

The information contained in this release was correct as at **30 November 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>.

Â  
Â

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

Â

All information is at **30 November 2024** and unaudited.

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

Â

|                 | <b>One<br/>month<br/>%</b> | <b>Three<br/>months<br/>%</b> | <b>One<br/>year<br/>%</b> | <b>Three<br/>years<br/>%</b> | <b>Five<br/>years<br/>%</b> |
|-----------------|----------------------------|-------------------------------|---------------------------|------------------------------|-----------------------------|
| Net asset value | 0.4                        | -5.4                          | 14.1                      | -17.7                        | 13.8                        |
| Share price     | -2.4                       | -9.2                          | 7.7                       | -23.6                        | -0.8                        |
| Benchmark*      | 0.7                        | -3.5                          | 14.1                      | -11.5                        | 14.5                        |

Â

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).

Â

Â

**At month end**

|  |            |
|--|------------|
| Net asset value Capital only (debt at par value):                | 1,503.60p  |
| Net asset value Capital only (debt at fair value):               | 1,556.55p  |
| Net asset value incl. Income (debt at par value) <sup>1</sup> :  | 1,524.99p  |
| Net asset value incl. Income (debt at fair value) <sup>1</sup> : | 1,577.94p  |
| Share price:   | 1,368.00p  |
| Discount to Cum Income NAV (debt at par value):                  | 10.3%      |
| Discount to Cum Income NAV (debt at fair value):                 | 13.3%      |
| Net yield <sup>2</sup> :   | 3.1%       |
| Gross assets <sup>3</sup> :                                      | Â£787.6m   |
| Gearing range as a % of net assets:                              | 0-15%      |
| Net gearing including income (debt at par):                      | 11.6%      |
| Ongoing charges ratio (actual) <sup>4</sup> :                    | 0.7%       |
| Ordinary shares in issue <sup>5</sup> :                          | 47,084,792 |

Â

- Includes net revenue of 21.39p
- 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 paid on 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 2,908,731 ordinary shares held in treasury.

Â

| <b>Sector Weightings</b> | <b>% of portfolio</b> |
|--------------------------|-----------------------|
| Industrials              | 29.4                  |
| Financials               | 22.4                  |
| Consumer Discretionary   | 14.7                  |
| Basic Materials          | 12.9                  |
| Technology               | 6.0                   |
| Real Estate              | 4.4                   |
| Consumer Staples         | 3.4                   |
| Health Care              | 2.5                   |
| Telecommunications       | 2.3                   |
| Communication Services   | 1.4                   |
| Energy                   | 0.6                   |
| Â                        | -----                 |
| Total                    | 100.0                 |
| Â                        | =====                 |

| <b>Country Weightings</b> | <b>% of portfolio</b> |
|---------------------------|-----------------------|
| United Kingdom            | 98.1                  |
| United States             | 1.9                   |
| Â                         | -----                 |
| Total                     | 100.0                 |
| Â                         | =====                 |

Â

**Ten Largest Equity Investments**

| <b>Company</b>       | <b>% of portfolio</b> |
|----------------------|-----------------------|
| IntegraFin           | 2.8                   |
| Breedon              | 2.8                   |
| Hill & Smith         | 2.7                   |
| XPS Pensions         | 2.3                   |
| Gamma Communications | 2.3                   |

|                         |     |
|-------------------------|-----|
| Chemring Group          | 2.3 |
| Bloomsbury Publishing   | 2.1 |
| Workspace Group         | 2.1 |
| Tatton Asset Management | 2.0 |
| Morgan Sindall          | 1.9 |
| Â                       | Â   |

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

During November the Company's NAV per share returned 0.4% to 1,577.94p on a total return basis, while our benchmark index returned 0.7%. For comparison the large cap FTSE 100 Index rose by 2.6%.<sup>1</sup>

Equity markets around the world rose during November, as Donald Trump secured victory in the US presidential election. In the UK, the Bank of England reduced the base rate by 25bps, from 5% to 4.75% - a move widely anticipated by markets. Meanwhile, the UK's Consumer Prices Index revealed inflation rose to 2.3% in the 12-months to October, driven by a surge in gas and electricity prices. Andrew Bailey, the Governor of the Bank of England indicated that further rate cuts are likely to be gradual, in an effort to control inflation in the wake of increased National Insurance Contributions in the Autumn Budget announcement. Sterling weakened, which resulted in the FTSE 100 Index outperforming UK small and mid-caps due to the translational impact on profits for international earners, meanwhile M&A remained a theme as investors continued to find value in the "out of favour" UK market.

The largest contributor to performance was electronics components manufacturer, TT Electronics, which rose after receiving and rejecting two bids during the month. Post month end, main bidder Volex pulled out of its pursuit of TT given the valuation required to secure the deal. Avoiding shares in companies that fell significantly during the month was also beneficial to relative performance, notably John Wood Group and Pets at Home. IntegraFin, the operator of the UK's Transact investment platform, continued to rise following a solid Q4 trading update in October and benefitting from overall strength in financial markets.

The largest detractor in November was ingredients manufacturer Treat, frustratingly on no stock specific newsflow. Low-cost housebuilder, MJ Gleeson fell after reporting a "lack of conviction" in the housing market during the Autumn, which has impacted sales activity and therefore full-year results would be more second-half weighted than usual. The company also highlighted ongoing margin pressures as a result of the use of sales incentives and increased build costs, which gave investors cause for concern. Shares in Secure Trust Bank (STB) were also a top detractor. As mentioned in our October update, the company was unexpectedly drawn into the vehicle financing issues following the unfavourable court ruling on other business in the industry, and shortly after 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.

As previously discussed, 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 a profitable asset class.

We thank shareholders for your ongoing support and look forward to updating you in the New Year.

<sup>1</sup>Source: BlackRock as at 30 November 2024

23 December 2024

ENDS

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.