

# Portfolio Update

The information contained in this release was correct as at **28 February 2026**. Information on the Company's up to date net asset values can be found on the London Stock Exchange Website at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

## **BLACKROCK SMALLER COMPANIES TRUST PLC (LEI:549300MS535KC2WH4082)**

All information is at **28 February 2026** and unaudited.

**Performance at month end is calculated on a Total Return basis based on NAV per share with debt at fair value**

	<b>One month</b>	<b>Three months</b>	<b>One year</b>	<b>Three years</b>	<b>Five years</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Net asset value	-0.1	6.5	11.2	7.2	0.5
Share price	2.2	7.7	14.2	11.7	-5.2
Benchmark*	0.8	7.2	21.5	21.5	14.0

Sources: BlackRock and Deutsche Numis

\*With effect from 15 January 2024 the Numis Smaller Companies plus AIM (excluding Investment Companies) Index changed to Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies).

### **At month end**

Net asset value Capital only (debt at par value):	1,487.30p
Net asset value Capital only (debt at fair value):	1,549.67p
Net asset value incl. Income (debt at par value) <sup>1</sup> :	1,516.74p
Net asset value incl. Income (debt at fair value) <sup>1</sup> :	1,579.12p
Share price:	1,402.00p
Discount to Cum Income NAV (debt at par value):	7.6%
Discount to Cum Income NAV (debt at fair value):	11.2%
Net yield <sup>2</sup> :	3.2%
Gross assets <sup>3</sup> :	£673.4m
Gearing range as a % of net assets:	0-15%
Net gearing including income (debt at par):	5.7%
Ongoing charges ratio (actual) <sup>4</sup> :	0.8%
Ordinary shares in issue <sup>5</sup> :	39,812,792

1. Includes net revenue of 29.44p
2. Yield calculations are based on dividends announced in the last 12 months as at the date of release of this announcement and comprise the Final dividend of 28.50 pence per share (announced on 07 May 2025, ex-date on 15 May 2025, and paid on 26 June 2025) and Interim dividend of 16.00 pence per share (announced on 24 October 2025, ex-date on 06 November 2025, and pay date 10 December 2025).
3. Includes current year revenue.
4. The Company's ongoing charges are calculated as a percentage of average daily net assets and using the management fee and all other operating expenses excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation and certain non-recurring items for year ended 28 February 2025.
5. Excludes 10,180,731 ordinary shares held in treasury.

### **Sector Weightings**

	<b><u>% of portfolio</u></b>
Industrials	32.7
Financials	22.7
Consumer Discretionary	12.0
Basic Materials	9.1
Consumer Staples	8.1

Real Estate	5.3
Health Care	3.5
Communication Services	2.9
Technology	1.9
Energy	1.8
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Total	100.0
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<u>Country Weightings</u>	<u>% of portfolio</u>
United Kingdom	97.4
United States	2.6
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Total	100.0
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#### **Ten Largest Equity Investments**

<u>Company</u>	<u>% of portfolio</u>
Greencore Group Plc	2.8
Great Portland Estates	2.8
Serco Group	2.7
IntegraFin	2.6
XPS Pensions	2.6
Morgan Sindall	2.6
Boku	2.6
Tatton Asset Management	2.4
Helios Towers Plc	2.3
Sigmaroc Plc	2.2

#### **Commenting on the markets, Roland Arnold, representing the Investment Manager noted:**

During February the Company's NAV per share returned -0.1% to 1,579.12p on a total return basis, while our benchmark index, the Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies) Index, returned 0.8%.

Equity markets continued to grind higher, although leadership broadened meaningfully beneath the surface. Investors rotated away from more crowded AI and software names towards cyclical and value-oriented areas, as questions emerged around the near-term payback from elevated levels of AI investment. At the same time, macro conditions were influenced by policy uncertainty in the US, particularly around trade tariffs, and a late-month escalation in geopolitical tensions in the Middle East, which drove a modest shift in risk sentiment. UK equities advanced over the month, with the FTSE All Share Index rising 6.5%, supported by strength in more defensive large-cap areas. In contrast, UK small and mid-cap companies underperformed, delivering a small positive return, reflecting both style headwinds and continued outflows from the asset class.

At a sector level, financials were the largest detractor, reflecting macro volatility and increased concerns around credit risk. Holdings including XPS Pensions, IntegraFin and Tatton Asset Management all detracted despite an absence of company-specific news. Pollen Street Capital also underperformed, caught up in broader weakness across private credit and alternative asset managers. Elsewhere, Boku's share price declined, likely reflecting broader weakness across payments-related names linked to the ongoing rotation away from AI beneficiaries. We do not believe this reflects any change in the company's fundamentals, with its multi-jurisdictional payments network remaining a highly differentiated and difficult-to-replicate asset.

On the positive side, Ithaca Energy was a strong contributor, benefiting from higher oil prices following the escalation of tensions in the Middle East. The company also delivered a positive trading update, with production in line with upgraded guidance and further capacity growth expected into 2026. Pan African Resources also performed well, reporting strong interim results driven by higher gold production and elevated realised prices. Meanwhile, Senior, the aerospace and defence engineer, saw its share price rise following confirmation that it had received multiple takeover approaches, highlighting ongoing M&A (Mergers & Acquisitions) interest across the UK market.

The current backdrop remains uncertain, with geopolitical tensions, fiscal pressures and structural industry changes continuing to shape the investment environment. In the UK, recent policy decisions have increased the burden on businesses and may slow the pace at which interest rates can be reduced. This has contributed to sustained outflows from UK equities, with small and mid-cap companies particularly affected. However, history suggests that this part of the market has demonstrated resilience through previous periods of disruption, including the Global Financial Crisis, Brexit and the pandemic. We also note that elevated levels of M&A activity in the UK point to the attractiveness of valuations, with strategic and financial buyers recognising the opportunity. In our view, this reinforces the long-term investment case for UK smaller companies, even as near-term sentiment remains subdued.

We thank shareholders for your ongoing support.

27 March 2026

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