

Strategic Equity Capital plc

Q3 Factsheet – 30 September 2021



Since 1857
Gresham House
Specialist asset management

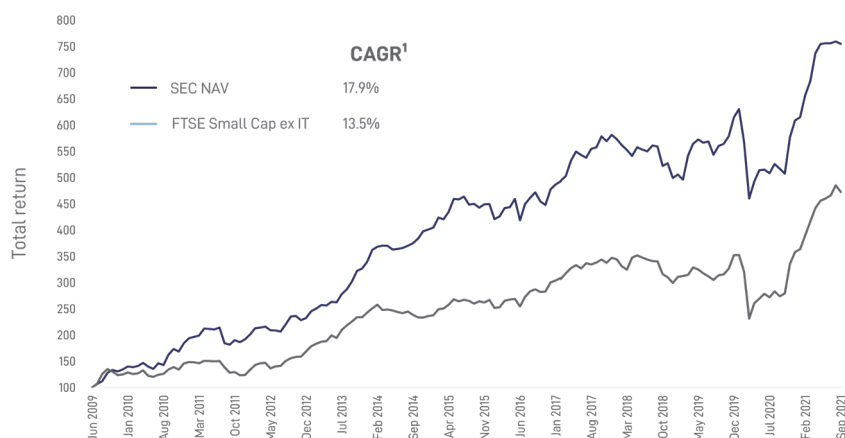
Fund objective

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, Juniper Partners as at 30 September 2021, net of charges - FTSE Small Cap data rebased to SEC start NAV June 2009

Discrete performance

| | Q3 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|-----------------------------|---------|------|------|-------|------|------|------|------|
| Share Price Total Return | -2.6 | -4.7 | 25.9 | -17.6 | 20.2 | -9.0 | 14.2 | 32.7 |
| NAV Total Return | -0.2 | -0.9 | 23.0 | -14.1 | 21.7 | 6.3 | 12.1 | 18.0 |
| FTSE Small Cap Total Return | 2.7 | 1.7 | 17.7 | -13.8 | 15.6 | 12.5 | 13.0 | -2.7 |

Source: Bloomberg & FE Analytics, as at 30 September 2021

Investment information²

| | |
|----------------------------------|---|
| Investment Manager: | Gresham House Asset Management Limited |
| Launch date: | July 2005 |
| Net assets: | £221m |
| Market capitalisation: | £192m |
| Share price: | 303.0p |
| Net Asset Value (NAV) per share: | 349.5p |
| Shares in issue: | 63,296,844 |
| Current holdings: | 19 |
| Yield (historic): | 0.53% |
| Ongoing charges: | 1.02% ³ |
| Gearing: | At present, the policy is "no gearing" |
| Discount to NAV: | 13% |
| 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 September 2021

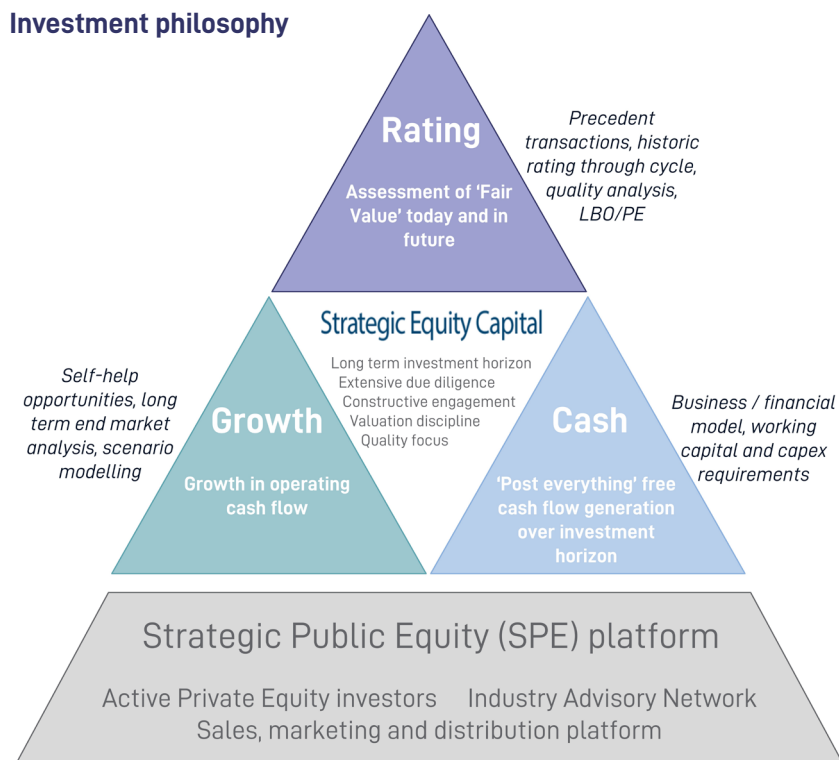
3. Includes Manager's performance fee accrual

| Sector breakdown ⁴ | % of NAV |
|-------------------------------|----------|
| Healthcare | 27.5% |
| Business services | 19.8% |
| Software | 12.2% |
| Media | 10.2% |
| Financials | 8.3% |
| Industrial | 6.9% |
| Property | 6.1% |
| Consumer | 4.3% |
| Net Cash | 4.7% |

4. As at 30 September 2021

| Top ten holdings ⁴ | % of NAV |
|-------------------------------|----------|
| Medica Group | 10.9% |
| XPS Pensions Group | 9.4% |
| Clinigen Group | 9.4% |
| Tribal Group | 7.5% |
| Wilmington | 6.6% |
| LSL Property Services | 6.1% |
| Brooks Macdonald Group | 6.0% |
| Tyman | 5.9% |
| Inspired | 5.6% |
| Fintel | 4.9% |

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.strategicequitycapital.com

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