

British Smaller Companies VCT plc

Interim Management Statement for the quarter ended 31 December 2025

British Smaller Companies VCT plc (the “Company”) presents its interim management statement for the quarter ended 31 December 2025. 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 2025 the Company’s Total Return per share increased by 0.65 pence, a 0.8 per cent increase on the opening NAV per share. At 31 December 2025 the NAV per ordinary share totalled 78.70 pence, following payment of a 2.00 pence per share dividend in the quarter.

Investment Activity

During the quarter, the Company invested £2.7 million into new investment TeamFeePay; and a further £4.1 million into existing portfolio companies Plandek, Xapien, Ohalo and Sipsynergy. Subsequent to the quarter end, the Company invested £3.0 million into existing portfolio company Summize. This takes the total amount invested so far this year to £18.5 million.

In October 2025, the Company realised its investment in Elucidat, receiving £5.5 million in initial proceeds, with additional deferred consideration of £0.7 million anticipated to be received over the next 18 months. To date, the Elucidat investment has generated a 1.3x return on the original cost of £4.3 million. Including deferred consideration, proceeds have the potential to rise to £6.2 million, and the return to 1.45x.

In December 2025, the Company realised its investment in SharpCloud, receiving £8.7 million in initial proceeds, with additional deferred consideration of £0.9 million anticipated to be received over the next two years. To date, the SharpCloud investment has generated a 2.0x return on the original cost of £4.3 million. Including deferred consideration, proceeds have the potential to rise to £9.6 million, and the return to 2.2x.

In December 2025, portfolio company Teraview successfully completed an oversubscribed listing on the Korean Stock Exchange. The Company subsequently realised 34 per cent of its holding prior to 31 December 2025, receiving proceeds of £1.2 million. The balance of the Company’s holding was realised post-year end, in January 2026, generating a further £1.8 million of proceeds. Overall, the Teraview investment has generated an 8.1x return on the original cost of £0.4 million.

Post-year end, the Company realised its remaining holding in Vuealta, receiving proceeds of £0.7 million, in line with the valuation at the year end. Overall, the Vuealta investment has generated a 1.5x return on the original cost of £3.6 million.

The Company also realised its investment in Sipsynergy post-year end, with total expected proceeds of c.£0.9 million, in line with the valuation at the year end. This represents a 0.3x return on the original cost of £2.8 million.

Performance

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

	30 September 2025	Net increase in Value	Shares issued	Dividends paid	Buyback of shares	Movement In Period	31 December 2025
Net Assets (£m)	284.0	2.2	1.1	(7.1)	(1.7)	(5.5)	278.5
NAV per share (PPS)	80.05	0.65	-	(2.00)	-	(1.35)	78.70
Cumulative dividends paid (PPS)	186.15	-	-	2.00	-	2.00	188.15
Total Return (PPS)	266.20	0.65	-	-	-	0.65	266.85
Shares in issue	354,664,249	-	1,498,811	-	(2,231,911)	(733,100)	353,931,149

Cumulative dividends paid at 31 December 2025 were 188.15 pence per ordinary share (30 September 2025: 186.15 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 2025	284.0	80.05
Increase in portfolio value	2.5	0.75
Net operating costs	(0.3)	(0.10)
	2.2	0.65
Issue/buy-back of shares	(0.6)	-
Total Return in the period	1.6	0.65
NAV before dividends	285.6	80.70
Dividends paid	(7.1)	(2.00)
NAV at 31 December 2025	278.5	78.70

Dividends and shares in issue

On 19 December 2025 the Company issued 1,498,811 shares under the Company's Dividend Re-investment Scheme (DRIS).

Under its standing buyback authority, on 19 December 2025 the Company purchased 2,231,911 shares at 74.65 pence per share at a cost of £1.7 million. These shares are held in treasury.

The first allotment of the Company's 2025/26 fundraise took place just after the period end, with £15.6 million of proceeds allotted on 7 January 2026. 19,484,289 shares were allotted, taking the total number of ordinary shares to 373,415,438, with a further 39,260,029 shares held in treasury.

Net assets

Net assets at 31 December 2025 comprised the following:

	£000	% of net assets
Unquoted investments at fair value	160,361	57.6
Cash and money market funds	113,825	40.9
Other net assets	4,350	1.5
Net assets	278,536	100.0

Investments

The investment portfolio at 31 December 2025 comprised:

	Valuation £000	Cumulative valuation as a % of net assets
Matillion	19,618	7.0%
Unbiased	16,584	13.0%
Xapien	14,255	18.1%
Vypr	11,315	22.2%
Summize	9,973	25.8%
AutomatePro	9,760	29.3%
DrDoctor	6,276	31.5%
Workbuzz	5,961	33.7%
Plandek	5,902	35.8%
Force24	5,841	37.9%
	105,485	37.9%
Other investments	54,876	57.6%
Total investments	160,361	57.6%

Portfolio performance

In the quarter to 31 December 2025, the aggregate portfolio valuation increased by £2.5 million. Several portfolio companies are demonstrating strong underlying growth of revenues, which has driven positive revaluation uplifts across several assets.

Fundraising

The Company announced a new share offer on 25 September 2025, alongside British Smaller Companies VCT2 plc, with the intention of raising up to £85 million, in aggregate, which included an over-allotment facility of £25 million, in aggregate. The offers closed to new Applications on 18 December 2025. Gross Applications of £85 million have been received, of which c.£53 million relate to the Company. The first allotment of £25 million (£15.6 million relating to the Company) took place on 7 January 2026; the second and final allotment will take place between 1 and 2 April 2026.

Outlook

The portfolio continues to develop, with several holdings delivering strong growth during the period. Our active portfolio management approach allows us to stay close to investee companies and support them as they scale. Adding new companies to the portfolio and providing follow-on capital to support their growth remains central to our strategy.

The start of 2026 has seen further macroeconomic volatility, with the conflict in the Middle East adding to a challenging environment. There has also been a more cautious market view of software businesses, which has the potential to weigh on the valuations of portfolio companies in the near term; nonetheless, the portfolio continues to be positioned to benefit from an increasingly AI-led world. This, alongside the Company's strong liquidity position leaves it well-placed to manage downside risks, as well as deploy funds from its recent capital raise into promising new opportunities across the UK.

We are grateful to shareholders for their continued support.

18 March 2026

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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