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Cashflow Solution

September 2025 review

Liontrust GF European Smaller Companies Fund

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- European equity markets performed strongly in September, led by technology stocks on AI enthusiasm and strong corporate earnings.
- Swedish home improvement chain and mail-order Clas Ohlson was the top performer after reporting strong fiscal first-quarter results, while Avon Technologies rose following a ratings upgrade.
- Despite reporting strong results, Playtech's shares fell, likely pressured by growing political momentum for higher gambling taxes in the UK ahead.

The Fund's A3 share class returned 1.8%* in euro terms in September. This Fund's target benchmark, the MSCI Europe Small Cap Index, returned 0.4%.

Global equity markets experienced gains in September, with major benchmarks advancing on the back of technology sector strength and supportive central bank policy. The Federal Reserve reduced interest rates by 25 basis points to 4%-4.25%, with officials indicating two further cuts before year-end, providing a tailwind for US equities.

European equity markets registered robust performance against a backdrop of improving economic conditions, with the European Central Bank raising its full-year growth projections to 1.2%.

The top-performing sector for the month was information technology (+11.4%), reflecting continued investor enthusiasm for AI-related growth opportunities and solid corporate earnings from major technology stocks. This was followed by industrials (+3.9%) and consumer discretionary (+3.5%). On the weaker end, consumer staples (-3.8%), energy (-2.5%), and communication services (-2.0%) saw declines.

In terms of Fund performance, Swedish home improvement chain and mail-order **Clas Ohlson** (+12%) was a top contributor after reporting fiscal first-quarter results that exceeded analyst expectations. For the period covering May to July, the company posted earnings before interest and taxes of SEK 278 million, a 37% year-over-year increase, surpassing consensus estimates. The earnings beat was largely driven by stronger gross margins, with expired currency hedging in Norwegian krone during the quarter also contributing positively to performance

Avon Technologies' (+11%) shares rose after an analyst upgraded the military protection equipment manufacturer, citing strong growth prospects. The analyst highlighted that momentum remains decisively positive, with substantial potential for both revenue and profit expansion. They also noted the company's solid market positions and emphasised that each operational improvement initiative continues to uncover additional opportunities for further growth.

Shares in **Playtech** (-11%) initially rose after the gambling technology company reported first-half earnings ahead of expectations and reiterated its medium-term financial targets, despite revenue falling 10% year-on-year to €387 million. The company indicated a solid start to the second half and projected full-year 2025 EBITDA ahead of market forecasts. However, the shares subsequently retreated to close the month as one of the Fund's larger detractors, likely pressured by growing political support for increased gambling taxes in the UK ahead of the November Budget.

Positive contributors to performance included:

Clas Ohlson (+12%). Avon Technologies (+11%) and Balfour Beatty (+8.2%)

Negative contributors to performance included:

Playtech (-11%), Burkhalter Holding (-7.2%) and Games Workshop (-7.2%)

Discrete years' performance (%) to previous quarter-end:

	Sep-25	Sep-24	Sep-23	Sep-22	Sep-21
Liontrust GF European Smaller Companies A3 Acc EUR	8.2%	21.1%	14.2%	-20.7%	59.1%
MSCI Europe Small Cap	8.4%	20.3%	14.0%	-26.9%	38.0%

	Sep-20	Sep-19	Sep-18
Liontrust GF European Smaller Companies A3 Acc EUR	-1.9%	-6.7%	2.0%
MSCI Europe Small Cap	0.2%	-1.8%	3.4%

*Source: Financial Express, as at 30.09.25, total return (net of fees and income reinvested).

**Source: Financial Express, as at 30.09.25, total return (net of fees and income reinvested). Discrete data is not available for ten full 12-month periods due to the launch date of the portfolio (01.02.17). Investment decisions should not be based on short-term performance.

Key Features of the Liontrust GF European Smaller Companies Fund

Investment objective & policy[1]	The investment objective of the Fund is to achieve long term capital growth by investing primarily in European smaller companies. The Fund may invest in all economic sectors in all parts of the world, although it is intended it will invest primarily in equities and equity related derivatives (i.e. total return swaps, futures and embedded derivatives) in European companies (including the UK and Switzerland). The majority of the assets of the Fund (more than 85%) are expected to be invested in smaller companies (with a market

	capitalisation of less than 5 billion euros at the time of the initial investment). In normal conditions, the Fund will aim to hold a diversified portfolio, although at times the Investment Adviser may decide to hold a more concentrated portfolio, and it is possible that a substantial portion of the Fund could be invested in cash or cash equivalents. The Fund may use FX forwards to hedge the Fund's currency exposures. The Fund has both Hedged and Unhedged share classes available. The Hedged share classes use forward foreign exchange contracts to protect returns in the base currency of the Fund.
Recommended investment horizon	5 years or more
Risk profile (SRRI)[2]	6
Active/passive investment style	Active
Benchmark	The Fund is considered to be actively managed in reference to MSCI Europe Small -Cap Index net total return (the "Benchmark") by virtue of the fact that it seeks to outperform the Benchmark. However the Benchmark is not used to define the portfolio composition of the Fund and the Fund may be wholly invested in securities which are not constituents of the Benchmark.

Notes: 1. As specified in the PRIIP KID of the fund; 2. SRI = Summary Risk Indicator. Please refer to the PRIIP KID for further detail on how this is calculated.

For a comprehensive list of common financial words and terms, see our glossary at:

https://www.liontrust.com/glossary.

Key Risks

Past performance does not predict future returns. You may get back less than you originally invested. We recommend this fund is held long term (minimum period of 5 years). We recommend that you hold this fund as part of a diversified portfolio of investments.

Overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.

The Fund may, under certain circumstances, invest in derivatives, but it is not intended that their use will materially affect volatility. Derivatives are used to protect against currencies, credit and interest rate moves or for investment purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The use of derivatives may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Fund volatility in both up and down markets by hedging against the general market.

The Fund may encounter liquidity constraints from time to time. The spread between the price you buy and sell shares will reflect the less liquid nature of the underlying holdings.

The Fund uses derivative instruments that may result in higher cash levels. Outside of normal conditions, the Fund may choose to hold higher levels of cash. Cash may be deposited with several credit counterparties (e.g. international banks) or in short dated bonds. A credit risk arises should one or more of these counterparties be unable to return the deposited cash.

There is no guarantee that a positive absolute return will be generated over any time period.

The issue of units/shares in Liontrust Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

Disclaimer