

**27 November 2018**

**British Smaller Companies VCT plc and British Smaller Companies VCT2 plc  
(together the "Companies")**

**Publication of Prospectus**

The Companies are pleased to announce that they have today launched a new share offer for the 2018/19 tax year to raise, in aggregate, up to £30 million, with an over-allotment facility of up to £5 million, in aggregate, by way of prospectus offers of new ordinary shares for subscription (the "Offers").

The Companies have issued a prospectus, which is comprised of a securities note, a registration document and a summary document, relating to the Offers (the "Prospectus"). The proceeds will be allocated between the Companies in accordance with the terms set out in the Prospectus.

The Offers open on 27 November 2018 and will close on 5 April 2019, or earlier if the Offers become fully subscribed. The Offers will be open to existing shareholders of the Companies as at 22 October 2018 until 4 January 2019 and, unless the Offers have been fully subscribed, the Offers will then also be available to new investors from 5 January 2019.

Pursuant to the Offers, YFM Private Equity Limited, the Companies' Investment Adviser, will receive a fee of 2.5 per cent (of the gross proceeds of the Offers) in respect of subscriptions received either direct or through an adviser and 4.5 per cent (of the gross proceeds of the Offers) for subscriptions received through an execution only platform or broker. This constitutes a related party transaction under Listing Rule 11.1.10R.

The Prospectus is available from the Company's website: [www.bscfunds.com](http://www.bscfunds.com) and will shortly be available for inspection at the National Storage Mechanism, which is located at:

<http://www.morningstar.co.uk/uk/NSM>

A hard copy of the application form and related notes will be posted to shareholders of the Companies.

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