

British Smaller Companies VCT plc

Interim Management Statement

For the quarter ended 31 December 2024

British Smaller Companies VCT plc (the “Company”) presents its interim management statement for the quarter ended 31 December 2024. The statement also includes relevant financial information between the end of the quarter and the date of this statement. A copy of this interim management statement can be found at www.bscfunds.com.

Overview

In the quarter to 31 December 2024 the Company’s Total Return per share rose by 1.7 pence, or 2.1 per cent of the opening NAV, prior to the payment of an interim dividend of 2.0 pence on 20 December 2024. At 31 December 2024 the NAV per ordinary share totalled 81.5 pence (adjusted to 80.25 pence per ordinary share following the payment of a 1.25 pence special dividend for the year ending 31 March 2025 on 27 January 2025).

The Company’s Total Return at 31 December 2024 was up 1.7 pence, to 264.4 pence per ordinary share.

During the quarter, the Company invested £0.5 million into existing portfolio companies Wooshii and Relative Insight. Subsequent to the quarter end, the Company invested £2.1 million into new investment Stormharvester, an AI analytics platform for wastewater utilities, and 4.2 million into portfolio companies DrDoctor and Vypr, taking the total amount invested so far this financial year to £27.2 million.

In October 2024 the Company sold its investment in Traveltek for £3.2 million. Total proceeds over the life of the investment are £4.3 million, a 2.5x return on the Company’s cost. There is the potential for further deferred proceeds in due course, with £0.7 million of deferred proceeds recognised at the period-end.

Subsequent to the year-end, in February 2025 the Company realised its investment in ACC Aviation, receiving £4.7 million in initial proceeds, with additional deferred consideration of £2.3 million anticipated to be received over the next two to four years. Including the deferred consideration, the ACC investment has generated an overall return of £12.3 million, a 5.9x return on the original cost of £2.1 million.

Performance

The table below sets out movements in key metrics for the Company.

	30 September 2024	<i>Increase in Value</i>	<i>Dividends paid</i>	<i>Issue/buy-back of shares</i>	Movement in period	31 December 2024
Net Assets (£m)	246.8	<i>5.2</i>	<i>(6.0)</i>	<i>(0.5)</i>	(1.3)	245.5
NAV per share (PPS)	81.8	<i>1.7</i>	<i>(2.0)</i>	-	(0.3)	81.5
Cumulative dividends paid (PPS)	180.9	-	<i>2.0</i>	-	2.0	182.9
Total Return (PPS)	262.7	<i>1.7</i>	-	-	1.7	264.4
Shares in issue	301,891,749	-	-	<i>(589,033)</i>	(589,033)	301,302,716

Cumulative dividends paid at 31 December 2024 were 182.9 pence per ordinary share (30 September 2024: 180.9 pence per ordinary share). Following the payment of the special dividend of 1.25 pence per ordinary share on 27 January 2025, cumulative dividends paid are now 184.15 pence per ordinary share.

The movements in NAV and NAV per ordinary share are set out in the table below:

	£m	Pence per ordinary share
NAV at 30 September 2024	246.8	81.8
Increase in portfolio value	5.1	1.7
Net operating income	0.1	-
	5.2	1.7
Issue/buy-back of shares	(0.5)	-
Total Return in the period	4.7	1.7
NAV before dividends	251.5	83.5
Dividends paid	(6.0)	(2.0)
NAV at 31 December 2024	245.5	81.5

Shares in issue

Under its standing buy-back authority, on 16 December 2024 the Company purchased 1,953,882 shares at 76.31 pence per share at a cost of £1.5 million. These shares are held in treasury.

On 20 December 2024 the Company issued 1,364,849 shares under the Company's Dividend Re-investment Scheme (DRIS).

On 27 January 2025 the Company issued 875,031 shares under the Company's DRIS.

On 30 January 2025 the Company issued 18,882,044 shares in relation to its 2024/25 fundraising, following which the Company's issued share capital consists of 321,059,791 ordinary shares with voting rights and 32,317,862 shares held in treasury.

Net assets

Net assets at 31 December 2024 comprised the following:

	£000	% of net assets
Unquoted investments at fair value	149,307	60.8
Cash and money market funds	92,928	37.8
Other net assets	3,314	1.4
Net assets	245,549	100.0

Investments

The investment portfolio at 31 December 2024 comprised:

	Valuation £000	Cumulative valuation as a % of net assets
Matillion	23,231	9.5
Unbiased	13,442	14.9
Xapient	7,698	18.1
Outpost	7,587	21.2
SharpCloud	7,183	24.1
Vypr	6,712	26.8
Force24	6,496	29.5
ACC Aviation	6,399	32.1
AutomatePro	6,379	34.7
Quality Clouds	6,177	37.2
	91,304	37.2
Other investments	58,003	60.8
Total investments	149,307	60.8

Portfolio performance

Over the quarter to 31 December 2024, the aggregate unquoted portfolio valuation increased by £5.1 million, reflecting good levels of underlying revenue growth in portfolio companies, as well as an improvement in valuation multiples during the quarter.

Fundraising

The Company announced a new share offer on 17 October 2024, alongside British Smaller Companies VCT2 plc, with the intention of raising up to £75 million, in aggregate, which included an over-allotment facility of £25 million, in aggregate. The offers closed to new Applications on 8 January 2025. Gross Applications of £75 million have been received, of which c.£46 million relate to the Company. The first allotment of £25 million (£15.2 million relating to the Company) took place on 30 January 2025; the second and final allotment will take place between 1 and 4 April 2025.

Outlook

Despite increased geopolitical uncertainty and tariff threats from a change in government in the US, and subdued business confidence in the UK, there has been promising growth from portfolio companies in the quarter, driven by increases in underlying revenue and market multiples.

January's first allotment of funds arising from the 2024/25 fundraising, and the further allotment to follow in April, positions the Company well to continue to expand the portfolio, as well as support existing portfolio companies to continue their promising growth.

We thank shareholders for their continued support.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU No. 596/2014). Upon the publication of this announcement via Regulatory Information Service this inside information is now considered to be in the public domain.

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For further information please contact:

Marcus Karia YFM Equity Partners

Tel: 0113 244 1000

Alex Collins Panmure Liberum

Tel: 0207 886 2767