

The information contained in this release was correct as at **31 October 2024**. Information on the Company's up to date net asset values can be found on the London Stock Exchange Website at <https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

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

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All information is at **31 October 2024** and unaudited.

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

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	<b>One month %</b>	<b>Three months %</b>	<b>One year %</b>	<b>Three years %</b>	<b>Five years %</b>
Net asset value	-2.1	-7.7	18.8	-20.9	19.7
Share price	-3.2	-11.4	25.3	-22.6	9.9
Benchmark*	-2.1	-5.3	20.0	-15.2	18.5

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Sources:Â BlackRock and Deutsche Numis

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

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**At month end**

Net asset value Capital only (debt at par value):	1,497.86p
Net asset value Capital only (debt at fair value):	1,553.05p
Net asset value incl. Income (debt at par value) <sup>1</sup> :	1,516.72p
Net asset value incl. Income (debt at fair value) <sup>1</sup> :	1,571.90p
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):	10.8%
Net yield <sup>2</sup> :	3.0%
Gross assets <sup>3</sup> :	Â£783.9m
Gearing range as a % of net assets:	0-15%
Net gearing including income (debt at par):	12.5%
Ongoing charges ratio (actual) <sup>4</sup> :	0.7%
Ordinary shares in issue <sup>5</sup> :	47,099,792

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- Includes net revenue of 18.86p
- 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 27.00 pence per share (announced on 14 May 2024, ex-date on 23 May 2024, and paid 24 June 2024) and Interim dividend of 15.50 pence per share (announced on 25 October 2024, ex-date on 31 October 2024, and pay date 04 December 2024)
- Includes current year revenue.
- 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 29 February 2024.
- Excludes 2,893,731 ordinary shares held in treasury.

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<b>Sector Weightings</b>	<b>% of portfolio</b>
Industrials	29.3
Financials	22.4
Consumer Discretionary	15.3
Basic Materials	13.1
Technology	5.5
Real Estate	4.7
Consumer Staples	3.0
Telecommunications	2.4
Health Care	2.2
Communication Services	1.5
Energy	0.6
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Total	100.0
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<b>Country Weightings</b>	<b>% of portfolio</b>
United Kingdom	98.1
United States	1.9
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Total	100.0
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**Ten Largest Equity Investments**

<b>Company</b>	<b>% of portfolio</b>
Breedon	2.7
Hill & Smith	2.6
IntegraFin	2.6
Gamma Communications	2.4

XPS Pensions	2.4
Workspace Group	2.4
Bloomsbury Publishing	2.1
Chemring Group	2.1
Morgan Sindall	2.0
Tatton Asset Management	1.9

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

During October the Company's NAV per share returned -2.1% to 1,571.90p on a total return basis, while our benchmark index also returned -2.1%. For comparison the large cap FTSE 100 index fell by -1.4%.<sup>1</sup>

Equity markets globally ended October in negative territory, during a month that was filled with high profile political events both here and across the Atlantic, namely the US election and closer to home, the Chancellor's first budget. Specifically in the UK, the market reacted negatively to the scale of tax increases and borrowing announced by Chancellor Rachel Reeves, which saw Gilt yields rise while rate sensitive and domestic shares were the worst impacted areas of the market.

XPS Pensions Group was the largest contributor to performance over the month. The company reported a 23% year-on-year revenue growth in its post-close trading update for the six months ending September 2024. This increase in revenue was driven by heightened demand for their services, particularly in response to regulatory changes affecting pension schemes while administration services have also seen strong growth. Morgan Sindall's share price surged, with the company raising its profit forecast for the year, as a result of strong performance in its Fit-Out division, which focuses on office space design and refurbishment. Additionally, the firm reported a robust secured order book of £8.9 billion, providing strong visibility for future revenues and reinforcing investor confidence in the company's sustained business activity and financial health. Boku was another contributor. The company reported a 24% increase in revenues for the first half of 2024, reaching US 47.3 million, driven by rising transaction volumes and a more than 50% surge in digital wallet and Account to Account (A2A) revenues.

Concerns around the outlook for UK interest rates weighed on our holdings within the property sector, notably Great Portland and Workspace. Both businesses reported resilient trading updates during the month, with Great Portland highlighting lettings for the quarter running at 7% ahead of ERV (Estimated Rental Value), while Workspace reported continued pricing momentum, with LFL (Long Funding Lease) rent per square foot up 1.6% in the quarter and 2.8% in the first half of the year. Shares in Secure Trust Bank (STB) fell after unexpectedly being drawn into the vehicle financing issues following the unfavourable court ruling on other business in the industry. Post month end STB warned that profits for the full year would be between £10m and £15m below expectations due to the performance of its vehicle finance business.

Reflecting on October, I think it is fair to say that the budget was not the clearing event that we as a team had hoped for. However, while the impact on growth, debt, inflation and interest rates, is incrementally more negative in the near term, some of the potential benefits from investments could come through further out. Importantly, we do still believe that the Budget was an important milestone to get past in order for the UK SMID (small and mid-cap) market to make any progress. Certain announcements, notably national insurance, will put pressure on profit margins of many domestic businesses into next year and companies will have to adjust to the new cost base, hiring intentions may change and companies without pricing power are going to feel the squeeze.

We also continue to keep a close eye on inflation and UK unemployment, which as of now this remains low. Finally, and importantly, the valuation of UK SMID companies is attractive on a historic basis. As we move through this near-term noise, the opportunity presented by the UK Small and Mid-cap will present itself, and maybe we will finally see investors looking to allocate back to what has historically been an profitable asset class.

We thank shareholders for your ongoing support.

<sup>1</sup>Source: BlackRock as at 31 October 2024

3 December 2024

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Latest information is available by typing [www.blackrock.com/uk/brsc](http://www.blackrock.com/uk/brsc) on the internet, "BLRKINDEX" on Reuters, "BLRK" on Bloomberg or "8800" on Topic 3 (ICV terminal). Neither the contents of the Manager's website nor the contents of any website accessible from hyperlinks on the Manager's website (or any other website) is incorporated into, or forms part of, this announcement.