms**

AJ Bell ♦ All Funds ♦ Alliance Trust ♦ Amber ♦ Ascentric ♦ Aviva ♦ Cofunds ♦ Fidelity Fundsnetwork ♦ FNZ Wealth ♦ Hargreaves Lansdown ♦ Interactive Investor ♦ James Hay ♦ Novia ♦ Nucleus ♦ Old Mutual ♦ Pershing Nexus ♦ Raymond James ♦ Standard Life ♦ Transact

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