

STRATEGIC EQUITY CAPITAL PLC

TENDER OFFER VIA A REALISATION POOL MECHANISM

This summary is provided for guidance only. The Board encourages Shareholders to read the full text of the [Circular](#) and [RNS announcement](#).

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

Capitalised terms shall have the meaning attributed to them in the Circular.

1. What has SEC announced?

- SEC published a Circular on 15 September 2025 in order to implement a tender offer for up to 100 per cent. of the Company's Ordinary Shares via a realisation pool mechanism. In order to implement the Tender Offer, Shareholders are being asked to:
 - **Vote** on a special resolution to allow the Company to buy back its Shares. The Board unanimously recommends that Shareholders vote in favour of the Resolution to allow the Tender Offer to proceed.
 - **Elect:** Shareholders should also decide whether they want to tender some, all or none of their Ordinary Shares under the Tender Offer. The Board does not make any recommendation to Shareholders as to whether or not they should tender any of their Ordinary Shares as that will depend on their own circumstances. Shareholders should note however that Tendered Shares may be held in escrow for up to 12 months or more.
- The Directors do not intend to tender any of their Shares under the Tender Offer and the persons that control the Gresham House Group Holdings do not intend to tender any of the Shares that it holds, or is otherwise able to control, except to the extent required to ensure that the Tender Offer does not result in any person being interested in Ordinary Shares which, when taken together with Ordinary Shares in which persons acting in concert with it (within the meaning of the Takeover Code) are interested, carry 30 per cent. or more of the voting rights of the Company.
- Further details are included in the related [RNS announcement](#) and [Circular](#) which Shareholders should read in full before taking any decision on how to proceed.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

2. Why has SEC announced this Tender Offer?

- On 9 February 2022, [the Board announced](#) a series of proposals designed to enhance Shareholder value and strengthen the Company's investment proposition. These proposals included a commitment to give Shareholders the opportunity to realise up to 100 per cent. of their Ordinary Shares.
- Consequently, this commitment is being satisfied by the Tender Offer through a realisation pool mechanism as set out in the circular.

3. Do I need to tender my Shares?

- No. There is no obligation, or need, to take any action to tender any Shares. However, in order to implement the Tender Offer, Shareholders are being asked to:
- **Vote:** on a special resolution to allow the Company to buy back its Shares. The Board unanimously recommends that Shareholders vote in favour of the Resolution to allow the Tender Offer to proceed.
- **Elect:** Shareholders should also decide whether they want to tender some, all or none of their Ordinary Shares under the Tender Offer. The Board does not make any recommendation to Shareholders as to whether or not they should tender any of their Ordinary Shares as that will depend on their own circumstances.
- Shareholders should note however that Tendered Shares may be held in escrow for up to 12 months or more. The Directors do not intend to tender any of their Shares under the Tender Offer and the persons that control the Gresham House Group Holdings do not intend to tender any of the Shares that it holds, or is otherwise able to control, except to the extent required to ensure that the Tender Offer does not result in any person being interested in Ordinary Shares which, when taken together with Ordinary Shares in which persons acting in concert with it (within the meaning of the Takeover Code) are interested, carry 30 per cent. or more of the voting rights of the Company.
- Further details are included in the related [RNS announcement](#) and [Circular](#) which Shareholders should read in full before taking any decision on how to proceed.

4. Why now?

- On 9 February 2022, the Board announced a series of proposals designed to enhance Shareholder value and strengthen the Company's investment proposition. These proposals included a commitment to give Shareholders the opportunity in 2025 to realise up to 100 per cent. of their Ordinary Shares.

5. How has the Company's portfolio performed?

- SEC has continued to deliver strong performance, which followed the appointment of Gresham House in May 2020 and Ken Wotton's appointment in September 2020.
- Over the period from 29 September 2020 (the date of Ken Wotton's appointment) to 11 September 2025, the Company's NAV per Share has delivered total returns of 75.1 per cent. (annualised 12.0 per cent.), whilst the Shares have delivered a total return of 101.7 per cent., (annualised 15.2 per cent.), representing an outperformance versus the FTSE Small Cap excl. Investment Trusts Index (83.8 per cent. (annualised 13.1 per cent.)), and a significant outperformance versus the IT UK Smaller Companies sector (65.6 per cent. (annualised 10.7 per cent.)).
- In addition, since 23 March 2022 to 11 September 2025, the Company has outperformed its immediate peer group, delivering a NAV total return of 26.1 per cent., versus a peer group weighted average of -1.0 per cent.

6. Why should I vote for the mechanism if I want to stay invested? Isn't that a contradiction?

- Implementing the Tender Offer involves, among other steps, the repurchase of SEC shares held by those Shareholders who elect to tender their Shares.
- Shareholders are therefore being asked to vote on a special resolution to allow the Company to buy back its Shares. This share repurchase requires approval from at least 75% of voting shareholders, to be able to proceed.

- Shareholders' vote on the special resolution is a separate instruction from their decision to elect to tender some, all or none of their Ordinary Shares under the Tender Offer.
- The Board unanimously recommends that Shareholders vote in favour of the Resolution to allow the Tender Offer to proceed.

7. When will I receive my payment if I elect to tender Shares?

- Payment will be in one or more stages. Shareholders are advised that Tendered Shares may be held in escrow for up to 12 months or more before a final payment is made.
- In the intervening period the Board will assess the amount of realised proceeds available from the assets in the Tender Pool and the estimated time to realise the remaining assets as well as the liabilities to be paid from the Tender Pool and such other factors as the Board deems relevant.
- When the Board determines in its absolute discretion that there is a reasonable amount of cash that can be returned to Shareholders it will resolve to repurchase the relevant number of Shares on an Interim Payment date or the Final Payment date (as applicable).
- The Final Payment will be made as soon as reasonably practicable but currently expected to be by 31 October 2026.

8. Why will it take so long?

- The Board, having reviewed scenario analysis of stock level liquidity within the Company's portfolio and following discussions with the Investment Manager, believes that the realisation of the assets in the Tender Pool may take more than twelve months to complete, although the majority of the Tender Pool is expected to be realised much sooner.
- This is a result of the concentration of the Company's investment portfolio in the shares of smaller listed companies where it is taking larger, less liquid equity stakes to support the Investment Manager's approach of strategic active engagement.
- In managing the realisation process, the Investment Manager is required to balance the need to preserve and maximise the NAV per Share for all Shareholders against the speed of liquidating assets allocated to the Tender Pool.

9. How will I receive my payment?

- For shares held via an online platform, payment will be made to the platform through CREST within 10 Business Days from the announcement of each Interim Payment or the Final Payment. We expect payments should be available in individual accounts shortly thereafter, in line with the relevant platforms usual processes in a similar way to dividends. In case of any doubt, please contact your platform in the usual way.
- For Shares held in uncertificated form, payment will be made through CREST within 10 Business Days from the announcement of each Interim Payment or the Final Payment. For Shares held in certificated form, cheques will be despatched in respect of the relevant number of Tendered Shares within 10 Business Days from the announcement of each Interim Payment or the Final Payment.

10. What action do I need to take?

- There is no obligation to take any action or to tender any Shares. However, in order to implement the Tender Offer, Shareholders are being asked to:

- **Vote:** on a special resolution to allow the Company to buy back its Shares. The Board unanimously recommends that Shareholders vote in favour of the Resolution to allow the Tender Offer to proceed.
- **Elect:** Shareholders should also decide whether they want to tender some, all or none of their Ordinary Shares under the Tender Offer. The Board does not make any recommendation to Shareholders as to whether or not they should tender any of their Ordinary Shares as that will depend on their own circumstances. Shareholders should note however that Tendered Shares may be held in escrow for up to 12 months or more. The Directors do not intend to tender any of their Shares under the Tender Offer and the persons that control the Gresham House Group Holdings do not intend to tender any of the Shares that it holds, or is otherwise able to control, except to the extent required to ensure that the Tender Offer does not result in any person being interested in Ordinary Shares which, when taken together with Ordinary Shares in which persons acting in concert with it (within the meaning of the Takeover Code) are interested, carry 30 per cent. or more of the voting rights of the Company.
- Further details are included in the related [RNS announcement](#) and [Circular](#) which Shareholders should read in full before taking any decision on how to proceed.

11. How do I vote?

All Shareholders are encouraged to vote on the Resolution to be proposed at the General Meeting and, if their Ordinary Shares are not held directly, to arrange for their nominee to vote on their behalf.

For individual Shareholders on platforms, the Association of Investment Companies has published a guide, available here:

<https://www.theaic.co.uk/how-to-vote-your-shares>

For Shares held via other platforms, please check with your platform. For shares held in CREST, or in certificated form, please see further details in the Circular.

12. How do I tender Shares?

- There is a summary of the process in the letter from Panmure Liberum, section 2, on pages 17 to 18 of the [Circular](#).
- Completed Tender Forms and/or TTE Instructions (as appropriate) must be received by the Receiving Agent by no later than 1.00 p.m. on 13 October 2025. **Please note that for Shares held via retail platforms, the deadline for receiving Tender Forms may be significantly earlier.**
- If you are in any doubt as to how to complete the Tender Form or as to the procedure for electing to participate in the Tender Offer, please contact Computershare on +44 (0) 370 707 1285.
- Calls outside the United Kingdom will be charged at the applicable international rate. Computershare are open between 8.30 a.m. – 5.30 p.m., Monday to Friday (excluding public bank holidays in England and Wales).
- Please note, Computershare can only provide information regarding the completion of Tender Forms and cannot provide you with advice on the merits of the Tender Offer or as to whether Eligible Shareholders should take up the Tender Offer or provide any personal, legal, financial or tax advice.

13. If I decide not to tender Shares, what should I do?

- You should not complete a Tender Form. You do not need to inform the Company that you will not be tendering your Shares.

14. Am I better off selling SEC shares in the market or tendering them?

- There is no obligation to tender Shares.
- The Board does not make any recommendation to Shareholders as to whether or not they should tender any of their Ordinary Shares as that will depend on their own circumstances.
- However, Shareholders should be aware that the Company's assets will be managed as a Continuing Pool and a Tender Pool during this process, with capital from the Tender Pool being returned to Tendering Shareholders over the following months. The Company's portfolio will be realised in line with market conditions and the liquidity of the respective investments. Shareholders should therefore be aware that this means Tendered Shares may be held in escrow for up to 12 months or more.
- Importantly, the net asset value of the Tender Pool and Continuing Pool will continue to fluctuate in line with market conditions.
- Shareholders selling their Shares in the market will receive the applicable market price for the Shares (less any commission) in the usual way.
- If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

15. How many Shares will be tendered?

- The results of the Tender Offer will be announced on 15 October 2025.
- The Directors do not intend to tender any of their Shares under the Tender Offer and the persons that control the Gresham House Group Holdings do not intend to tender any of the Shares that it holds, or is otherwise able to control, except to the extent required to ensure that the Tender Offer does not result in any person being interested in Ordinary Shares which, when taken together with Ordinary Shares in which persons acting in concert with it (within the meaning of the Takeover Code) are interested, carry 30 per cent. or more of the voting rights of the Company.
- If the aggregate number of Ordinary Shares validly tendered would result in the Net Asset Value of the Continuing Pool being below approximately £100 million as at the Calculation Date, which is the level determined by the Board, in consultation with the Investment Manager, at which the continuance of the Company may not be in the best interests of continuing Shareholders, the Board reserves the right to terminate the Tender Offer. In these circumstances, the Directors will instead put forward alternative proposals for the future of the Company, which may include proposals for the winding-up of the Company.

16. If I tender my Shares, will I be able to sell them?

- No. Shareholders who have tendered Shares, and so have Tendered Shares held in escrow, will not be able to sell those Shares in the market.

17. If I tender my Shares will I still be entitled to voting rights and dividends?

- Subject to the relevant record date(s), Shareholders will still be entitled to exercise voting rights and receive dividends in respect of their Tendered Shares which have not been bought back.