Portfolio Update

The information contained in this release was correct as at **31 July 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 **31 July 2026** and unaudited.

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

	One month %	Three months %	One year %	Three years %	Five years %
Net asset value	2.5	4.2	4.3	12.2	-18.5
Share price	2.7	6.3	5.7	15.8	-22.0
Benchmark*	4.3	5.8	9.8	27.5	2.2

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):	290.80p
Net asset value Capital only (debt at fair value):	302.31p
Net asset value incl. Income (debt at par value)[1]:	293.08p
Net asset value incl. Income (debt at fair value)[1]:	304.59p
Share price:	269.00p
Discount to Cum Income NAV (debt at par value):	8.22%
Discount to Cum Income NAV (debt at fair value):	11.68%
Net yield[2]:	4.1%
Gross assets[3]:	£783.6m
Gearing range as a % of net assets:	0-15%
Net gearing including income (debt at par):	10.8%
Ongoing charges ratio (actual)[4]:	0.8%
Ordinary shares in issue[5]:	243,628,950

1. Includes net revenue of 2.28p
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 5.70 pence per share (announced on 31 March 2026, ex-date on 09 April 2026, and pay date 08 May 2026) and Interim dividend of 3.20 pence per share (announced on 24 October 2025, ex-date on 06 November 2025, and pay date 10 December 2025)and Interim dividend of 2.225 pence per share (announced 21 July 2026, ex-date on 31 July 2026, and pay date 9 September 2026).
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 2026.
5. Excludes 55,063,655 ordinary shares held in treasury.

Sector Weightings	% of portfolio
Industrials	30.6
Financials	22.7

Consumer Discretionary	13.1
Consumer Staples	7.9
Basic Materials	7.6
Real Estate	5.7
Technology	5.3
Health Care	3.1
Communication Services	2.2
Energy	1.8
Total	100.0

Country Weightings	**% of portfolio**
United Kingdom	93.7
United States	6.3
Total	100.0

Ten Largest Equity Investments

Company	**% of portfolio**
Greencore Group Plc	3.5
Great Portland Estates	3.2
XPS Pensions	3.2
Tatton Asset Management	2.9
Morgan Sindall	2.7
IntegraFin	2.6
DiscoverIE	2.5
Young & Co's Brewery - A Shares	2.3
Sigmaroc Plc	2.1
AJ Bell	2.1

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

During July the Company’s NAV per share rose 2.5% to 304.59p on a total return basis, while our benchmark index, the Deutsche Numis Smaller Companies plus AIM (excluding Investment Companies) Index, returned 4.3%.

Global equity markets delivered mixed returns during July. Early in the month, escalating tensions in the Middle East drove oil prices sharply higher, briefly pushing Brent crude above US$100 per barrel and reigniting concerns around inflation and interest rates. As the month progressed, investor attention shifted towards a rotation away from some of the year's strongest-performing AI and semiconductor stocks, with elevated valuations prompting profit taking across parts of the technology sector.

Against this backdrop, UK equities outperformed many global developed markets. The UK market was supported by its relatively low exposure to large technology companies and greater weighting in areas such as financials, energy and other value-oriented sectors, which generally performed well over the period. Within the UK, small and mid-cap companies also outperformed their larger-cap peers, reflecting improving breadth across the market. M&A (Mergers & Acquisitions) activity remained a notable feature, with several companies attracting takeover interest during the month, highlighting the attractive valuations available across the UK market and the strategic value embedded within many listed businesses.

The Company trailed the benchmark rally during the month. **Boku** was the largest detractor. The company experienced several delays to contracts in the first half that they had expected to ramp through the year. These delays caused a revenue and profit downgrade for 2026. We do believe these are delays rather than lost revenue opportunity and that the Boku proposition in local payments remains highly differentiated (something evidenced by a recent partnership with Stripe). However, recognising some increasing risk to the position, we have subsequently reduced our holding. **Luceco** detracted during the month despite reporting a positive H1 trading update. Revenue increased 13% and adjusted operating profit grew 14%, supported by continued strength in the Energy Transition division. However, shares weakened as investors focused on regulatory changes to the Demand Flexibility market, which are expected to reduce recurring revenue per EV charger during the second half. This prompted some profit taking following the shares' strong performance earlier in the year. **Morgan Sindall** detracted despite reporting strong first-half results, with adjusted profit before tax increasing 21%, driven by continued strength in Fit Out and Construction. However, shares weakened as management maintained rather than upgraded full-year guidance, prompting some profit taking following a period of strong performance.

Greencore was the top contributor to relative returns following a strong third-quarter trading update. The company reported volume growth ahead of the wider market and strong underlying profit momentum, leading management to raise full-year adjusted operating profit guidance. The integration of Bakkavor is also progressing well, with cost synergies being delivered ahead of expectations. **Funding Circle** contributed positively following a strong first-half trading update. Revenue increased 50% to £138 million, while profit before tax rose to £23 million, supported by strong demand and continued growth across its Term Loans and FlexiPay businesses. The company remains on track to deliver full-year guidance, while strong cash generation and continued growth in assets under management provided further evidence of positive operational momentum. **discoverIE** contributed positively following a strong first-quarter trading update. Organic orders increased and sales grew, continuing the improving momentum seen towards the end of the last year, while recent acquisitions also performed well. Encouragingly, management indicated that full-year adjusted earnings were tracking ahead of expectations, supported by a strong order book and pipeline of design wins.

The outlook for the UK remains uncertain, with political volatility, fiscal pressures and the prospect of further inflationary measures continuing to weigh on sentiment. Flows into UK small and mid-cap equities remain weak, while relatively high interest rates continue to present a challenging backdrop. However, we believe the prevailing negativity towards the UK is increasingly political rather than economic, with underlying conditions more resilient than current sentiment would suggest. UK corporates and consumers remain relatively cash rich, providing scope for activity to recover quickly should confidence improve and capital begin to be deployed.

There are also some more encouraging signals. M&A activity remains elevated, highlighting the attractive valuations available across the UK market, while there are tentative signs of an industrial recovery, albeit uneven and partly driven by data centre and AI-related investment. Underlying earnings growth also remains reasonable across many companies.

Against this backdrop, we remain selective, focusing on businesses where valuations do not fully reflect their longer-term earnings potential, e.g. construction, engineering and property. While weak flows and political uncertainty may continue to influence markets in the near term, we believe the combination of attractive valuations, resilient earnings and continued corporate activity provides a supportive longer-term backdrop for UK smaller companies.

We thank shareholders for your ongoing support.

25 August 2026

ENDS

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