

NOTICE OF PASSING OF RESOLUTION

OF

MONTANARO EUROPEAN SMALLER COMPANIES TRUST PLC

(Registered Number SC074677)

(the "Company")

Notice is hereby given that at the General Meeting of the Company, duly convened and held at the offices of Montanaro Asset Management Limited, 53 Threadneedle Street, London EC2R 8AR on 22 February 2022 at 9.30 a.m., the following resolutions were passed:

ORDINARY RESOLUTION

1. THAT, in addition to all existing authority, the directors be generally and unconditionally authorised, pursuant to section 551 of the Companies Act 2006 (the "**Act**"), to exercise all powers of the Company to allot relevant securities (within the meaning of section 551 of the Act) up to a maximum aggregate nominal value of £942,513 (being 18,850,260 ordinary shares of 5 pence each) which equates to approximately 10 per cent. of the total ordinary share capital of the Company in issue as at 26 January 2022 (the latest practicable date prior to the date of the notice convening the meeting at which this resolution is proposed) provided that such authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2022, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Board may allot relevant securities pursuant to such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTIONS

2. THAT, subject to the passing of resolution 1 above, in addition to all existing authority, the directors of the Company be and are hereby generally empowered, pursuant to sections 570 and 573 of the Companies Act 2006 (the "**Act**") to allot equity securities (within the meaning of section 560 of the Act) pursuant to any authority for the time being in force under section 551 of the Act and to sell shares held by the Company in treasury, wholly for cash, as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power:
 - (i) shall be limited to the allotment of equity securities and the sale of treasury shares for cash up to an aggregate nominal amount of £942,513 (being 18,850,260 ordinary shares of 5 pence each) which equates to approximately 10 per cent. of the total ordinary share capital of the Company in issue as at 26 January 2022 (the latest practicable date prior to the date of the notice convening the meeting at which this resolution is proposed); and
 - (ii) expires on the conclusion of the annual general meeting of the Company to be held in

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2022, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

3. THAT, in addition to any existing authority, the directors of the Company be and are hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the "Act") to make one or more market purchases (as defined in section 693(4) of the Act) of ordinary shares of 5 pence each in the capital of the Company ("Ordinary Shares") on such terms and in such manner as they may determine provided that:

- (i) the maximum aggregate number of Ordinary Shares which may be purchased is 28,256,539 (or if less, 14.99 per cent. of the number of Ordinary Shares in issue (excluding treasury shares) immediately prior to the passing of this resolution);
- (ii) the minimum price which may be paid for an Ordinary Share is 5 pence (exclusive of associated expenses);
- (iii) the maximum price which may be paid for an Ordinary Share (exclusive of associated expenses) is the higher of: (a) 105 per cent of the average of the market value of an Ordinary Share for the five business days immediately preceding the day on which the Ordinary Share is purchased; and (b) the value of an Ordinary Share calculated on the basis of the higher price quoted for (i) the last independent trade of; and (ii) the highest current independent bid for any number of Ordinary Shares on the trading venue where the purchase is carried out; and
- (iv) unless previously renewed, varied or revoked, this authority shall expire at the conclusion of the annual general meeting of the Company to be held in 2022 save that the Company may before such expiry enter into a contract to purchase Ordinary Shares which will or may be completed wholly or partly after such expiry and a purchase of Ordinary Shares may be made pursuant to any such contract.
- (v) the minimum price which may be paid for an Ordinary Share is 5 pence (exclusive of associated expenses);
- (vi) the maximum price which may be paid for an Ordinary Share (exclusive of associated expenses) is the higher of: (a) 105 per cent of the average of the market value of an Ordinary Share for the five business days immediately preceding the day on which the Ordinary Share is purchased; and (b) the value of an Ordinary Share calculated on the basis of the higher price quoted for (i) the last independent trade of; and (ii) the highest current independent bid for any number of Ordinary Shares on the trading venue where the purchase is carried out; and

4. THAT, a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.