EUROPEAN OPPORTUNITIES TRUST PLC

Half Yearly Financial Report

for the six months to
30 November 2020

DEVON
Equity Management

INVESTMENT OBJECTIVE

The objective of the Company is to invest in 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

To 30 November 2020	3 years %	5 years %	10 years %	Since launch on 20.11.2000 %	Annualised return since launch %
NAV total return	9.4	43.2	202.2	774.2	11.5
Share price total return	3.3	29.6	217.9	675.4	10.8
MSCI Europe TR total return in GBP (Benchmark)	11.0	49.5	113.7	178.3	5.3
MSCI Europe ex-UK total return in GBP	16.9	62.5	137.1	217.2	5.9

CONTENTS

FINANCIAL HIGHLIGHTS
for the six months to 30 November 2020

Net asset value total return[1*] (with dividends added back)

-4.3%

This performance was behind that of the Company's benchmark, the MSCI Europe Total Return Index in GBP, which increased by 11.1%.

Share price total return[1*]

-3.0%

Your Company's share price at 30 November 2020 was 727.00p.

Shareholders' funds

£856m

Gross assets, including drawn down bank debt of £25m, were £881m.

Discount to net asset value[1*]

-6.7%

Your Company's share price was trading at a discount to NAV of -6.7% on 30 November 2020. The European sector average, as measured by the Association of Investment Companies was -5.8%.

	30 November 2020	31 May 2020	% Change
Net asset value per share (pence)	779.15	817.72	-4.7
Net asset value total return (with dividends added back)[1,*]			-4.3
Middle market share price (pence)	727.00	753.00	-3.5
Share price total return (with dividends added back)[1,*]			-3.0
MSCI Europe Total Return Index in GBP (Benchmark)			11.1
MSCI Europe ex-UK Total Return Index in GBP			13.4
Discount to net asset value (%)*	-6.7	-7.9	

* Alternative Performance Measure.
[1] A dividend of 3.5p was paid on 27 November 2020.
For definitions please refer to the Calculation of Alternative Performance Measures and Glossary of Terms on pages 21 to 24.

CHAIRMAN'S STATEMENT

I am pleased to present your Company's interim report for the six months to 30 November 2020. As at 19 February 2021 your Company had total assets (with loans added back) of £911 million, the NAV per share was 816.13p and the middle market price per share on the London Stock Exchange was 728.00 p, representing a 10.8% discount to NAV.

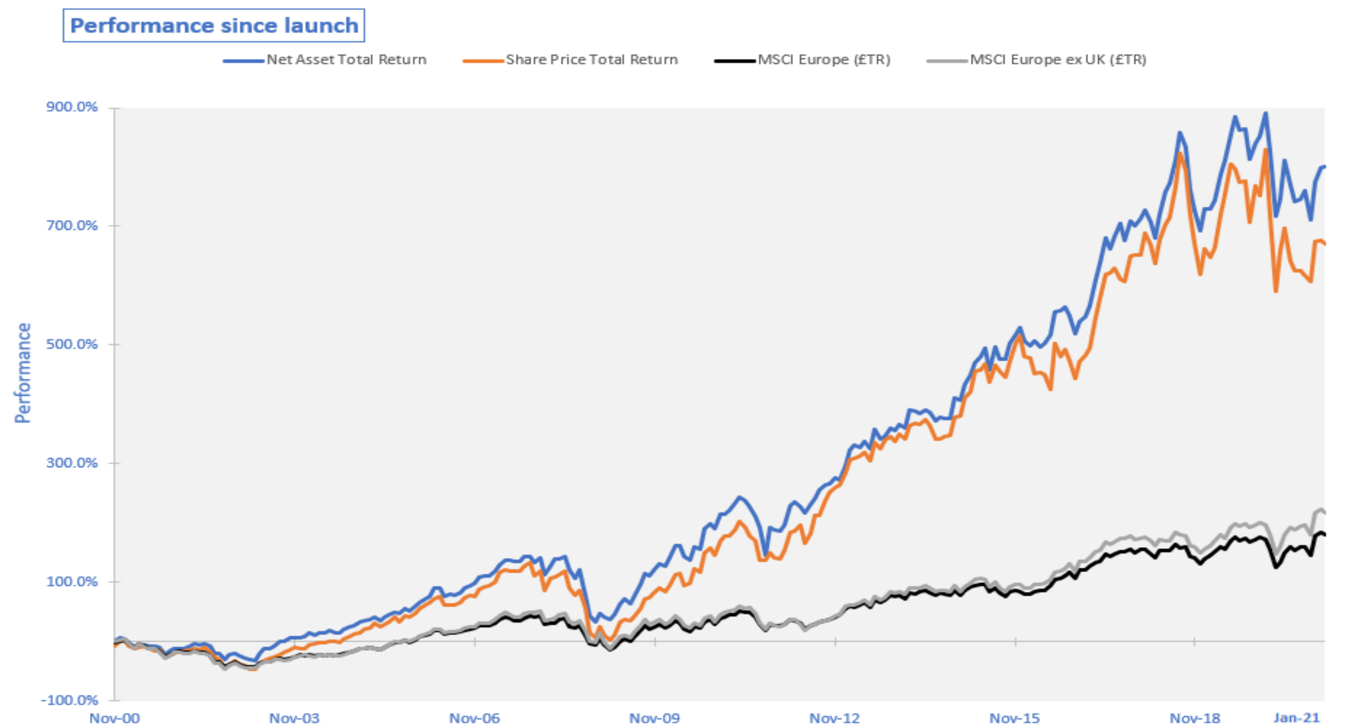
Investment Performance
After sharp declines in stock markets in early 2020, following the onset of the COVID-19 pandemic, there was a rally in the middle of the year, although this was tempered later by an increase in infections and the imposition of new lockdowns. Markets improved again with the introduction of vaccination programmes in many countries, including in Europe; most of the gains occurred from November onwards, towards the end of the half-year period.

Over the six months to 30 November 2020 the total return on the NAV per share, with dividends added back, was -4.3%. This performance was behind the total return on the Company's primary benchmark, the MSCI Europe Index, of 11.1%.

The Board recognises the short-term underperformance. Our performance during the six months under review was particularly undermined by our former exposure to Wirecard AG, which I commented on in my Chairman's statement in the annual report published in November. The background to your Company's more recent performance is considered in depth by our portfolio manager, Alexander Darwall, in his report overleaf.

The impact of COVID-19 and the policy responses to it, and continuing low interest rates, have created unprecedented investment challenges. The Board has had frequent contact with the Investment Manager where the strategy and gearing policy have been discussed. These meetings have informed our view that the Investment Manager is applying the strategy consistently and sensibly and we are confident that, with due patience, the strategy should once again deliver good performance.

Indeed, despite the underperformance in the period under review, long term performance continues to be strong; over the life of the Company the annualised total return on the net asset value, with dividends added back, has been 11.5% and 10.7% on the Company's share price (as at 19 February 2021). The Company's performance since launch on 20 November 2000 until 31 January 2021 may be illustrated as follows:



ESG
Our Environmental, Social and Governance policy is laid out on page 27 of this report. In summary, the principal aim of the Company remains that of achieving good financial returns over time. The Investment Manager does not explicitly target ESG or sustainability investments. However, it recognises the importance of good corporate governance, good working conditions, training and good quality products and these considerations are woven into the investment process. New regulations will shortly require us to disclose whether we claim that the Company can be termed an 'impact' investment in the context of ESG. We do not make this claim.

Devon Equity Management
The decision to move the investment management mandate to Devon Equity Management in November 2019 was done after a due diligence process, led by the Board and with external specialist advice, was carried out. In the year since the transition a further review of systems and controls at Devon has been carried out which has shown them to be satisfactory.

FundRock Partners
In order to position the Company for any change in the regulatory environment in the United Kingdom post Brexit, in November 2020 the Board elected to switch the entity within the FundRock group that acts as its AIFM from FundRock Management Company SA (in Luxembourg) to FundRock's wholly owned and UK regulated entity, FundRock Partners Ltd. There was no change in the terms of engagement or the fees payable to the AIFM in this context.

Discount management
The Board considers that it is not in shareholders' interests for the ordinary shares of the Company to trade at a significant discount to the prevailing net asset value. The Board's policy is to maintain the discount in single digits, in normal market conditions. A total of 4,290,471 shares were repurchased for treasury since the financial year end (as at 19 February 2021) pursuant to its discount management policy. We review the trading activity and discount of the Shares on a regular basis and are committed to maintaining the discount within the stated range.

Gearing
At the end of the period under review the gross gearing level on the Company's investments was 2.9% and its net gearing, after taking into account cash held on deposit, was 2.3%. The Investment Manager tends to increase gearing at times of perceived low valuations, while reducing it as markets recover. This approach has added sustained value over the course of your Company's history and we continue to encourage the Investment Manager to consider the use of gearing as a tactical tool to improve returns. The Company retains its loan facility which is currently drawable to a maximum amount of £75 million.

Outlook
The outlook for European economies and markets remains uncertain, particularly given the resurgence of COVID-19 cases during the winter period. However, there is hope that in 2021 the distribution and efficacy of vaccines will help economies around the world recover from the damaging effects of the virus experienced in 2020. Within Europe it is hoped that the agreement reached between the EU and the UK at the end of the Brexit transition period will also bring some stability to businesses and markets. However, our portfolio manager continues to focus on what he considers to be the best individual companies, rather than investing on the basis of political or macro-economic considerations.

We are committed, as a Board, to the concentrated, high conviction approach to investment which has been consistently applied to our portfolio by Alexander Darwall since the Company was launched in November 2000. There is no reason to doubt that this consistent investment process will be vindicated in due course. We are confident that the Investment Manager has the necessary experience, resources and intent to navigate successfully through the vicissitudes of the post-COVID investment world.

Andrew Sutch
Chairman
25 February 2021

INVESTMENT MANAGER'S REVIEW

Performance in the period under review was markedly worse than the MSCI Europe Index, your Company's benchmark. The Net Asset Value of the Company's ordinary shares fell by 4.3% (including dividends paid) in sterling terms, while the benchmark rose by 11.1%, during the six months to 30 November 2020. Individual stock errors (notably Wirecard) are a part of the explanation; these, and other contributors to performance, are covered later in this report. The greater part of underperformance is explained by 'style': our preference for strong balance sheets with low levels of debt, has been out of sync with the market's enthusiasm for cheap (even 'free') debt. We believe that in due course our companies, which typically have less debt and higher margins than the average company, will be valued more highly by the market. We seek to invest in companies which have resilience and flexibility and thereby can flourish in different economic scenarios. This, we consider, is a significant factor as we face extraordinary and uncertain times.

Quantitative Easing (QE), initially a short-term measure in the wake of the 2008/2009 financial crisis, has become a mainstay of policy making in the decade since, its consistent failure to stimulate inflation towards policy targets generally interpreted by Central Bankers as evidence that the QE was not big enough (never that the policy tool itself might need review). As a specific response to the economic ravages of COVID-19, European governments have also embarked on massive fiscal expansion. These policies, a combination of monetary expansion (interest rates at or close to 0%) and fiscal stimulus (governments across Europe giving grants and loans), both increase the reach of the state in economies and are likely to be inflationary. The Great Moderation before 2008 might be explained by the downward pressure on costs from China's integration into the international trading system, but that downward pressure is now reversing. Protectionist sentiment is on the rise, partly to protect European businesses from the loss of competitiveness.

The first manifestation of inflation has been in rising asset prices including quoted equities. European equity markets have risen in 2020 despite the damaging policy responses to the COVID-19 pandemic. In due course, we think that there will be consumer price inflation at which point interest rates are bound to rise. Our caution about debt is reflected in the relatively low level of gearing in the portfolio. The Company's net borrowings were £19.6 million at the end of the reporting period, representing gearing of 2.3%, a level of gearing much lower than we have had in the past.

European equity markets' buoyancy, sustained by the effect of massive fiscal and monetary stimulus, cannot disguise the sharp reversal of earnings and Gross Domestic Product ("GDP") in Europe. UBS recently estimated that European corporate earnings have fallen by 31% in 2020; they expect a 38% rebound in 2021. GDP in the European Union contracted by 7.6% in 2020 according to International Monetary Fund ("IMF") forecasts; the same forecaster expects a 5.0% rebound in 2021. Other regions of the world appear to have resisted the COVID-19 effects more successfully, especially Asian countries. The ASEAN 5 countries suffered only a 3.4% reduction in GDP in 2020 according to the IMF. The Chinese economy even grew, it is estimated, 1.9% in 2020; the US economy contracted by 4.3%; and Brazil by 5.8%. Yet European equity markets matched the advances of other global markets. The MSCI World Index, sterling adjusted, improved by 12.0% during the period under review. The S&P500 returned 10.7%. However, this belies the bigger story in the US which was the performance of the NASDAQ. Bolstered by the strong performance of leading technology stocks, the NASDAQ returned 19.0% in the six month period in sterling terms. Technology stocks are viewed as 'winners' in the post COVID-19 world: electronic communications and entertainment replacing physical contact. The surge in technology stocks was a major factor also in Asia where the MSCI AC Asia ex-Japan was up 23.0% in sterling. Europe has less exposure to technology stocks than the US or Asia. European governments and the European Commission decided that it would make 'green' technologies the centre piece of recovery. This was crystallised in 'The European Green Deal'. 'Striving to be the first climate-neutral continent', as the European Commission says, involves huge amounts of public money being poured into the new technologies needed for the energy transition. We have not invested in those stocks which are, initially at least, beneficiaries of new energy ideas like hydrogen. Europe's high-cost energy polices risk putting Europe's companies and consumers at a disadvantage in global competitiveness. As a result, we expect a reversal or moderation of policies in due course. Though the price of WTI crude in sterling rose by 17.8% in the period under review, it remains low by historic standards. Oil and other fossil fuels will remain staples of the energy mix for decades to come.

Wirecard accounted for 5.8% of the Company's 15.4% underperformance; Grenke accounted for a further 2.0%. The demise of Wirecard has been covered extensively in our reports and in the press. The precise details of the fraud are not yet known. Grenke, which is a German-based leasing and factoring company, was a poor performer both because of the wider recession and because of specific allegations of fraud against the company. Though we took the precaution of selling the shares as news of the allegations broke, we are confident that the company is sound. Grifols was another bad performer, contributing 1.0% to the underperformance. There are two reasons for the weak share price: the difficulties of collecting blood plasma, the key 'feedstock' for their products, due to COVID-19 restrictions; and the potential new threat from alternative antibody suppression therapies, which are being developed to treat autoimmune diseases. These therapies work by blocking the binding of antibodies and are being developed with the aim of substituting Grifols' blood plasma fractionated products. Notwithstanding these concerns, we have increased our investment in Grifols. Historically, demand for Grifols products have grown at more than twice the rate of GDP growth. We expect demand to recover to this rate in due course as new indications for their products are established.

Our two biggest investments, Novo Nordisk and Experian, both underperformed in the period under review. We retain a high degree of confidence in both companies. Novo Nordisk shares detracted from returns because it was thought the election of Biden as US President would lead to more controls on the price at which the company sells its products in the US. Further, the company's main competitor, the US company Eli Lilly, is improving its GLP-1 therapeutic products to rival Novo Nordisk's leadership. On both counts we are sanguine. The two companies dominate the global market for the treatment of diabetes, obesity and other comorbidities. The world is certainly big enough for both to flourish. Experian, one of the world's leading credit bureaus and specialist analytics providers for credit scoring, continues to report good results. However, the shares have been weak because the election of Biden as US President raises the possibility that his Administration will set up a new government backed credit bureau in an attempt to improve financial inclusion. There is also a perceived threat of tighter consumer credit controls in the US. Notwithstanding these possibilities, we are convinced that Experian is singularly well placed to develop its credit data and analytics businesses across many markets including the US. We have retained the holding. Another underperforming stock was Deutsche Boerse, the German-based exchange organisation and market infrastructure provider. Low interest rates have deprived the group of one of its important sources of revenues; and, with the backdrop of investor optimism, there has been a lack of volatility in capital markets. Such volatility is typically good for Deutsche Boerse's business. We are confident that in due course interest rates will rise and uncertainties in capital markets will again generate more business for the company. We retained the holding.

There were positive contributors. Chief amongst these was Intermediate Capital Group, (ICG), the UK-listed global alternative asset manager in private debt, credit and equity. The holding contributed 1.6% to performance. It is both ironic and instructive that our biggest contributor operates in the private markets. It highlights the attractions of private finance unencumbered by some of the challenges of the public markets. In part the strong share price performance was a rebound after the undue weakness earlier in the year. Confidence in the company was boosted as it recorded good results and reported that conditions for fund raising, investing and sales of investments, had remained favourable during the COVID-19 crisis. There are concerns that the British government (unlike other European governments) is considering increasing tax rates for those working in private equity. We do not think this eventuality would damage ICG's business as those concerned would probably leave the UK. Three of the best contributors to performance, Infineon Technologies (+1.2%), Soitec (+0.9%) and ASML (+0.5%), all operate in the semiconductor industry. Infineon designs, manufactures, and markets semiconductors including power semiconductors, microcontrollers, security controllers, radio frequency products, and sensors. These find applications in the automotive, industrial, communications, and consumer and security electronics sectors. Soitec manufactures specialty SOI wafers used in the production of semiconductors. The company uses its proprietary Smart Cut process to modify silicon to allow for more speed and less consumption of power. Soitec's products are sold to the energy, electronic, and solar energy industries. It has a quasi-monopoly position in a growing niche of the semiconductor market. The Dutch company, ASML, is one of the world's largest makers of semiconductor manufacturing equipment, specialising in photolithography systems used to imprint circuitry patterns onto silicon wafers. ASML's products include EUV (extreme ultraviolet) lithography systems, DUV (deep ultraviolet) lithography systems, and metrology and inspection systems. All three companies have benefitted from the buoyancy of the semiconductor markets. The drivers include the communications requirements of more remote working, 5G and the 'Internet of Things'. Another good contributor was Arrow Global (+1.1%), the UK-listed debt collection business, whose shares recovered strongly after earlier weakness. The addressable market for debt collection is expanding; and the company is transforming its business model by increasing its fund management business whereby it increasingly acts as agent rather than principal. Both these factors, we believe, underpin a compelling investment case. Genus, the UK-listed company, also enhanced the portfolio's returns. It provides cattle and pig breeding services. Using its own domestic production and contracts with breeding companies worldwide, it supplies dairy and beef semen used for artificial insemination. It also is a world leader in pig genetics. As African Swine Fever has devasted the pig populations in China, Genus has benefitted by supplying its porcine genetics to help rebuild pig herds. Ubisoft, the French video game company, contributed 0.35% to performance. It has prospered by providing 'socially distanced' entertainment. The greater, longer term, attraction of the business is that with technology advances, the quality of the games is improving, thereby stimulating demand. Further, Ubisoft's partnership with Tencent, the Chinese

INVESTMENT MANAGER'S REVIEW continued

technology company, opens prospects of success in China. Finally, we highlight the contribution from our investment in Gaztransport et Technigaz ("GTT"), the French engineering company that designs cargo containment systems for liquefied natural gas carriers and land storage of liquefied natural gas carriers. We identified this company as a beneficiary of the switch in Asia from using coal as the principal fuel for power generation to natural gas. As a cheap, relatively 'clean' source of energy, natural gas remains a compelling choice. Indeed, the trend to natural gas in Asia still holds. However, the outlook for natural gas in Europe and North America is less clear. We are monitoring developments to see what, if any, implications there are for GTT's Asian orientated business.

In response to the impact of COVID-19 and the associated policy reactions, we adjusted the portfolio in the first half of 2020. We sold our holdings in travel-related companies whose businesses models depend on high-capacity utilisation. These, we believe, are likely to be lasting casualties of COVID-19 restrictions. They are also companies which are directly or indirectly affected to a great extent by governments' interventions. For example, some airlines have had government support and some have not. These interventions are consistent with the International Monetary Fund's (IMF) advice. Whilst recommending big increases in public expenditure (a reversal of the IMF's historic prudence), the IMF advocates European governments to provide "solvency support" to businesses, urging the European Central Bank to consider "direct support" to companies if bank lending is insufficient. Further, the IMF has advised governments to prioritise support for companies that, in the view of governments, are most viable, "while facilitating the exit of unviable companies". Such a policy introduces a great deal of political risk.

For the period under review, though portfolio turnover (defined as sales as a percentage of average assets over the period, annualised) at 32% was a relatively high figure, this was not due to COVID-19 developments. Our sales of three significant holdings, Wirecard, Bayer and Grenke, were unrelated to COVID-19 issues. We sold all shares in Wirecard the day that convincing evidence of fraud was presented. We sold the holding in Bayer when the company's plans to resolve the lawsuits against its product, Roundup (a glyphosate-based herbicide), foundered in the American courts. The other major sale was of shares in Grenke. Investors in Grenke were quick to see similarities with Wirecard when allegations of fraud were made against the company and its principal shareholder. Indeed, as soon as the allegations were made, as a precaution we immediately sold our holding. However, we subsequently reinvested in Grenke, with a smaller position size; we think that the company and its officers will be vindicated in due course and we are encouraged by the company's commitment to improve corporate governance.

Most of the proceeds of these sales were deployed in increasing positions in existing holdings. We bought more shares in Ubisoft. We also bought more Genus. There were three new investments the largest of which was Soitec. We also established positions in Worldline and Mowi. Worldline is a French-based payments services company, offline and online, driven by the digitisation of payments. Mowi is the world's largest producer of Atlantic salmon. The feed conversion efficiency of salmon is one element that makes it a relatively low-cost product. Demand for salmon is increasing in North America, Europe, and Asia. Mowi is the biggest and most integrated producer and as such is best placed to capitalise on the positive demand trends.

Outlook

Fundamental investment tenets are being challenged by a new order, 're-purposing capitalism', that started before COVID-19. The new order's impact is hardened by COVID-19 related policies. The increasing emphasis on Environmental, Social and Governance (ESG) issues, the EU's Green Deal and similar programmes, and a significant expansion in the role and reach of central governments are part of this new order. Private equity is attracting capital more easily than public equity. In short, free market capitalism appears to be out of fashion with the investment community and the political class. As governments and other stakeholders increasingly influence the allocation of resources, inefficiencies and higher costs are inevitable. This is inflationary. Whereas private capital values (stock markets or privately held assets) adjust quickly when the fundamentals are disproved, with so much political capital invested in the 'green' recovery, European governments will be slow to recognise a misallocation of resources. The massive increase in debts makes markets more vulnerable to setbacks. Furthermore, where so much public money is deployed protectionist urges will become greater. Our investment principles are unchanging. In recognising the primacy of the consumer, we are wary of stocks which depend overly on government subsidies and policies, and which are vulnerable to protectionist measures: we try to avoid political risk. We focus on companies whose products and services deliver demonstrable value to customers. Our companies, all European-listed, are typically global in their reach; tapping into growth opportunities around the world is ever more important not least because it is clear China and other Asian economies are stronger than Europe's. We invest in companies with proven and profitable products and services. There are, as always, great opportunities for world-leading European-listed companies. We seek to identify companies that will be winners from technology advances and where their business models are appropriate for the digital and global challenges. We remain confident that our investment process is well set to identify these winning companies.

Alexander Darwall
25 February 2021

INVESTMENT PORTFOLIO

			30 November 2020		31 May 2020
Company	**Sector**	**Country of Listing**	**Market value £ '000**	**Percentage of portfolio**	**Percentage of portfolio**
Novo Nordisk 'B'	Health Care	Denmark	86,848	9.9	9.8
Experian	Industrials	United Kingdom	84,512	9.7	10.1
RELX	Industrials	United Kingdom	78,384	9.0	9.6
Deutsche Boerse	Financials	Germany	65,665	7.5	8.8
Dassault Systemes	Information Technology	France	62,699	7.2	6.8
BioMerieux	Health Care	France	60,929	7.0	7.2
Intermediate Capital Group	Financials	United Kingdom	59,280	6.8	5.0
Grifols	Health Care	Spain	55,136	6.3	6.5
Genus	Health Care	United Kingdom	48,860	5.6	3.8
Ubisoft Entertainment	Communications Services	France	39,067	4.5	1.9
Edenred	Information Technology	France	32,915	3.8	2.0
Infineon Technologies	Information Technology	Germany	30,505	3.5	2.0
SOITEC	Information Technology	France	28,495	3.2	–
ASML Holding	Information Technology	Netherlands	26,081	3.0	2.0
Gaztransport Et Technigaz	Energy	France	20,789	2.4	0.9
Arrow Global Group	Financials	United Kingdom	19,234	2.2	0.8
Barry Callebaut	Consumer Staples	Switzerland	16,732	1.9	1.8
Grenke	Financials	Germany	10,122	1.2	5.8
Worldline	Information Technology	France	8,676	1.0	–
Wolters Kluwer	Industrials	Netherlands	6,293	0.7	0.3
Mowi	Consumer Staples	Norway	6,088	0.7	–
Knorr-Bremse	Industrials	Germany	5,788	0.7	0.5
Oxford Instruments	Information Technology	United Kingdom	3,955	0.5	0.2
Ossur HF	Health Care	Iceland	3,887	0.4	0.4
Pets at Home Group	Consumer Discretionary	United Kingdom	2,936	0.3	–
OHB	Industrials	Germany	2,808	0.3	–
Network International Holdings	Information Technology	United Kingdom	2,700	0.3	0.3
RWS Holdings	Industrials	United Kingdom	2,050	0.2	–
KWS Saat	Consumer Staples	Germany	1,175	0.1	0.1
Borregaard	Materials	Norway	1,106	0.1	–
Elkem	Materials	Norway	266	–	–
AT&S Austria Technologie & Systemtechnik	Information Technology	Austria	178	–	–
Total investments			**874,159**	**100.0**	

CLASSIFICATION OF INVESTMENTS BY SECTOR AND COUNTRY OF LISTING

Equities	Denmark %	France %	Germany %	Spain %	UK %	Other %	30 November 2020 %	31 May 2020 %
Chemicals	–	–	–	–	–	0.1	0.1	–
Total Materials	**–**	**–**	**–**	**–**	**–**	**0.1**	**0.1**	**–**
Media & Entertainment	–	4.5	–	–	–	–	4.5	1.9
Total Communication Services	**–**	**4.5**	**–**	**–**	**–**	**–**	**4.5**	**1.9**
Retailing	–	–	–	–	0.3	–	0.3	–
Total Consumer Discretionary	**–**	**–**	**–**	**–**	**0.3**	**–**	**0.3**	**–**
Food, Beverage & Tobacco	–	–	0.1	–	–	2.6	2.7	1.9
Total Consumer Staples	**–**	**–**	**0.1**	**–**	**–**	**2.6**	**2.7**	**1.9**
Oil, Gas & Consumable Fuels	–	2.4	–	–	–	–	2.4	0.9
Total Energy	**–**	**2.4**	**–**	**–**	**–**	**–**	**2.4**	**0.9**
Diversified Financials	–	–	8.7	–	9.0	–	17.7	20.4
Total Financials	**–**	**–**	**8.7**	**–**	**9.0**	**–**	**17.7**	**20.4**
Pharmaceuticals, Biotechnology & Life Sciences	9.9	–	–	6.3	5.6	–	21.8	22.7
Health Care Equipment & Services	–	7.0	–	–	–	0.4	7.4	7.6
Total Health Care	**9.9**	**7.0**	**–**	**6.3**	**5.6**	**0.4**	**29.2**	**30.3**
Capital Goods	–	–	1.0	–	–	–	1.0	0.9
Commercial & Professional Services	–	–	–	–	18.9	0.7	19.6	20.0
Total Industrials	**–**	**–**	**1.0**	**–**	**18.9**	**0.7**	**20.6**	**20.9**
Semiconductors & Semiconductor Equipment	–	3.2	3.5	–	–	3.0	9.7	4.0
Software & Services	–	12.0	–	–	0.3	–	12.3	19.5
Technology Hardware & Equipment	–	–	–	–	0.5	–	0.5	0.2
Total Information Technology	**–**	**15.2**	**3.5**	**–**	**0.8**	**3.0**	**22.5**	**23.7**
Totals	**9.9**	**29.1**	**13.3**	**6.3**	**34.6**	**6.8**	**100.0**	**100.0**

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 for the foreseeable future. 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 adopt the going concern basis of accounting in preparing the financial statements while recognising that the Articles of Association of the Company require a continuation vote at every third AGM.

Principal Risks and Uncertainties
Between now and the end of the financial year (and beyond) the Company will continue to be exposed to the effect of variations in the price of its investments. A fall in the value of its portfolio will have an adverse effect on Shareholders' funds. It is not the aim of the Board to eliminate entirely the risk of capital loss, rather it is its aim to seek capital growth. The Company may have significant exposure to portfolio companies from certain sectors from time to time. Greater concentration of investments in any one sector may result in greater volatility in the value of the Company's investments and may materially and adversely affect the performance of the Company. Other key risks faced by the Company relate to foreign currency movements, interest rates, liquidity risk, gearing risk, the discount to Net Asset Value, regulatory risk, loss of key personnel, operational and financial risks.

The outbreak of the COVID-19 pandemic poses additional risks to the Company beyond the risks described above. They include liquidity risks to markets, risks associated with the maintenance of the current dividend policy and business continuity risks for the Investment Manager. Each of these risks is being assessed on a day to day basis by the Investment Manager.

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 of the Company for the period ended 30 November 2020;

(b) The Half Yearly Financial Report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.7R; and

(c) The Half Yearly Financial Report includes a fair review of the information required by Disclosure 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
Andrew Sutch
Chairman
25 February 2021

INCOME STATEMENT

	Notes	Six months ended 30 November 2020 (unaudited) Revenue £'000	Capital £'000	Total £'000	Six months ended 30 November 2019 (unaudited) Revenue £'000	Capital £'000	Total £'000
(Loss)/gain on investments	2	–	(43,438)	(43,438)	–	30,299	30,299
Other exchange gain/(loss)		–	191	191	–	(36)	(36)
Income from investments		5,653	–	5,653	7,278	–	7,278
Other income		1	–	1	–	–	–
Total income/(loss)		**5,654**	**(43,247)**	**(37,593)**	**7,278**	**30,263**	**37,541**
Investment management fee	9	(3,871)	–	(3,871)	(3,912)	–	(3,912)
Other expenses		(463)	–	(463)	(582)	–	(582)
Total expenses		**(4,334)**	**–**	**(4,334)**	**(4,494)**	**–**	**(4,494)**
Net return/(loss) before finance costs and taxation		**1,320**	**(43,247)**	**(41,927)**	**2,784**	**30,263**	**33,047**
Finance costs		(162)	–	(162)	(607)	–	(607)
Return/(loss) on ordinary activities before taxation*		**1,158**	**(43,247)**	**(42,089)**	**2,177**	**30,263**	**32,440**
Taxation		(120)	–	(120)	(201)	–	(201)
Net return/(loss) after taxation*		**1,038**	**(43,247)**	**(42,209)**	**1,976**	**30,263**	**32,239**
Return/(loss) per ordinary share	3	**0.93p**	**(38.57)p**	**(37.64)p**	**1.75p**	**26.81p**	**28.56p**

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

The total column of this statement is the income statement of the Company, prepared in accordance with IFRS.

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.

BALANCE SHEET

	Notes	30 November 2020 (unaudited) £'000	31 May 2020 (audited) £'000
Fixed assets			
Investments	7	874,159	913,329
Current assets			
Debtors		1,985	4,045
Cash and cash equivalents		11,003	25,503
		12,988	29,548
Total assets		**887,147**	**942,877**
Current liabilities			
Creditors – amounts falling due within 1 year		(31,128)	(19,960)
Total assets less current liabilities		**856,019**	**922,917**
Capital and reserves			
Called up share capital		1,129	1,129
Share premium		204,133	204,133
Special reserve		33,687	33,687
Capital redemption reserve		45	45
Reserves	4	617,025	683,923
Total shareholders' funds		**856,019**	**922,917**
Net asset value per ordinary share	5	**779.15p**	**817.72p**

STATEMENT OF CHANGES IN EQUITY

For the six months to 30 November 2020 (unaudited)	Share Capital £'000	Share Premium £'000	Special Reserve £'000	Capital Redemption Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 1 June 2020	1,129	204,133	33,687	45	683,923	922,917
Net loss after taxation	–	–	–	–	(42,209)	(42,209)
Repurchase of ordinary shares into treasury	–	–	–	–	(20,799)	(20,799)
Dividends declared	–	–	–	–	(3,890)	(3,890)
Balance at 30 November 2020	**1,129**	**204,133**	**33,687**	**45**	**617,025**	**856,019**

For the six months to 30 November 2019 (unaudited)	Share Capital £'000	Share Premium £'000	Special Reserve £'000	Capital Redemption Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 1 June 2019	1,128	203,485	33,687	45	689,137	927,482
Net return after taxation	–	–	–	–	32,239	32,239
Ordinary share issue	1	648	–	–	–	649
Dividends declared	–	–	–	–	(6,208)	(6,208)
Balance at 30 November 2019	**1,129**	**204,133**	**33,687**	**45**	**715,168**	**954,162**

CASH FLOW STATEMENT

	Six months ended 30 November 2020 (unaudited) £'000	Six months ended 30 November 2019 (unaudited) £'000
Cash flows from operating activities		
Investment income received (gross)	6,121	9,197
Deposit interest received	1	1
Investment management fee paid	(3,952)	(3,879)
Investment performance fee paid	–	(7,185)
Other cash expenses	(333)	(563)
Net cash inflow/(outflow) from operating activities before taxation and interest	**1,837**	**(2,429)**
Interest paid	(171)	(609)
Taxation	(62)	(52)
Net cash inflow/(outflow) from operating activities	**1,604**	**(3,090)**
Cash flows from investing activities		
Purchases of investments	(143,294)	(76,017)
Sales of investments	139,275	56,921
Net cash outflow from investing activities	**(4,019)**	**(19,096)**
Cash flows from financing activities		
Ordinary shares issued	–	649
Repurchase of ordinary shares into treasury	(18,386)	–
Equity dividends paid	(3,890)	–
Repayment of loan	(30,000)	–
Drawdown of loan	40,000	10,000
Net cash (outflow)/inflow from financing activities	**(12,276)**	**10,649**
Decrease in cash	**(14,691)**	**(11,537)**
Cash and cash equivalents at start of period	25,503	16,526
Realised gain/(loss) on foreign currency	191	(36)
Cash and cash equivalents at end of period	**11,003**	**4,953**

The Notes on pages1 6 to 20 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The accounts comprise the unaudited financial results of the Company for the period to 30 November 2020. 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.

The accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), which comprise standards and interpretations approved by the International Accounting Standards Board (IASB) and International Accounting Standards Committee (IASC), as adopted by the European Union (EU). Where presentational guidance set out in the Statement of Recommended Practice (SORP) for Investment Trusts issued by the Association of Investment Companies (AIC) in November 2014 (as amended in February 2018 and again in October 2019) is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP. The accounts have also been prepared in accordance with the Disclosure and Transparency Rules issued by the Financial Conduct Authority (FCA).

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

(a) Income
Ordinary dividends from investments are recognised when the investment is quoted ex-dividend on or before the date of the Balance Sheet.

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 alongside the statement. 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 4. All other operational costs including administration expenses and finance costs (but with the exception of any investment performance fees which are charged to capital) 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, and are initially measured at cost, being the consideration given.

The investments are designated as fair value through profit or loss on initial recognition as this is consistent with the Company's documented investment strategy.

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. (Losses)/gains on investments

	Six months to 30 November 2020 £'000	Six months to 30 November 2019 £'000
Net gain realised on sale of investments	31,316	19,691
Movement in unrealised (losses)/gains	(74,754)	10,608
(Losses)/Gains on investments	**(43,438)**	**30,299**

3. Return/(loss) per ordinary share

	Six months to 30 November 2020 £'000	Six months to 30 November 2019 £'000
Net revenue profit	1,038	1,976
Net capital (loss)/profit	(43,247)	30,263
Net total (loss)/profit	**(42,209)**	**32,239**
Weighted average number of ordinary shares in issue during the period	112,123,108	112,865,905
Revenue return per ordinary share (p)	0.93	1.75
Capital (loss)/return per ordinary share (p)	(38.57)	26.81
Total (loss)/return per ordinary share (p)	**(37.64)**	**28.56**

4. Retained earnings

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

	Revenue* £'000	Capital £'000	Total £'000
At 1 June 2020	11,866	672,057	683,923
Net return for the period	1,038	(43,247)	(42,209)
Repurchase of ordinary shares into treasury	–	(20,799)	(20,799)
Dividends declared	(3,890)	–	(3,890)
At 30 November 2020	**9,014**	**608,011**	**617,025**

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

5. Net asset value per ordinary share

The NAV per ordinary share is based on the net assets attributable to the ordinary shareholders of £856,019,000 (31 May 2020: £922,917,000) and on 109,866,340 (31 May 2020: 112,864,311) ordinary shares, being the number of ordinary shares in issue at the period end.

6. 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 2020 and 30 November 2019 has not been audited. The information for the year ended 31 May 2020 has been extracted from the latest published audited financial statements. The audited financial statements for the year ended 31 May 2020 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

7. 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 fair value hierarchy for investments held at fair value at the period end is as follows:

	30 November 2020				31 May 2020			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	874,159	–	–	874,159	913,329	–	–	913,329

8. Principal risk profile

The principal risks which the Company faces include exposure to:

(i) market price risk, including currency risk, interest rate risk and other price risk;

(ii) liquidity risk; and

(iii) credit and counterparty risk.

Market price risk – is the risk that the fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk.

Liquidity risk – This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Credit and counterparty risk – This is the exposure to loss from the failure of a counterparty to deliver securities or cash for acquisitions or to repay deposits.

Further details of the Company's management of these risks can be found in Note 19 of the Company's Annual Report and Accounts for the year ended 31 May 2020.

There have been no changes to the management of or the exposure to these risks since that date.

9. Related parties

With effect from 16 November 2020 the Company appointed FundRock Partners Limited as its Alternative Investment Fund Manager ('AIFM') in place of Fundrock Management Company SA, a company within the same group. Devon Equity Management Limited ('Devon') has been appointed as delegated Investment Manager for the Company by the AIFM since 15 November 2019.

Devon and FundRock are paid aggregate management fees of 0.90% per annum of net assets (i.e. excluding drawn down borrowings under the Company's loan facilities) up to £1 billion and 0.80% per annum on any net assets over this amount (with FundRock's fee deducted from the fee payable to Devon). No performance fee is payable to either Devon or FundRock.

The fee payable to Devon for the period from 1 June 2020 to 30 November 2020 was £3,836,000 with £1,915,000 outstanding at period end. There was an under accrual of management fees of £35,000 that relates to the prior year end.

Devon Equity Management Limited is the Investment Manager with secretarial and fund administration services delegated to J.P. Morgan Europe Limited. In line with good governance practice and fostered by the independence between key suppliers, the Company has put safeguards in place to ensure effective shareholder communication and engagement.

CALCULATION OF ALTERNATIVE PERFORMANCE MEASURES

The Company uses the following Alternative Performance Measures ("APMs"). APMs do not have a standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other entities. No APMs have been identified or added since the prior year end.

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. This usually indicates that there are more sellers of shares than buyers. 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 2020 pence	31 May 2020 pence
Net Asset Value per share	(a)	779.2	817.7
Share price	(b)	727.0	753.0
(Discount) or Premium (c = (b-a)/a)	**(c)**	**(6.7%)**	**(7.9%)**

Gearing – this is the ratio of the borrowings of the Company to its net assets. 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 Company's maximum permitted level of gearing is set by the Board and is described within the Strategic Report and Directors' Report in the Annual Report & Accounts for the year ended 31 May 2020.

		30 Nov 2020 £'000	31 May 2020 £'000
Loan		25,000	15,000
Less Cash and cash equivalents**		(5,424)	(25,503)
Total	(a)	19,576	(10,503)
Net Asset Value	(b)	856,019	922,917
Gearing (c = a/b)	**(c)**	**2.3%**	**0%***

* Net gearing at 31 May 2020 was 0% given the positive net cash position of the Company. Gross gearing at 30 November 2020 was 2.9% (31 May 2020: 1.6%).

** includes unsettled transactions at 30 November 2020 of £5,579,000.

CALCULATION OF ALTERNATIVE PERFORMANCE MEASURES continued

Total Return – 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.

	2020	
	Net asset value	Share price
NAV/Share Price per share at 31 May 2020 (pence)	817.7	753.0
NAV/Share Price per share at 30 Nov 2020 (pence)	779.2	727.0
Change in the period	-4.7%	-3.5%
Impact of dividend reinvestments	0.4%	0.5%
Total return for the period	**-4.3%**	**-3.0%**

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, including portfolio and risk management services. The Company has appointed FundRock Partners Limited as its AIFM.

Alternative Investment Fund Managers Directive – a European Union Directive to provide a harmonised framework for monitoring and supervising risks posed by AIFMs and the AIFs they manage, and for strengthening the internal market in alternative funds.

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.' The Company uses the following Alternative Performance Measures which are all defined in this Glossary of Terms and their calculations detailed on pages 21 and 22: Discount/Premium; net asset value; Ongoing Charges and Total Return.

Benchmark – The Company's primary Benchmark Index, against which its performance is measured, is MSCI Europe Total Return Index in GBP. It also compares performance against the MSCI Europe ex-UK Total Return Index in GBP.

Discount* – The amount, expressed as a percentage, by which the share price is less than the net asset value per share.

Discount management – Discount management is the process of the buyback or issuance of the Company's own shares by the Company, to and from its own holding or into 'treasury' with the intention of managing any imbalance between supply and demand for the Company's shares and thereby the market price. The aim is to ensure that, in normal market conditions, the market price of the Company's shares will not materially vary from its net asset value per share. 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 shareholders funds.

Middle market price – The mid-market price is the mid-point between the buy and the sell prices.

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.

Net asset value total return* – The net asset value return with dividends added back on their ex-dividend date.

Premium* – The amount, expressed as a percentage, by which the share price is more than the net asset value per share.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES continued

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 or loss, excluding any revenue return; and
- **Total return** reflects the aggregate of revenue and capital returns.

Share price total return* – The share price return with dividends added back on their payment date.

Shareholders' funds – Shareholders' funds are also described as "net asset value" and represent the total value of the Company's assets less the total value of its liabilities.

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.

INVESTMENT POLICY AND RESTRICTIONS

Investment policy

The Company will, at all times, invest and manage its assets, with the objective of spreading risk and in accordance with the following restrictions:

Investment restrictions

Notwithstanding the broad powers of investment available to the Company as a closed-ended fund, the Board has adopted the following investment restrictions:

- no single holding shall constitute more than 10% of the Company's total assets (calculated at the time of investment). The Board will pay particular attention to holdings which grow to represent more than 10% of total assets;
- the Company will not invest in unlisted securities;
- the Company will not invest in derivative instruments, whether for efficient portfolio management, gearing or investment purposes;
- the Company will not invest in other listed closed-ended investment funds;
- the Company shall not take legal or management control over any investments in its portfolio; and
- not more than 50% of the Company's investments may be in securities which are not qualifying securities or government securities for the purposes of the UK ISA Regulations.

Any material change in the investment policy of the Company described above may only be made with the approval of shareholders by an ordinary resolution.

Borrowing limits

The Board considers that long-term capital growth can be enhanced by the use of gearing through bank borrowings. The Board considers that the Company's level of gearing should be maintained at appropriate levels, with sufficient flexibility to enable the Company to adapt at short notice to changes in market conditions.

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).

INVESTMENT POLICY AND RESTRICTIONS continued

Investment approach

The Investment Manager adopts a stock picking approach in the belief that a thorough analysis and understanding of a company is the best way to identify long-term superior growth prospects. This understanding begins with identifying those companies where the ownership structure and incumbent management are conducive to the realisation of the aim of achieving superior long-term earnings growth.

The Investment Manager will seek to identify companies which enjoy certain key business characteristics including some or all of the following:

- a strong management record and team, and the confidence that the Investment Manager has in that management's ability to explain and account for its actions;
- proprietary technology and other factors which indicate a sustainable competitive advantage;
- a reasonable expectation that demand for their products or services will enjoy long-term growth; and
- an understanding that structural changes are likely to benefit rather than negatively impact that company's prospects.

In analysing potential investments, the Investment Manager will employ differing valuation techniques depending on their relevance to the business characteristics of a particular company. However, the underlying feature will be the sustainability and growth of free cashflow in the long-term.

Portfolio risk

Portfolio risk is mitigated by investment in a diversified spread of investments. The Investment Manager is not constrained by benchmark weightings, sector, geographical location within Europe or market capitalisation or size of investee companies.

Benchmark indices

- Primary benchmark index: **MSCI Europe Index in GBP** (MXEU)
- Secondary benchmark index: **MSCI Europe ex-UK Index in GBP** (MXEUG)

INVESTMENT POLICY AND RESTRICTIONS continued

Environmental, Social and Governance ("ESG") matters

Although the Company does not have specific ESG or sustainability objectives and does not require its Investment Manager, Devon, to employ negative screens, the Board shares Devon's belief that ESG factors are an important and value-adding component of company research. Devon incorporates ESG factors into its investment decisions on behalf of the Company and it views ESG as a material input to its fundamental evaluation of securities. The Board and Devon both believe that companies with good practices are better placed to achieve good investment outcomes for investors over the longer term.

Whilst ESG issues, such as strong governance, form an integral part of the wider investment process, Devon does not consider sustainability risks explicitly. Consequently, Devon does not promote the Company as an ESG product for the purposes of the EU Sustainable Finance Disclosure Regulation ("SFDR").

Devon's investment decisions for the Company are primarily driven by business and financial considerations. They are looking for companies with distinctive characteristics which they expect to yield substantial benefits to shareholders over the long term. As such, they recognise that political, environmental, and social issues are likely to have a material impact on future financial performance.

Given Devon's lengthy holding periods for investee companies, sustainability of growth is a critical consideration in assessing prospective investments. Companies which depend on unsustainable business practices are unlikely to meet the threshold required for investment. For example, Devon places great emphasis on corporate culture and the integrity of management (and undertakes extensive research in this area prior to any investment).

Devon believes that a strong corporate culture demands a high level of employee satisfaction and is unlikely to tolerate exploitative labour, uneconomic wages, negligent or dangerous business practices. Similarly, Devon believes that the end consumer of goods or services to be a powerful arbiter. If a company compromises on raw material quality, abuses its supply chain, or underinvests in its workforce, then its product and/or service quality is likely to suffer. This, in turn, would have the effect of turning consumers away from its products or services, damaging its brand, and lowering future growth prospects. Such considerations are central to Devon's investment process.

Devon recognises that certain industries and countries with weak environmental or governance structures present additional business risks for prospective investee companies. As part of its diligence process it will become aware of where and how such risks exist. However, provided that all applicable laws and regulations are applied and adhered to, Devon defers to the judgement of management teams as to the appropriateness of operating in any such industry or jurisdiction. If such activities change Devon's risk perception of an industry or company, they may preclude an investment.

Devon is a signatory to the Principles for Responsible Investment ("PRI") and intends to become a signatory to the UK Stewardship Code in 2021. The Stewardship Code's principles of management and emphasis on active engagement are closely aligned with Devon's investment philosophy. Devon's concentrated, long term approach affords significant scope to engage with investee management teams on issues relating to culture, governance, and enduring sustainability. It is Devon's belief that these core characteristics of its investment approach are the most effective way for the Devon to uphold high standards of governance.

COMPANY INFORMATION

Directors	Andrew Sutch (Chairman) Philip Best Sharon Brown Virginia Holmes The Rt Hon Lord Lamont of Lerwick John Wallinger (Retired 16 November 2020)
Registered office	123 Victoria Street, London SW1E 6DE www.europeanopportunitiestrust.com www.devonem.com Telephone: 0203 985 0445 Email: enquiries@devonem.com
AIFM	FundRock Partners Limited 52-54 Gracechurch Street London EC3V 0EH Authorised and regulated by the Financial Conduct Authority
Investment Manager & Secretary	Devon Equity Management Limited 123 Victoria Street London SW1E 6DE Authorised and regulated by the Financial Conduct Authority
Custodian	J.P. Morgan Chase Bank N.A. 25 Bank Street Canary Wharf London E14 5JP Authorised and regulated by the Financial Conduct Authority
Depositary	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	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU **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.linkassetservices.com Email: enquiries@linkgroup.co.uk

COMPANY INFORMATION continued

Independent Auditors	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT
Broker	Cenkos Securities plc 6-8 Tokenhouse Yard London EC2R 7AS Authorised and regulated by the Financial Conduct Authority
Company information	Registered at Companies House in England & Wales with number 4056870 An investment company under s.833 of the Companies Act 2006 **LEI:** 549300XN7RXQWHN18849 **FATCA GIIN:** G0YWMG.99999.SL.826 **Sedol:** 0019772 **ISIN:** GB0000197722 **Ticker:** JEO.LN

The Company is a member of The Association of Investment Companies ("AIC") from whom general information on investment trusts can be obtained by telephoning 020 7282 5555 or by email to enquiries@theaic.co.uk.

FURTHER INFORMATION

Dividend reinvestment plan and managing your account online

Shareholders may elect for the Company's registrar, Link Asset Services, to reinvest dividends automatically on their behalf. The reinvestment plan terms and conditions are available upon request from the helpline, by email to shares@linkgroup.co.uk, or through www.signalshares.com. The helpline number is 0371 664 0300, or from overseas +44 (0) 371 664 0300. Calls to this number are charged at the standard geographical rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. Lines are open from 09.00am-5.30pm Monday to Friday.

Signal shares is an online portal enabling you to manage your shareholding online. If you are a direct investor you can view your shareholding, change the way the registrar communicates with you, register the way you wish to receive your dividends, and buy and sell shares. If you have not used this service before, all you need to do is enter the name of the Company and register your account. You will need your investor code (IVC) printed on your share certificate in order to register.

PRIIPs key information document

We are required by the Packaged Retail and Insurance-based Investment Products ("PRIIPs") regulations introduced at the beginning of 2018 to provide investors with a key information document ("KID") which includes performance projections which are the product of prescribed calculations based on the Company's past performance. Whilst the content and format of the KID cannot be amended under the applicable EU regulations, the Board does not believe that these projections are an appropriate or helpful way to assess the Company's future prospects.

Accordingly, the Board urges shareholders also to consider the more complete information set out in the accounts, together with the monthly fact sheets and daily net asset value announcements, when considering an investment in the Company's shares.

ISA qualification

The Company currently manages its affairs so as to be a qualifying investment trust under the Individual Saving Account (ISA) rules. As a result, under current UK legislation, the ordinary shares qualify for investment via the stocks and shares component of an ISA up to the full annual subscription limit, currently £20,000 (2020/21) in each tax year. It is the present intention that the Company will conduct its affairs so as to continue to qualify for ISA products.

Retail distribution of non-mainstream Products

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the Financial Conduct Authority ('FCA') rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

FURTHER INFORMATION continued

UK General Data Protection Regulation

We have updated our privacy notice to align with the UK General Data Protection Regulation (UK GDPR) to which we are subject. Data protection and the security of your information always has been, and remains, of paramount importance to us.

Any information concerning shareholders and other related natural persons (together the data subjects) provided to, or collected by or on behalf of, Devon Equity Management Limited and/or European Opportunities Trust PLC (the Controllers) (directly from data subjects or from publicly available sources) may be processed by the controllers as joint controllers, in compliance with the GDPR.

You are not required to take any action in respect of this notice, but we encourage you to read our privacy notice. Our privacy notice can be found on our website www.europeanopportunitiestrust.com. In the event that you hold your shares as a nominee, we request that you promptly pass on the details of where to find our privacy notice to the underlying investors and/or the beneficial owners.

Common Reporting Standard

With effect from 1 January 2016, The Organisation for Economic Cooperation and Development ('OECD') introduced Regulations for Automatic Exchange of Financial Account Information (the Common Reporting Standard, 'CRS'). HMRC enacted the CRS in the UK through The International Tax Compliance Regulations 2015.

These Regulations require all financial institutions to share certain information on overseas shareholders with HMRC; this scope includes an obligation for investment trust companies which had previously had no such reportable accounts under the UK FATCA regulations. Accordingly, the Company is required to provide information to HMRC on the tax residencies of a few non-UK based certificated shareholders and corporate entities on an annual basis. HMRC will in turn exchange this information with tax authorities in the country in which the shareholder may be resident for taxation purposes. HMRC has advised that the Company will not be required to provide such information on uncertificated holdings held through CREST. The Company has engaged Link Asset Services to provide such information on certificated holdings to HMRC, the deadline being 31 May annually.

MSCI data

This document contains information based on the MSCI Europe and the MSCI Europe ex-UK Indices. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

FURTHER INFORMATION continued

Important Risk Warning

In recent years investment related scams have become increasingly sophisticated and difficult to spot. We are therefore warning all our shareholders to be cautious so that they can protect themselves and spot the warning signs. Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they are only making the offer available to you
- ask you to not tell anyone else about it.

If you have been offered an investment out of the blue, the chances are it's a high risk investment or a scam.

Checking the FCA Warning List

Use the FCA Warning List to check the risks of a potential investment. You can also search to see if the firm is known to be operating without proper FCA authorisation.

Getting impartial advice

Before investing get impartial advice and don't use an adviser from the firm that contacted you.

If you are suspicious, report it; You can report the firm or scam to the FCA by contacting their Consumer Helpline on 0800 111 6768 or using their online reporting form.

If you have lost money in a scam, contact Action Fraud on 0300 123 2040 or www.actionfraud.police.uk.

For further helpful information about investment scams and how to avoid them please visit www.fca.org.uk/scamsmart.

Further Information

Visit www.europeanopportunitiestrust.com for factsheets containing key information about performance, portfolio and pricing, the most recent annual and half-yearly reports and accounts and investor insights from Devon.

For investors who do not have access to the internet, documents are also available on request from the Devon Team on 0203 985 0445.

Should you wish to be added to an email distribution list for future editions of the monthly factsheet, please send an email to enquiries@devonem.com. Further information about the Company is also available from third party websites such as www.morningstar.co.uk and www.theaic.co.uk.