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TO ALL MEMBERS

17 April 2026

Ref: DOWN01/DNH/RB/LM/NEH
Heather Thompson
Tel: 0131 240 2513
Email: DSM@parthenon.ey.com

Dear Shareholder

Downing Strategic Micro-Cap Investment Trust Plc (in Members' Voluntary Liquidation) ('the Company')

As you may be aware, Richard Barker and I were appointed as Joint Liquidators of the Company on 21 February 2025. I write to provide you with our report on the progress of the Liquidation for the period from 21 February 2025 to 20 February 2026 ("the Period").

Shareholders should note that this progress report is to provide Shareholders with information regarding the conduct of the liquidation. No actions are required by Shareholders.

In accordance with the provisions of the Insolvency (England and Wales) Rules 2016 we are required to provide certain information about the Company and the Liquidators. This information can be found in Appendix A of this report.

A copy of our receipts and payments account for the period from 21 February 2025 to 20 February 2026 is at Appendix B.

Should Shareholders have any queries regarding their shareholding in the Company, or if they wish to notify the Company's Registrar, Computershare Investor Services PLC ("Computershare" and/or "the Registrar") of a change of address or other personal details, they should contact Computershare at The Pavilions, Bridgewater Road, Bristol, BS99 6ZZ. Alternatively, Computershare can be contacted by telephone on +44 (0) 370 707 1034 or by email at WebCorres@computershare.co.uk

Background

The Company was an investment trust listed on the main market of the London Stock Exchange. At a general meeting of the Company on 28 February 2024, shareholders approved the managed wind down of the Company. On 29 January 2025, the Company published a circular containing proposals for the Members' Voluntary Liquidation of the Company ("the Circular") with the aim of distributing the cash that was held by the Company to Shareholders the week commencing 3 March 2025.

In accordance with the Circular, shareholders passed resolutions to place the Company into Members' Voluntary Liquidation at a General Meeting of the Company on 21 February 2025. The Directors' Declaration of Solvency ("the Declaration") as of 7 February 2025 showed that the Company's assets consisted of cash and cash equivalents of £1,369,037 and investments of £1,062,262.

Progress during the period of the report

Distributions to Ordinary Shareholders

First interim distribution

The Joint Liquidators made a first interim cash distribution to ordinary shareholders on 3 March 2025 of £912,906 representing a rate of 2 pence per ordinary share (“the Initial Distribution”).

Second interim distribution

The Joint Liquidators made a second interim cash distribution to ordinary shareholders of £798,791, representing a rate of 1.75 pence per ordinary share on 12 December 2025.

The total distributed to Ordinary Shareholders during the period therefore amounted to £1,711,697, representing a return of 3.75 pence per Ordinary Share during the liquidation. Further information on anticipated future distributions is included later in this report.

Progress during the period of the report

The liquidation has proceeded as planned and, as noted above, the Joint Liquidators made the Initial Distribution as outlined in the Circular and a second interim cash distribution on 12 December 2025. In addition, all of the Company’s liabilities at the date of liquidation have now been discharged. The Company will continue to incur costs and expenses during the liquidation until such time as the liquidation is concluded.

As described above, the Joint Liquidators’ receipts and payments account for the period 21 February 2025 to 20 February 2026 is at Appendix B. Our comments on the receipts and payment account are provided below.

Receipts

The following amounts have been received in the Period.

Cash taken over

Prior to liquidation, the Company, in conjunction with the proposed Joint Liquidators, calculated the net free cash available in respect of the Initial Distribution and made arrangements for the Initial Distribution funds to be held, on behalf of the Company, by the Registrar which was subject to the Shareholders approving the resolutions to place the Company into members’ voluntary liquidation on 21 February 2025.

Following liquidation, the Joint Liquidators confirmed that the Initial Distribution could be released to Shareholders and, as described above, the Initial Distribution was made on 3 March 2025. Shareholders should note that these funds of £912,906, held on behalf of the Company by the Registrar, are included in the cash taken over amount in the Joint Liquidators’ receipts and payments account at Appendix B.

In addition to the funds held by the Registrar, the Company held funds of £295,470 in accounts held by the Company’s custodian, Northern Trust (“the Custodian”). These remaining funds were retained by the

Joint Liquidators to meet the costs and expenses of the Company and were transferred to the liquidation estate bank account held by the Joint Liquidators.

Further instructions were issued to the Custodian during the Period as other funds were received, described later in this report, to transfer these funds to the liquidation estate bank account.

Realisation of investments

On liquidation, the Company held two remaining investments: 3,027,931 Ordinary Shares of Centaur Media plc, an equity investment listed on the main market of the London Stock Exchange; and a secured loan note granted to Real Good Food plc (RGF) with a par value of c£2.6m ("the Secured Loan Note") (together "the Investments"). The Secured Loan Note was also guaranteed by another company in the RGF Group, J F Renshaw Limited ("Renshaw").

As outlined in the Circular, due to the nature of the Company's remaining investments and the Investment Manager's expertise and intimate knowledge of the Investments, the Investment Manager was retained during the liquidation in order to maximise the return of value to Shareholders at no cost to the Company.

Detailed below is an update on the progress of the realisations of the Investments during the Period.

Centaur Media plc ("Centaur Media")

Prior to liquidation, the Board and the Investment Manager advised that the most appropriate realisation strategy in relation to Centaur Media was a gradual realisation once positive announcements were made by Centaur Media.

During the Period, the Joint Liquidators liaised with the Investment Manager to agree that this strategy was still appropriate and monitored the progress made in respect of the realisation of this listed equity investment.

I am pleased to advise Shareholders that the adoption of this strategy during the liquidation, has resulted in the Investment Manager achieving gross realisation proceeds from the Company's holding of Centaur Media of £999,307, which is approximately 25% higher than the estimated realisable value immediately prior to the appointment of the Joint Liquidators.

The Secured Loan Note

As noted above, the Company granted the Secured Loan Note prior to the appointment of the Joint Liquidators.

RGF was placed into Administration on 4 December 2023. There were no funds available to creditors in that Administration, and subsequently the Administrators received their release from office on 4 July 2025 and RGF was dissolved on 4 October 2025. The Secured Loan Note was also guaranteed by way of an Intercreditor Agreement and cross guarantees by J F Renshaw Limited (In Administration) ("Renshaw").

Renshaw was placed into Administration on 4 December 2023, and the Administrators of Renshaw have advised that there will be funds available to make a dividend to the secured creditors, including the Company in respect of the Secured Loan Note under the terms of the Intercreditor Agreement.

The Joint Liquidators, with the support of the Investment Manager, have liaised with the Administrators of Renshaw in relation to the Company's claim as a secured creditor, and also engaged legal counsel to review the security documentation to ensure the maximum possible recovery to the Company. An agreement has been reached with the Administrators and the first interim distribution is expected to be in the region of £390,000. It is anticipated that there may be a further smaller dividend to the Company from Renshaw but the timing and exact quantum of this receipt is not yet known as it is dependent on the sale of a property owned by Renshaw.

Other Receipts

PAYE Refund

The Company received a refund of £324 from H M Revenue & Customs in relation to PAYE during the period which related to an overpayment on account made in the period prior to the appointment of the Joint Liquidators.

AIC Refund

A refund of £2,217 has been received from the Association of Investment Companies (AIC) in relation to a partial refund for the Company's membership fee following the commencement of the liquidation of the Company.

Bank interest

Bank interest of £12,079 was earned on cash balances held in the pre-liquidation custody accounts and the liquidation estate account during the Period.

Payments

In addition to the distributions described above, the following payments have been made in the Period.

Accrued liabilities and professional costs and expenses of the Proposals

At the date of liquidation, the Company had a number of accrued liabilities and provisions relating to the costs and expenses of the liquidation of the Company.

In the Period, accrued liabilities of the Company of £17,171 have been settled. Payments, exclusive of VAT, include: London Stock Exchange (£450); Computershare (£11,916); Northern Trust (£1,230); and Cavendish Capital Markets Limited (£3,575).

Ongoing professional costs and expenses of the liquidation

Listing fees

During the period of this report, the Company settled fees of £275 to the London Stock Exchange in relation to the announcement made to Shareholders in respect of the Initial Distribution.

Registrars' fees

During the period, the Company paid Registrar fees of £27,869 to Computershare in respect of the payment of the first and second interim cash distributions to the Shareholders together with maintenance of the Company's share register during the liquidation.

Further costs will be incurred by the Registrar to maintain the share register for the remainder of the liquidation and for making a final cash distribution to Shareholders at the conclusion of the liquidation.

Custody fees

During the period, the Company paid custody fees of £5,650 to the Custodian in relation to their fees for the maintenance of the custody accounts during the liquidation.

Following the realisation of the Company's holding in Centaur Media described above, the Joint Liquidators transferred all remaining funds held by the Custodian to the liquidation estate bank account and closed the custody accounts held by Northern Trust.

Statutory Advertising

Payment of £807 was made in relation to statutory advertising of the liquidation and the Joint Liquidators' appointment in The London Gazette and in The Times.

Bank charges

Bank charges of £12 have been paid in respect of maintenance of the Company's liquidation estate bank accounts.

Irrecoverable VAT

During the Period, the Company incurred net VAT paid on accrued liabilities and costs and expenses of the liquidation of £9,111.

The Company will continue to incur VAT and costs and expenses of the liquidation.

Corporation tax

The Company's tax compliance service provider, Lubbock Fine LLP, was retained during the period to prepare and submit the Company's final pre-liquidation corporation tax returns for the period ending 20 February 2025.

The final pre liquidation tax returns have now been submitted and these returns had no associated tax liability. The Company settled fees of £1,650 plus VAT in respect of their services preparing and submitting these pre-liquidation tax returns.

Further corporation tax returns will be required for the Period and any subsequent periods during the liquidation.

Creditor claims

An advert was placed in the London Gazette and The Times requesting creditors of the Company to prove their claims by 18 April 2025 in accordance with Rule 14.38 of the Rules. No claims have been received.

Anticipated further distributions to Shareholders

The Joint Liquidators anticipate that a third and final cash distribution will be made to shareholders following the receipt of the final dividend in the Administration of Renshaw as described above. This is estimated to be within the next period of the liquidation to 20 February 2027 but, as noted above, the timing of the payment of the second dividend is not yet known and therefore this is not confirmed.

Joint liquidators’ remuneration

Our remuneration was fixed on a time-cost basis by a resolution of the members on 21 February 2025.

Prior to liquidation, the Joint Liquidators agreed with the Company that they, and their staff, would record their time at discounted rates (“the Discounted Rates”) and would recover their time at a further discounted blended hourly rate of £400 per hour (“the Discounted Recovery Rate”) for both pre and post appointment periods.

During the Period, the Joint Liquidators and their staff have incurred time costs of £145,110, based on the Discounted Recovery Rates, in relation to the liquidation of the Company, representing a total, of 235 hours. The Joint Liquidators do not intend to recover all of their time for the Period and will draw their fees during the next reporting period at the Discounted Recovery Rate.

Details of any fees that are drawn in relation to the Joint Liquidators’ time costs will be provided to Shareholders in my next progress report.

At Appendix D to this report there is an analysis of the time spent and a statement of our policy in relation to charging time.

Joint liquidators’ statement of expenses incurred

During the period covered by this report, we have incurred expenses totaling £516.60 plus VAT. The expenses can be summarised as follows:

Type of expense	Incurred	Paid	Outstanding
Category 1 disbursements			
- Statutory Bonding	500	Nil	500
Category 2 disbursements			
Total	500	Nil	500

Category 2 disbursements comprise payments made by the office holders’ firm which include elements of shared or overhead costs. Such disbursements are subject to approval from Shareholders as if they were remuneration. It is our policy, in line with Statement of Insolvency Practice No. 9, to seek approval for this category of disbursement before they are drawn. In this instance, there are currently no category 2 disbursements.

The unpaid Category 1 expenses in the amount of £500 will be invoiced at the same time as the Joint Liquidators’ fees noted above.

Members’ rights to further information about, and challenge, remuneration and expenses

In certain circumstances, members are entitled to request further information about our remuneration or expenses, or to apply to court if members consider the costs to be excessive. Further information is provided in Appendix C.

Outstanding matters

As noted above, it is anticipated that the Company will receive one or more dividends in relation to a claim which has been submitted in the Administration of Renshaw. The liquidation will remain open to collect the outstanding funds or until such time that the Joint Liquidators conclude that no further funds will be received, or that is no longer cost-efficient to maintain the Company in liquidation for this purpose.

Should you have any queries in relation to the liquidation please contact me at DSM@parthenon.ey.com.

Yours faithfully
For the Company

D N Hyslop
Joint Liquidator

D N Hyslop and R P Barker are licensed in the United Kingdom to act as Insolvency Practitioners by the Insolvency Practitioners Association. As Insolvency Practitioners, they are bound by the Insolvency Code of Ethics in carrying out all professional work relating to the appointment.

The Joint Liquidators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidator’s appointment. The Office Holder Data Privacy Notice can be found www.ey.com/uk/officeholderprivacy.

Downing Strategic Micro-Cap Investment Trust plc

(in Members' Voluntary Liquidation) ('the Company')

Information about the company and the liquidators

Registered office address of the company:	1 More London Place, London, SE1 2AF
Registered number:	10626295
Full names of the liquidators:	Derek Neil Hyslop and Richard Peter Barker
Liquidators' address(es):	Ernst & Young LLP 1 More London Place, London, SE1 2AF
Telephone number through which the liquidators can be contacted	+44 (0) 20 7951 2000
Date of appointment of the joint liquidators:	21 February 2025
Details of any changes of liquidator:	None

Downing Strategic Micro-Cap Investment Trust plc (in Members' Voluntary Liquidation) ('the Company')

Joint liquidators' receipts and payments account for the period from 21 February 2025 to 20 February 2026

Declaration of Solvency Estimated to Realise Values		From 21 February 2025 to 20 February 2026
£	**RECEIPTS**	
	PAYE Refund	324
1,062,262	Shares & Investments	999,307
	Other Refunds	2,217
1,369,037	Cash taken over	1,208,375
	Bank Interest Gross	12,079
2,431,299	**Total receipts**	2,222,302
	PAYMENTS	
(218,254)	Accrued expenses	(17,171)
	Tax advisor fees	(1,650)
	Registrar's Fees	(27,869)
	Custody Fees	(5,650)
	Statutory Advertising	(807)
	Advertising	(275)
	Bank Charges	(12)
	Distributions to ordinary shareholders	(1,711,697)
	Irrecoverable VAT	(9,111)
	Total payments	**(1,774,242)**
	Balance	**448,060**
	Represented by:	
	Cash at Bank	448,060
		448,060

Notes

1. Receipts and payments are stated net of VAT.

2. The Cash Taken Over includes funds held at the Registrar in relation to the Initial Distribution to shareholders on 3 March 2025

3. The Joint Liquidators remuneration was fixed on a time-cost basis by a resolution of the members passed on 22 January 2025.

4. The Declaration of Solvency was sworn by the directors on 7 February 2025 and therefore there were movements between that date and the date of liquidation.

Members' rights to request further information about remuneration or expenses or to challenge a liquidator's remuneration – Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016 (as amended)

18.9 Creditors' and members' request for further information

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report or account under rule 18.14—

(a) a secured creditor;

(b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);

(c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;

(d) any unsecured creditor with the permission of the court; or

(e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report or account by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

(a) providing all of the information requested;

(b) providing some of the information requested; or

(c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

(a) the time or cost of preparation of the information would be excessive; or

(b) disclosure of the information would be prejudicial to the conduct of the proceedings;

(c) disclosure of the information might reasonably be expected to lead to violence against any person; or

(d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

(a) the office-holder giving reasons for not providing all of the information requested; or

(b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

18.34 Members' claim that remuneration is excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

(a)the remuneration charged by the office-holder is in all the circumstances excessive;

(b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or

(c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

(a) a secured creditor,

(b) an unsecured creditor with either—

(i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or

(ii) the permission of the court, or

(c) in a members' voluntary winding up—

(i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or

(ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

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Downning Strategic Micro-Cap Investment Trust Plc
(In Members' Voluntary Liquidation) ("the Company")

Joint Liquidators' time costs for the period from 21 February 2025 to 20 February 2026

Joint Liquidators' charging policy for remuneration

The members have determined that the liquidators' remuneration should be fixed on the basis of time properly spent by the liquidators and their staff in attending to matters arising in the liquidation.

The liquidators have engaged a manager and other staff to work on the cases. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the liquidators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. Time is charged in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report.

	Staff Grade							
	Partner	Assistant Director	Manager	Executive	Analyst	Total Hours	Total Cost £	Average Rate £
Administration & Planning	0.4	14.3	4.9	35.6	64.6	119.8	55,999.50	467.4
Centaur Media	-	1.1	-	-	-	1.1	1,016.20	923.8
Creditors	-	0.1	-	-	1.0	1.1	410.80	373.5
Custodian transfer instructions	0.8	0.7	-	3.7	-	5.2	3,528.00	678.5
Debtors	-	0.9	-	-	-	0.9	793.80	882.0
Employees	-	0.3	-	-	-	0.3	278.40	928.0
Engagement planning	-	0.1	-	-	-	0.1	92.80	928.0
External project calls	-	0.2	-	-	-	0.2	176.40	882.0
Immediate Tasks	-	2.2	-	-	3.2	5.4	2,980.80	552.0
Internal project calls	-	1.5	-	-	-	1.5	1,378.20	918.8
Issues log	-	0.6	-	0.1	2.2	2.9	1,305.70	450.2
Job Acceptance & Strategy	2.4	-	-	-	1.2	3.6	3,345.60	929.3
Legal Issues	-	0.5	-	-	-	0.5	464.00	928.0
Liquidation documents	-	0.3	-	-	0.4	0.7	399.00	570.0
Liquidation fund	0.1	1.7	-	0.9	0.3	3.0	2,236.90	745.6
Members	0.5	18.5	5.6	3.1	5.7	33.4	25,051.50	750.0
Other Assets	-	12.7	-	-	-	12.7	11,592.40	912.8
Other Matters	0.5	5.5	-	-	2.0	8.0	6,390.10	798.8
Public Relations Issues	-	-	-	0.1	-	0.1	51.80	518.0
Real Good Foods	5.7	10.0	-	-	0.2	15.9	16,747.90	1,053.3
Reporting	0.7	-	-	-	-	0.7	890.10	1,271.6
Statutory Duties	-	2.5	-	1.0	7.3	10.8	5,132.20	475.2
VAT & Taxation	-	3.7	0.8	0.4	2.6	7.5	4,847.80	646.4
Total Hours	**11.1**	**77.4**	**11.3**	**44.9**	**90.7**	**235.4**		
Time Costs (£)	**14,565.40**	**70,783.00**	**7,947.10**	**23,005.70**	**29,179.20**		**145,109.90**	
Average Hourly Rate (£)	1,312.2	914.5	703.3	512.4	321.7		616.4	

Summary of tasks undertaken by the Joint Liquidators and their staff in the period to 20 February 2026

Administration and planning – including engagement planning, job acceptance and strategy, issues logs and legal issues	- Planning the engagement structure, resourcing, timelines, and workstreams required to deliver the liquidation in accordance with statutory and procedural requirements. - Maintaining and updating an issues log to track technical matters, risks, operational issues, and actions required to progress the liquidation efficiently. - Liaising with legal advisors in relation to agreeing the investment management agreement and the delisting of the company. - Effecting distributions to shareholders as well as dealing with the registrar and communications to shareholders - Maintaining and updating the liquidation fund and undertaking payments for outgoings from the Company's estate relating to validly incurred costs and expenses, also general treasury matters such as setting up liquidation bank accounts, managing the bank accounts (including undertaking bank account reconciliations), maintaining the Joint Liquidators' accounting records, statutory bonding requirements, and maintaining a case checklist and diary.
Investments – Centaur Media and Real Good Food	- Time spent liaising with Downing LLP in relation to the realisation of the Company’s Investments in Centaur Media and Real Good Food plc, including liaising with legal advisors.
Custodian Transfer/Instructions	- Liaising with the Custodian to take over funds, transferring them to the liquidation accounts, and ultimately closing the accounts.
Debtors	- Work undertaken in relation to the recovery of the Company’s withholding tax reclaims, sundry refunds and repayments.
External Project Calls	- Participation in calls and discussions with external stakeholders, advisors, and counterparties to progress asset realisations and resolve outstanding liquidation matters.
Immediate Tasks	- Work undertaken in relation to immediate on appointment administrative and statutory tasks, notifications, and advertising requirements
Internal Project Calls	- Internal meetings and discussions on case strategy and progression.
Job Acceptance and Strategy	- Completion of acceptance formalities, including conflict checks, KYC, and strategic planning regarding the orderly wind-down of the Company’s affairs.

Members	- Time spent liaising with the Company's shareholders and dealing with ad-hoc shareholder queries during the liquidation period and liaison with the Registrar on ongoing share register matters.
Other Assets	- Time spent in relation to liaising with various parties in respect of additional funds due to the Company.
Other Matters	- Work on miscellaneous matters not categorized elsewhere, including unexpected issues arising and ad-hoc tasks required to advance the winding-up.
Statutory Duties and Liquidation Documentation	- Time spent complying with statutory matters throughout the duration of the liquidation. - Preparation, review, and filing of statutory liquidation documents including notices, reports, minutes, and other required filings with regulatory bodies.
VAT & Taxation	- Includes time incurred working with the Company's tax advisors to agree the Company's tax affairs including undertaking any tax compliance in accordance with statutory requirements.