

# Strategic Equity Capital plc

## Q2 Factsheet - 30 June 2021



Since 1857  
**Gresham House**  
Specialist asset management

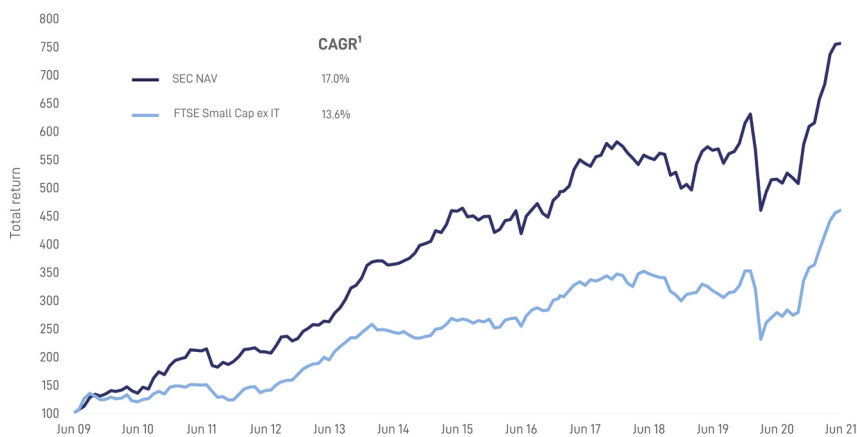
### Fund objective

Strategic Equity Capital plc (SEC or Trust) is a London-listed investment trust investing predominately in small cap UK equities. The Trust is not constrained by market indices and aims to maximise returns for investors over the medium term.

### Investment strategy

The Investment Manager, Gresham House Asset Management Limited employs a strategy to invest predominantly in publicly quoted companies which can create value through strategic, operational and management change - applying private equity style techniques to public companies. The process is based on private equity disciplines including a team approach and an Investment Committee that includes experienced executives and practitioners of public and private market investing. We aim for significant engagement with investee company stakeholders in support of a clear equity value creation plan over the long term.

### Long term cumulative rebased total performance



Source: Bloomberg, PATAC as at 30 June 2021, net of charges - FTSE Small Cap data rebased to SEC start NAV June 2009

### Discrete performance

	Q2 2021	2020	2019	2018	2017	2016	2015	2014
Share Price Total Return	15.6	-4.7	25.9	-17.6	20.2	-9.0	14.2	32.7
NAV Total Return	10.6	-0.9	23.0	-14.1	21.7	6.3	12.1	18.0
FTSE Small Cap Total Return	10.6	1.7	17.7	-13.8	15.6	12.5	13.0	-2.7

Source: Bloomberg & Financial Express, as at 30 June 2021

### Investment information<sup>2</sup>

Investment Manager:	Gresham House Asset Management Limited
Launch date:	July 2005
Net assets:	£222m
Market capitalisation:	£197m
Share price:	311.0p
Net Asset Value (NAV) per share:	350.0p
Shares in issue:	63,296,844
Current holdings:	19
Yield (historic):	0.4% <sup>3</sup>
Ongoing charges:	1.11% <sup>4</sup>
Gearing:	At present, the policy is "no gearing"
Discount to NAV:	11%
Performance fee:	10% above rolling 3-year FTSE Small Cap ex IT Total Return + 2% p.a., subject to high watermark
Dividend:	Annual (November)
Asset class:	UK Smaller Companies
Comparator index:	FTSE Small Cap ex IT Total Return
Trust codes:	SEDOL: B0BDCB2 Ticker: SEC.LN ISIN: GB00B0BDCB21

### Capital at risk:

The value of investments may fall as well as rise and investors may not get back the original amount invested.

Past performance is not necessarily a guide to future performance.

Portfolio investments in smaller companies typically involve a higher degree of risk.

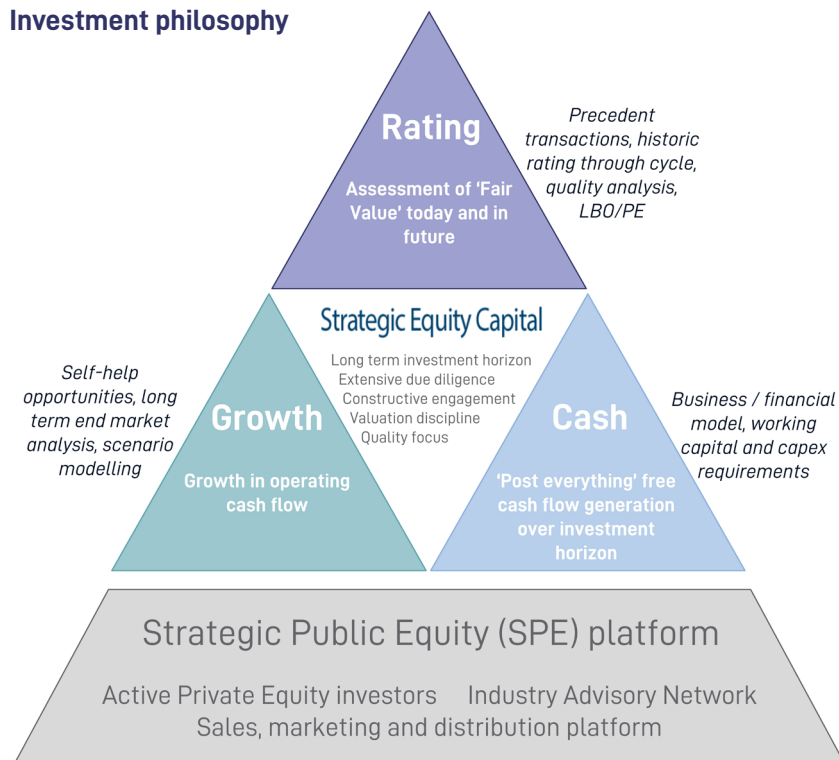
1. CAGR: Compound Annual Growth Rate  
2. Bloomberg, as at 30 June 2021  
3. Based on previous dividend figure of 1.25p  
4. Includes Manager's performance fee accrual

Sector breakdown <sup>5</sup>	% of NAV
Healthcare	26.2%
Business services	24.4%
Software	15.2%
Media	10.3%
Property	6.8%
Industrial	6.0%
Financials	4.8%
Consumer	3.7%
Net Cash	2.6%

5. As at 30 June 2021

Top ten holdings <sup>5</sup>	% of NAV
Medica Group	11.3%
XPS Pensions Group	9.0%
Tribal Group	7.6%
Clinigen Group	7.5%
Inspired Energy	6.2%
Wilmington	6.1%
Tyman	6.0%
Fintel	5.0%
Brooks Macdonald Group	4.8%
LSL Property Services	4.7%

## Investment philosophy



## Investment process

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, including a focus on cash flows, the potential value of the company to trade or financial buyers and the capital structure.

We typically aim to hold companies for the duration of our rolling three-year investment plans that include an entry and exit strategy and a clearly identified route to value creation.

During our investment holding periods, we engage constructively with portfolio companies. The primary objective of this engagement is to promote further value creation for all investors. However, we will vigorously defend the interests of our investors if we believe they risk being threatened. Our engagement is undertaken in private and involves discussions and submission of written commentary and proprietary analysis to portfolio company managers, their advisers and, where required, other shareholders.

The Trust will invest in up to 25 smaller companies in the FTSE Small Cap and AIM indices, with the majority of the portfolio by value typically invested in 10-15 holdings.



**Ken Wotton**

**Fund Manager**

Over 20 years' experience in Public Equity. Fund Manager for Gresham House UK Micro and Multi Cap funds. Previously at Livingbridge.



**Adam Khanbhai**

**Fund Manager**

Over 12 years' experience in Public Equity. Previously at GVQ Investment Management, OC&C Strategy Consultants. Qualified CFA Charterholder.

## CONTACT

For further information regarding SEC plc, please visit the Company's website: [www.strategicquitycapital.com](http://www.strategicquitycapital.com)

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