Final Results

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Results for the year ended 30 June 2019

The Directors of Strategic Equity Capital plc are pleased to announce the Company's results for the year ended 30 June 2019.

Annual Financial Report for the year ended 30 June 2019

Key highlights:

Richard Hills, Chairman of Strategic Equity Capital plc, commented:

- Against a backdrop of challenging financial markets, the Company produced growth in both the share price and net asset value per share ("NAV") building on its long term track record.
- On a total return basis, the NAV per share increased by 2.2% during the year while the FTSE Small Cap ex Investment Trusts Total Return Index ("FTSE Small Cap Index") fell by 8.6%. The share price rose during the year by 4.8% on a total return basis.

Chairman's Statement

Introduction

The year under review has proved to be difficult for both domestic and global stock markets. Fears of a full-blown trade war between the USA and China, coupled with the on-going Brexit negotiations have certainly undermined business and investor confidence in Europe and the United Kingdom leading to lower economic growth prospects in these areas. The whole UK stock market, on a global basis, is now generally considered to be cheap while simultaneously "uninvestible" given the uncertain backdrop.

With Sterling's slide against other major currencies, it is largely major exporting companies, with their large overseas interests, that have propped up the UK stock market. It is hoped once there is more clarity on Brexit that Sterling will then recover to some degree and that this will attract both foreign and local buying as uncertainty is reduced.

Against a backdrop of challenging financial markets, the Company has added to its long-term track record by producing growth in its share price and net asset value ("NAV") per share over the period, with both comparing well to the various UK smaller companies indices and peers. The market background and specific stock developments are discussed in detail in the Investment Manager's report.

Our portfolio managers have maintained our established investment process of identifying companies trading at a discount to their intrinsic value while avoiding those that do not. They continue to shun those companies that, in their opinion, do not reflect the real economic value of the underlying businesses, even though such companies' share price performance may appear attractive.

The momentum led market in smaller companies shares witnessed over the past 3 years is now clearly giving way to investors buying today's actual facts, rather than the hoped-for bright future of tomorrow. This has led to a sharp fall in the price of shares of some highly rated companies where investors have started to question whether expectation and reality are in step. For example, Fever Tree and ASOS, both of which have been sharply down-rated (-31.6% and -58.2% respectively) during the last 12 months.

The investments within our portfolio look cheap to foreign buyers during the current period of considerable Sterling weakness as these assets fall in price when translated into stronger currencies. Although some takeovers have occurred, it seems likely that this activity will pick up as and when we have more clarity on the UK's political and economic fronts.

Performance

Over the financial year ending 30 June 2019, the Company's NAV per share (on a total return basis) increased by 2.2%. The FTSE Small Cap ex Investment Trusts Total Return Index ("FTSE Small Cap Index") decreased by 8.6%. Over the same period, the share price of the Company increased by 4.8% on a total return basis.

The Company has delivered NAV total return per share of 34.7% over the past three years compared to a total return of 24.8% from the FTSE Small Cap Index. The five-year NAV total return per share of 55.0% has exceeded the return from the FTSE Small Cap Index by 24.7%. Importantly, this growth has been achieved without gearing.

Discount Management

The average discount to NAV of the Company's shares over the past twelve months was 15.2%, compared to the equivalent 13.5% figure from the prior year. The discount range was 10.0% to 18.7%.

The Board monitors closely the discount to NAV at which the Company's shares trade and continues to make use of the buyback powers granted at last year's AGM. During the year, the Company acquired 3,231,071 shares at an average 15.9% discount to NAV for an aggregate consideration of £6.9 million.

Against the background of a very tough UK stock market it is not surprising that discounts have started to widen in the investment trust sector. Within the smaller companies arena the effect has been most pronounced. With smaller companies being deemed more risky than larger ones until investor sentiment improves this trend is unlikely to reverse.

We shall keep monitoring the discount to NAV at which the Company's shares trade.

Dividend

The Directors continue to expect that returns for shareholders will derive primarily from the capital appreciation of the Company's shares rather than from their dividends. However, in order to qualify as an investment trust, no more than 15% of the income which the Company derives from its investments can be retained in any financial year. Accordingly, the Board proposes to pay a final dividend of 1.50p per share for the year ending 30 June 2019 (1.0p in 2018), payable on 13 November 2019 to shareholders on the register as at 11 October 2019. This dividend is subject to shareholders approval at the forthcoming AGM on 6 November 2019.

Development of the Company

There have been no significant developments during the year. The Directors regularly review the Company's investment policy and strategy taking in to account today's economic and stock market backdrop.

The Board

During the year we welcomed David Morrison to the Board. David has considerable smaller companies knowledge and experience, gained both as an investor and an executive. His input will be valuable now and in the future.

Gearing and Cash Management

The Company has maintained its policy of operating without a banking loan facility. This policy is periodically reviewed by the Board in conjunction with the Investment Manager. The Board, together with the Investment Manager, has a conservative approach to gearing because of the concentrated nature of the portfolio. No gearing has been in place at any point during the period. Cash balances are generally maintained to take advantage of suitable investment opportunities as they arise.

Annual General Meeting

We hope that as many shareholders as possible will attend the Company's Annual General Meeting, which will be held at the offices of Investec Bank plc, 30 Gresham Street, London EC2V 7QP on 6 November 2019. This will be an opportunity to meet the Board and to receive a presentation from the Company's Investment Manager.

Outlook

With so many permutations ahead of us on the political and economic front, both at home and abroad, trying to predict anything seems irrational. On this basis we continue to keep to our plan of investing in undervalued companies in the expectation that their value will be recognised in due course, whatever the outcome.

The Board, once again, thanks you for your continued support.

Richard Hills

Chairman

1 October 2019

The Investment Manager's Report:

Investment Strategy

Our strategy is to invest in publicly quoted companies which we believe will increase their value through strategic, operational or management change. We follow a practice of constructive corporate engagement and aim to work with management teams in order to enhance shareholder value. We attempt to build a consensus with other stakeholders and prefer to work alongside like-minded co-investors as leaders, followers or supporters. We try to avoid confrontation with investee companies as we believe that there is strong evidence that overtly hostile activism generally produces poor returns for investors.

We are long-term investors and typically aim to hold companies for the duration of rolling three-year investment plans that include an entry and exit strategy and a clearly identified route to value creation. The duration of these plans can be shortened by transactional activity or lengthened by adverse economic conditions. Before investing we undertake an extensive due diligence process, assessing market conditions, management and stakeholders. Our investments are underpinned by valuations, which we derive using private equity-based techniques. These include a focus on cash flows, the potential value of the company to trade or financial buyers and potentially beneficial changes in capital structure over the investment period.

The typical investee company, at the time of initial investment, is too small to be considered for inclusion in the FTSE 250 Index. We believe that smaller companies provide the greatest opportunity for our investment style as they are relatively under-researched, often have more limited resources, and frequently can be more attractively valued.

We believe that this approach, if properly executed, has the potential to generate favourable risk adjusted returns for shareholders over the long term.

Market Background

The past twelve months has been a relatively turbulent period for financial markets. Slowing global growth, increasing protectionism and the oscillation between expectations of interest tightening and loosening have created challenging conditions for investors. At a headline level, this has been reflected in UK equity market performance. Over the period, the FTSE Small Cap ex Investment Trusts Index retrenched by 8.6% and the 'junior' FTSE AIM All-Share Index fell by 13.9%; both on a total return basis.

In last year's report, we noted that as an asset class, UK equities remained out of favour with almost £10bn withdrawn from UK equity funds since the EU Referendum in June 2016. This has continued and worsened in the intervening period. We also noted that this downbeat view was not shared universally with a heightened degree of M&A activity. This has also continued with notable take-outs of Tarsus, BCA Marketplace, RPC, KCom, Manx and the Company's holding IFG Group (discussed in the performance review section). To copy and paste from last year's report; where markets don't re-rate good companies, buyers often correct the valuation gap.

Performance Review

Whilst the market declined over the past year, the NAV per share of the Company increased by 2.2% in total return terms. This builds on the strategy's strong record of capital preservation. Over the past twelve months, the Company had a Morningstar upside capture ratio of 126.7 and a downside capture ratio of 54.7. This means that the portfolio generally 'outperformed' the 'benchmark' during periods of positive returns for the benchmark and also that it lost less than the benchmark in down markets.

Portfolio companies performed well demonstrating encouraging operational and strategic progress, with one or two exceptions. This was, in our view, only reflected to an extent in share price performance, and there were broad, often indiscriminate de-ratings across the market over the year. Whilst these have been closed to an extent through some specific re-rating, or by way of transaction, in many cases, 'price' hasn't yet followed the 'value' of several portfolio holdings in our view.

Top 5 Contributors to Performance

Company	Valuation at year end £'000	Period attribution (basis points)
IFG Group	7,695	387
4imprint	10,648	353
Ergomed	9,427	228
EMIS	8,622	192
Clinigen	11,070	102

IFG Group was subject to a takeover approach at a 46% premium by Epiris Private Equity in March 2019. This contributed 387 basis points over the year and benefited from material increases to our position in March 2017 and May 2018 at 132p and 123p, both at significant discounts to the 193p offer price. We have long believed the company to be undervalued as stated in our report last year; '*Ongoing consolidation and an increasing incidence of listed peers in both the wealth management and platform industries demonstrate considerable valuation upside in our view*.' The investment had been frustrating over recent years owing to external market challenges and internal missteps. As such, it has absorbed considerable time and involved significant engagement with management and various members of the board of directors to achieve a desirable outcome for shareholders.

4imprint performed strongly. Organic growth and cash generation continued to be strong both in their core business and as a result of the investments made in the new marketing strategy. Earnings estimates were upgraded and the shares re-rated. Timely investments increasing our holding in the first half of 2018 amplified returns.

Ergomed was a new investment made in April 2018. As discussed in last year's report, we anticipated a re-rating following the strategic shift to focus on the services side of the business. This occurred over the period alongside encouraging profit growth and cash generation. Weakness in the share price following delays in on-boarding clients allowed us to increase our holding early in the period at a very attractive share price. The company continues to trade well and has recently strengthened its management and board with some high profile appointments.

EMIS performed strongly in response to the long term strategy outlined by the CEO. The vision remains to integrate healthcare across care settings and to now deliver this over a cloud hosted platform. This should open up more revenue sources (public and private) and over time enable the company to generate higher operating margins. Alongside this, the return to organic growth and the company's defensive and cash generative qualities drove a re-rating.

Clinigen performed well over the period with good growth in operating cash flow. The company utilised its balance sheet to undertake business and product investments in CSM, iQone and Proleukin. We believe this is sensible capital deployment as it further broadens the platform and increases the diversity of the business which should support future profit growth and cash generation.

Bottom 5 Contributors to Performance

Company	Valuation at year end £'000	Period attribution (basis points)
Proactis	1,801	(464)
Tyman	11,211	(180)
Wilmington	10,793	(132)
Tribal	10,983	(109)
Equiniti	20,668	(100)

Proactis was the major disappointment. Ongoing growth and retention issues with the acquired Perfect Commerce business led to the company warning on profit expectations in February. Downgrades, combined with concerns over the balance sheet and institutional shareholder selling led to a very large de-rating. The developments were exceptionally disappointing given the apparent progress the business had made in other areas and the long term strategic opportunities we envisioned. We remain engaged with management, the board and other shareholders to determine the best route to value recovery. The company commenced a formal sales process post period end.

Tyman shares were weak largely, reflecting concerns over the company's end markets. Along with other companies in the building products sector, Tyman was severely de-rated by c.25% from the same point a year ago (which accounted for the majority of the share price fall). Unlike many other companies with either material North American exposure or involved in similar industries, which have since re-rated, Tyman remains on a depressed valuation. We believe this is partially owing to new management being in place and the expectation of some downgrades at the interim results (which turned out to be modest and somewhat 'priced in'). Furthermore additional concerns around leverage which is forecast to be slightly below 2x net debt to EBITDA are unfounded. Given the company's cash generation, leading market position with a 40% share in North America and ability to extract value from consolidating a fragmented market, we believe Tyman has many of the characteristics private equity look for in an investment. We expect the valuation anomaly to close over time.

Wilmington saw its share price fall following a re-setting in expectations at its full year results. For a long time, the company has disappointed on organic growth and its go to market strategy. This, alongside questions around independence, was behind our recommendation to the company to find a new chairman and our introduction of Martin Morgan from DMGT. Alongside the chairman, a high quality CFO has been in place for a little over a year and a new CEO with relevant digital and business information experience has recently started. Despite challenging end markets, we believe the company has strong positions in attractive industries such as business risk and compliance and better operational and sales execution should improve the company's growth profile. The very low valuation, c.11% GVQIM Cashflow Yield (see below) provides scope for significant re-rating.

Tribal underwent a de-rating which accounted for the majority of the share price fall. Whilst top line growth was, and is likely to remain modest, profitability and cash generation were strong. The well-liked CEO very sadly and suddenly passed away last summer. The company, along with others, has been subject to a potential legal claim from a software partner. The company will contest this as it believes it is unjustified. The company has a strong net cash position and is undertaking development to further enhance its leading position as a software provider to education institutions globally. We believe this will further improve its attractiveness as a strategic asset.

Shares in **Equiniti** remained out of favour. Trading has been positive. Full year results showed above market organic growth of c.7%, strong client retention, new customer wins and very good cash generation. Furthermore, the company has fully separated from Wells Fargo and we expect the significant growth opportunity in North America to materialise over the coming years. Negative sentiment remains around the support services sector, companies which have leverage and those which have undertaken large M&A and have a degree of exceptional costs in their accounts. We believe these concerns should subside over time as features of the business model and its defensive qualities come to the forefront. The company, previously owned by private equity (with far higher leverage) is trading at a significant discount to transactions of similar businesses which have occurred over recent years and is far too lowly rated in our view.

The average cash balance held by the Company was 7.5% of net assets over the period. The approach of the Investment Manager is one of no gearing and to retain sufficient cash to enable the ability to participate in liquidity events without being a forced seller of existing holdings. Peak to trough, the FTSE Small Cap ex Investment Trust Total Return Index moved by almost 17% (FTSE AIM All-Share Total Return Index by almost 24%) over the past twelve months illustrating the extreme volatility in equity markets. With markets likely to remain volatile, driven by low liquidity and a focus on short termism, we retain a cash balance to take advantage as opportunities arise. Our approach is patient. The ending net cash balance was 8.4% of net assets in line with historical average cash held.

Dealing activity

Turnover was low also in line with our investment philosophy. Disposals netted £35.8m (excluding distributions from unquoted investments) representing 22% of the weighted average NAV. In addition, £0.3m of net distributions were received from unquoted investments. Purchases of £28.5m were made, representing 17% of the weighted average NAV.

Partial realisations were made in **IFG Group** (£12.1m) at a discount of less than 2% to the takeover bid price. Following the approach, the position accounted for over 12% of the NAV and we sought to book some of the consideration ahead of completion.

Positions in **4imprint** (£6.8m) and **EMIS** (£6.4m) were trimmed. Whilst both companies are very high quality with good momentum in their businesses, a strong combination of growth and cash flow, given the re-ratings over the period, we took advantage of the liquidity available in both. We also sold shares in **Tribal** (£2.7m) on share price strength early in the period.

Investments were made both in new holdings and the existing portfolio. In terms of new holdings, an investment was made in **Strix** (£2.6m). Strix is the global market leader in the design and manufacture of safety controls used in kettles and other water heating devices. In addition, the company has a growing water filtration business. The company is highly cash generative making healthy margins based on their intellectual property and superior manufacturing techniques. The end markets are stable and growing modestly. Cash generation from its core markets can be redeployed into new product development with greater scope for market share gains. Since listing two years ago the company has halved its net debt position whilst paying a well covered mid single digit yielding dividend.

We initiated an investment in **Eckoh** (£1.3m). Eckoh is a provider of secure payment and customer contact solutions large corporate contact centres. It is IP rich, offering patented PCI compliant solutions enabling card payments to be taken securely over the phone, reducing potential for card fraud or theft of customer data. This niche is growing with regulatory drivers like GDPR increasing the burden of firms to ensure systems compliance. The company is a UK market leader, with a significant opportunity in an unpenetrated North American market and has made encouraging progress in this new market. The financial characteristics are attractive with a high degree of recurring revenue and excellent cash generation. Changes in IFRS15 had a short term impact and put the shares under pressure, although effectively result in a highly conservative recognition of revenues relative to cash flows received. This provided an opportunity to initiate a holding.

We invested in **JTC** (£1.3m), a global provider of administration services to trust, corporate and private clients. Growth in profitability and cash flow is driven by an increase in outsourcing of specialist administration services to external providers and a proliferation of the formation of alternative, multi-jurisdictional fund structures. Solid growth, visibility and cash generation has seen private equity activity in this sector at attractive ratings.

Among existing holdings, significant capital was redeployed into **Equiniti** (£7.8m). For a stable, 'boring' business, the share price can be extremely volatile. This presented opportunities to acquire, what we believe, is a far improved company at a discounted valuation. Furthermore, following a material realisation in **Alliance Pharma** last year, we bought some shares back (£3.2m) following a de-rating over the summer. The fall in the price resulted from the company announcing additional investment in infrastructure addressing regulatory requirements and also some lumpiness in sales. At an elevated rating, this caused a steep fall in the share price. Additionally, we built up our position in **Ergomed** (£1.6m) following some delays in client on-boarding.

Portfolio Review

The portfolio remained highly focused with a total of 22 holdings at the year end and the top 10 holdings accounting for 65% of the NAV at the end of the financial period. 99.6% was invested in quoted companies. The percentage of the portfolio invested in unquoted securities fell from 0.5% to 0.4%. 8.4% of the NAV was held in cash at the year end.

Changes in sector weightings have seen exposure to Healthcare increase from 18.5% to 22.5% following strong performance from Ergomed and Clinigen. Technology has reduced from 22.1% to 16.8% following re-ratings leading to partial realisations. Financials has fallen from 14.2% to 11.2% and Support Services has increased from 15.2% to 19.2% of the portfolio.

Overseas sales have remained fairly constant as a proportion of the portfolio. The portfolio has significant international exposure through the likes of Tribal, Equiniti, Clinigen, 4imprint and Ergomed. Where companies have predominant UK sales, these are in acyclical repeatable services such as with EMIS and Medica to the health industry.

We screen for potential investments based on a long standing process focusing on 'four drivers' of equity returns; growth, value, corporate activity and de-gearing. We believe this combines the best aspects of public market and private equity investing and improves the chance of delivering shareholder value creation. Our focus is on specific companies as opposed to a 'top-down' overlay.

Through the underlying holdings, we believe that the current portfolio is exposed to multi-year investment themes including the growth in regulation and compliance, digital health, non-R&D based pharmaceuticals, the growth in the pensions and savings market and infrastructure and building.

Portfolio Characteristics as at 30 June 2019

Consensus weighted average portfolio characteristics	Strategic Equity Capital	FTSE Small Cap ex Investment Trusts
Price/Earnings ratio (FY1)	15.0x	15.1x
Dividend yield	2.4%	3.7%
Price/Sales ratio	2.2x	0.5x
Price/Cashflow ratio	17.9x	6.7x
GVQIM Cashflow yield*	9.9%	n/a

Forecast earnings growth (FY1)	11.4%	7.0%
Forecast net debt to EBITDA	0.1x	1.9x

Source: Factset Portfolio Analysis System, Bloomberg, FTSE Russell

*GVQIM cashflow yield: (12m forward Cash EBITDA minus maintenance capex)/(market capitalisation plus 12 month forward net debt).

The portfolio's aggregate valuation (in terms of the P/E ratio) is broadly in line with the constituents of the broader FTSE Small Cap ex Investment Trusts Index. The portfolio companies enjoy less geared balance sheets and are forecast to grow earnings faster.

Portfolio as at 30 June 2019

Company	**Sector Classification**	**Date of first Investment**	**Cost £'000**	**Valuation £'000**	**% of invested portfolio at 30 June 2019**	**% of invested portfolio at 30 June 2018**	**% of net assets**
Equiniti	Support Services	Mar 2016	18,351	20,668	13.3	8.9	12.2
Tyman	Industrials	Apr 2007	10,510	11,211	7.2	7.1	6.6
Clinigen	Healthcare	Jul 2014	5,940	11,070	7.1	7.8	6.5
Tribal	Technology	Dec 2014	11,343	10,983	7.1	9.5	6.5
Wilmington	Media	Oct 2010	11,502	10,793	7.0	9.2	6.4
4imprint	Support Services	Feb 2006	2,330	10,648	6.9	7.5	6.3
Ergomed	Healthcare	Apr 2018	6,070	9,427	6.1	2.6	5.6
EMIS	Technology	Mar 2014	5,594	8,622	5.5	7.5	5.1
Medica	Healthcare	Mar 2017	9,673	8,361	5.4	5.5	4.9
Brooks Macdonald	Financials	Jun 2016	6,880	7,738	5.0	3.8	4.6
IFG	Financials	Apr 2015	5,704	7,695	5.0	8.4	4.6
Alliance Pharma	Healthcare	May 2017	6,444	7,610	4.9	4.1	4.5
Dialight	Electronics	Jun 2017	8,260	6,196	4.0	2.7	3.7
Harworth	Property	Jul 2016	3,798	5,555	3.6	4.9	3.3
Oxford Metrics	Technology	Dec 2014	2,321	5,387	3.5	2.4	3.2
Numis	Financials	Oct 2017	3,700	3,330	2.1	3.2	2.0
Strix	Industrials	May 2019	2,569	2,602	1.7	-	1.5
Proactis	Technology	Nov 2017	9,308	1,801	1.2	4.6	1.1
Benchmark	Healthcare	Jun 2019	1,717	1,716	1.1	-	1.0
Eckoh	Technology	Mar 2019	1,273	1,518	1.0	-	0.9
JTC	Support Services	Jun 2019	1,293	1,329	0.9	-	0.7
Vintage 1	Unquoted Investments	Mar 2007	30	628	0.4	0.5	0.4
Total Investments				**154,888**			**91.6**
Cash				16,311			9.7
Net current liabilities				(2,162)			(1.3)
Total shareholders' funds				**169,037**			**100.0**

Portfolio as at 30 June 2019 – Sector split by industry

Sector	Percentage
Healthcare	22.5
Support Services	19.2
Technology	16.8

Financials	11.2
Net cash	8.4
Industrials	8.1
Media	6.4
Electronics	3.7
Property	3.3
Unquoted Investments	0.4

Portfolio as at 30 June 2019 – Size split by market capitalisation

Size	*Percentage*
Greater than £500m	30.2
£300m - £500m	15.2
£100m - £300m	44.7
Less than £100m	1.1
Net cash	8.4
Unquoted Investments	0.4

Unquoted Investments

Over the period, the Company received a capital distribution of £0.3m from Vintage I. The outstanding commitment relating to Vintage I is €1,560,000 and its adviser has communicated that it does not expect to make any further net draw downs.

Outlook

The broader market view is one of nervousness; global political and economic (trade) relations remain fractious and macro-economic data is softening. This is filtering through into weakening business sentiment and reflected in companies warning on profits. This has, in part, contributed to a period of underperformance for smaller companies recently, as they are generally viewed as riskier, more domestically focussed and, with the changes brought around by MiFID II, less well researched and more illiquid.

Liquidity has been very poor in smaller companies with over £400m cumulatively withdrawn from UK Smaller Companies open-ended funds in the last three months according to the Investment Association. This is significant at around three percent of total assets in the space. This is further depressing smaller company share prices and favours a closed-ended strategy with a long-term investment approach.

Further, we don't believe the above generalisation of small caps is apt for the portfolio. In our view, much of the portfolio is characterised by quality features, such as high recurring revenue (e.g. Equiniti, EMIS and Ergomed), limited exposure to economic cycles (e.g. Alliance Pharma, Medica, Tribal) and financial security (almost half of investee companies have net cash balance sheets).

This trepidation has created opportunities. Conditions are ripe for Private Equity activity. Valuations are low, financing is generationally cheap and there is significant dry powder; $2.5 trillion globally according to Preqin; the alternative asset industry data provider. This is evidenced, in part, through an increase in takeover activity in the UK. The Company has benefitted more recently in the take-privates of IFG Group and Servelec.

According to Preqin, investors view small to mid-market buyout funds as presenting the best opportunities. We believe the portfolio's characteristics with a strong combination of structural growth and cash flow, in many cases trading at a material discount to precedent transaction multiples, position the portfolio well to continue to benefit from this trend.

Top 10 Investee Company Review (as at 30 June 2019)

4imprint is a leading direct marketer of promotional products in North America and the UK. It processes over one million customised orders. We have been involved with the company since a change of management in 2003. Virtually all of the profits of the group are generated by the fast growing US business. The company has a significant net cash balance. Funds managed by the Investment Manager currently hold approximately 2% of the company's equity.

Brooks Macdonald is an investment management company. The company provides a range of investment management services and advice to individuals, pension funds, institutions, charities and trusts. It also provides offshore fund management and administration services. The company has offices across the UK and the Channel Islands. The company has one of the strongest rates of organic growth in its sector given its relationship with independent financial advisers and its large exposure to self-invested personal pension schemes. New management have undertaken 'catch-up' investment to fit the increased size of the group and are now focusing on growing the group margin and matching the performance of the international business to the successful onshore business. The company is highly cash generative and has a healthy net cash balance. Funds managed by the Investment Manager currently hold approximately 3% of the company's equity.

Clinigen is a speciality pharmaceutical and services company. It has three business units – Clinical Trial Services, Unlicensed Medicines and Commercial Medicines. Activities undertaken by these businesses include: acquiring, licencing and revitalising hospital-only critical care medicines; and providing patient access to its own or other pharmaceutical companies' products, whether to meet unmet medical needs or for use in clinical trials. The company has grown rapidly since its IPO in 2012, both organically and through targeted acquisitions. In April 2015 it acquired Idis, a peer, for £225m through a mixture of debt and equity and in September 2015, acquired Link Healthcare, a specialist pharmaceutical and medical business focused on the Asia, Africa and Australasia region. In September 2017, Clinigen acquired Quantum

Pharma and in 2018, it acquired CSM and iQone. We believe the cash flow characteristics are underappreciated. The company has a leading position in a multi-year growth market. Funds managed by the Investment Manager currently hold approximately 2% of the company's equity.

EMIS is a specialist healthcare software and services provider. It is the UK market leader in the provision of electronic patient records for GPs, with a 55% market share, and over 80% of total revenues are recurring. It also supplies electronic patient records to other healthcare organisations including community pharmacies, community and mental health trusts and accident & emergency departments. With solutions across every major healthcare setting, we believe EMIS is uniquely positioned to benefit from the NHS's connected care strategy. The company is continuing to develop Patient, an online platform with 18 million unique monthly users to provide high quality healthcare information and solutions. EMIS is highly cash generative with a strong balance sheet providing future opportunity. Funds managed by the Investment Manager currently hold approximately 1% of the company's equity.

Equiniti is a business services company providing administration, processing payments services and technology products typically to FTSE 350 companies. It is one of the three main share registrars for UK quoted companies. It administers company benefits schemes and share savings schemes. It also provides software and services to help manage the administration of company and public sector pension funds. We believe the business has a strong combination of stable, long-term repeatable non-discretionary corporate services alongside offering technology based solutions to growing regulatory requirements. The business was founded with the buyout of Lloyds TSB Share Registrars by private equity house Advent International in 2007. Following the buyout the company added to its product and service capability through a number of targeted acquisitions. The company IPO'd in October 2015. Whilst it was well invested under private equity ownership, there are significant medium to long term opportunities through rationalising its UK office footprint as well as offshoring more activities to its base in India. Together with moderate organic growth we believe that the company has the potential to deliver high single digit/low double digit earnings growth, which should not be significantly impacted by the broad market cycle. Despite its quality, the company trades at a moderate rating. The company has recently established a North American presence through EQ USA which provides entry to the world's largest capital market and significant long term opportunities for the business. Funds managed by the Investment Manager currently hold approximately 6% of the company's equity.

Ergomed is a pharmaceutical services company. The company operates across 55 countries and has provided and managed clinical development, trial management and pharmacovigilance services for over 100 clients across the pharmaceuticals industry. The company historically had three divisions; co-development, clinical research services and pharmacovigilance. The recent strategy has been to focus on the higher returning clinical research and pharmacovigilance services. These services are in a structural growth area given the increased incidence of outsourcing and regulatory requirements in the pharma industry. There has historically been a high degree of consolidation in these industries and we believe Ergomed is a highly strategic asset. Funds managed by the Investment Manager currently hold approximately 7% of the company's equity.

Medica is the leading provider of teleradiology services in the UK. The company provides outsourced interpretation and reporting of MRI, CT and plain film X-ray images. This is delivered through three primary services to UK hospital radiology departments: Nighthawk out-of-hours service; routine cross-sectional reporting on MRI and CT scans; and routine plain film reporting on x-ray images. Teleradiology as a service aims to improve patient care through faster response and overcoming the challenge hospitals face in the increasing volume in scanning activity. Medica was previously owned by Close Brothers Private Equity following a 2013 buyout. The company was IPO'd in March 2017 on the LSE and admitted to the FTSE Small Cap index in June 2017. Funds managed by the Investment Manager currently hold just below 10% of the company's equity.

Tribal is a global provider of products and services to the international education, training and learning markets. Today, the company focuses its activities on student records and administration systems and quality review inspection services. It has a high market share in a number of product niches and geographies. We believe that the company has the potential to grow through increasing its international sales, as well as updating and upselling to its existing UK customer base. Since November 2015 the company's board has been substantially refreshed, a non-core subsidiary sold and equity raised to strengthen the balance sheet. The company is executing well on a strategy to reduce its overhead and develop its next generation software platform. Funds managed by the Investment Manager currently hold 8% of the company's equity.

Tyman is a leading international supplier of engineered components to the door and window industry in the new build and repair and maintenance (RMI) markets. We originally invested in the company following the fall in residential activity around the financial crisis in 2009. The company has, through organic and inorganic investment, increased its market leadership, strengthened the product proposition and delivered significant cost and sales synergies. We believe future upside exists in the company's ability to replicate its North American manufacturing template to its operations in Europe and the Rest of the World to achieve material efficiencies, and in the recovery of U.S. single family housing activity to long term historical levels. Funds managed by the Investment Manager currently hold approximately 6% of the company's equity.

Wilmington provides business information and training services to professional business customers in the financial services, medical and white-collar professional service sectors. More than 80% of revenues in the main publishing and information divisions are delivered digitally, typically on a subscription basis, and with high levels of client retention. The company is highly cash generative. Growth has been held back in recent years and we believe the presence of a new chairman, CEO and CFO will improve the company's execution and management of the portfolio to drive shareholder value. Funds managed by the Investment Manager currently hold just under 10% of the company's equity.

GVQ Investment Management Limited 020 3907 4190

Jeff Harris

Adam Khanbhai

Investec Bank plc (Corporate broker) 020 7597 4000

Lucy Lewis

Lansons Communications on behalf of 020 7294 3687

GVQ Investment Management Limited

David Masters

The Company's Statement of Comprehensive Income, Statement of Changes in Equity, Balance Sheet, and Statement of Cash Flows follow.

Statement of Comprehensive Income

	Year ended 30 June 2019		
	Revenue return £'000	**Capital return £'000**	**Total £'000**
Investments			
Gains on investments held at fair value through profit or loss	-	1,449	1,449
	-	1,449	1,449
Income			
Dividends	3,116	-	3,116
Interest	73	-	73
Total income	3,189	-	3,189
Expenses			
Investment Manager's fee	(1,235)	-	(1,235)
Investment Manager's performance fee	-	(484)	(484)
Other expenses	(576)	-	(576)
Total expenses	(1,811)	(484)	(2,295)
Net return before taxation	1,378	965	2,343
Taxation	-	-	-
Net return and total comprehensive income for the year	1,378	965	2,343
Return per Ordinary share	2.11p	1.48p	3.59p

The total column of this statement represents the Statement of comprehensive income. The supplementary revenue and capital return columns are both prepared under guidance published by the AIC. All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the year.

Statement of Comprehensive Income

	Year ended 30 June 2018		
	Revenue return £'000	**Capital return £'000**	**Total £'000**
Investments			
Gains on investments held at fair value through profit or loss	-	1,640	1,640
	-	1,640	1,640
Income			

Dividends	3,156	-	3,156
Interest	36	-	36
Total income	3,192	-	3,192
Expenses	(1,449)	-	(1,449)
Investment Manager's fee			
Other expenses	(592)	-	(592)
Total expenses	(2,041)	-	(2,041)
Net return before taxation	1,151	1,640	2,791
Taxation	(30)	-	(30)
Net return and total comprehensive income for the year	1,121	1,640	2,761
Return per Ordinary share	1.65p	2.41p	4.06p

Balance Sheet

	As at 30 June 2019	As at 30 June 2018
	£'000	£'000
Non-current assets		
Investments held at fair value though profit or loss	**154,888**	161,055
Current assets		
Trade and other receivables	**1,244**	75
Cash and cash equivalents	**16,311**	14,094
Total current assets	**17,555**	14,169
Current liabilities		
Trade and other payables	**(3,406)**	(943)
Total assets less current liabilities	**169,037**	174,281
Net assets	**169,037**	174,281
Capital and reserves:		
Share capital	**6,986**	6,986
Share premium account	**31,737**	31,737
Special reserve	**25,595**	32,521

Capital reserve	**99,910**	98,945
Capital redemption reserve	**2,264**	2,264
Revenue reserve	**2,545**	1,828
Total shareholders' equity	**169,037**	174,281
Ordinary shares in issue	**63,759,589**	66,990,660
Net asset value per share	**265.12p**	260.16p

Statement of Changes in Equity

For the year ended 30 June 2019	**Share capital**	**Share premium account**	**Special reserve**	**Capital reserve**	**Capital redemption reserve**	**Revenue reserve**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance as at 1 July 2018	6,986	31,737	32,521	98,945	2,264	1,828	174,281
Net return and total comprehensive income for the year	-	-	-	965	-	1,378	2,343
Dividends paid	-	-	-	-	-	(661)	(661)
Share buy-backs	-	-	(6,926)	-	-	-	(6,926)
Balance as at 30 June 2019	**6,986**	**31,737**	**25,595**	**99,910**	**2,264**	**2,545**	**169,037**

For the year ended 30 June 2018	**Share capital**	**Share premium account**	**Special reserve**	**Capital reserve**	**Capital redemption reserve**	**Revenue reserve**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance as at 1 July 2017	6,986	31,737	36,814	97,305	2,264	1,238	176,344
Net return and total comprehensive income for the year	-	-	-	1,640	-	1,121	2,761
Dividends paid	-	-	-	-	-	(531)	(531)
Share buy-backs	-	-	(4,293)	-	-	-	(4,293)
Balance as at 30 June 2018	**6,986**	**31,737**	**32,521**	**98,945**	**2,264**	**1,828**	**174,281**

Statement ofCash Flows

	Year Ended 30 June	Year Ended 30 June
	2019	2018
	£'000	£'000
Operating activities		
Net return before taxation	**2,343**	2,791
Adjustment for gains on investments	**(1,448)**	(1,631)
Adjustment for revaluation of foreign currency balances	**(1)**	(9)
Irrecoverable overseas withholding tax	**-**	(30)
Operating cash flows before movements in working capital	**894**	1,121

(Increase)/decrease in receivables	**(57)**	54
Increase/(decrease) in payables	**433**	(2,241)
Purchase of portfolio investments	**(26,508)**	(47,839)
Sales of portfolio investments	**34,953**	51,869
Net cash flow from operating activities	**9,715**	2,964
Financing activities		
Equity dividend paid	**(661)**	(531)
Shares bought back in the year	**(6,838)**	(4,239)
Net cash outflow from financing activities	**(7,499)**	(4,770)
Increase/(decrease) in cash and cash equivalents for year	**2,216**	(1,806)
Cash and cash equivalents at the start of the year	**14,094**	15,891
Revaluation of foreign currency balances	**1**	9
Cash and cash equivalents at 30 June	**16,311**	14,094

Principal Risks and Uncertainties

The Board believes that the overriding risks to shareholders are events and developments which can affect the general level of share prices, including, for instance, inflation or deflation, economic recessions and movements in interest rates and currencies which are outside of the control of the Board.

The principal risks and uncertainties are set out on pages 16 and 17 of the Annual Report for the year ended 30 June 2019, which is available at www.strategicequitycapital.com.

Responsibility statement of the Directors in respect of the Annual Financial Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Going Concern

The Company has adequate financial resources to meet its investment commitments and, as a consequence, the Directors believe that the Company is well placed to manage its business risks. After making appropriate enquiries and due consideration of the Company's cash balances, the liquidity of the Company's investment portfolio and the cost base of the Company, the Directors have a reasonable expectation that the Company has adequate available financial resources to continue in operational existence for the foreseeable future and accordingly have concluded that it is appropriate to continue to adopt the going concern basis in preparing the Annual Financial Report, consistent with previous periods.

Related Party Transactions

The amounts payable to the Investment Manager are disclosed in note 3. The amount due to the Investment Manager for management fees at 30 June 2019 was £318,000 (2018: £329,000). The amount due to the Investment Manager for performance fees at 30 June 2019 was £484,000 (2018: £Nil).

Fees paid to Directors are disclosed in the Directors' Remuneration Report on page 30 of the Annual Report. Full details of Directors' interests are set out on page 31 of the Annual Report.

Notes

1.1 Corporate information

Strategic Equity Capital plc is a public limited company incorporated and domiciled in the United Kingdom and registered in England and Wales under the Companies Act 2006 whose shares are publicly traded. The Company is an investment company as defined by Section 833 of the Companies Act 2006.

The Company carries on business as an investment trust within the meaning of Sections 1158/1159 of the UK Corporation Tax Act 2010.

The financial statements of Strategic Equity Capital plc for the year ended 30 June 2019 were authorised for issue in accordance with a resolution of the Directors on 1 October 2019

1.2 Basis of preparation and statement of compliance

The financial statements of the Company have been prepared in accordance with IFRS issued by the International Accounting Standards Board (as adopted by the EU), interpretations issued by the International Financial Reporting Interpretations Committee, and applicable requirements of United Kingdom company law, and reflect the following policies which have been adopted and applied consistently. Where presentational guidance set out in the Statement of Recommended Practice ("SORP") for investment trusts issued by the AIC is applied to the extent it is consistent with the requirements of IFRS, the Directors have sought to prepare financial statements on a basis compliant with the recommendations of the SORP.

The financial statements of the Company have been prepared on a going concern basis, on the assumption the continuation vote is passed by Shareholders at the forthcoming Annual General Meeting.

Convention

The financial statements are presented in Sterling, being the currency of the Primary Economic Environment in which the Company operates, rounded to the nearest thousand, unless otherwise stated to the nearest one pound.

Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business.

1.3 Accounting policies

The accounting policies used in the preparation of the Annual Report can be found on pages 43 to 45 of the Annual Report for the year ended 30 June 2019.

1.4 New standards and interpretations not applied

IASB and IFRIC have issued the following standards and interpretations which are not effective for the year ended 30 June 2019 and have not been applied in preparing these financial statements.

International Accounting Standards (IAS/IFRS)	Effective date*
IFRS 16 Leasing	1 January 2019
IFRIC 23 Uncertainty over Income Tax Treatments	1 January 2019

* Years beginning on or after.

2. Income

	Year ended 30 June 2019		
	Revenue return	**Capital return**	**Total**
	£'000	**£'000**	**£'000**
Income from investments:			
UK dividend income	**3,116**	**-**	**3,116**
Liquidity interest	**73**	**-**	**73**
	3,189	**-**	**3,189**
Total income comprises:			
Dividends	**3,116**	**-**	**3,116**
Interest	**73**	**-**	**73**
	3,189	**-**	**3,189**
Income from investments:			
Quoted UK	**3,116**	**-**	**3,116**
Liquidity interest	**73**	**-**	**73**
	3,189	**-**	**3,189**

	Year ended 30 June 2018		
	Revenue return	Capital return	Total
	£'000	£'000	£'000

Income from investments:			
UK dividend income	3,008	-	3,008
Overseas dividend income	148	-	148
	3,156	-	3,156
Liquidity interest	36	-	36
	3,192	-	3,192
Total income comprises:			
Dividends	3,156	-	3,156
Interest	36	-	36
	3,192	-	3,192
Income from investments:			
Quoted UK	3,008	-	3,008
Quoted overseas	148	-	148
Liquidity interest	36	-	36
	3,192	-	3,192

3. Investment Manager's fee

	Year ended 30 June 2019		
	Revenue return	**Capital return**	**Total**
	£'000	**£'000**	**£'000**
Management fee	**1,235**	**-**	**1,235**
Performance fee	**-**	**484**	**484**
	1,235	**484**	**1,719**

	Year ended 30 June 2018		
	Revenue return	Capital return	Total
	£'000	£'000	£'000
Management fee	1,449	-	1,449
	1,449	-	1,449

A basic management fee is payable to the Investment Manager at annual rate of 0.75% of the NAV of the Company. The basic management fee accrues daily and is payable quarterly in arrears.

The Investment Manager is also entitled to a performance fee, details of which are set out below.

The Company's performance is measured over rolling three-year periods ending on 30 June each year, by comparing the NAV total return per share over a performance period against the total return performance of the FTSE Small Cap (ex Investment Companies) Index. A performance fee is payable if the NAV total return per share (calculated before any accrual for any performance fee to be paid in respect of the relevant performance period) at the end of the relevant performance period exceeds both: (i) the NAV per share at the beginning of the relevant performance period as adjusted by the aggregate amount of (a) the total return on the FTSE Small Cap (ex Investment Companies) Index (expressed as a percentage) and (b) 2.0% per annum over the relevant performance period

("Benchmark NAV"); and (ii) the high watermark (which is the highest NAV per share by reference to which a performance fee was previously paid).

The Investment Manager is entitled to 10% of any excess of the NAV total return over the higher of the Benchmark NAV per share and the high watermark. The aggregate amount of the Management Fee and the Performance Fee in respect of each financial year of the Company shall not exceed an amount equal to 1.4% per annum of the NAV of the Company as at the end of the relevant financial period.

A performance fee of £484,000 been accrued in respect of the year ended 30 June 2019 (30 June 2018: £nil).

4. Other expenses

	Year ended 30 June 2019		
	Revenue return £'000	**Capital return £'000**	**Total £'000**
Secretarial services	**117**	**-**	**117**
Auditors' remuneration for:			
Audit services*	**24**	**-**	**24**
Directors' remuneration	**131**	**-**	**131**
Other expenses	**304**	**-**	**304**
	576	**-**	**576**

	Year ended 30 June 2018		
	Revenue return £'000	Capital return £'000	Total £'000
Secretarial services	113	-	113
Auditors' remuneration for:			
Audit services*	20	-	20
Directors' remuneration	135	-	135
Other expenses	324	-	324
	592	-	592

*No non-audit fees were incurred during the year

5. Taxation

	Year ended 30 June 2019		
	Revenue return £'000	**Capital return £'000**	**Total £'000**
Irrecoverable overseas withholding tax*	**-**	**-**	**-**
	-	**-**	**-**

	Year ended 30 June 2018		
	Revenue return £'000	Capital return £'000	Total £'000

Irrecoverable overseas withholding tax*	30	-	30
	30	-	30

The Company is subject to corporation tax at 19.00%. As at 30 June 2019 the total current taxation charge in the Company's revenue account is lower than the standard rate of corporation tax in the UK.

* IFG Group withholding tax paid £Nil (2018: £29,642).

6. Return per Ordinary share

	Year ended 30 June 2019		
	Revenue return pence	**Capital return pence**	**Total Pence**
Return per Ordinary share	**2.11**	**1.48**	**3.59**
	2.11	**1.48**	**3.59**

	Year ended 30 June 2018		
	Revenue return pence	Capital return pence	Total Pence
Return per Ordinary share	1.65	2.41	4.06
	1.65	2.41	4.06

Returns per Ordinary share are calculated based on 65,305,594 (30 June 2018: 67,919,623) being the weighted average number of Ordinary shares, excluding shares held in treasury, in issue throughout the year.

7. Investments

	30 June 2019 £'000
Investment portfolio summary:	
Listed investments at fair value through profit or loss	**154,260**
Unlisted investments at fair value through profit or loss	**628**
	154,888

	30 June 2018 £'000
Investment portfolio summary:	
Listed investments at fair value through profit or loss	160,198
Unlisted investments at fair value through profit or loss	857
	161,055

The Company is required to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in measuring the fair value of each asset. The fair value hierarchy has the following levels:

Investments whose values are based on quoted market prices in active markets are classified within level 1 and include active listed equities. The Company does not adjust the quoted price for these instruments.

The definition of level 1 inputs refers to 'active markets', which is a market in which transactions take place with sufficient frequency and volume for pricing information to be provided on an ongoing basis. Due to the liquidity levels of the markets in which the Company trades, whether transactions take place with sufficient frequency and volume is a matter of judgement, and depends on the specific facts and circumstances. The Investment Manager has analysed trading volumes and frequency of the Company's portfolio and has determined these investments as level 1 of the hierarchy.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Level 3 instruments include private equity, as observable prices are not available for these securities the Company has used valuation techniques to derive the fair value. In respect of unquoted instruments, or where the market for a financial instrument is not active, fair value is established by using recognised valuation methodologies, in accordance with IPEV Valuation Guidelines.

Level 3 investments consist of an investment in a private equity fund of funds managed by 3i ('the Fund') and is valued at the Company's attributable proportion of the reported Fund Net Asset Value in accordance with the IPEV Valuation Guidelines. The Net Asset Value of the Fund is derived from the Fair Value of the underlying funds based on the most recent financial statements of the underlying funds adjusted for any subsequent cash movements to and from the underlying funds.

The underlying funds primarily invest in private companies which are recorded at cost or Fair Value derived from private equity valuation models and techniques. The main inputs into the valuation models of the underlying funds include industry performance, company performance, quality of management, the price of the most recent financing round or prospects for the next financing round, exit opportunities which are available, liquidity preference and net present value analysis.

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value of the investment.

The following table analyses within the fair value hierarchy the Company's financial assets and liabilities (by class) measured at fair value at 30 June 2019.

Financial instruments at fair value through profit or loss as at 30 June 2019

30 June 2019	**Level 1 £'000**	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Equity investments and limited partnership interests	**154,260**	**-**	**628**	**154,888**
Liquidity funds	**-**	**15,513**	**-**	**15,513**
Total	**154,260**	**15,513**	**628**	**170,401**

30 June 2018	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
Equity investments and limited partnership interests	160,198	-	857	161,055
Liquidity funds	-	10,696	-	10,696
Total	160,198	10,696	857	171,751

The below table presents the movement in level 3 instruments for the year ended 30 June 2019

by class of financial instrument.

	Total unquoted investments £'000
Opening balance at 1 July 2018	**857**
Proceeds from disposals during the year	**(292)**
Gains on disposals during the year	**280**
Decrease in unrealised appreciation	**(217)**
Closing balance at 30 June 2019	**628**

8. Share capital

	Number	**£'000**
Allotted, called up and fully paid Ordinary shares		
of 10p each:		
At 30 June 2018	69,858,891	6,986
Shares held in Treasury at 30 June 2018	(2,868,231)	(287)
Ordinary shares in issue per Balance Sheet	66,990,660	6,699

at 30 June 2018		
Share buy-backs to be held in Treasury	(3,231,071)	(323)
Ordinary shares in issue per Balance Sheet at 30 June 2019	63,759,589	6,376
Shares held in Treasury	6,099,302	610
Ordinary shares in circulation at 30 June 2019	**69,858,891**	**6,986**

9. Capital commitments and contingent liabilities

The Company has a commitment to invest €1,560,000 in Vintage I (30 June 2018: €1,560,000).

These are not statutory accounts in terms of Section 434 of the Companies Act 2006. Full audited accounts for the year to 30 June 2019 will be sent to shareholders in October 2019 and will be available for inspection at 1 Finsbury Circus, London EC2M 7SH, the registered office of the Company. The full annual report and accounts will be available on the Company's website www.strategicequitycapital.com

The audited accounts for the year ended 30 June 2019 will be lodged with the Registrar of Companies.