Strategic Equity Capital plc

A specialist alternative equity investment trust with a concentrated UK smaller companies portfolio

Report & Financial Statements

for the year ended 30 June 2026

Gresham House

Specialist investment

About Strategic Equity Capital (SEC: LN)

Strategic Equity Capital plc ("SEC" or the "Company") is a specialist alternative equity investment trust.

Actively managed, it maintains a highly-concentrated portfolio of 15-25 high-quality, dynamic, UK smaller companies, each operating in a niche market offering structural growth opportunities.

The Company's investment manager is Gresham House and the lead manager is Ken Wotton. The investment team has a long-term track record of strong returns in the UK smaller companies sector.

SEC listed on the London Stock Exchange on 19 July 2005, having raised funds from a range of investors including institutions, pension funds and private banks. The Board currently consists of seven Non-Executive Directors, all independent of the Investment Manager.

Why Strategic Equity Capital?

Expertise and track record: fund manager Ken Wotton and his team are specialists in identifying great investment opportunities in UK smaller companies, and have a proven, long-term performance track record. The team focus on companies that operate in a sector or niche market that offers opportunities for structural growth or an environment with scope to take market share.

Distinctive: SEC's investment process employs a 'private-equity approach to public markets', a rigorous and repeatable methodology based on private equity investing techniques to deliver value and returns on investment.

A powerful network: the Investment Manager's network of advisers and connections provides challenge, validation and insight to the investment team, which in turn drives better decision-making, stock-selection and ultimately, value to shareholders. The network and advisers can also be connected to portfolio companies to support their growth.

Active and engaged: the team invest in a highly-concentrated portfolio of between 15–25 companies. The investment team is actively engaged with investee companies working closely to build superior shareholder value.

Focus within an investment trust structure: the structure of the investment vehicle allows the investment team to be truly long term and to run a more concentrated portfolio of stocks with a high degree of conviction.

Strong fundamentals: investment is made in companies that are able to demonstrate a fundamentally profitable business model, strong cash generation, attractive returns on capital and superior operating margins.

Investment Objective

The investment objective of Strategic Equity Capital plc is to achieve absolute returns (i.e. growth in the value of investments) rather than relative returns (i.e. attempting to outperform selected indices) over a medium-term period, principally through capital growth.

The Company's investment policy can be found on **page 18**.

Investment Manager

Gresham House is a specialist alternative asset management group, dedicated to sustainable investments across a range of strategies, with expertise across forestry, housing, infrastructure, renewable energy and battery storage, public and private equity.

Its origins stretch back to 1857, while its focus is on the future and the long term. Gresham House actively manages c.£12.7bn of assets on behalf of institutions, family offices, charities and endowments, private individuals and their advisers. It acts responsibly within a culture of empowerment that encourages individual flair and entrepreneurial thinking.

As a signatory to the UN-supported Principles for Responsible Investment (PRI), its vision is to always make a positive social or environmental impact, while delivering on its commitments to shareholders, employees and investors.



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Financial Summary

Net Asset Value ("NAV") per Ordinary Share

380.08 pence

-3.2%

30 June 2025
392.47 pence

Ordinary Share Price

361.00 pence

-0.6%

30 June 2025
363.00 pence

NAV Total Return[1]

-2.2%

30 June 2025
-0.1%

Share Price Total Return[1]

+0.6%

30 June 2025
+0.4%

Discount of Ordinary Share Price to NAV[1]

-5.0%

30 June 2025
-7.5%

Proposed Final Dividend for the year

4.50 pence

+5.9%

30 June 2025
4.25 pence

1. **Alternative Performance Measures.** Please refer to **pages 75** to **76** for definitions and reconciliations of the Alternative Performance Measures to the year-end results.

Information disclaimer

This report is produced for members of the Company with the purpose of providing them with information relating to the Company and its financial results for the period under review. If you are in any doubt as to the action you may need to take, please seek advice from your stockbroker, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000. This report contains subjective opinion, analysis and forward looking statements which, by their very nature involve uncertainty.

Past performance is no guarantee of future performance. Investments are not guaranteed and you may not get back the amount you originally invested. Neither the Directors nor the Company take responsibility for matters outside of their control. The Board and its advisers have endeavoured to produce these audited accounts in good faith and in accordance with legislation, regulations, reporting standards and to be useful to stakeholders in the Company, including its shareholders.

	At 30 June 2026	At 30 June 2025	% change
Capital return			
Net asset value ("NAV") per Ordinary share†	**380.08p**	392.47p	(3.2)%
Ordinary share price	**361.00p**	363.00p	(0.6)%
Comparative index‡	**6,427.32**	6,175.33	+4.1%
Discount of Ordinary share price to NAV[1]	**(5.0)%**	(7.5)%	
Average discount of Ordinary share price to NAV for the year[1]	**(7.3)%**	(8.4)%	
Total assets (£'000)	**129,188**	174,399	(25.9)%
Equity shareholders' funds (£'000)	**128,941**	174,153	(26.0)%
Ordinary shares in issue with voting rights	**33,924,903**	44,373,800	

	Year ended 30 June 2026	Year ended 30 June 2025
Performance		
NAV total return for the year[1]	**(2.2)%**	(0.1)%
Share price total return for the year[1]	**0.6%**	0.4%
Comparative index‡ total return for the year	**7.6%**	13.1%
Ongoing charges[1]	**1.3%**	1.3%
Ongoing charges (including performance fee)[1]	**1.3%**	1.3%
Revenue return per Ordinary share	**0.73p**	5.03p
Dividend yield[1]	**1.2%**	1.2%
Proposed final dividend for the year	**4.50p**	4.25p

Year's Highs/Lows	High	Low
NAV per Ordinary share	**436.87p**	348.90p
Ordinary share price	**406.00p**	334.50p

† Net asset value or NAV, the value of total assets less current liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share.

‡ FTSE Small Cap (ex Investment Trusts) Index.

1. **Alternative Performance Measures.** Please refer to pages 75 and 76 for definitions and reconciliations of the Alternative Performance Measures to the year-end results.

A breakdown of the relevant financial information for the Company's two pools, the Continuation Pool and the Realisation Pool, is noted on page 76.

Chairman's Statement

I am pleased to present the Annual Report for Strategic Equity Capital plc for the year ended 30 June 2026. The year combined an important corporate milestone for the Company with significant macroeconomic, geopolitical and domestic political developments, which contributed to volatility in equity markets and in the Company's portfolio performance.

Performance and market backdrop

For the year to 30 June 2026, the Company's net asset value ("NAV") delivered a total return of -2.2%. The share price total return was +0.6%, while the FTSE Small Cap (ex Investment Trusts) Total Return Index rose by 7.6%. More details on the Company's performance can be found in the Investment Manager's report on pages 10 and 11. This outcome is disappointing and the Board recognises the relative underperformance experienced by shareholders. It should, however, be considered in the context of a year in which performance and market leadership changed materially between periods.

The portfolio performed strongly through to January 2026, with a financial year-to-date NAV total return of approximately 11%, before reversing sharply by approximately 20% from peak to trough during February and March. Widespread concerns about the disruptive potential of artificial intelligence led to indiscriminate selling across entire sectors in the UK and internationally. With a portfolio weighted towards asset-light, intangible-rich businesses, including technology – software, professional services and wealth management companies, the Company's NAV was particularly exposed to this thematic de-rating despite overwhelmingly positive operational delivery from the underlying investments. On a macro level, the US Iran War and subsequent closure of the Strait of Hormuz raised concerns about the implications for UK energy prices and inflation, adding to the pressure on financial markets and UK smaller-company valuations.

The final quarter of the financial year saw a strong, although incomplete, recovery. The Company's NAV total return was +6.6% in calendar Q2, compared with a 9.6% rise in the comparator index. Over the full year, the share price proved more resilient and the discount to NAV narrowed from 7.5% at 30 June 2025 to 5.0% at 30 June 2026. This is welcome evidence that the Company's discount-management measures and capital framework are having an effect, although the Board remains alert to the risk that weak demand for UK investment companies could cause the discount to widen again.

Artificial intelligence

The Board has considered the competitive implications of artificial intelligence carefully with the Investment Manager. The technology will inevitably alter products, workflows and cost structures across many industries, and each investment case must be tested accordingly. At the same time, work undertaken with investee management teams and sector specialists indicates that the portfolio's businesses possess durable protections, including proprietary data, deep market and situational expertise, regulatory barriers, embedded customer workflows and trusted system-of-record status that should be resilient to the potential threats posed by AI. In several cases, artificial intelligence should enhance product capability and efficiency rather than undermine the business model.

The Investment Manager used the period of weakness to add selectively to high-conviction holdings at depressed valuations. A number of affected share prices recovered during the final quarter as operational delivery remained sound and the initial concerns became more differentiated. The Board supports this disciplined approach, while recognising that the pace of technological change requires continued scrutiny and that not all companies will be equally well placed.

Corporate activity

Corporate activity continued to demonstrate the gap between public-market valuations and the prices strategic or private-equity buyers are prepared to pay. Earlier in the year, the takeovers of Inspired and Ricardo enabled value to be realised at substantial premia following periods of active engagement. More broadly, more than £35 billion of takeovers of UK-listed companies were announced in H1 2026. This activity is not a substitute for operational progress, but it provides an additional route through which intrinsic value may be recognised.

Realisation opportunity

The 2025 realisation opportunity was the most significant corporate development during the financial year. Following shareholder approval, 9,510,496 Ordinary shares were validly tendered, representing approximately 22% of the Company's issued share capital. The Board was pleased that holders of approximately 78% of the issued shares chose to remain invested. This retained a stable capital base for the Company and represented a strong endorsement of its differentiated investment proposition.

The realisation process was managed in an orderly manner, balancing the pace of returns to realising shareholders with the need to protect NAV for shareholders as a whole. Two interim payments totalling approximately £29 million had been returned by 24 February 2026, representing approximately 75% of the shares validly tendered. The final distribution of £8.8 million will be paid to tendering shareholders on 24 September 2026, ahead of the 31 October 2026 deadline announced in the Circular published last year.

Discount management, gearing and dividend

The Board remains committed to disciplined discount management. In line with the framework approved by shareholders, the Board will continue to make 50% of net gains from profitable realisations available to fund share buybacks where the Company's shares trade at a discount of 5% or more to NAV. The Board has also reaffirmed its intention to provide a further realisation opportunity in 2030, aligning the Company's capital structure with the long-term nature of the investment strategy and shareholders' liquidity requirements.

The Company continued to operate without a banking loan facility and had no gearing at 30 June 2026, a policy that remains under regular review by the Board and the Investment Manager.

The Board is recommending a final dividend of 4.50 pence per Ordinary Share for the year ended 30 June 2026, subject to shareholder approval at the Annual General Meeting. The dividend will be paid on 20 November 2026 to shareholders on the register at 9 October 2026.

Board succession

As previously announced, Richard Locke and I will retire from the Board at the conclusion of the 2026 Annual General Meeting returning the Board to its normal size of five directors. Howard Williams will succeed me as Chair. Howard has brought substantial investment management and governance experience to the Board, and I am confident that the Company will benefit from his leadership.

I am also pleased to welcome Will Rogers and Guy Walker, whose appointments as non-executive Directors took effect on 1 September 2026. Will brings corporate finance, legal and governance experience, while Guy brings extensive investment management and investment trust experience. Their complementary skills will further strengthen the Board. Please note their bios on pages 30 and 31.

It has been a privilege to serve as a Director of the Company since 2016 and as Chair since 2022. I would like to thank my fellow Directors, the Investment Manager and our advisers for their support and commitment, particularly through the implementation of the realisation opportunity and the periods of market volatility covered by this report.

Outlook

The outlook at the date of this report remains uncertain. A tentative ceasefire and improved oil flows through the Strait of Hormuz supported markets in June, but renewed attacks after the year end underline the fragility of the position. The portfolio has limited direct exposure to global trade disruption, but no UK company is entirely insulated from the effects of energy costs, inflation, supply chains or weaker confidence.

The UK has also experienced a change of political leadership since the year end, with Andy Burnham becoming Prime Minister in July 2026. The implications for investment, growth, taxation and capital markets will become clearer as the new Government's policy priorities are developed and implemented. In the near term, the change may add to uncertainty; over the longer term, consistent policy and measures that encourage investment in productive UK businesses would be welcome.

Domestic investors withdrew capital from UK-focused equity funds in each of the four quarters of the Company's financial year[1]. This persistent selling remains a headwind for smaller companies and actively managed UK equity strategies, even as overseas investors and corporate buyers increasingly recognise the value available.

That value remains substantial. UK smaller companies continue to trade at marked discounts to larger domestic stocks, international peers and private-market transaction multiples. The portfolio contains businesses with recurring revenues, defensible positions, strong cash generation and modest financial leverage which, in the Board's view, are not adequately reflected in current market ratings. However value creation is intended to be driven principally by company-specific operational progress, strategic change and active engagement.

The year has demonstrated both the risks of a concentrated portfolio and the importance of maintaining conviction where operational evidence remains supportive. The Board believes the Company is well positioned to benefit from a recovery in UK smaller companies and from further corporate recognition of the valuation opportunity. We remain confident in the Investment Manager's disciplined, high-conviction approach and in the Company's ability to deliver attractive long-term returns for shareholders.

The Board thanks shareholders for their continued support.



William Barlow
Chairman

22 September 2026

1. Source: Calastone Fund Flow Index, July 2026.

Investment Manager's Report – Introduction

A differentiated public equity approach

Scalable platform, private equity mindset

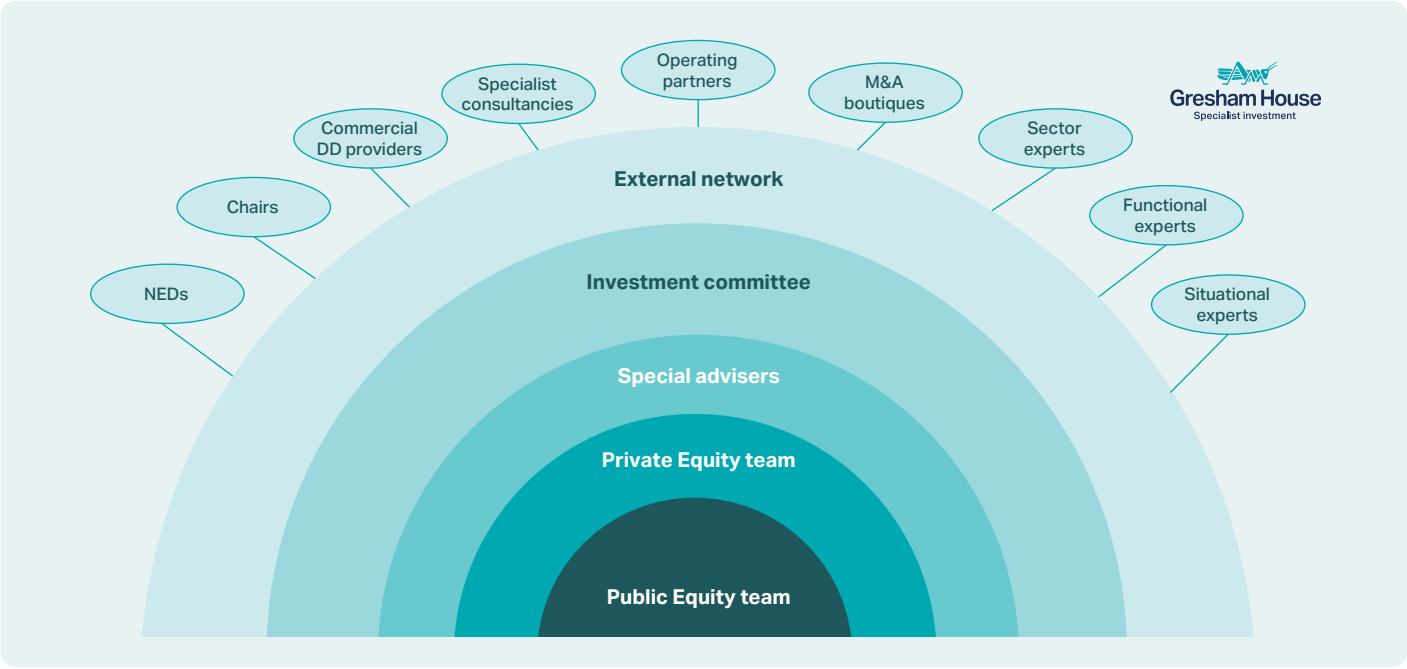
Strategic Equity Capital is managed by Gresham House's Public Equity team using a private equity approach to public markets. By a private equity approach we mean that we don't just invest but take an active ownership approach that focuses on practical levers that can improve the quality, strategic value or realisation potential of an investment. The strategy combines concentrated ownership, deep fundamental due diligence and constructive engagement with access to a scalable platform of sector experts, private equity professionals, operating partners and specialist advisers. This allows the team to test investment judgements more deeply than a conventional public equity process and, where appropriate, to support investee companies directly in creating and realising value.

The scale of the Gresham House Strategic Equity platform and SEC's positioning alongside other Gresham House managed smaller companies funds allows the trust to co-invest selectively as part of a larger pool of capital. This means SEC can form a key part of larger aggregate holdings in selected companies. This scale enables SEC to build influential equity stakes, often as one of the largest shareholders in portfolio companies, which in turn enhances SEC's influence and acts as a platform for its strategic active engagement approach. The Manager believes this can support and enhance shareholder value creation in its portfolio and provide the opportunity for enhanced returns for SEC shareholders over the long term.

Powerful Network

The team draws on Gresham House's wider platform and external network to challenge and validate key investment judgements, source specialist expertise and support portfolio companies. The network is used both before investment and throughout the holding period, and is a core part of the team's ability to apply private equity techniques in public markets at scale.

Private equity network



For illustrative purposes only.

Investment focus

We invest in high-quality public companies where strategic, operational or management change can materially increase value over a three-to-five-year horizon. SEC typically owns 15-25 companies, allowing the team to build a detailed understanding of each business and to take an influential position where conviction is highest. We focus on profitable, cash-generative businesses with defensible market positions and underwrite a clear route to value creation and realisation before investing.

Why UK smaller companies now

The opportunity in UK smaller companies is unusually compelling. UK equities remain at a material valuation discount to global markets and, within the UK, smaller companies trade at a further discount to large caps. At 31 August 2026, companies below £500m market capitalisation traded at a 25% median P/E discount to large-cap companies (above £4bn), despite many high-quality smaller businesses continuing to deliver resilient earnings and cash generation.

The scale of the opportunity

Figure 1: UK 12-month forward P/E relative to global equities[1]

UK equities trade at significant discounts, evidenced by P/E multiples, to global equities.

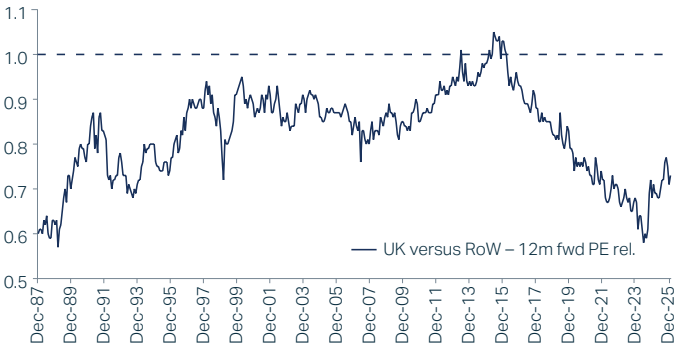
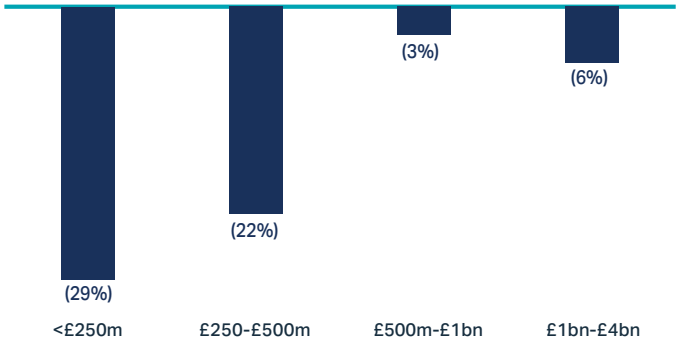


Figure 2: Median PE of small caps vs large caps[2,3]

Smallcap firms, especially those under £250m market capitalisation, trade at very significant P/E discounts to large cap companies.



1. Source: Berenberg, as at 30 June 2026.
2. Source: Bloomberg as at 31 August 2026.
3. Median PE companies over £4bn.

Why this matters now

These discounts are extreme by historical standards and are increasingly being recognised by strategic and private equity buyers. Takeover activity has remained elevated, with 25 firm offers for UK-listed companies worth c.£35bn announced in the first half of calendar 2026 alone[1].

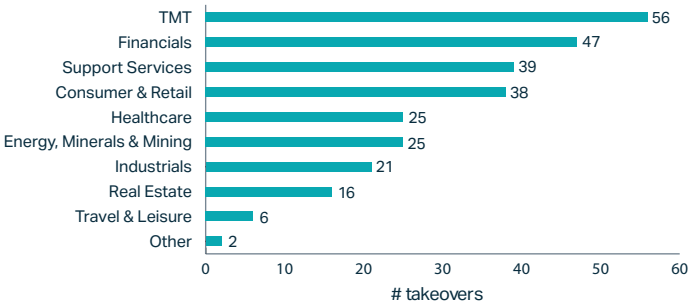
Persistent domestic fund outflows have helped create the dislocation. We do not rely on a broad market re-rating, but the combination of depressed valuations, improving international interest in UK equities and active corporate buyers gives selective, engaged investors an unusually attractive environment in which to deploy capital.

1. Source: UK Public Markets Monitor Q2 2026 and H1 2026 Takeovers Update, July 2026.

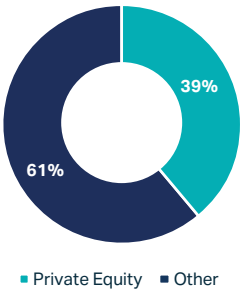
UK listed companies' takeovers

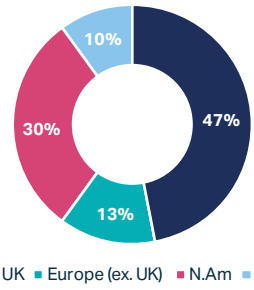
There are high levels of takeovers in UK listed markets (275 in five years) and they provide significant uplift on exit: takeover valuations in that period were at an average premium of 36.9% to the previous 30 days' average trading price.

UK takeovers in past five years



Acquirer characteristics





Total # takeovers	275
Median transaction value	£332mn
Median premium to 30-day VWAP[1]	36.9%
Median takeout multiple EV/EBITDA[2]	11.9x

For discussion purposes only. Past takeover activity is not necessarily a guide to future takeover activity.

Source: Bloomberg, FactSet, as at 30 June 2026

1. Volume Weighted Average Price

2. Enterprise Value to Earnings Before Interest, Tax, Depreciation and Amortisation

Portfolio Construction

SEC maintains a concentrated portfolio of 15-25 high-conviction holdings, with the majority of value typically held in the top 10. Bottom-up stock selection determines sector exposure. We generally target companies with market capitalisations of £100m-£300m at initial investment, where SEC and other GHAM funds can build a meaningful ownership position. This concentration is deliberate: it allows the team to know companies deeply and to engage where there is a clear route to value creation.

How our private equity approach creates value

Our active ownership approach focuses on practical levers that can improve the quality, strategic value or realisation potential of an investment. The following examples are drawn from SEC and, where noted, other GHAM equity funds managed by the investment team to show how the platform is applied in practice.

Deep network referencing. The team uses Gresham House's network to challenge the critical judgements in an investment case before capital is committed, supplementing company information with independent sector, commercial and regulatory perspectives.

Case Study – Diaceutics: Before building a strategic stake in Diaceutics, the team used its network to test the investment case with competitors, senior industry operator contacts, relevant private equity firms and specialist sector M&A advisers. This work challenged management quality, market opportunity, competitive position, regulation and technology risk before capital was committed. This process remains ongoing with regular top-up due diligence designed to ensure a high conviction view is maintained as strategic, operational and market factors develop over time.

Board composition. We assess whether boards have the independence, skills and experience required to deliver the investment case, and will engage and vote where we believe enhancement is needed.

Case Study – XPS: Despite a strong share price performance throughout our holding period we felt that there was scope for evolution of the non-executive director roster. We pressed for board refreshment and, as the then largest shareholder, voted against the re-election of the then chair and senior independent director at the 2023 AGM. Following constructive engagement with the board, two new independent NEDs were appointed to the board, one of whom we supported to become chair in 2025.

Management incentivisation. We seek remuneration structures that retain and motivate key management while linking rewards to demanding, long-term shareholder value creation.

Case Study – Fintel: We engaged constructively on the design of its Growth Share Plan, seeking to ensure that management rewards were linked to meaningful long-term shareholder value creation (in particular absolute Total Shareholder Return) and appropriately structured across the senior team.

Corporate simplification. Where group structures obscure value or capital is trapped in non-core assets, we will advocate simplification, disposals or other strategic actions that can crystallise value.

Case Study – TruFin: Since investment we have advocated for a simplification of the group, in particular for a strategic assessment of the rapid growth Playstack division, and introduced relevant non-executive director experience and in turn prospective financial advisers to help the Board assess strategic options. Playstack was sold in June 2026 for £125m EV, more than TruFin's group EV prior to the announcement, and the company subsequently announced an £80m return of capital, crystallising a partial exit for SEC at an attractive return relative to original cost.

Acquisition financing. We can provide or help anchor primary capital where an acquisition is strategically compelling, appropriately priced and enhances long-term value without weakening balance-sheet discipline.

Case Study – Medica: In 2021, SEC and other GHAM funds provided cornerstone support to Medica's equity placing to fund the acquisition of RadMD, enabling the company to enter the US clinical trials imaging market and pursue a strategically attractive growth opportunity. Ultimately this transaction strongly contributed to the strategic positioning of the group and supported the exit through a takeover offer at an attractive price during 2023.

Takeover defence and enablement. Our scale and long-term ownership can give boards greater flexibility in contested situations, allowing us to resist offers that undervalue a business while supporting transactions that fairly crystallise value.

Case Study – Inspired: When Regent Gas made an unsolicited 68.5p offer for Inspired, GHAM and SEC (collectively a 29.7% shareholder) publicly rejected it in support of the board. This demonstration of public support led to other shareholders following suit, resulting in shareholders representing c.49% of the company publicly indicating their support for the board's rejection of the offer. This preserved optionality and enabled the board and its advisers to solicit a superior recommended offer from a US Private Equity firm at 81p, which GHAM de-risked through irrevocable undertakings to support the deal.

These non-exhaustive interventions demonstrate the team's approach to identifying levers that could improve outcomes for all shareholders, and using its ownership position, network and capital selectively to bring these to fruition.



Investment Manager's Report for the year ended 30 June 2026

Overview – FY 2025/26

The year to 30 June 2026 was characterised by sharp changes in market leadership and investor sentiment. UK smaller companies remained under pressure from persistent domestic fund outflows, even as the FTSE 100 benefited from a rotation of global capital away from concentrated US equity exposures. Against this mixed backdrop, operational delivery across the Company's portfolio was generally resilient, but portfolio valuations experienced pronounced intra-year volatility.

During the first half of the financial year, smaller companies generally lagged their larger peers despite improving underlying UK economic fundamentals. The prolonged lead-up to the 2025 Autumn Budget weighed on risk appetite and domestic liquidity, with UK-focused equity funds recording £2.6 billion of net outflows in calendar Q4 2025 alone[1].

Calendar Q1 2026 then brought a marked reversal. Smaller-company indices fell as geopolitical escalation in the Middle East supported energy prices and large-cap market leadership, while in February a sharp and broad-based sell-off hit software, professional services and data-platform businesses following a wave of artificial intelligence product launches. The Company's exposure to asset-light, intangible-rich businesses meant that it was particularly affected by this thematic de-rating, despite substantively all portfolio company trading updates or results in the quarter being positive or in line with expectations. Following extensive engagement with management teams and our specialist network to re-test the AI opportunities and threats for each company, we concluded that a number of holdings possess meaningful barriers to AI-led disruption – including proprietary data, deep domain expertise, regulatory knowledge, embedded customer workflows and trusted system-of-record status – and selectively added to high-conviction positions at depressed valuations.

The final quarter saw a strong, albeit incomplete, recovery as the initial AI concerns became more differentiated and operational delivery remained sound. Again, substantively all portfolio trading updates and financial results in calendar Q2 were positive or in line with market expectations, while several of the holdings most affected by the February sell-off recovered materially. Smaller companies also began to outperform their larger peers during the quarter. The period nevertheless remained volatile, with conflict in the Middle East, energy-price uncertainty and renewed domestic political uncertainty continuing to affect risk appetite.

Corporate activity remained an important source of value realisation. The acquisitions of Inspired and Ricardo crystallised value at substantial premia following periods of active engagement, while public-to-private activity across the UK market remained elevated; in the first half of calendar year 2026 there have been 25 firm offers announced for UK listed companies, with an aggregate value of £35bn[2]. This continues to validate our view that the valuation gap between UK public markets and strategic or private-market values remains material. Throughout the year, our investment approach remained unchanged: bottom-up stock selection, deep fundamental due diligence and constructive engagement focused on company-specific routes to value creation rather than reliance on a broad market re-rating.

Performance – FY 2025/26

The Trust's NAV Total Return decreased by **2.2%** over the 12-month period ended 30 June 2026, versus the FTSE Small Cap Index (excluding Investment Companies), which rose by **7.6%**.

NAV return attribution

Component	%
Benchmark	7.6
Manager Stock Selection*	(0.5)
Sector Effect†	(8.2)
Fees: Ongoing	(1.3)
Fees: Tender-related	(0.5)
Buyback‡	0.7
NAV	**(2.2)**

* Manager Stock Selection is the balancing item, computed as NAV less Benchmark, Structurally Excluded Sectors, Fees (Ongoing and Tender-related) and Buyback.

† Sector Effect is the sector allocation effect of the GICS industries exposure estimated from Brinson Attribution analysis from Bloomberg PORT. Sector Effect is heavily influenced by Structurally Excluded Sectors (Energy, Materials, Banks and REITs). As SEC holds no stocks in these industries, their entire active contribution is an allocation effect. Structurally Excluded Sectors contributed -3.0% of total return within this component.

‡ Buyback reflects the residual change in shares with voting rights from the post-tender Continuing Pool base, to 30 June 2026.

1. Calastone Fund Flow Index, January 2026

2. Source: LexisNexis Market Standards, Trends in UK Public M&A deals in H1 2026, July 2026.

Top and bottom contributors to relative return

Positive contributors

Holding	TSR (%)	CTR[3] (%pt)
Costain Group	43.5	3.7
TruFin	52.0	3.6
ActiveOps	43.8	1.7
Diaceutics	24.3	1.2
Tribal Group	43.8	0.9

Negative contributors

Holding	TSR (%)	CTR (%pt)
Brooks Macdonald Group	(23.0)	(2.5)
Everplay Group	(25.4)	(2.4)
Iomart Group	(50.0)	(1.8)
Watkin Jones	(26.3)	(1.7)
Fintel	(26.2)	(1.3)

Total Shareholder Return ("TSR") and Contribution to Return ("CTR"). Source: Bloomberg PORT

Key contributors to performance during the year included:

- **Costain Group**, following a series of strategically important contract wins and framework appointments, strong cash generation and continued progress towards its medium-term margin targets. Costain also announced a new pension scheme agreement supporting enhanced shareholder returns via dividend and buyback.
- **TruFin**, following repeated earnings upgrades driven by the continued strong performance of its Playstack division, which was subsequently announced to have been divested at material valuation in the context of the group's market capitalisation, along with a material capital return programme to shareholders.
- **ActiveOps**, following strong results and trading updates demonstrating double-digit revenue growth, expanding recurring revenue, continued cash generation and successful integration of the Enlighten acquisition, reinforcing confidence in the scalability of its Decision Intelligence platform.
- **Diaceutics**, supported by strong revenue momentum, new enterprise-wide agreements, improved profitability and a record order book, notwithstanding a period of share price weakness in calendar Q4 on no specific company news flow.
- **Tribal Group**, following trading updates that reaffirmed revenue expectations, indicated adjusted EBITDA ahead of consensus and demonstrated a substantial improvement in the balance sheet to a net cash position.

3. Contribution to Return ("CTR") of an investment is the weighted total return of that investment instrument, calculated as the daily total return multiplied by the daily weight, compounded over the attribution timeframe.

The main detractors over the period were:

- **Brooks Macdonald Group**, as the shares de-rated despite operational progress, including in-line interim results, a return to net positive flows (now evidenced for three consecutive quarters) and continued strength in its platform MPS proposition.
- **Everplay Group**, reflecting weaker sentiment after full-year results indicated a shift in the timing of 2026 revenues from the first half to the second half and a delay to the Hell Let Loose: Vietnam release, following a period in which the shares had previously benefited from stronger back-catalogue performance.
- **Iomart Group**, following continued elevated churn in its legacy self-managed infrastructure segment, which increased leverage and masked success in other parts of the group.
- **Watkin Jones**, which despite an in-line trading update is exposed to cyclical headwinds in the UK construction sector and flagged a wide range of outcomes for the second half of its financial year.
- **Fintel**, as valuation and sentiment weakened despite positive late-2025 trading momentum, continued SaaS growth and a strengthened balance sheet and credit facility providing capacity for further organic growth and selective acquisitions.

The full-year result masks significant intra-year dispersion. Performance was strong through January 2026 before reversing sharply during February and March: the Company's NAV total return fell by 10.3% in calendar Q1, compared with a 4.7% decline in the FTSE Small Cap Index (excluding Investment Companies). This was driven principally by the market-wide de-rating of perceived "AI-exposed" sectors rather than deteriorating portfolio trading. The final quarter recovered a meaningful proportion of this decline as company results remained resilient and the market began to differentiate more clearly between potential AI beneficiaries and genuinely disrupted business models.

Portfolio Activity

New investments

We made six new investments during the period:

- **ActiveOps**, a leading enterprise software provider specialising in back-office management with c.90% recurring revenue, double-digit organic growth, strong cash generation and a dominant position in a structurally expanding market.
- **Watkin Jones**, a specialist property development and management business focused on UK build-to-rent and purpose-built student accommodation, using a capital-light forward-funding model and offering recovery potential as development activity normalises.

- **Spire Healthcare Group**, the UK's largest private hospital group by revenue, where we initially saw structural growth in private healthcare, scope for margin improvement and potential value creation from its property-backed asset base. However, the combination of trading uncertainty around the latest round of NHS tariff commissioning, and a protracted takeover process with multiple offerors including a major shareholder, led us to exit the position after a short holding period.
- **Elixirr International**, a challenger consultancy firm which is well known to the Manager, with a high-quality customer base diversified by both geography and sector, which is expected to benefit from continued growth in demand for digital consultancy particularly around AI threats and opportunities.
- **Eagle Eye Solutions**, a marketing and loyalty software platform provider with a scalable, high-margin recurring revenue model and structural exposure to increasing adoption of digital promotions and personalised customer engagement by global retailers.
- **Ten Lifestyle Group**, a technology-enabled concierge and lifestyle services provider supported by growing demand from global financial institutions and luxury brands, new enterprise client wins, double-digit revenue growth and improving profitability.

Follow-on investments

During periods of share price weakness that we assessed to be disconnected from long-term fundamentals, the Manager added selectively to existing holdings. Examples included Diaceutics and Next 15 Group in calendar Q3; XPS Pensions Group and Fintel in Q4; and Netcall and Watkin Jones in Q1 2026. Across the full year, follow-on investment also included Brooks Macdonald Group, Iomart Group and Tribal Group.

Full exits

We also fully exited six positions during the period:

- **Benchmark Holdings**, following the return of proceeds after the disposal of its Genetics division, which crystallised value at a 48% premium to the company's ex-cash equity value.
- **Inspired**, following completion of the all-cash Recommended Takeover by HGGC at 81p per share, c.33% above the undisturbed share price and c.103% above the 40p equity recapitalisation led by the Manager in January 2025.
- **Ricardo**, following completion of the agreed all-cash Recommended Takeover by WSP Global at approximately a 70% premium to the 90-day volume-weighted average price.
- **The Property Franchise Group**, following a period of strong operational performance and share price appreciation after a record year of growth, allowing us to crystallise gains and recycle capital into higher-conviction opportunities.
- **Spire Healthcare Group**, as above, capitalising on ample liquidity during a volatile takeover process.
- **Halfords Group**, following a strong trading update, robust like-for-like sales growth, gross margin expansion and a move to net cash, which drove a significant re-rating and provided an attractive opportunity to realise value.

Outlook – FY 2026/27

Looking ahead, the near-term backdrop remains uncertain. Geopolitical tensions in the Middle East, changes in UK political leadership and continued domestic equity fund outflows may sustain volatility. At the same time, the rotation of international capital away from highly concentrated US equity exposures has improved the relative backdrop for UK assets. We believe the portfolio is well positioned: its holdings typically have high recurring revenues, defensible market positions, strong cash generation and low or modest financial leverage, with limited direct exposure to global trade disruption.

The valuation opportunity in UK smaller companies remains compelling. At 31 August 2026, companies below £500 million market capitalisation traded at a 25% median price-to-earnings discount to companies above £4 billion. Corporate and private equity buyers have continued to demonstrate a willingness to pay substantial premia for high-quality UK assets. If public markets continue to misprice these businesses, we expect M&A to remain an important additional route to value realisation. Several potential catalysts could support the asset class over the coming year:

- Continued improvement in international sentiment towards UK equities and a broader rotation from large caps into small and mid-cap companies as valuation dispersion normalises;
- Further reopening of the IPO and equity capital markets, improving liquidity, price discovery and investor confidence; and
- Continued corporate activity and public-to-private transactions, providing routes to crystallise intrinsic value where public markets do not recognise it.

These catalysts are supportive but are not required for our investment cases to work. History suggests that smaller companies can recover rapidly once market leadership broadens, but we continue to anticipate returns that are idiosyncratic and primarily from company-specific earnings growth, cash generation, strategic change and active engagement. We will also continue to test each investment case rigorously against the opportunities and risks created by artificial intelligence, distinguishing businesses that can use AI to enhance their products and efficiency from those whose competitive positions may be more exposed.

We remain focused on a high-conviction, bottom-up portfolio of companies where we believe quality, strategic relevance and identifiable routes to value creation are not reflected in current market valuations. After a year that demonstrated both the risks of concentration and the importance of maintaining conviction when operational evidence remains supportive, we believe the portfolio is well positioned to deliver attractive long-term returns for shareholders.

Engagement case studies

The following examples illustrate how active ownership can support value creation and realisation over the holding period. They are not limited to activity undertaken within the current financial year.

Case Study: Strategic Divestment driving value creation

TRU | FIN

Active engagement leading to divisional sale and realisation of turn-of-the-parts value



Status: minority stake in continuing business post-divestment

- Strong trading in the Playstack division, an indie games publisher
- Playstack grew revenues by over 500% from £8mn in 2023 to £55m in 2025, inflecting from loss-making to £12mn PBT
- Engaged with board and management to drive Playstack disposal to crystallise value
- Jun-26: completed disposal of Playstack for £125m* EV, more than TruFin's group EV before the announcement (£118m)
- Post period end: £80m return of capital through a tender offer and special dividend
- The disposal crystallised material value for SEC and other GHAM funds while retaining exposure to the continuing business

As at 12 August 2026.
*TruFin held an 85% stake in Playstack.

Case Study: Value recovery through active engagement

RICARDO

Repositioning from industrial products to ESG consultancy, delivering a strategic exit



Status: Full exit

- Key engagement around portfolio simplification, strategic options and board composition
- Jun-25: Recommended Cash Offer from WSP
- 69% premium to the 3-month VWAP[1]
- GHAM provided an irrevocable undertaking, having been wall-crossed on the M&A process
- Constructive engagement with the activist shareholder helped support an orderly outcome
- Transaction completed Oct-25, delivering full value recovery for SEC following the earlier drawdown

1. As at 11 June 2025.

Case studies selected for illustrative purposes only to demonstrate investment strategy and are not investment recommendations. Past performance is not necessarily a guide to future performance. Portfolio investments in smaller companies typically involve a higher degree of risk.

Top 10 Investee Company Review

(as at 30 June 2026)

Company	% of NAV[1]	Description	GHAM stake[2]	Company	% of NAV[1]	Description	GHAM stake[2]
TRUFIN	12.9% Technology	B2B procurement software and outsourced video game development	19.7%	ActiveOps	7.0% Business Services	A leading enterprise software provider specialising in back-office management	9.4%
NETCALL	10.1% Technology	A provider of intelligent automation and customer engagement software	24.2%	everplay	6.9% Technology	An independent video game developer and publisher	11.1%
Diaceutics	8.9% Healthcare	A provider of subscription data solutions for commercialising precision medicine diagnostics	17.9%	TRIBAL	6.5% Technology	A global provider of technology solutions and services for the education, learning and training sectors	11.6%
BM BROOKS MACDONALD	8.6% Financial Services	A UK national wealth manager and investment adviser	24.7%	FINTEL	5.6% Business Services	A leading provider of software and services to the UK retail financial services sector	11.6%
COSTAIN	7.0% Industrial Goods & Services	UK infrastructure delivery and consulting solutions provider	7.9%	XPS Pensions	5.0% Business Services	A leading actuarial consulting and pension administration services provider	7.5%

Gresham House, as at 30 June 2026.

1. Top ten holdings representing 78.8% of NAV.
2. Aggregate Gresham House Asset Management equity stake.

Company	Investment Thesis	Developments
TruFin	▪ Following the June 2026 disposal of Playstack, TruFin comprises two technology-enabled fintech platforms: Oxygen Finance (early payment) and Satago (invoice finance), alongside a substantial cash position. ▪ The investment case now rests on disciplined capital allocation, further value creation within the remaining platforms and management's ability to redeploy capital into scalable, cash-generative businesses.	▪ Completed the sale of Playstack in June 2026, crystallising significant value and leaving Oxygen Finance and Satago alongside a substantial cash balance. ▪ The Board announced a substantial return of capital to shareholders, which was approved and completed post period end.
Netcall	▪ Provider of AI-powered process automation and customer engagement software through the Liberty platform, with a high proportion of recurring subscription revenues. ▪ Structural demand for automation, digital transformation and AI-enabled workflows supports organic growth, while the scalable software model offers operating leverage and cash generation.	▪ FY26 trading showed 20% revenue growth and 23% adjusted EBITDA growth, with continued strong momentum in Cloud. ▪ AI-related product sales almost tripled, while the Jadu integration progressed well with initial cross-sales secured.

Company	Investment Thesis	Developments
Diaceutics	▪ Commercialisation data and technology provider to the global pharmaceutical and biotech industry, built around proprietary diagnostic data and the DXRX platform. ▪ Structural growth in precision medicine, increasing recurring revenues and embedded customer relationships provide attractive long-term growth and operating leverage.	▪ Post period end H1 update showed 22% revenue growth and 75% ARR growth, reflecting continued adoption of the DXRX platform. ▪ Customer retention strengthened further, while AI is being embedded across DXRX and the operating model.
Brooks Macdonald	▪ UK-focused wealth management and financial planning group with a scalable platform, strong cash generation and an opportunity to improve margins as growth returns. ▪ The sector remains structurally attractive and consolidating, with Brooks Macdonald positioned to benefit from improving net flows, product breadth and adviser relationships.	▪ FY26 saw a return to positive net flows, with its fiscal Q4 the strongest quarter in three years. ▪ Platform MPS continued to grow strongly and full-year financial performance was in line with market expectations.
Costain Group	▪ UK infrastructure delivery and consulting partner with strong positions in structurally growing water, energy, defence and transport markets. ▪ A de-risked contracting model, rising consultancy mix, strong balance sheet and improving margins provide a platform for higher-quality earnings and shareholder returns.	▪ FY25 results demonstrated further margin progression and a record forward work position, alongside a material share buyback and increased dividend. ▪ Contract momentum remained strong, including new framework appointments across transport and infrastructure.
ActiveOps	▪ Enterprise Decision Intelligence software provider for service operations, with high recurring revenues, strong gross margins and a growing global customer base. ▪ The platform helps large organisations improve workforce productivity and operational decision-making, with AI adoption increasing the need for trusted operational data and context.	▪ FY26 results showed 46% ARR growth and 72% adjusted EBITDA growth, with strong organic momentum and improving customer retention. ▪ The Enlighten integration materially expanded the North American and APAC footprint; early FY27 trading was in line with Board expectations.
Everplay Group	▪ Leading independent video game developer and publisher with a diversified portfolio across premium games, simulation and children's edutainment. ▪ Earnings are supported by a valuable back catalogue and established franchises, while the pipeline of new releases provides potential for additional growth and IP value creation.	▪ Post period end H1 update confirmed trading in line with expectations, supported by resilient back-catalogue performance and new releases. ▪ The release schedule is weighted to H2 2026, with encouraging pre-launch indicators.
Tribal Group	▪ Global provider of student information systems and related software and services to the education sector. ▪ The transition towards strategic cloud and SaaS products is improving recurring revenue quality, while cost discipline and cash generation reduce balance-sheet risk.	▪ Post period end trading update reported strong Core ARR growth, a shift to a net cash position and reiterated market guidance. ▪ On 11 September 2026 Tribal announced a proposed acquisition of its operating businesses for £189.3m by Main Capital Partners equivalent to c86p per share and the intention to return the capital and wind up the group in the event it is approved by shareholders.

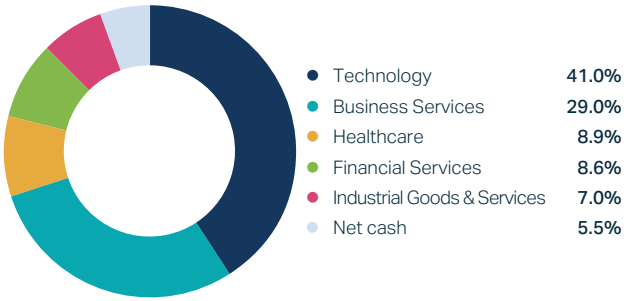
Company	Investment Thesis	Developments
Fintel	▪ Leading provider of software, data and support services to the UK retail financial services sector, serving advisers, product providers and intermediaries. ▪ Increasing regulatory complexity and digitisation support recurring demand, while proprietary data assets and software products offer scope for attractive organic growth, margin expansion and selective M&A.	▪ Post period end H1 update showed 11% organic adjusted EBITDA growth, with continued progress across Software, Data and Distribution. ▪ Product innovation continued through Omnicore, Trust and Matrix360, alongside selective M&A and disposal of non-core activities.
XPS Pensions Group	▪ Leading challenger in UK pensions consulting and administration, benefiting from high revenue visibility, regulatory complexity and largely non-discretionary client activity. ▪ Its capital-light model, strong cash generation and growing insurance consulting capability support continued organic growth, market-share gains and selective acquisitions.	▪ FY26 delivered a fourth consecutive year of double-digit revenue growth, with revenue up 13% and adjusted EBITDA up 9%. ▪ Insurance revenues more than tripled, broadening the addressable market, while cash generation remained strong.



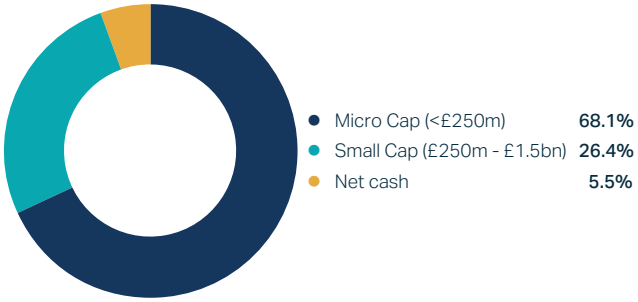
Portfolio as at 30 June 2026

Company	Sector Classification	Date of first Investment	Cost £'000	Valuation £'000	% of invested portfolio at 30 June 2026	% of invested portfolio at 30 June 2025	% of net assets
TruFin	Technology	Jul 2023	7,805	16,562	13.6%	6.5%	12.9%
Netcall	Technology	Mar 2023	11,284	13,002	10.7%	7.3%	10.1%
Diaceutics	Healthcare	Sep 2024	10,482	11,534	9.5%	3.6%	8.9%
Brooks Macdonald	Financial Services	Jun 2016	16,341	11,050	9.1%	10.5%	8.6%
Costain Group	Industrial Goods & Services	Jun 2024	4,037	9,065	7.4%	11.0%	7.0%
ActiveOps	Business Services	Jul 2025	6,274	9,001	7.4%	–	7.0%
Everplay Group	Technology	Dec 2023	8,481	8,952	7.3%	9.5%	6.9%
Tribal Group	Technology	Dec 2014	9,617	8,361	6.9%	2.2%	6.5%
Fintel	Business Services	Oct 2020	7,716	7,157	5.9%	4.1%	5.6%
XPS Pensions Group	Business Services	Jul 2019	3,030	6,508	5.3%	5.6%	5.0%
Next 15 Group	Business Services	Oct 2024	8,218	6,284	5.2%	4.0%	4.9%
Watkin Jones	Business Services	Aug 2025	6,034	3,920	3.2%	–	3.0%
Iomart Group	Technology	Mar 2022	26,451	3,509	2.9%	3.0%	2.7%
Elixirr International	Business Services	Apr 2026	3,528	3,203	2.6%	–	2.5%
Eagle Eye Solutions	Technology	Apr 2026	2,297	2,486	2.0%	–	1.9%
Ten Lifestyle Group	Business Services	May 2026	1,292	1,270	1.0%	–	1.0%
Total investments				**121,864**			**94.5%**
Cash				7,283			5.6%
Net current liabilities				(206)			(0.1%)
Total shareholders' funds				**128,941**			**100.0%**

Sector exposure by value



Value by market cap band



Ken Wotton

Gresham House Asset Management

22 September 2026

Other Information

Business and Status of the Company

The Company is quoted on the London Stock Exchange and is a member of the Association of Investment Companies.

The principal activity of the Company is to conduct business as an investment trust. The Company is currently an investment company in accordance with the provisions of Section 833 of the Companies Act 2006. The Directors do not envisage any change in the Company's activity in the future.

The Company is registered in England and Wales with number 05448627.

The Company has received written approval from HM Revenue and Customs as an authorised investment trust under Section 1158 of the Corporation Tax 2010 ("CTA") and the ongoing requirements for approved companies in Chapter 3 Part 2 of the Investment Trust (Approved Company) (Tax) Regulations 2011 (Statutory Instruments 2011/2999). The Company will continue to be treated as an investment trust company subject to the Company continuing to meet the eligibility conditions for approval. In the opinion of the Directors, the Company's affairs have been conducted in a manner to satisfy these conditions to enable it to continue to qualify as an investment trust company for the year ended 30 June 2026.

Investment Objective

The investment objective of the Company is to achieve absolute returns (i.e. growth in the value of investments) rather than relative returns (i.e. attempting to outperform selected indices) over a medium-term period, principally through capital growth.

Investment Policy

The Company invests primarily in equities quoted on markets operated by the London Stock Exchange where the Investment Manager believes the securities are undervalued and could benefit from strategic, operational or management initiatives. The Company also has the flexibility to invest up to 20% of the Company's gross assets at the time of investment in securities quoted on other recognised exchanges.

The Company may invest up to 20% of its gross assets at the time of investment in unquoted securities, provided that, for the purpose of calculating this limit, any undrawn commitments which may still be called shall be deemed to be an unquoted security.

The maximum investment in any single investee company will be no more than 15% of the Company's investments at the time of investment.

The Company will not invest more than 10%, in aggregate, of the value of its total assets at the time the investment is made in other listed closed-end investment funds.

Other than as set out above, there are no specific restrictions on concentration and diversification. The Board does expect the portfolio to be relatively concentrated, with the majority of the value of investments typically in the securities of 10 to 15 issuers across a range of industries. There is also no specific restriction on the market capitalisation of securities into which the Company will invest, although it is expected that the majority of the investments by value will be invested in companies too small to be considered for inclusion in the FTSE 250 Index.

The Company's Articles of Association permit the Board to take on borrowings of up to 25% of the NAV at the time the borrowings are incurred for investment purposes.

Performance Analysis Using KPIs

In order to measure the success of the Company in meeting its objectives and to evaluate the performance of the Investment Manager, the Directors take into account the following key performance indicators ("KPIs"):

NAV per Ordinary share

The NAV per Ordinary share, as at 30 June 2026 was 380.08p, representing a fall of 3.2% from the 30 June 2025 NAV of 392.47p (year to 30 June 2025: fall of 1.1% from 396.87p to 392.47p).

Movement in the Company's share price

In the year to 30 June 2026, the Company's share price fell by 0.6% from 363.00p to 361.00p (year to 30 June 2025: fall of 0.7% from 365.50p to 363.00p). The share price total return[1], taking account of the 4.25p dividend paid in the year, was positive 0.6% (year to 30 June 2025: positive 0.4%).

Discount of the share price in relation to the NAV[1]

Over the year, the (premium)/discount of the Ordinary share price in relation to the NAV ranged from (0.7)% to 13.7% with the average being 7.3%. As at 30 June 2026, the Company's shares traded at a discount of 5.0% (30 June 2025: discount of 7.5%).

Ongoing charges[1]

The ongoing charges ratio was 1.3% in the year to 30 June 2026 (30 June 2025: 1.3%). The ongoing charges ratio (including the performance fee) was 1.3% in the year to 30 June 2026 (30 June 2025: 1.3%).

1. **Alternative Performance Measures.** Please refer to pages 75 and 76 for definitions and reconciliations of the Alternative Performance Measures to the year-end results.



Emerging and Principal Risks

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.

Emerging Risks

The Board believes that geopolitical developments, including ongoing conflicts in Iran, Ukraine and the Middle East continue to pose risks to global economic growth and investors' risk appetites and consequently can impact the valuation of companies in the portfolio. There is also an increasing awareness of the challenges and emerging risks posed by climate change as well as the impact and pace of technological developments, including Artificial Intelligence ("AI"), on the companies in the investment universe.

The principal ongoing risks and uncertainties currently faced by the Company, which may vary in significance from time to time, are outlined below, together with the controls and actions taken to mitigate those risks.

The Directors continue to work with the agents and advisers to the Company to try and manage the risks, including emerging risks. The central aims remain to preserve value in the Company's portfolio and liquidity in the Company's shares. The Directors aim to ensure that the Company maintains its investment strategy, has operational resilience, meets its regulatory requirements as an investment trust (and in particular in the provision of regular information to the market) and tries to navigate the financial and economic circumstances in these very uncertain times.

Principal Risk	Mitigation	Action taken in the year
Investment Performance The unconstrained long-term philosophy and concentrated portfolio resulting from the investment strategy can lead to periods of significant short-term variation in performance. The underlying investments are in companies which, due to their smaller size, may have limited product lines, limited financial resources with dependence on a few key individuals and less liquid shares. These risks are more significant than in larger companies. → Risk remains relatively unchanged	The Board maintains a close review of how the Investment Manager invests to implement the investment strategy and regularly reviews adherence to the investment policy. The Board maintains a longer-term perspective in relation to monitoring performance of the Investment Manager in achieving the investment objective. The Board relies on the Investment Manager to engage actively with the investee companies in order to support long-term value enhancement and the actions taken are reported and reviewed regularly by the Board.	The Board, through its review process, did not identify any specific new action required either with the portfolio as a whole or with any one specific investment to mitigate performance risk over and above that already taken by the Investment Manager. The Board also recognises the significant contribution made by the Investment Manager in maximising engagement opportunities with investee companies.
Operational Risk The Company appoints and relies on a number of third parties, to provide it with the necessary services. These include the Investment Manager, registrar, depositary, custodian, administrator, company secretary, lawyer, external auditor and broker. Failure of the internal control systems of these parties, including in relation to cyber security measures, could result in losses to the Company. → Risk remains relatively unchanged	The Board has a detailed risk matrix which is reviewed by the Audit Committee and the Board twice yearly and is used as a tool to consider the principal risks of the Company and the controls that are in place in relation to those risks where appropriate. Key appointments of third party service providers are taken after a formal process ensuring the required skills and experience are satisfied. An annual review of service providers is carried out by the Management Engagement Committee. Internal control reports, where available, on the systems and processes of the Company's service providers are reviewed by the Board at least annually and any findings are discussed where appropriate.	The Management Engagement Committee performed a review of all service providers in May 2026. All were assessed to provide a satisfactory service to the Company. Internal controls reports were reviewed where available and no significant controls weaknesses were identified.

Principal Risk	Mitigation	Action taken in the year
Regulatory Compliance and Legislation Breach of regulatory rules could lead to the suspension of the Company's Stock Exchange listing, financial penalties, or a qualified audit report. Breach of Section 1158 of the Corporation Tax Act 2010 could lead to the Company being subject to tax on realised capital gains. → Risk remains relatively unchanged	Compliance with the Company's regulatory obligations is monitored on an ongoing basis by the Company Secretary, the Investment Manager and other professional advisers as required who report to the Board regularly. Further the Board is comprised of individuals whose background, qualifications and experience ensure that the increasing volume and complexity of relevant regulatory and legislative requirements are understood. Where appropriate, advice and training are sought from service providers. Board selection and performance review processes support this approach.	At its quarterly meetings, the Board reviewed regulatory and technical updates. No significant actions were required in the year. The Board reviews the Section 1158 compliance schedule, prepared by the Company Secretary, at each quarterly Board Meeting.
Discount/Premium A significant share price discount or premium to the Company's NAV per share, or related volatility, could lead to high levels of uncertainty or speculation and the potential to reduce investor confidence. → Risk remains relatively unchanged	The Board has established share issuance and share buyback processes to assist in the moderation of share price premium and discount to NAV. Shareholders are kept informed of developments as far as practicable and are encouraged to attend briefings, such as the Company's Annual General Meeting, to understand the implementation of the investment strategy to achieve the Company's objectives.	During the year under review, the Company's shares traded at a (premium)/discount to NAV of between (0.7)% and 13.7%. During the year 3,249,500 shares were bought back to be held in Treasury and 7,199,397 shares were bought back for cancellation.
Economic, Political and External Factors The Company invests predominantly in UK shares and therefore performance may be impacted by economic, political and other factors which affect either the operation of the markets that portfolio companies trade in, the UK stock market or currency movements. In particular small changes can have a larger impact on small companies. → Risk remains relatively unchanged	The exposure to these external factors is considered largely outside of the Company's control so regular monitoring is carried out with regards to the likely effects should any potential mitigation be possible. Limits are set for investment in overseas based investments.	The Board monitors and reviews the position of the Company, ensuring that adequate liquidity exists to allow flexibility. Investment performance and the portfolio composition has been monitored specifically in the light of the emerging risks discussed on the previous page. The Board continues to closely monitor the Environmental, Social and Governance ("ESG") risk to the Company.

Principal Risk	Mitigation	Action taken in the year
Investment Manager The loss of key individuals at the Investment Manager could have, or be perceived to have, a material effect on the Company's performance. → Risk remains relatively unchanged	In order to reduce this risk the Investment Manager operates a team based approach to fund management. The team consists of a number of investment professionals who combine a number of complementary skill sets, including corporate finance, traditional fund management, research and private equity disciplines. The team is also supported by its Investment Committee which is comprised of a number of experienced internal and external members.	The Board keeps the performance of the key personnel at the Investment Manager under frequent review. The Board continues to receive a number of assurances from its Investment Manager including the continuity of resource and ongoing commitment to the Company's mandate.

Viability Statement

The Board has assessed the prospects of the Company over the three financial years to 30 June 2029. This assessment period has been chosen as the Board believes it represents an appropriate period given the long-term investment objectives of the Company, the low working capital and the simplicity of the business model.

In making this three year assessment, the Board has taken the following factors into account:

- The nature of the Company's portfolio
- The Company's investment strategy
- The outcome of the Tender Offer announced on 15 October 2025
- Share buybacks
- The liquidity of the Company's portfolio
- Potential annual downside scenarios including stress testing the Company's portfolio for a 10% fall in the value of the investment portfolio; and a buy back of 5% of the Company's ordinary share capital, the impact of which would leave the Company in a viable position
- Market falls and gains
- The level of existing and potential long-term liabilities

The Company's portfolio includes cash or liquid money market funds. Over the last five years, cash and liquid money market funds have averaged c.5.2% of the NAV. Cash balances can be varied due to changes in market conditions, but positive cash levels are expected to be maintained over the period.

The Directors have also carried out a robust assessment of the principal and emerging risks, as noted on pages 20 to 22, that are facing the Company over the period of the review, including those that would threaten its business model, future performance, solvency or liquidity.

Based on this assessment, the Directors are confident that the Company's investment approach, portfolio management and balance sheet approach will ensure that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to 30 June 2029.

Going Concern

In assessing the Company's ability to continue as a going concern the Directors have also considered the Company's investment objective, detailed on the inside front cover, risk management policies, detailed on pages 20 to 22, capital management (see note 17 to the financial statements), the nature of its portfolio and expenditure projections and believe that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future and for at least 12 months from the date of this Report. In addition, the Board has had regard to the Company's investment performance (see page 3) and the price at which the Company's shares trade relative to their NAV (see page 3).

The Directors performed an assessment of the Company's ability to meet its liabilities as they fall due. In performing this assessment, the Directors took into consideration:

- cash and cash equivalents balances and, from a liquidity perspective, the portfolio of readily realisable securities which can be used to meet short-term funding commitments;
- the ability of the Company to meet all of its liabilities and ongoing expenses from its assets;
- revenue and operating cost forecasts for the forthcoming year;
- the ability of third-party service providers to continue to provide services;
- potential downside scenarios including stress testing the Company's portfolio for a 25% fall in the value of the investment portfolio; a 50% fall in dividend income and a buyback of 5% of the Company's ordinary share capital, the impact of which would leave sufficient liquid assets to remain a going concern; and
- The outcome of the Tender Offer announced on 15 October 2025.

Based on this assessment, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements, and therefore have prepared the financial statements on a going concern basis.

Environmental, Social and Governance Issues

Commitment to Sustainable Investment

The Board is comprised entirely of non-executive Directors and the day-to-day management of the Company's business is delegated to the Investment Manager (details of the Investment Management Agreement are set out on pages 32 and 33). Therefore, the Directors do not consider it necessary for the Company to have environmental, human rights or community policies in place.

However, in carrying out its activities and in its relationships with service providers, the Company aims to conduct itself responsibly, ethically and fairly. The Investment Manager has a clear commitment to sustainable investment as an integral part of its business strategy. The firm recognises that the integration of sustainable investment considerations, including environmental, social and governance ("ESG") factors into its business processes can protect financial performance and consistency of returns. Investment teams across the Investment Manager proactively manage ESG factors across investment strategies and the underlying holdings to help both build and protect value in the stocks invested in.

The Investment Manager's sustainable investment policies and beliefs can be found on its website and in its Sustainable Investment Report.

The Investment Management Team aims to meet with the management team of an investee company at least twice a year, and up to quarterly for the Company's portfolio. These meetings form the basis for the ongoing monitoring of a company's strategy, financial performance and ESG considerations.

The Investment Manager believes in playing an industry leadership role in supporting and promoting sustainable investment. The Investment Manager is a signatory to the UN-supported Principles for Responsible Investment (PRI) and was awarded four or five stars, out of a maximum of five stars, for all modules submitted in its PRI Assessment Report 2025.

The Investment Manager is also a signatory to the UK Stewardship Code. Its most recent report under the Code, prepared under the UK Stewardship Code 2026 and covering the period from 1 January to 31 December 2025, was submitted to the Financial Reporting Council during 2026. In July 2026 the Investment Manager was confirmed as having met the expected standard of reporting and as remaining a signatory to the Code.

Public Equity Sustainable Investment Policy and Processes

The Investment Manager has a Sustainable Investment Policy specific to public equity investments. The Public Equity Sustainable Investment Policy details the commitments of the Investment Manager with regards to sustainable investment, as applied by the Company's Investment Management Team. The Policy includes:

- The Investment Manager's sustainable investment commitments
- How its public equity investment approach meets these commitments
- The application of our Sustainable Investment Framework to public equities

Sustainable Investment Approach

The 'G' (Governance) of ESG is a significant factor in the investment processes for UK public equity. Board composition, governance, control, company culture, alignment of interests, shareholder ownership structure, remuneration policy etc. are important elements that will feed into the Investment Manager's analysis and company valuation.

'E' and 'S' (Environmental and Social) factors are assessed as risk factors during due diligence to eliminate companies that face environmental and social risks that cannot be mitigated through engagement and governance changes.

ESG considerations are integrated into the lifecycle of each investment as follows:

01 Initial appraisal

Identify material ESG matters requiring further investigation during the due diligence stage. If certain risks are unlikely to be sufficiently managed or mitigated, then the Investment Manager may choose not to proceed at this stage.

02 Due diligence

The ESG Decision Tool and, where possible, meetings with management are used to assess material ESG risks that need to be mitigated and ESG opportunities that could drive value. Specialised consultants may be used to provide additional information.

03 Investment appraisal

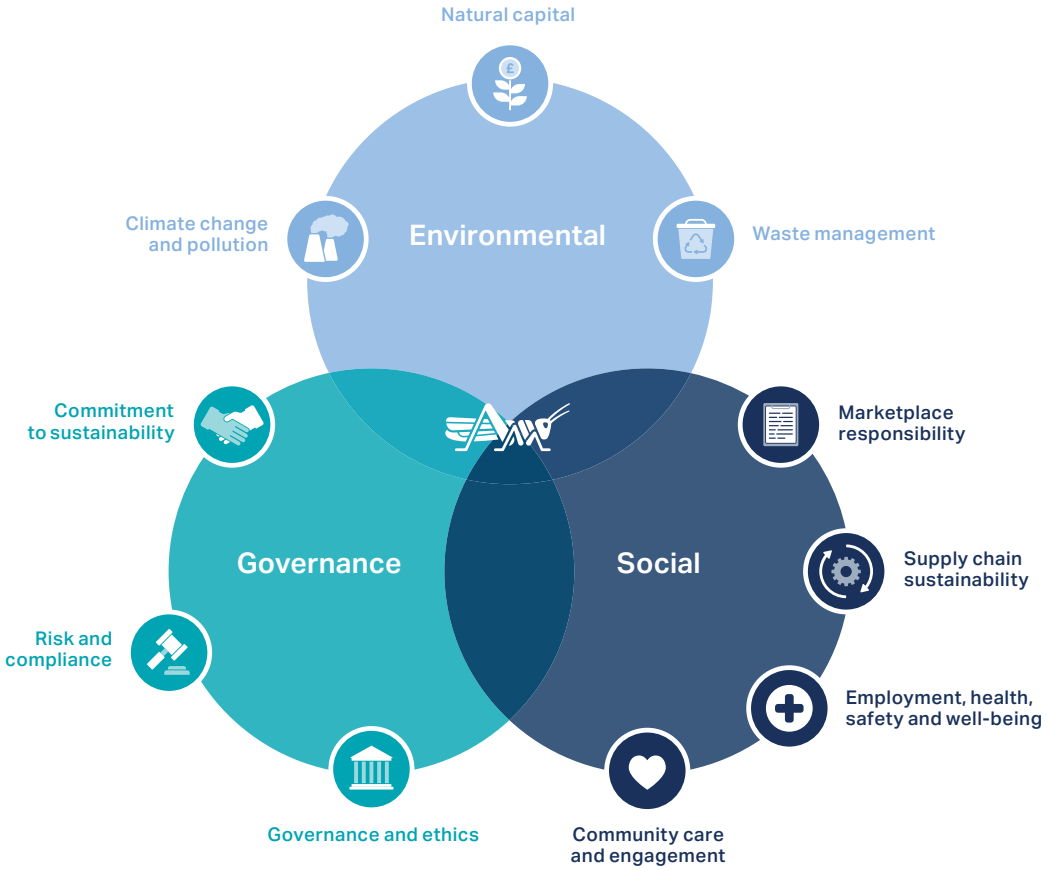
A summary of the ESG analysis is included in final Investment Committee submissions. Appropriate risk mitigation approaches will be referenced and assurance that the business is open to making improvements is sought.

04 Holding period

The Investment Management Team engage regularly with boards and management teams, focusing on strategic, financial and operational matters, including ESG factors, and consistently use voting rights.

Sustainable Investment Framework

Across Gresham House investment teams, an active focus is given to environmental, social and governance factors, as shown in the figure below. These factors are used by the Investment Management Team to identify a broad range of ESG risks which may materially impact proposed transactions.



The themes shown in the figure above are used as the basis for the Investment Management Team's application of sustainable investment during the Research stage.



ESG Decision Tool

The Investment Management Team is responsible for implementing the commitments made in the Public Equity Sustainable Investment Policy. The themes from the Sustainable Investment Framework are used as the basis for the Investment Management Team's ESG Decision Tool and several sub factors are considered under each broader theme.

The purpose of the Tool is to support the Investment Management Team in identifying potential, material ESG risks that need to be managed and mitigated, and to help shape the due diligence process for individual companies prior to investment. The Tool also provides a way of summarising material ESG issues, which can then be tracked and monitored over time, and include actions that can be taken to mitigate those risks throughout the holding period.

The most important ESG factors the Investment Management Team will use to assess an investment before purchase are set out in the table below.

Environmental

Climate change and pollution	Natural capital	Waste management
GHG emissions and climate change impacts, energy management, pollution prevention and control, air quality management	Water use, biodiversity and natural resources management	Waste reduction; sustainable management of waste

Social

Employment, health, safety and well-being	Marketplace responsibility	Supply chain sustainability	Community care and engagement
Employee H&S and wellbeing, sustainable employment practice, engagement, diversity and inclusion	Product impacts, safety and labelling in use and disposal, quality and value, customer care, data protection	Managing environmental, social and economic impacts of sourcing	Understanding and managing impacts on communities, including human rights; community investment

Governance

Governance and ethics	Risk and compliance	Commitment to sustainability
Governance good practice; sound business ethics management and culture	Robust risk and compliance management	Awareness, capability and commitment to run a resilient sustainable business

Where material ESG risks are identified, these are reviewed by the Investment Management Team and a decision on how to proceed is documented. In the majority of cases, we would proactively follow up with the investee company management team and ensure appropriate corrective and preventative action is taken and any material issues or incidents are recorded by the Investment Management Team.

ESG Data

The Investment Management Team uses the Addidat platform for ESG data coverage across AIM and UK small-cap companies, providing over 110 ESG metrics, peer benchmarking capabilities and integrated engagement tools. The platform enables the assessment of ESG risks and opportunities at investee company level, incorporating an ESG scoring mechanism to support both pre-investment due diligence and ongoing stewardship. ESG data and insights are routinely reviewed ahead of company meetings to inform the identification and prioritisation of engagement activities.

Stewardship Responsibilities

As an active investor, the Investment Manager is committed to acting as a long-term steward of the assets invested in on behalf of clients. The Investment Management Team use active ownership responsibilities, including engagement and voting, to protect and create value. The Investment Manager's Engagement and Voting Policy sets out the approach and explains how integrated these activities are to business practices and investment processes. Both activities are viewed as a key part of the investment approach and are not considered stand-alone objectives.

Engagement

The Company's investment philosophy means that it aims to act, by default, as an actively engaged shareholder. The Investment Management Team's assessment of management, board and governance forms a critical part of the investment case, which necessitates that Management work with companies on matters such as strategy, M&A and remuneration, both from the outset of our holding period and on an on-going basis. The Investment Management Team encourages an open and honest dialogue with the companies which we believe is an essential part of being an effective steward of our clients' assets.

The Investment Management Team aims to meet with the management team of an investee company at least twice a year, and up to quarterly for the Company's portfolio. These meetings form the basis for the ongoing monitoring of a company's strategy, financial performance and ESG considerations.

While the Investment Manager's primary means of engagement is direct dialogue with investee companies, it will consider collaborating with other shareholders where this offers the most effective route to change, particularly on matters of governance.

Case study:

During its assessment of a manufacturer of natural ingredient extracts, the investment team identified a material physical climate risk linked to the pricing volatility and supply vulnerability of natural ingredients, particularly citrus. The team considered this exposure relevant in the context of increasing climate-related disruption to crop yields and the potential impact on input costs and earnings resilience. This factor was incorporated into the team's broader fundamental analysis and, alongside other considerations, contributed to the decision not to progress the investment opportunity.

See page 12 for two additional examples of portfolio company engagement.

Defining engagement objectives

Dependent upon factors such as materiality to the Company, level of influence (shareholding size), materiality of the topic, and alignment with the Investment Manager's sustainability priorities, including its climate and nature objectives, the Investment Management Team may identify and agree engagement objectives that it expects a company to deliver on over the holding period.

Engagement objectives will typically be bespoke to the organisation and important to the development of the business, aiming to keep the directors focused and ensure continued progress.

Objectives may change over time depending on several factors, including business priorities, market forces and stakeholder considerations. Examples of engagement objectives include:

- Improvements to reporting, including ESG factors
- Board composition
- Improvements to governance arrangements
- Climate-related risk management and transition planning
- Product or geographic expansion or variance, including due to ESG related market forces
- Staff retention and reduction of absence rates
- Implementing compliance programmes with forthcoming ESG legislation

The identified objectives form the basis of discussions with companies during regular scheduled engagements. Engagement progress is recorded by the Investment Management Team and monitored on a regular basis. The Investment Management Team will also consider whether the outcomes of the engagement activity impact upon the investment position or require escalation should an investee company not respond to or implement the stated objective.

The engagement process followed by the Investment Manager is shown below.

Identify: Identify potential engagement targets and specific topics for engagement

Prioritise: Determine the most material engagement targets and create a list of priorities

Plan: Create an engagement plan

Engage: Engage with the company to drive change. Log the objective and timeline

Monitor & respond: Monitor progress of engagement activities. Amend investment position or escalate if required

Report: Report progress of engagements and outcomes to stakeholders on an annual basis

Voting

Voting is an important part of the investment strategy. The Investment Management Team devotes the necessary research, management time and resources to ensuring we make good voting decisions.

Voting decisions are based on views of which course of action will be in the best interests of the Company's investors. Votes are informed by various sources including: research, engagement with the company, discussions with other stakeholders and advisers, internal discussions and consultations, and other relevant information.

Voting principles

While the Investment Manager does not set a prescriptive policy on all voting items, it applies the following key principles:

- Authority to allot shares – We vote against any proposals exceeding 33%.
- Disapplication of pre-emption rights – We vote against any proposals exceeding 20%.
- Authorisation to purchase own shares – We vote against any proposals exceeding 10%.
- Political donations – We vote against all political donations.
- Executive remuneration and incentive structures – We assess these on a case by-case basis to ensure alignment with long-term shareholder value creation.

Proxy voting providers

The Investment Management Team does not use any proxy voting advisory services, but uses proxy voting services to deliver voting decisions to the companies invested in.

Voting against management

If the Investment Manager plans to vote against the company decision, it will engage with the company in advance, explain why it plans to vote against the decision and look for ways to avoid that if possible. If a satisfactory outcome is not reached through this active dialogue with the company, the Investment Manager will typically tell the company in advance of its intention to abstain or vote against management and clarify the reasons grounding such intention.

UK Public Equity voting in 2025



Climate-related Financial Disclosures

As an investment trust, the Company has no employees, property or activities other than investment. The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emission-producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. The Streamlined Energy and Carbon Reporting also applies to all large companies. However, as the Company did not consume more than 40,000 kWh of energy during the past year, it qualifies as a low energy user and is exempt from reporting under these regulations.

The Investment Manager's climate-related disclosures are set out in its Sustainable Investment Report, which brings together its reporting against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and its disclosures aligned to the Taskforce on Nature-related Financial Disclosures (TNFD) in a single report prepared with reference to the International Sustainability Standards Board (ISSB) framework. The most recently published report is the Sustainable Investment Report 2025, which includes information on how climate-related risks and opportunities are identified, assessed and managed across the Investment Manager's strategies, including Public Equity. The report is available on the Investment Manager's website at https://greshamhouse.com/tcfd/.

In June 2026 the Investment Manager published its Integrated Climate & Nature Strategy, setting out interim targets to 2030, approved by the Investment Manager's Board, and a long-term 2050 ambition to progressively align its core investment activities with a net-zero and nature-positive future. The targets apply to in-scope assets under management, being those where the Investment Manager considers it has sufficient discretion, data and management integration to measure and manage progress.

The Company's portfolio falls within the scope of the Investment Manager's public equity target. Under that target, the Investment Manager is seeking to have 50% of applicable public equity assets under management classified as "aligning", "aligned" or "achieving net zero" by 2030, assessed using the principles of the Institutional Investors Group on Climate Change ("IIGCC") Net Zero Investment Framework. The Investment Manager has also committed to seek to establish direct or collaborative engagement channels by 2030 with listed holdings that are not yet considered aligned, focusing primarily on high-impact sectors.

These are targets of the Investment Manager and apply at the level of its assets under management. They are not investment objectives, restrictions or commitments of the Company, and they are not guaranteed. Further information on the Investment Manager's climate and nature targets is available at Integrated Climate & Nature Strategy – Gresham House.

Duty to promote the success of the Company

The Directors are required to include a report explaining how they have discharged their duty to promote the success of the Company under Section 172(1) of the Companies Act 2006 and how they have considered the views of the Company's key stakeholders in regard to any key decisions taken.

Being an investment trust, the Company's key stakeholders comprise its shareholders, the Investment Manager and its third-party service providers (including the Company Secretary and Administrator, the Registrar, the Depositary and the Custodian). The Investment Manager also engages extensively with the investee companies, particularly on performance and corporate governance issues.

The Board welcomes the views of shareholders and places considerable importance on communications with them. The Investment Manager reports back to the Board on meetings with shareholders and the Chairman and other Directors are available to meet shareholders if required.

The Annual General Meeting of the Company and presentations held in London provide a forum, both formal and informal, for shareholders to meet and discuss issues with the Board. The importance of stakeholder considerations in particular in the context of decision making is taken into account at every Board meeting. The Board considers the impact that any material decision will have on all relevant stakeholders to ensure that it is making a decision that promotes the long-term success of the Company.

Examples of the principal decisions taken by the Board during the year under review (and post year-end) are shown in the table below:

Principal Decision	Stakeholder Considerations and Engagement
Debt Facility	During the year under review, no borrowing was undertaken but this continues to remain under review.
Discount Management	The Board has continued to monitor the Company's share price discount to net asset value. The management of the Company's share price discount has a twofold effect; the supply of the Company's shares reduce whilst demand remains constant, and the Company's net asset value per share increases as shares are bought back at a discount. Please refer to page 5 of the Chairman's Statement for further details in relation to the Company's Discount Management. During the year under review the Company repurchased 3,249,500 shares to be held in Treasury and the discount narrowed from 7.5% to 5.0%.
Marketing	During the year under review, the Board approved a marketing proposal put forward by the Company's Investment Manager to continue to raise the level of marketing and awareness of the Company across the investor community. The Board anticipates that this will generate additional demand for the Company's shares and further contribute to a narrowing of the share price discount to NAV.

Principal Decision	Stakeholder Considerations and Engagement
Tender Offer and Interim Distributions	As noted in the 2025 Annual Report, following extensive consideration and a series of detailed discussions, the Board resolved to return capital to shareholders through a Tender Offer. Accordingly, the Company published a Shareholder Circular in September 2025 inviting shareholders to: ▪ Consider and vote on a special resolution authorising the Company to repurchase its own shares; and ▪ Indicate whether they wished to tender some, all, or none of their Ordinary shares pursuant to the terms of the Tender Offer. The Tender Offer was approved by shareholders at the General Meeting held on 8 October 2025, and the tender process closed on 13 October 2025. A total of 9,510,496 Ordinary shares were tendered, representing 22.0% of the Company's issued share capital. Following completion of the Tender Offer, the Board approved two interim capital distributions to participating shareholders. The first distribution was made in December 2025 in respect of 4,755,233 shares at 405.0 pence per share, and the second was made in February 2026 in respect of 2,444,164 shares at 410.0 pence per share. As noted in the Chairman's Statement, the final distribution will be paid to tendering shareholders on 24 September 2026.
Board Composition	During the year the Board undertook a search for additional non-executive Directors who would enhance the overall skills and experience of the Board and its Committees. Will Rogers and Guy Walker were subsequently appointed as non-executive Directors of the Company on 1 September 2026. Further details of the search can be found in the succession planning section on page 40. William Barlow and Richard Locke will retire from the Board at the conclusion of the Company's Annual General Meeting in November 2026.

The Company's primary business relationships are with its Investment Manager and AIFM, Gresham House Asset Management ("GHAM"), and its Company Secretary and Administrator, Juniper Partners Limited. GHAM has a strong and well-developed platform with a strong net cash balance sheet and well-developed operational resources. It has an established pedigree of investing on a strategic public equity basis in UK equity markets. The Board will work closely with GHAM to achieve long-term success for the Company and its stakeholders.

Juniper Partners Limited provides company secretarial and administration services to the Company. Juniper Partners Limited also seeks to maintain constructive relationships with the Company's other third-party suppliers, for example the Registrar, the Depositary and the Custodian, on behalf of the Board typically through regular communication and provision of information.

On behalf of the Board

William Barlow
Chairman

22 September 2026



Directors

The Directors in office at the date of this report, all of whom are non-executive, were as follows:



Sir William Barlow Bt. (Chairman)

Independent Director

William is currently a non-executive director of Majedie Investments PLC where he had previously served as Chief Executive Officer. Prior to Majedie he was at Newedge Group (part of the Societe Generale Group). He joined Skandia Asset Management Limited as an equity portfolio manager in 1991 and was managing director of DnB Asset Management (UK) Limited from 2002 until 2004. He is also a trustee of Racing Homes. William was appointed to the Board on 1 February 2016 and also chairs the Company's Management Engagement and Disclosure Committees. William will retire as a director of the Company at the conclusion of the 2026 Annual General Meeting.



Annie Coleman

Independent Director

Annie's early career included British Petroleum, Head of the London Stock Exchange Press Office; press officer roles in the Prime Minister's Press Office and the Ministry of Defence. In 1999 she moved to Goldman Sachs in London and then GAM Investments in 2006. Annie became Global Head of Organisational Culture and Client Marketing at UBS Investment Bank in 2011, before moving to Unicredit as Group People and Culture Officer. She now runs her own organisation culture and leadership consultancy firm Cerebellum Partners Ltd. Annie was appointed to the Board on 14 February 2022.



Richard Locke (Senior Independent Director)

Independent Director

Richard is Vice Chairman of Fenchurch Advisory Partners LLP, an independent corporate finance advisory firm that specialises in the financial services sector. Previously he was a partner of Cazenove & Co. and then a director at its successor firm, JPMorgan Cazenove. Richard was appointed to the Board on 10 February 2015. Richard will retire as a director of the Company at the conclusion of the 2026 Annual General Meeting.



Will Rogers

Independent Director

Will is a qualified corporate lawyer who brings complementary skills to the Board, with extensive experience in the investment company sector. He worked as a corporate finance adviser and broker to many London listed investment companies between 1993 and 2022, when he retired. He worked at S.G. Warburg & Co. Ltd / UBS AG between 1993 and 2006 and then co-founded the investment companies team at Cenkos Securities plc (now Cavendish plc) where he was a member of the ESG and Management Committees. During his career, Will acted as the adviser on many strategic corporate transactions. He is a Director of JPMorgan Asia Growth & Income plc. Will was appointed to the Board on 1 September 2026.



Brigid Sutcliffe (Audit Committee Chair)

Independent Director

Brigid qualified as a Chartered Accountant in 1983 and gained an MBA in 1987. She spent thirty years working in investment banking and as a strategic change management consultant, advising companies across a wide range of sectors. She has been a non-executive director for a variety of organisations in the public, private and third sectors over the past nineteen years, including science and technology research, technical business services, higher education and social housing. Brigid is also a non-executive director and chairs the Audit Committee of both STS Global Income & Growth Trust PLC, and Northern Ventures Trust PLC. Brigid was appointed to the Board on 8 February 2023.



Guy Walker

Independent Director

Guy is currently Senior Independent Director at JPMorgan European Growth & Income Plc, having joined the Board in 2021. He is also a senior adviser at the Investor Forum and was also a non-executive director of Impax Environmental Markets Plc until June 2026. He was previously managing director UK & European Equities at UBS Asset Management and prior to this held senior posts at Schroders, including as Head of Equity Research and Global Head of Stewardship and ESG. He brings considerable investment expertise to the Board. Guy was appointed to the Board on 1 September 2026.



Howard Williams

Independent Director

Howard has forty years of fund management experience and was, until October 2017, Chief Investment Officer and Head of the Global Equity Team at JPMorgan Asset Management. Prior to joining JPMorgan Asset Management in 1994, he held a number of senior positions at Shell Pensions and Kleinwort Benson Asset Management. He started his career at James Capel & Co. He is also a non-executive director and chair of Schroders Unit Trust Limited, and Dunedin Income Growth Investment Trust PLC and a non-executive director of LifeSight Limited. Howard was appointed to the Board on 8 February 2023.

Report of the Directors

Directors

The Directors in office at the date of this report and their biographical details are shown on pages 30 and 31.

Corporate Governance

The Company's corporate governance statement is set out on pages 36 to 41 and forms part of the Report of the Directors.

Performance and Dividend

Over the year to 30 June 2026, net assets have fallen by £45.2 million representing a decrease of 26.0%. The fall is due in part to the £29.3m of distributions to tendering shareholders in November 2025 and February 2026. On a per share basis net assets have fallen by 12.39p which represents a decrease of 3.2%. Further information on the performance of the Company's portfolio is contained in the Investment Manager's Report on pages 10 to 13 and Top 10 Investee Company Review on pages 14 to 16.

The Company uses the FTSE Small Cap Index (excluding Investment Companies) as a comparator for the purpose of monitoring performance.

The Company's investment objective is one of capital growth and it is anticipated that returns for shareholders will derive primarily from capital gains. The Board is governed by the rules for investment trusts that require that the Company must not retain more than 15% of its income from any one year. The Board recommends a final dividend of 4.50p (2025: 4.25p) per Ordinary share, amounting to £1,500,746 (2025: £1,830,934) based on the Ordinary share capital at the date of this report. The Company's dividend policy remains unchanged, and it may be that next year, the dividend will be lower.

Share Capital and Voting Rights

The Company's issued share capital at 30 June 2026 consisted of 33,924,903 Ordinary shares of 10p each and there were 22,404,906 Ordinary shares held in Treasury. At 21 September 2026 (being the latest practicable date prior to the publication of this document) the issued share capital consisted of 33,349,903 Ordinary shares of 10p each and 22,979,906 Ordinary shares were held in Treasury. Shares held in Treasury do not have voting rights. The maximum number of Ordinary shares in issue during the year was 44,373,800.

The Company bought back 7,199,397 Ordinary shares for cancellation and 3,249,500 Ordinary shares to be held in Treasury during the year.

Substantial Shareholdings

At 30 June 2026 the Board is aware of the following holdings representing (directly or indirectly) three per cent. or more of the voting rights attaching to the issued share capital of the Company:

	Number of shares held	% of total voting rights
Gresham House Asset Management	6,031,593	17.8
City of London Investment Management	5,020,377	14.8
West Yorkshire Pension Fund	1,982,662	5.8
Cazenove Capital	1,966,150	5.8
Sir Clive Thompson	1,901,844	5.6
Hargreaves Lansdown	1,671,670	4.9
TrinityBridge	1,546,513	4.6
Raymond James Investment Services	1,459,859	4.3
Interactive Investor	1,241,984	3.7

There have been no other changes notified in respect of the above holdings, and no new holdings notified, since the end of the year.

Investment Management Agreement

The Company's investments are managed by GHAM under an agreement dated 14 May 2020. The Investment Manager's appointment is subject to termination on 6 months' notice given at any time by either party.

There are no specific provisions contained within the Investment Management Agreement relating to compensation payable in the event of termination of the agreement other than entitlement to fees, including performance fees, which would be payable within any notice period. However, in the event that a continuation resolution proposed at any Annual General Meeting is not passed, the Investment Management Agreement expressly permits the Company to give notice terminating the Investment Manager's appointment without any compensation being payable to the Investment Manager in lieu of any period of notice otherwise required under the Investment Management Agreement.

The Board keeps the performance of the Investment Manager under continual review, and the Management Engagement Committee, comprising all Directors, conducts an annual appraisal of the Investment Manager's performance, and makes a recommendation to the Board about the continuing appointment of the Investment Manager. During the year the Board reviewed the continuing appointment of the Investment Manager and agreed that the Investment Manager had executed the Investment Strategy according to the Board's expectations. Therefore, it is the opinion of the Directors that the continuing appointment of GHAM is in the interests of shareholders as a whole.

Investment Manager's Fees

The Investment Manager is entitled to receive from the Company a basic fee together with, where applicable, a performance fee.

Basic Fee

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

Performance Fee Arrangements

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 Trusts) 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 Trusts) 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 £nil is payable in respect of the rolling three-year period ended 30 June 2026 (2025: £nil).

Information About Securities Carrying Voting Rights

The following information is disclosed in accordance with the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 and DTR 7.2.6 of the FCA's Disclosure Guidance and Transparency Rules:

- The Company's capital structure and voting rights are summarised above.
- Details of the substantial shareholders in the Company are listed above.
- The rules concerning the appointment and replacement of Directors are contained in the Company's Articles of Association and are discussed on page 37.
- Details of the powers of the Directors to issue or buyback the Company's shares are disclosed on pages 34 and 35.
- There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; and no agreements which the Company is party to that might affect its control following a takeover bid.
- There are no agreements between the Company and its Directors concerning compensation for loss of office; the Company does not have an employees' Share Scheme, there are no restrictions on voting rights; and the Company does not have any rules about amendment of the Company's articles of association beyond the requirements of the Act.

Accountability and Audit

The responsibilities of the Directors and the Auditor in connection with the financial statements is included on page 52.

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that he/ she ought to have taken as a Director to make himself/ herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Financial Risk Management

Information about the Company's financial risk management objectives and policies is set out in note 17 of the financial statements on pages 69 to 72.

Requirements of the Listing Rules

Listing Rule 6.6.1R requires the Company to include specified information in a single identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm that no disclosures are required in relation to Listing Rule 6.6.1R.

Modern Slavery

The Company is not within the scope of the Modern Slavery Act 2015 because it has insufficient turnover and is therefore not obliged to make a human trafficking statement. The Directors are satisfied that, to the best of their knowledge, the Company's principal suppliers, which are listed on page 77, comply with the provisions of the UK Modern Slavery Act 2015. These are principally professional advisers and service providers in the financial services industry, consequently the Board considers the Company to be low risk in relation to this matter.

Criminal Finances Act 2017

The Company has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

Annual General Meeting

The Notice of the Annual General Meeting to be held on Thursday 12 November 2026, is set out on pages 78 to 80. Full details of all resolutions can be found in the Notice. The resolutions to be proposed as items of special business are set out below.

To authorise the allotment of shares (Resolution 10)

Section 551 of the Companies Act 2006 provides that the Directors may not allot new shares without shareholder approval. The purpose of Resolution 10, which is proposed as an ordinary resolution, is to empower the Directors to allot shares with an aggregate nominal value of up to £333,499, being approximately 10% of the Company's issued Ordinary share capital (excluding Treasury shares) as at the latest practicable date prior to the publication of this document. The authority granted to the Directors if this Resolution 10 is passed would last until the earlier of the Annual General Meeting in 2027 or 12 February 2028.

The number of Treasury shares held as at 21 September 2026 (being the latest practicable date prior to the publication of this document) is 22,979,906 10p shares which represents 68.9% of the Company's issued Ordinary share capital of 33,349,903 10p shares at that date.

The Directors intend to use the authority to issue Ordinary shares only if and when they believe it to be advantageous to the Company's existing shareholders to do so. In no circumstances would such issue of new shares or re-issue of shares from Treasury result in a dilution of net asset value per share.

To disapply Section 561 of the Companies Act 2006 (Resolution 11)

Under Section 561 of the Companies Act 2006, if the Directors wish to allot any equity securities, or sell any Treasury shares (should they elect to hold any), for cash, they must first offer them to existing shareholders in proportion to their shareholdings. The purpose of Resolution 11, which is proposed as a special resolution, is to allow the Directors to allot shares, or sell any Treasury shares, for cash other than in accordance with Section 561 up to a maximum aggregate nominal amount of £333,499, representing approximately 10% of the Company's issued Ordinary share capital of 33,349,903 10p shares as at 21 September 2026 (being the latest practicable date prior to publication of this document).

Shares issued pursuant to this authority will be issued at a price of not less than the prevailing NAV per share, including current period revenue.

This authority will last until the earlier of the Annual General Meeting in 2027 or 12 February 2028.

To authorise the Company to purchase its own Ordinary shares (Resolution 12)

The purpose of Resolution 12, which is proposed as a special resolution, is to renew the authority of the Company to purchase its own shares. The Company may purchase shares in the market in order to address any imbalance between the supply of and demand for shares and to increase the net asset value per share. The Company will make such purchases pursuant to this authority only where the Directors believe that to do so will result in an increase in the NAV per share for remaining shareholders and is in the best interests of shareholders generally.

The authority is limited to 4,999,150 Ordinary shares, representing approximately 14.99% of the Company's shares in issue as at 21 September 2026 (being the latest practicable date prior to publication of this document).

The Company will only purchase Ordinary shares at prices which are below the last published NAV per Ordinary share. The maximum price (exclusive of expenses) payable per Ordinary share under this authority is the higher of (a) 5% over the average of the middle market prices of the Ordinary shares according to the Daily Official List of the London Stock Exchange for the five business days immediately before the date on which the Company buys the shares and (b) the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out. The minimum price payable per Ordinary share under this authority is the nominal value of that Ordinary share. Any purchases of Ordinary shares made pursuant to this authority will be market purchases.

Any such purchases will be made during the period commencing at the close of the Annual General Meeting and ending on the earlier of the date of the Company's Annual General Meeting in 2027 or 12 February 2028.

At the Annual General Meeting held on 12 November 2025 the Company was authorised to purchase approximately 14.99% of its own shares for cancellation or to be held in Treasury. The number of Ordinary shares remaining under that authority as at 21 September 2026 (being the latest practicable date prior to publication of this document) was 4,104,832 Ordinary shares.

The Company may purchase its own shares either for holding in Treasury, or for subsequent cancellation. Shares held in Treasury will have no voting, dividend or other rights. The Directors consider that the purchase of shares into Treasury could be beneficial to shareholders in the long-term, in that, subject to the authority granted by Resolution 11, they may be re-sold at NAV or above to further the investment objectives of the Company.

The Company has purchased 575,000 Ordinary shares since 30 June 2026. As at 21 September 2026 (being the latest practicable date prior to publication of this document), the Company held 22,979,906 Ordinary shares in Treasury.

Directors' Recommendation

The Directors consider that all the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its members as a whole. The Directors unanimously recommend that shareholders vote in favour of all the resolutions, as they intend to do in respect of their own beneficial holdings.

On behalf of the Board

William Barlow
Chairman

22 September 2026



Statement on Corporate Governance

This Corporate Governance Statement forms part of the Directors' Report.

Statement of Compliance with the AIC Corporate Governance Code

The Board has considered the principles and provisions of the Association of Investment Companies' Code of Corporate Governance Code ("AIC Code"). The AIC Code is endorsed by the Financial Reporting Council and adapts the principles and provisions set out in the UK Corporate Governance Code to make them relevant to investment companies as well as incorporating the relevant provisions of the UK Corporate Governance Code.

The Board believes that the AIC Code provides the most appropriate governance framework for the Company. Accordingly, the Company reports against the principles and provisions of the AIC Code. The August 2024 edition of the AIC Code is applicable to the year under review and can be found at www.theaic.co.uk.

By reporting against the AIC Code, the Board is meeting its obligations in relation to the UK Corporate Governance Code.

The Board confirms that, during the year, the Company complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code (the "UK Code"), except as set out below:

- Provision 17 and 32 of the UK Code (Provision 22 and 37 of the AIC Code): the requirements to have a Nomination Committee and Remuneration Committee – owing to the nature of the Company, the activities of these committees are undertaken by the Board.
- Provision 24 of the UK Code: the requirement for the Chairman to not sit on the Audit Committee – the Board believes that all Directors, including the Chairman, should sit on all the Committees.

Articles of Association

The Company's Articles of Association may only be amended by special resolution at a general meeting of shareholders.

Board of Directors

Under the leadership of the Chairman, the Board is responsible for all matters of control and direction of the Company, including its investment policy.

As at the date of this Report, the Board consists of seven non-executive Directors. Biographical details of the Directors in office at the year end can be found on pages 30 and 31.

The terms and conditions of the appointment of the non-executive Directors are formalised in letters of appointment, copies of which are available for inspection from the registered office of the Company and will be available at the Annual General Meeting.

The Board has agreed arrangements whereby Directors may take independent professional advice in the furtherance of their duties and the Company has Directors' and Officers' Liability Insurance to cover legal defence costs. Under the Company's Articles of Association, the Directors are provided, subject to the provisions of UK legislation, with an indemnity in respect of liabilities which they may sustain or incur in connection with their appointment. Apart from this, there are no third party indemnity provisions in place.

Board Operation

At the Board meetings, the Directors follow a formal agenda to review the Company's investments and all other important issues to ensure that control is maintained over the Company's affairs.

The Board is responsible for adherence to the investment policy and strategic and operational decisions of the Company. The Company's main functions are delegated to a number of service providers, each engaged under separate legal contracts. The management of the Company's portfolio is delegated to the Investment Manager, which has discretion to manage the assets in accordance with the Company's objectives and policies. A representative of the Investment Manager attends each Board meeting to present written and verbal reports on its activities and portfolio performance. At each Board meeting, the Directors review the Company's investments and all other important issues to ensure that control is maintained over the Company's affairs. The Board has adopted a formal schedule of matters specifically reserved for approval. These reserved matters include the following:

- Investment and business strategy of the Company.
- Annual and interim reports and accounts and accounting policies, prospectuses, circulars and other shareholder communications.

- Acquisitions and disposals of interests of more than 29.9% in the voting shares of any investee company.
- Dividend policy.
- Board appointments and removals.
- Appointment and removal of the Company's service providers including the Investment Manager/AIFM, Depositary and Auditor.

Board Balance and Independence

All of the Directors of the Company are non-executive and, independent of the Investment Manager.

The Directors possess a wide range of financial, business and legal expertise relevant to the direction of the Company and consider that they commit sufficient time to the Company's affairs.

Chairman

The Chairman, William Barlow, is deemed by his fellow independent Board members to be independent and to have no conflicting relationships. He considers himself to have sufficient time to commit to the Company's affairs.

Re-election and Retirement of Directors

In accordance with the AIC Code all Directors are subject to annual re-election. Board support for re-election is based on the outcome of an annual performance evaluation. The Chairman also speaks with each Director individually. The performance of each Director and nominations for re-election are then discussed by the Board as a whole.

The Board's normal policy on tenure is that the maximum period that any Director serve as a Director of the Company shall be limited and no Director shall be eligible to serve beyond the ninth Annual General Meeting following his or her appointment. In the event that a Director is appointed at an Annual General Meeting, for these purposes that Annual General Meeting will not count towards the nine.

William Barlow and Richard Locke will retire from the Board at the conclusion of the 2026 AGM. Will Rogers and Guy Walker were appointed to the Board on 1 September 2026 and will seek election at the Company's AGM being held on 12 November 2026.

Directors' Induction, Training and Development

Upon appointment to the Board, a new Director is provided with a detailed induction pack containing relevant information about the Company and their duties and responsibilities as a Director.

Directors' training and development needs are reviewed by the Board on an annual basis as part of the performance evaluation process. The Board is committed to keeping up to date on matters which are directly relevant to their duties and responsibilities to the Company. The Directors receive regular briefings and updates from the Company's Investment Manager and other advisers on regulatory matters that may affect the Company.

Diversity

The Board is focused on having an effective Board which consists of experienced non-executive Directors who can function well together and have a good operational knowledge of the Company and the closed ended investment company sector more generally. Accordingly, the Board currently consists of seven independent Directors in William Barlow, Annie Coleman, Richard Locke, Will Rogers, Brigid Sutcliffe, Guy Walker and Howard Williams. William Barlow and Richard Locke will retire from the Board at the conclusion of the 2026 AGM. The Board supports the principle of boardroom diversity in its broadest sense, in terms of gender, expertise, geographic background, age and race. The Company is specialised and the Board's priority is to have a relatively small and effective independent Board of non-executive Directors with the requisite abilities and experience to oversee the Company, its investments and its corporate structure, including its third-party advisers. Any new appointee would make an appropriate contribution to those skills. It is the Board's policy to review its composition regularly and, when appropriate, to refresh the Board through recruitment, with the aim of having the blend of skills and attributes that will best serve shareholders in the future.

The FCA Listing Rules now include a requirement for companies to report against diversity and inclusion targets on a comply or explain basis. Outlined below is an overview of the targets and the Company's compliance or otherwise at its chosen reference date of 30 June 2026, in accordance with Listing Rule 6.6.6R(9):

- 40% of the Board represented by women: at 30 June 2026 the Company meets this target with its Board composition being 40% female.
- One woman in a senior position: although the Company does not meet this target based on those roles defined as senior by the FCA, in the absence of the Company having Executive roles, the Board considers the chair roles of its permanent sub-committees to be senior roles. As at 30 June 2026, the role of Audit Committee Chair was held by Brigid Sutcliffe. The roles of Chairman and chair of the other permanent sub-committees were held by men.

- One individual from a minority ethnic background: the Company does not meet this target. In view of its small size, which it considers appropriate, and the infrequency with which Board appointments are made, the Board is aware that achieving this target is more challenging. It will however be mindful of this target when making future appointments.

The following tables set out the data on the diversity of the Directors of the Company as at 30 June 2026 and in accordance with Listing Rule 6.6.6R(10). The data has been obtained through direct consultation with the Board.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board
Men	3	60%	1[1]
Women	2	40%	0
Not specified/ prefer not to say	N/A	N/A	N/A

1. The Company only has one of the senior roles specified by the Listing Rules, that is the position of Chair of the Board, which is held by William Barlow. The Company does however consider that the chairs of its permanent sub-committees are all senior positions. The role of Audit Committee Chair is held by a woman, with all other senior roles being held by a man.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board
White British or other White	5	100%	1
Mixed/Multiple ethnic groups	0	0%	0
Asian/Asian British	0	0%	0
Black/African/ Caribbean/Black British	0	0%	0
Other ethnic group, including Arab	0	0%	0
Not specified/prefer not to say	0	0	0

Meetings

The Directors meet at regular Board meetings, at least once every quarter, with additional meetings arranged as necessary. The number of scheduled Board, Audit and Management Engagement Committee meetings held during the year ended 30 June 2026 and the attendance of the individual Directors is shown below:

	Quarterly Board meetings		Audit Committee meetings		Management Engagement Committee meetings	
	Number of meetings	Number attended	Number of meetings	Number attended	Number of meetings	Number attended
William Barlow	4	4	2	2	1	1
Annie Coleman	4	4	2	2	1	1
Richard Locke	4	4	2	2	1	1
Brigid Sutcliffe	4	4	2	2	1	1
Howard Williams	4	4	2	2	1	1

Members of the Board also meet with representatives of the Investment Manager on an informal and regular basis.

The Board normally meets on four occasions during the year. Two Board Committee meetings were also held during the year to consider the approval of the Company's Annual and Interim Reports.

The Board held various ad hoc meetings during this year for strategic discussions in relation to the 2025 tender offer and subsequent interim distributions.

Will Rogers and Guy Walker were appointed to the Board on 1 September 2026. Accordingly, their inclusion in the above table is not applicable as they did not serve as directors during the year under review.

Performance Evaluation

The Board's decision to recommend the re-election of each of the Directors is informed by a formal assessment of each Director's independence and contribution, and the balance of skills, experience, length of service and knowledge of the Company across the Board as a whole. This assessment is made annually as part of the Board's appraisal of its collective performance and that of the Chairman, the Directors and the Committees, and the independent status of each individual Director and the Board as a whole. The evaluation of the Chairman is led by the Senior Independent Director.

In 2026, the evaluation of the Board was carried out by way of a questionnaire. Having considered and discussed the points raised by the Directors in response to the questionnaire, the Board has concluded that it has an appropriate balance of skills, experience and length of service and that each Director demonstrates effectiveness, a high level of commitment to the Company, and considerable experience, expertise and knowledge. In addition, the Board believes that each Director is independent of judgement and that there are no relationships or circumstances which are likely to affect the judgement of any Director. Accordingly, the Board recommends the re-election of each Director.

Committees of the Board

The Board has appointed three committees, to assist its operations. Each committee's delegated responsibilities are clearly defined in formal terms of reference. These are reviewed and assessed annually for adequacy and copies are available on the Company's webpage and from the Company's Registered Office. Brigid Sutcliffe chairs the Audit Committee and William Barlow chairs the Management Engagement Committee and the Disclosure Committee. Each committee comprises all Directors of the Company.

Audit Committee

The main responsibilities of the Audit Committee and the matters addressed by the Committee during the year under review are detailed in the Audit Committee Report on pages 42 and 43.

The Chairman of the Board is a member of the Committee to enable him to be kept fully informed of any issues which may arise.

The Chair of the Audit Committee is a Chartered Accountant and the other Committee members have a combination of financial, investment and other relevant experience. The Board is therefore satisfied that the Audit Committee has adequate skills to perform its role.

Management Engagement Committee

The Management Engagement Committee is responsible for reviewing the performance of the Investment Manager and making recommendations to the Board about the continuing appointment of the Investment Manager on an annual basis. The Committee also reviews the Company's other service providers and meets periodically.

The Management Engagement Committee met once over the course of the year.

Disclosure Committee

Following the implementation of the Market Abuse Regulation ("MAR") in July 2016 (which now forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended from time to time), the Board agreed to form a Disclosure Committee, comprising all Directors and chaired by William Barlow, to ensure the identification of inside information and the Company's ongoing compliance with MAR. The Committee meets on an ad hoc basis.

Remuneration Matters

The Board has resolved that, in view of the size of the Board, it is most appropriate for matters of remuneration to be dealt with by the Board as a whole.

On an annual basis the Board consider the directors' remuneration policy and discuss any changes to the directors' remuneration.

Full details of the remuneration arrangements for Directors can be found in the Directors' Remuneration Report on pages 44 to 46.

Nomination Matters

The Board as a whole undertakes the role of the Nomination Committee and oversees the annual appraisal of the Board members, including the Chairman, to assess whether individual Board members should be nominated for re-election each year, evaluates the overall composition of the Board from time to time, taking into account the existing balance of skills and knowledge on the Board and considers succession planning accordingly. This process is led by William Barlow.

The Board, when assessing the performance of Directors and making recommendations as to whether they should remain in office and be put forward for election or re-election at the AGM, uses extensive questionnaires and reviews by the Chairman. The Senior Independent Director is responsible for the appraisal of the Chairman. The 2026 review did not identify any causes for concern.

The Board may seek assistance in identifying suitable candidates by appointing an external recruitment firm. During the year the Company engaged Larkhall Search Ltd. as its external recruitment firm as part of the recruitment of Will Rogers and Guy Walker. Larkhall Search Ltd. does not have any other connections with the Company.

Company Secretary

The Board has direct access to the advice and services of the Company Secretary which is responsible for ensuring that Board and Committee procedures are followed and that applicable regulations are complied with. The Company Secretary is also responsible to the Board for ensuring timely delivery of financial and other relevant information and reports and that statutory obligations of the Company are met.

Dialogue with shareholders

Communication with shareholders is given a high priority by both the Board and the Investment Manager. Shareholders can communicate with the Board by writing to the Company Secretary at the address disclosed on page 77. Major shareholders of the Company are offered the opportunity to meet with the Investment Manager and the Directors in order to ensure that their views are understood. During the year under review, the Chairman communicated with a number of major shareholders. All shareholders are encouraged to attend and vote at the Annual General Meeting, during which the Board and the Investment Manager are available to discuss issues affecting the Company and shareholders have the opportunity to address questions to the Investment Manager, the Board and the Chairman.

The Half-Yearly and Annual reports are designed to present a full and readily understandable review of the Company's activities and performance. Copies are available from www.greshamhouse.com.

Directors' indemnity

The Company maintains Directors' and Officers' liability insurance which provides against costs which they may incur relating to the defence of any proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgment is given in their favour by the courts. The qualifying third-party indemnity provision was in force throughout the financial year and at the date of approval of the Annual Report. No claims have been brought against the Company or the Directors. The insurance is reviewed annually.

Conflicts of Interest

It is the responsibility of each individual Director to avoid an unauthorised conflict of interest situation arising. He or she must request authorisation from the Board as soon as he or she becomes aware of the possibility of an interest that conflicts or might possibly conflict with the interests of the Company (a "situational conflict"). The Company's Articles of Association authorise the Board to approve such situations, where deemed appropriate.

The Board is responsible for considering Directors' requests for authorisation of situational conflicts and for deciding whether or not the situational conflict should be authorised. The factors to be considered will include: whether the situational conflict could prevent the Director from properly performing his or her duties; whether it has, or could have, any impact on the Company; and whether it could be regarded as likely to affect the judgement and/or actions of the Director in question. When the Board is deciding whether to authorise a conflict or potential conflict, only Directors who have no interest in the matter being considered are able to take the relevant decision, and in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate in the circumstances.

A register of conflicts is maintained by the Company Secretary and is reviewed at every Board meeting to ensure that it is kept up to date and the Board, on an individual basis, confirmed there were no conflicts of interest during the year ended 30 June 2026.

Internal Control Review

The Directors acknowledge that they are responsible for the Company's systems of internal control and for reviewing their effectiveness. An ongoing process, in accordance with the Financial Reporting Council's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting, has been established for identifying, evaluating and managing the risks faced by the Company. This process is regularly reviewed by the Board. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Company's objectives. It should be recognised that such systems can provide only reasonable, not absolute, assurance against material misstatement or loss.

Internal control assessment process

Risk assessment and the review of internal controls are undertaken by the Board in the context of the Company's overall investment objective. The review process, which has been in place for the year ended 30 June 2026 and up to the date of this report, covers the key business, operational, compliance and financial risks facing the Company. In arriving at its judgement of what risks the Company faces, the Board considers the Company's objectives in light of the following factors:

- the nature and extent of risks which it regards as acceptable for the Company to bear within its overall business objective;
- the threat of such risks becoming reality;
- the Company's ability to reduce the incidence and impact of risk on its performance; and
- the cost to the Company and benefits related to the Company and third parties of operating the relevant controls.

Against this backdrop, the Board has split the review into four sections reflecting the nature of the risks being addressed. The sections are as follows:

- corporate strategy;
- investment and business activities;
- published information and compliance with laws and regulations; and
- relationship with service providers.

Given the nature of the Company's activities and the fact that most functions are subcontracted, the Board has concluded that there is no need for the Company to have an internal audit function. Instead, the Directors obtain information from key third party suppliers regarding the controls operated by them. To enable the Board to make an appropriate risk and control assessment, the information and assurances sought from third parties include the following:

- details of the control environment;
- identification and evaluation of risks and control objectives;
- assessment of the communication procedures; and
- assessment of the control procedures.

The key procedures which have been established to provide effective internal controls are as follows:

- investment management is provided by Gresham House Asset Management. The Board is responsible for the implementation of the overall investment policy and monitors the actions of the Investment Manager at regular meetings. The Board reviews compliance reports from the Investment Manager on a quarterly basis, and the Investment Manager's compliance officer is available to attend the meeting if required. The Audit Committee also reviews the report on Controls by Gresham House Asset Management on an annual basis;
- the provision of administration, accounting and company secretarial duties are the responsibility of Juniper Partners Limited. The Audit Committee reviews the report on controls from Juniper Partners Limited on an annual basis;
- J.P. Morgan Europe Limited act as depositary and J.P. Morgan Chase Bank N.A. act as custodian to the Company. The Audit Committee reviews J.P. Morgan's internal controls report on an annual basis;
- the duties of investment management, accounting and custody of assets are segregated. The procedures of the individual parties are designed to complement one another;
- the Directors of the Company clearly define the duties and responsibilities of their agents and advisers in the terms of their contracts. The appointment of agents and advisers is conducted by the Board after consideration of the quality of the parties involved; the Board monitors their ongoing performance and contractual agreements;
- mandates for authorisation of investment transactions and expense payments are set by the Board; and
- the Board reviews detailed financial information produced by the Investment Manager and the Company Secretary on a regular basis.

The Directors have carried out a review of the effectiveness of the systems of internal control as they have operated over the period and up to the date of approval of the Report and Financial statements. There were no matters arising from this review that required further investigation and no significant failings or weaknesses were identified.

Audit Committee Report

I am pleased to present the Committee's report to shareholders for the year ended 30 June 2026. The Committee comprises all Directors of the Company, including the Chairman of the Company to enable him to remain fully informed of any issues that may arise. The Committee met twice during the year. Attendance by each Director is shown in the table on page 38.

The Committee's main responsibilities are:

1. To review the half year and annual financial statements

The Committee considers whether the financial statements are fair, balanced and understandable.

In addition, consistency of accounting policies, key areas of judgement, the clarity of disclosure and compliance with accounting and listing requirements, the going concern assumption, the viability statement, and the results of the audit are all covered in the work of the Committee.

2. To review the risk management and effectiveness of internal control policies and procedures of the Company and its service providers

The Committee reviews and considers the Company's statement on risk management and internal control systems included in the financial statements prior to endorsement by the Board.

3. In relation to the external auditor

The Committee's responsibilities in this area are as follows:

- review and approve terms of the external auditor;
- meet with the external auditor to discuss the outcomes of their audit work;
- liaise with the external auditor in respect of their planning of their work and engagement terms, including fees;
- review the independence of the external auditor;
- assess the effectiveness of the external auditor and the audit process;
- consider appropriateness and terms of any auditor appointment in respect of any non-audit work;
- monitor the requirements for rotation of the external auditor; and
- make recommendations to the Board relating to appointment and re-appointment.

4. Consider the need for an internal audit function

The Board has concluded that there is no need for an internal audit function owing to the nature of the Company's activities and the fact that most functions are subcontracted.

The following matters were addressed by the Committee during the period under review.

Risk Management and Effectiveness of Internal Controls

The Committee conducted a robust review of the effectiveness of the Company's risk management and internal control systems in September 2026, as part of its consideration of the Annual Report and Financial Statements for the year ended 30 June 2026. The review included considering those risks that might threaten the Company's business model, future performance, solvency or liquidity.

During the year the Committee has considered the following:

- the appropriateness of the risk matrix of the Company;
- the reports on the effectiveness of internal controls and risk management systems of the principal service providers to the Company; and
- the quarterly reports from the Depositary.

Following that process, the Committee then recommended to the Board the endorsement of the statement on internal control, as included in this Report on page 40.

Half Year and Annual Financial Statements

Both the Half Year Report for the period ended 31 December 2025 and the Annual Report for the year ended 30 June 2026 were reviewed in detail and in line with the Committee's responsibilities and formal recommendations were made to the Board for approval. The Committee considered the basis and reasonableness of the valuation of the Company's quoted investments, as a significant matter. The Committee also considered the following other matters:

- in discussion with the Investment Manager, the calculation of the investment management and performance fees payable to the Investment Manager;

- the prospects of the Company over the three year period agreed by the Board when assessing the long-term viability of the Company, and the appropriateness of the statement from the Directors, as included in this Annual Report; and
- the use of the going concern principle in the preparation of the financial statements for the year ended 30 June 2026. The Committee considered evidence supporting this principle and reviewed the statement on going concern for endorsement by the Board.

Independence, Objectivity and Effectiveness of the Auditor

Johnston Carmichael LLP were appointed as the Company's Auditor on 10 November 2023 and the Audit Committee reviewed this appointment. As part of the review of auditor independence and effectiveness, Johnston Carmichael LLP has confirmed that it is independent of the Company and has complied with relevant auditing standards. In evaluating Johnston Carmichael LLP, the Audit Committee has taken into consideration the standing, skills and experience of the firm and the audit team.

The Audit Committee, from direct observation and enquiry of the Company Secretary, remains satisfied that Johnston Carmichael LLP provides effective independent challenge in carrying out its responsibilities.

Following professional guidelines, the audit partner rotates after five years. The year ended 30 June 2026 is Richard Sutherland's third year as audit partner.

On the basis of their assessment, the Audit Committee has recommended the re-appointment of Johnston Carmichael LLP to the Board. Johnston Carmichael LLP's performance will continue to be reviewed annually taking into account all relevant guidance and best practice.

Audit Fees

The Audit Committee reviewed the audit plan and fees presented by the Auditor and considered their report on the annual financial statements at a meeting of the Committee attended by the Auditor. The fee for the audit of the Annual Report and Financial Statements for the year ended 30 June 2026 of £44,000 (excluding VAT) was considered and approved by the Committee for recommendation to the Board.

Non-audit Services

Any proposed non-audit services must be approved in advance by the Audit Committee and will be reviewed in light of statutory requirements to maintain the Auditor's independence.

No non-audit services were provided to the Company in the year ended 30 June 2026. The only fees paid to Johnston Carmichael LLP were in relation to the statutory audit as referred to above.

Significant accounting matters

Existence and Valuation of Investments

The significant issue considered by the Audit Committee during the year in relation to the financial statements of the Company was the existence and valuation of investments. Juniper Partners Limited ("the Administrator") regularly reconciles the portfolio holdings to confirmations from the Company's Custodian and carries out testing of the prices obtained from the independent pricing source.

Based on confirmation from the Administrator that these procedures have operated correctly at 30 June 2026 and based on conversations with and written reporting from the Depositary, the Committee is satisfied that there is no material misstatement in the context of the Annual Report.

Income Recognition

The Company's principal income is dividend receipts from its investment holdings. As such inaccurate recognition of income, or incomplete controls in this area, could result in the Company misstating such receipts.

The Committee reviewed the Administrator's annual internal controls report which details the systems, processes and controls around the recording of investment income. It also compared the final level of income received for the year to the budget which was set at the start of the year and considered the accounting treatment of all special dividends received with the Investment Manager.

Brigid Sutcliffe
Audit Committee Chair

22 September 2026

Directors' Remuneration Report

The Board has prepared this report in accordance with Schedule 8 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

An Ordinary resolution for the approval of this report will be put to shareholders at the forthcoming Annual General Meeting.

The law requires the Company's Auditor to audit certain disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in its report on pages 48 to 53.

Directors' Remuneration Report

Statement from the Chairman

The Board presents the Directors' Remuneration Report for the year ended 30 June 2026, which has been prepared in accordance with the Companies Act 2006.

The Board has resolved that, in view of the size of the Board, it is most appropriate for matters of remuneration to be dealt with by the Board as a whole. The Remuneration Policy is set out on pages 45 and 46.

During the year ended 30 June 2026, Directors' annual fees were set at a rate of £43,500 for the Chairman, £34,500 for the Chairman of the Audit Committee and £30,000 for a non-executive Director of the Company. Richard Locke received an additional £3,000 for his work as the Company's Senior Independent Director. Following a review of the level of Directors' fees for the forthcoming year the Board concluded that the amounts should be increased. Therefore, with effect from 1 July 2026, the Chairman's fee was increased to £45,500 (previously £43,500), the Chair of the Audit Committee's fee was increased to £36,250 (previously £34,500) and non-executive Directors' fees were increased to £31,500 (previously £30,000). Richard Locke will continue to receive an additional £3,000 for his work as the Company's Senior Independent Director.

There will be no change to the way the current approved Remuneration Policy will be implemented in the course of the next financial year.

The annual limit on Directors' fees is set out in the Company's Articles of Association. The present limit is £220,000 in aggregate per annum and the approval of shareholders is required to change this limit.

Your Company's performance

The Company is required to include a performance graph in this report comparing the Company's total shareholder return performance against that of a broad equity market index. The Company is legally required to present a performance comparison. However, comparison against an index is not the objective of the Company. The following graph compares the total shareholder return to the total return on the FTSE Small Cap (ex investment Trusts) Total Return Index. This index has been selected for comparison of the Company's performance for its generic qualities as no listed index directly comparable to the Company's portfolio exists.



Source: LSEG Datastream

Directors' emoluments for the year ended 30 June 2026 (audited)

The Directors who served in the year were paid the following emoluments in the form of fees:

	Year ended 30 June 2026 £	Year ended 30 June 2025 £	% change
William Barlow	**43,500**	43,500	–
Annie Coleman	**30,000**	30,000	–
Richard Locke	**33,000**	33,000	–
Brigid Sutcliffe	**34,500**	34,500	–
Howard Williams	**30,000**	30,000	–
Total	**171,000**	171,000	–

The above emoluments are of a fixed nature with no variable elements.

The table below contains the annual percentage change in remuneration in the four financial years prior to the current year in respect of each Director:

Fee Rates	Year to 30 June 2022	Year to 30 June 2023	Year to 30 June 2024	Year to 30 June 2025	**Year to 30 June 2026**
Chair	£40,000	£40,000	£42,000	£43,500	**£43,500**
	+8.7%	+0.0%	+5.0%	+3.6%	**–**
Audit Chair	£31,500	£31,500	£33,075	£34,500	**£34,500**
	+8.6%	+0.0%	+5.0%	+4.3%	**–**
Senior Independent Director	£30,500	£30,500	£31,875	£33,000	**£33,000**
	–	+0.0%	+4.5%	+3.5%	**–**
Other Directors	£27,500	£27,500	£28,875	£30,000	**£30,000**
	+8.9%	+0.0%	+5.0%	+3.9%	**–**

Relative importance of spend on pay

The table below, which is a statutory requirement, sets out, in respect of the financial year ended 30 June 2026 and the preceding year:

a) the remuneration paid to Directors; and

b) the cash returned to shareholders by way of dividend.

	Year ended 30 June 2026 £	Year ended 30 June 2025 £	Change
Total remuneration	**171,000**	171,000	–
Dividend paid	**1,831,000**	1,649,000	+11.0%

Directors' interests (audited)

There is no requirement under the Company's Articles of Association, or their terms of appointment, for Directors to hold shares in the Company.

The interests of the Directors and any connected persons in the Ordinary shares of the Company are set out below:

	30 June 2026	30 June 2025
William Barlow	**10,000**	10,000
Annie Coleman	**5,462**	5,462
Richard Locke*	**30,000**	30,000
Brigid Sutcliffe	**20,000**	12,500
Howard Williams	**20,107**	20,107

* This interest is held jointly by Richard Locke and Mrs Mary Locke.

There have been no changes to any of the above holdings between 30 June 2026 and the date of this report.

Guy Walker, who was appointed as a Director on 1 September 2026 holds 12,161 shares in the Company.

None of the Directors or any persons connected with them had a material interest in the Company's transactions, arrangements or agreements during the year.

Directors' service contracts

None of the Directors has a contract of service with the Company, nor has there been any contract or arrangement between the Company and any Director at any time during the year. The terms of their appointment provide that a Director shall retire and be subject to election at the first Annual General Meeting after their appointment, and every year thereafter. Directors are not entitled to any termination payments in relation to their appointment. The Directors have committed to standing for annual re-election in the interests of good corporate governance.

Directors' Remuneration Policy

An ordinary resolution to approve this Remuneration Policy is put to a shareholders' vote at least once every three years and in any year if there is to be a change in the Directors' Remuneration Policy.

The Company follows the recommendation of the AIC Code that Directors' remuneration should reflect their duties, responsibilities and the value of their time spent on the Company's affairs. The Board's policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole, be fair and comparable to that of other investment trusts that are similar in size, have a similar capital structure and have a similar investment objective.

Any views expressed by shareholders on the fees being paid to Directors will be taken into consideration by the Board when reviewing the Directors' Remuneration Policy and in the annual review of Directors' fees.

The fees of the non-executive Directors are determined within the limits set out in the Company's Articles of Association. Approval by shareholders would be required to increase that limit. The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits as the Board does not consider it to be appropriate at this time. There are no performance conditions attached to the remuneration of the Directors as the Board does not consider such arrangements or benefits necessary or appropriate for non-executive directors.

It is intended that the Company's policy when determining the duration of notice periods and termination payments under the Directors' letters of appointment will be based on prevailing best practice guidelines. Under the Directors' letters of appointment, there is no notice period and no compensation is payable to a Director on leaving office.

Statement of voting at the last Annual General Meeting

The Directors' Remuneration Report for the year ended 30 June 2025 was approved by shareholders at the Annual General Meeting held on 12 November 2025. The votes cast by proxy were as follows:

Directors' Remuneration Report	Number of votes	% of votes cast
For	22,580,103	99.96
Against	9,482	0.04
At Chairman's discretion	184	0.00
Total votes cast	**22,589,769**	**100.00**
Number of votes withheld	–	

The Directors' Remuneration Policy was approved by shareholders at the Annual General Meeting held on 14 November 2024, and will next be put to shareholders at the Annual General Meeting in 2027. The votes cast by proxy on 14 November 2024 were as follows:

Directors' Remuneration Policy	Number of votes	% of votes cast
For	26,208,819	99.88
Against	27,556	0.11
At Chairman's discretion	4,060	0.01
Total votes cast	**26,240,435**	**100.00**
Number of votes withheld	1,500	

Approval

The Directors' Remuneration Report was approved by the Board of Directors on 22 September 2026 and signed on its behalf by the Chairman.

William Barlow

Chairman

22 September 2026

Statement of Directors' Responsibilities in respect of the Report and Financial Statements

The Directors are responsible for preparing the Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its return or loss for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 it faces.

We consider the Report and Financial Statements, 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.

For and on behalf of the Board

William Barlow
Chairman

22 September 2026

Independent Auditor's Report

to the members of Strategic Equity Capital plc

Opinion

We have audited the financial statements of Strategic Equity Capital plc ("the Company"), for the year ended 30 June 2026, which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Balance Sheet, Statement of Cash Flows and notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion the Financial Statements:

- Give a true and fair view of the state of the Company's affairs as at 30 June 2026 and of its return for the year then ended;
- Have been properly prepared in accordance with UK-adopted international accounting standards; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

We planned our audit by first obtaining an understanding of the Company and its environment, including its key activities delegated by the Board to relevant approved third-party service providers and the controls over provision of those services.

We conducted our audit using information maintained and provided by Gresham House Asset Management Limited (the "Investment Manager"), Juniper Partners Limited (the "Company Secretary", and "Administrator"), J.P. Morgan Europe Limited (the "Depositary"), J.P. Morgan Chase Bank N.A. (the "Custodian") and Computershare Investor Services PLC (the "Registrar") to whom the Company has delegated the provision of services.

We tailored the scope of our audit to reflect our risk assessment, taking into account such factors as the types of investments within the Company, the involvement of the Administrator, the accounting processes and controls, and the industry in which the Company operates.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual Financial Statement line items and disclosures and in the evaluation of the effect of misstatements, both individually and in aggregate on the Financial Statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We summarise below the key audit matters in arriving at our audit opinion above, together with how our audit addressed these matters and the results of our audit work in relation to these matters.

Key audit matter	How our audit addressed the key audit matter and our conclusions
Valuation of investments (As described on page 43 in the Audit Committee Report and as per the accounting policy on pages 58 and 59 and Note 9). At 30 June 2026 the valuation of the investment portfolio was £121.9m (2025: £164.7m). The investments portfolio constitutes the most significant element of the Company's Balance Sheet and is a primary driver of both net asset value and total return. Furthermore, there is a risk that certain investments held at fair value may not be actively traded, and as such, the listed market prices may not be a reliable representation of their fair value. Accordingly, the risk has been identified as a key audit matter, reflecting one of the most significant assessed risks of material misstatement due to error.	In order to address the risks associated with the valuation of investments, we: ▪ Obtained and assessed the controls report provided by the Administrator to evaluate the design and implementation of key controls within the valuation of investments process. ▪ Verified the market prices applied to all listed investments held as at 30 June 2026 by comparing them to independent third-party sources and recalculating the investment valuations to confirm accuracy. ▪ Obtained management's active market assessment and compared it with average trading volumes from a third-party source for all listed investments held at 30 June 2026, as evidence of an active market. Where trading volumes indicate lower liquidity, we challenged management's assessment. From our completion of these procedures, we identified no material misstatements in relation to the valuation of investments.
Revenue recognition, including allocation of special dividends as revenue or capital returns (As described on page 43 in the Audit Committee Report and as per the accounting policy on page 59 and Note 2). Investment income recognised in the year to 30 June 2026 amounted to £3.1m (2025: £4.4m), consisting predominantly of dividends received from quoted investments. Revenue-based performance metrics are often one of the key performance indicators for stakeholders. The investment income received by the Company during the year directly impacts these metrics and the minimum dividend required to be paid by the Company. There is a risk that revenue is incomplete, did not occur, or is inaccurate through failure to recognise income entitlements or failure to appropriately account for their treatment. It has therefore been designated as a key audit matter, being one of the most significant assessed risks of material misstatement due to error. Additionally, there is a specific fraud risk of incorrect allocation of special dividends as revenue or capital returns, as judgement is required to allocate the returns in the Statement of Comprehensive Income and there could be incentive for management to increase capital or revenue returns.	In order to address the risks associated with revenue recognition, including the allocation of special dividends as revenue or capital returns, we: ▪ Obtained and assessed the controls report provided by the Administrator to evaluate the design and implementation of key controls within the revenue recognition process, including the process for allocating special dividends. ▪ Assessed whether income had been appropriately recognised and disclosed in accordance with the applicable financial reporting framework, including the AIC Statement of Recommended Practice (SORP) and the Company's accounting policies. ▪ Independently recalculated all dividend income due to the Company from listed investments, utilising the investment holdings throughout the year and dividend announcements issued by the respective investee companies. ▪ Traced a sample of dividend receipts to corresponding entries in bank statements to confirm their occurrence and accuracy. ▪ Assessed the completeness, occurrence and accuracy of corporate actions with reference to independent third-party market data. ▪ Evaluated the completeness of the special dividend population with reference to third-party market data and assessed management's judgements in classifying special dividends as either revenue or capital returns, with consideration given to the underlying commercial rationale of each payment. From our completion of these procedures, we identified no material misstatements in relation to revenue recognition, including allocation of special dividends as revenue or capital returns.

Our application of materiality

We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature and extent of our work and in evaluating the results of that work.

Materiality measure	Value
Materiality for the Financial Statements as a whole – We have set materiality as 1% of net assets as we believe that net assets are the primary performance measure used by investors and is the key driver of shareholder value. We determined the measurement percentage to be commensurate with the risk and complexity of the audit and the Company's listed status.	£1.29m (2025: £1.74m)
Performance materiality – Performance materiality represents amounts set by the auditor at less than materiality for the Financial Statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the Financial Statements as a whole. In setting this we consider the Company's overall control environment and our past experience of the audit that indicates a lower risk of material misstatements. Based on our judgement of these factors, we have set performance materiality at 75% of our overall Financial Statement materiality.	£0.97m (2025: £1.31m)
Specific materiality – Recognising that there are transactions and balances of a lesser amount which could influence the understanding of users of the Financial Statements, we calculate a lower level of materiality for testing such areas. Specifically, given the importance of the distinction between revenue and capital for the Company, we also applied a separate testing threshold for the revenue column of the Statement of Comprehensive Income, set at the higher of 5% of the net revenue return on ordinary activities before tax and our Audit Committee reporting threshold noted below. We have set a specific materiality in respect of related party transactions and Directors' remuneration. We used our judgement in setting these thresholds and considered our past experience of the audit, the history of misstatements and industry benchmarks for specific materiality.	£0.06m (2025: £0.12m)
Audit Committee reporting threshold – We agreed with the Audit Committee that we would report to them all differences in excess of 5% of overall materiality in addition to other identified misstatements that warranted reporting on qualitative grounds, in our view. For example, an immaterial misstatement as a result of fraud.	£0.06m (2025: £0.09m)

During the course of the audit, we reassessed initial materiality and found no reason to alter the basis of calculation used at year end.

Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating management's method of assessing going concern, including consideration of market conditions and macro-economic uncertainties;
- Assessing and challenging the forecast cashflows and associated sensitivity modelling used by management in support of their going concern assessment by reference to supporting documentation, Board approved budgets, our own understanding of the company and the economic environment in which it operates, and the results of other audit work;
- Assessing the plausibility of mitigating actions identified by management as available to them to continue as a going concern if downside uncertainties were to crystallise;
- Assessing the accuracy of management's forecasting by comparing the reliability of past forecasts to actual results;

- Performing arithmetical and consistency checks on management's base forecast;
- Reviewing the adherence to covenants in place based on the forecasts and considered the likelihood of these being breached in the future via the sensitivity analyses performed;
- Obtaining and recalculating management's assessment of the Company's ongoing maintenance of investment trust status;
- Evaluating management's assessment of the business continuity plans of the company's main service providers; and
- Assessing the adequacy of the Company's going concern disclosures included in the Report and Financial Statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the Financial Statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Report and Financial Statements. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- The Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- The Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- A corporate governance statement has not been prepared by the Company.

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the entity's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements or our knowledge obtained during the audit:

- The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 22;
- The Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 22;
- The Directors' statement on fair, balanced and understandable set out on page 47;
- The Directors' statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities set out on page 22;
- The Director's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 22;
- The section of the Annual Report that describes the review of the effectiveness of risk management and internal control systems set out on pages 40 and 41; and
- The section describing the work of the Audit Committee set out on pages 42 and 43.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 47, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the Financial Statements. The most relevant frameworks we identified include:

- Companies Act 2006;
- Financial Conduct Authority (FCA) listing and Disclosure Guidance and Transparency Rules (DTR);
- The principles of the UK Corporate Governance Code applied by the AIC Corporate Governance Code (the "AIC Code");
- Industry practice represented by the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("the SORP") issued by the Association of Investment Companies (the 'AIC') in July 2022;
- The Company's qualification as an investment trust under section 1158 of the Corporation Tax Act 2010; and
- UK adopted international accounting standards.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the Financial Statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. In areas of the Financial Statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- Management override of controls; and
- Allocation of special dividends as revenue or capital returns.

Audit procedures performed in response to the risk relating to the allocation of special dividends as revenue or capital returns are set out in the section on key audit matters above, and audit procedures performed in response to the risk of management override of controls are included below.

In addition to the above, the following procedures were performed to provide reasonable assurance that the Financial Statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Reviewing the level of and reasoning behind the Company's procurement of legal and professional services;
- Performing audit procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, recalculating the investment management fee and performance fee, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006 and the Listing Rules; and
- Agreement of the Financial Statements disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the Financial Statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely we would become aware of it.

Other matters which we are required to address

Following the recommendation of the Audit Committee, we were appointed by the Board on 10 November 2023 to audit the Financial Statements for the year ended 30 June 2024 and subsequent financial periods thereon. The period of our total uninterrupted engagement is three years, covering the years ended 30 June 2024 to 30 June 2026.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Sutherland

(Senior Statutory Auditor)

For and on behalf of Johnston Carmichael LLP
Statutory Auditor
Edinburgh, United Kingdom

22 September 2026

Statement of Comprehensive Income

For the year ended 30 June 2026

	Note	Year ended 30 June 2026 Revenue return £'000	Capital return £'000	Total £'000	Year ended 30 June 2025 Revenue return £'000	Capital return £'000	Total £'000
Investments							
Losses on investments held at fair value through profit or loss	9	**–**	**(2,067)**	**(2,067)**	–	(4,998)	(4,998)
		–	**(2,067)**	**(2,067)**	–	(4,998)	(4,998)
Income							
Income from investments	2	**3,115**	**–**	**3,115**	4,405	–	4,405
Interest	2	**39**	**–**	**39**	51	–	51
Total income		**3,154**	**–**	**3,154**	4,456	–	4,456
Expenses							
Investment Manager's base fee	3	**(1,173)**	**–**	**(1,173)**	(1,256)	–	(1,256)
Investment Manager's performance fee	4	**–**	**–**	**–**	–	–	–
Other expenses	5	**(1,698)**	**–**	**(1,698)**	(870)	–	(870)
Total expenses		**(2,871)**	**–**	**(2,871)**	(2,126)	–	(2,126)
Net return before taxation		**283**	**(2,067)**	**(1,784)**	2,330	(4,998)	(2,668)
Taxation	6	**–**	**–**	**–**	–	–	–
Net return and total comprehensive income for the year		**283**	**(2,067)**	**(1,784)**	2,330	(4,998)	(2,668)
		pence	**pence**	**pence**	pence	pence	pence
Return per Ordinary share	8	**0.73**	**(5.31)**	**(4.58)**	5.03	(10.78)	(5.75)

The total column of this statement represents the Statement of Comprehensive Income prepared in accordance with UK-adopted international accounting standards. 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.

The notes on pages 58 to 72 form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2026

	Note	Share capital £'000	Share premium account £'000	Capital reserve £'000	Capital redemption reserve £'000	Revenue reserve £'000	Total £'000
For the year ended 30 June 2026							
1 July 2025		**6,353**	**11,300**	**148,996**	**2,897**	**4,607**	**174,153**
Net return and total comprehensive income for the year		**–**	**–**	**(2,067)**	**–**	**283**	**(1,784)**
Dividends paid	7	**–**	**–**	**–**	**–**	**(1,831)**	**(1,831)**
Share buybacks		**(720)**	**–**	**(41,597)**	**720**	**–**	**(41,597)**
30 June 2026		**5,633**	**11,300**	**105,332**	**3,617**	**3,059**	**128,941**
For the year ended 30 June 2025							
1 July 2024		6,353	11,300	165,489	2,897	3,926	189,965
Net return and total comprehensive income for the year		–	–	(4,998)	–	2,330	(2,668)
Dividends paid	7	–	–	–	–	(1,649)	(1,649)
Share buybacks		–	–	(11,495)	–	–	(11,495)
30 June 2025		6,353	11,300	148,996	2,897	4,607	174,153

All profits are attributable to the equity owners of the Company and there are no minority interests.

The notes on pages 58 to 72 form part of these financial statements.

Balance Sheet

As at 30 June 2026

	Note	30 June 2026 £'000	30 June 2025 £'000
Non-current assets			
Investments held at fair value through profit or loss	9	**121,864**	164,677
Current assets			
Trade and other receivables	11	**41**	203
Cash and cash equivalents	15	**7,283**	9,519
		7,324	9,722
Total assets		**129,188**	174,399
Current liabilities			
Trade and other payables	12	**(247)**	(246)
Net assets		**128,941**	174,153
Capital and reserves			
Share capital	13	**5,633**	6,353
Share premium account	14	**11,300**	11,300
Capital reserve	14	**105,332**	148,996
Capital redemption reserve	14	**3,617**	2,897
Revenue reserve	14	**3,059**	4,607
Total shareholders' equity		**128,941**	174,153
		pence	pence
Net asset value per share	16	**380.08**	392.47
		number	number
Ordinary shares in issue	13	**33,924,903**	44,373,800

The financial statements were approved by the Board of Directors of Strategic Equity Capital plc on 22 September 2026.

They were signed on its behalf by

William Barlow
Chairman

22 September 2026

Company Number: 05448627

The notes on pages 58 to 72 form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2026

	Note	Year ended 30 June 2026 £'000	Year ended 30 June 2025 £'000
Operating activities			
Net return before taxation		**(1,784)**	(2,668)
Adjustment for losses on investments		**2,067**	4,998
Operating cash flows before movements in working capital		**283**	2,330
Decrease/(increase) in receivables		**162**	(37)
Increase/(decrease) in payables		**1**	(1,416)
Purchases of portfolio investments		**(42,728)**	(55,361)
Sales of portfolio investments		**83,474**	67,994
Net cash flow from operating activities		**41,192**	13,510
Financing activities			
Equity dividend paid	7	**(1,831)**	(1,649)
Shares bought back in the year		**(41,597)**	(11,495)
Net cash flow from financing activities		**(43,428)**	(13,144)
(Decrease)/increase in cash and cash equivalents for the year		**(2,236)**	366
Cash and cash equivalents at start of year		**9,519**	9,153
Cash and cash equivalents at 30 June	15	**7,283**	9,519

The notes on pages 58 to 72 form part of these financial statements.

Notes to the Financial Statements

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 2026 were authorised for issue in accordance with a resolution of the Directors on 22 September 2026.

1.2 Basis of preparation and statement of compliance

The financial statements of the Company have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006, as applicable to companies reporting under those standards. Where presentational guidance set out in the Statement of Recommended Practice ("SORP") for investment trusts issued by the AIC in July 2022 is consistent with the requirements of UK-adopted international accounting standards, 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 under the historical cost convention, except for investments which are carried at fair value through profit or loss.

Convention

The financial statements are presented in Sterling, being the functional 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.

As such, no segmental reporting disclosure has been included in the financial statements.

1.3 Accounting policies

Investments

All investments held by the Company are classified as "fair value through profit or loss". As the Company's business is investing in financial assets with a view to profiting from their total return in the form of interest, dividends or increase in fair value, quoted equities, unquoted equities and fixed income securities are designated as fair value through profit or loss on initial recognition. The Company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy. Investments are initially recognised at cost, being the fair value of the consideration paid.

After initial recognition, investments are measured at fair value, with movements in fair value of investments and impairment of investments recognised in the Statement of Comprehensive Income and allocated to the capital column.

For investments actively traded in organised financial markets, fair value is generally determined by reference to Stock Exchange quoted market bid prices at the close of business on the Balance Sheet date, without adjustment for transaction costs necessary to realise the asset.

Warrants give the company the right, but not the obligation, to buy common ordinary shares in an investee company at a fixed price for a pre-defined time period. The fair value is determined through the use of models using available observable inputs of the warrant: the exercise share price of the investee company, the expiration period plus other factors including the prevailing interest rate and associated risks.

The Company can hold convertible loan notes as investments which are classified and measured in accordance with IFRS 9 Financial Instruments. On initial recognition, these are measured at fair value, with any transaction costs recognised in profit or loss. Subsequent changes in fair value are also recognised in profit or loss.

Gains and losses on disposal of investments are also recognised in the Statement of Comprehensive Income and allocated to the capital column.

Trade date accounting

All "regular way" purchases and sales of financial assets are recognised on the "trade date" i.e. the day that the Company commits to purchase or sell the asset. Regular way purchases, or sales, are purchases or sales of financial assets that require delivery of the asset within a time frame generally established by regulation or convention in the market place.

Income

Dividends receivable on quoted equity shares are taken into account on the ex-dividend date. Where no ex-dividend date is quoted, they are brought into account when the Company's right to receive payment is established. Other investment income and interest receivable are included in the financial statements on an accruals basis. Dividends receivable from UK and overseas registered companies are accounted for on a gross basis. Where withholding tax is paid, the amount will be recognised in the revenue column of the Statement of Comprehensive Income as part of the tax expense and deemed as irrecoverable. Special dividends are looked at individually to ascertain the reason behind the payment. This will determine whether they are treated as revenue or capital. Income on fixed income securities is recognised on a time apportionment basis, using the effective interest rate method, from the date of purchase.

Expenses

All expenses are accounted for on an accruals basis. The Company's investment management, administration fees, and all other expenses are charged through the Statement of Comprehensive Income. These expenses are allocated 100% to the revenue column of the Statement of Comprehensive Income. The Investment Manager's performance fee is allocated 100% to the capital column of the Statement of Comprehensive Income. In the opinion of the Directors the fee is awarded entirely for the capital performance of the portfolio.

Cash and cash equivalents

Cash and cash equivalents which are held to maturity are carried at fair value. Cash and cash equivalents with a maturity of three months or less are held at amortised cost. Cash and cash equivalents are defined as cash in hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years. The tax effect of different items of expenditure is allocated between the revenue and capital columns of the Statement of Comprehensive Income on the same basis as the particular item to which it relates, using the Company's effective rate of tax.

Deferred income tax is provided on all temporary differences at the Balance Sheet date between the tax basis of assets and liabilities and their carrying amount for financial reporting purposes. Deferred income tax liabilities are measured on an undiscounted basis at the tax rates that are expected to apply to the year when the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the Company meets (and intends to continue for the foreseeable future to meet) the conditions for approval as an Investment Trust company.

Dividends payable to shareholders

Dividends to shareholders are recognised as a deduction from equity in the year in which they have been declared and approved by the shareholders. The final dividend is proposed by the Board and is not declared until approved by the shareholders at the Annual General Meeting following the year end. Dividends are charged to the Statement of Changes in Equity.

Share issues and related accounts

Incremental costs directly attributable to the issuance of shares are recognised as a deduction from share premium arising from the transactions.

Share buybacks

Shares which are repurchased are recognised as a deduction from the capital reserve and are either classified as Treasury shares or are cancelled. Share buybacks include those shares held by tendering shareholders which were bought by the Company as part of the tender distribution process.

Foreign currency transactions

The currency of the Primary Economic Environment in which the Company operates is Sterling which is also the presentational currency. Transactions denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the date of the transaction.

Investments and other monetary assets and liabilities are converted to Sterling at the rates of exchange ruling at the Balance Sheet date. Exchange gains and losses relating to investments and other monetary assets and liabilities are taken to the capital column of the Statement of Comprehensive Income.

Accounting estimates and judgements

The preparation of financial statements requires the Company to make estimates and judgements that affect items reported in the Balance Sheet and Statement of Comprehensive Income at the date of the financial statements including special dividends which are credited to revenue or capital based on the nature of the dividend. Although the estimates are based on best knowledge of current facts, circumstances, and, to some extent, future events and actions, the Company's actual results may ultimately differ from those estimates, possibly significantly. The Directors do not believe that any accounting judgements (including the definitions of level 1 investments) or estimates that have been applied to these financial statements have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year.

Reserves

Share premium account. The share premium represents the difference between the nominal value of new Ordinary shares issued and the consideration the Company receives for these shares.

Capital reserve. Gains and losses on the realisation of investments, realised exchange differences of a capital nature, share buy backs, including those bought back as part of the tender exercise, and returns of capital are accounted for in this reserve. Increases and decreases in the valuation of investments held at the year end, and unrealised exchange differences of a capital nature are also accounted for in this reserve.

Capital redemption reserve. The nominal value of Ordinary shares bought back and cancelled are transferred to the capital redemption reserve.

Revenue reserve. Any surplus/deficit arising from the revenue profit/loss for the year is taken to/from this reserve.

The Capital reserve realised and Revenue reserve represent the amount of the Company's distributable reserves. Please see note 14 on page 68 for further information.

2. Income

	Year ended 30 June 2026			Year ended 30 June 2025		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Income from investments						
UK dividend income	**2,988**	**–**	**2,988**	4,405	–	4,405
UK fixed interest income	**127**	**–**	**127**	–	–	–
	3,115	**–**	**3,115**	4,405	–	4,405
Other operating income						
Liquidity interest	**39**	**–**	**39**	51	–	51
	3,154	**–**	**3,154**	4,456	–	4,456

3. Investment Manager's base fee

	Year ended 30 June 2026			Year ended 30 June 2025		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Management fee	**1,173**	**–**	**1,173**	1,256	–	1,256
	1,173	**–**	**1,173**	1,256	–	1,256

A basic management fee was payable to the Investment Manager at an 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 given in the Report of the Directors on page 33.

4. Investment Manager's performance fee

	Year ended 30 June 2026			Year ended 30 June 2025		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Performance fee	**–**	**–**	**–**	–	–	–
	–	**–**	**–**	–	–	–

Details of the Performance fee calculation are noted in the Report of the Directors on page 33.

5. Other expenses

	Year ended 30 June 2026			Year ended 30 June 2025		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Secretarial services	**189**	**–**	**189**	183	–	183
Auditor's remuneration for:						
Audit services*	**44**	**–**	**44**	42	–	42
Directors' remuneration	**171**	**–**	**171**	171	–	171
Other expenses†	**1,294**	**–**	**1,294**	474	–	474
	1,698	**–**	**1,698**	870	–	870

All expenses include VAT where applicable, apart from audit services which is shown net.

* No non-audit fees were incurred during the year.

† Other expenses include £834,000 of costs in relation to the Company's General Meeting and Circular in relation to the Tender exercise announced to the market on 15 September 2025. These costs were borne by both the Continuing Pool and Tender Pool.

6. Taxation

	Year ended 30 June 2026			Year ended 30 June 2025		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Corporation tax at 25.00% (2025: 25.00%)	**–**	**–**	**–**	–	–	–

As at 30 June 2026 the total taxation charge in the Company's revenue account is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	Year ended 30 June 2026			Year ended 30 June 2025		
	Revenue return £'000	**Capital return £'000**	**Total £'000**	Revenue return £'000	Capital return £'000	Total £'000
Net return on ordinary activities before taxation	**283**	**(2,067)**	**(1,784)**	2,330	(4,998)	(2,668)
Theoretical tax at UK corporation tax rate of 25.00% (2025: 25.00%)	**71**	**(517)**	**(446)**	583	(1,250)	(667)
Effects of:						
– UK income from investments that are not taxable	**(779)**	**–**	**(779)**	(1,100)	–	(1,100)
– Unrelieved expenses	**708**	**–**	**708**	517	–	517
– Non-taxable investment losses	**–**	**517**	**517**	–	1,250	1,250
	–	**–**	**–**	–	–	–

Factors that may affect future tax charges

At 30 June 2026, the Company had no unprovided deferred tax liabilities (2025: £nil). At that date, based on current estimates and including the accumulation of net allowable losses, the Company had unrelieved losses of £38,845,000 (2025: £36,013,000) that are available to offset future taxable revenue. A deferred tax asset of £9,711,000 (2025: £9,003,000) has not been recognised because the Company is not expected to generate sufficient taxable income in future periods in excess of the available deductible expenses and accordingly, the Company is unlikely to be able to reduce future tax liabilities through the use of existing surplus losses. The potential deferred tax asset has been calculated using a corporation tax rate of 25% (2025: 25%).

7. Dividends

Under the requirements of Sections 1158/1159 of the Corporation Tax Act 2010 no more than 15% of total income may be retained by the Company. These requirements are considered on the basis of dividends declared in respect of the financial year as shown below.

	30 June 2026 £'000	30 June 2025 £'000
Final dividend proposed of 4.50p (2025: 4.25p) per share	**1,501**	1,831

The following dividends were declared and paid by the Company in the financial year:

	30 June 2026 £'000	30 June 2025 £'000
Final dividend: 4.25p per share (2025: 3.50p)	**1,831**	1,649

Dividends have been solely paid out of the Revenue reserve.

8. Return per Ordinary share

	Year ended 30 June 2026			Year ended 30 June 2025		
	Net return £'000	**Weighted average number of Ordinary shares**	**Per share pence**	Net return £'000	Weighted average number of Ordinary shares	Per share pence
Total						
Return per share	**(1,784)**	**38,908,011**	**(4.58)**	(2,668)	46,346,499	(5.75)
Revenue						
Return per share	**283**	**38,908,011**	**0.73**	2,330	46,346,499	5.03
Capital						
Return per share	**(2,067)**	**38,908,011**	**(5.31)**	(4,998)	46,346,499	(10.78)

9. Investments

	30 June 2026 £'000	30 June 2025 £'000
Investment portfolio summary		
Quoted investments at fair value through profit or loss	**121,864**	164,677
	121,864	164,677

	30 June 2026 Total £'000	30 June 2025 Total £'000
Analysis of investment portfolio movements		
Opening book cost	**173,012**	158,406
Opening investment holding (losses)/gains	**(8,335)**	23,958
Opening valuation	**164,677**	182,364
Movements in the year:		
Purchases at cost	**42,728**	55,305
Sales – proceeds	**(83,474)**	(67,994)
– realised gains on sales	**621**	27,295
Decrease in unrealised (depreciation)/appreciation	**(2,688)**	(32,293)
Closing valuation	**121,864**	164,677
Closing book cost	**132,887**	173,012
Closing investment holding losses	**(11,023)**	(8,335)
	121,864	164,677

The Company received £83,474,000 (2025: £67,994,000) from investments sold in the year. The book cost of these investments when they were purchased was £82,853,000 (2025: £40,699,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of these investments.

A list of the portfolio holdings by their aggregate market values is given in the Investment Manager's report on page 17. Transaction costs incidental to the acquisitions of investments totalled £117,000 (2025: £162,000) and disposals of investments totalled £56,000 (2025: £111,000) respectively for the year.

	30 June 2026 £'000	30 June 2025 £'000
Analysis of capital gains/(losses)		
Gains on sale of investments	**621**	27,295
Movement in investment holding losses	**(2,688)**	(32,293)
	(2,067)	(4,998)

Under IFRS 13, 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 quoted equities.

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.

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 2026.

Financial instruments at fair value through profit or loss

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
30 June 2026				
Equity investments	**121,864**	**–**	**–**	**121,864**
Liquidity funds	**–**	**1**	**–**	**1**
Total	**121,864**	**1**	**–**	**121,865**
30 June 2025				
Equity investments	162,972	1,705	–	164,677
Liquidity funds	–	1	–	1
Total	162,972	1,706	–	164,678

Listed investments included in Level 2 are deemed to be less liquid than Level 1. An investment is categorised as illiquid when historic trading data indicates it would take more than 250 days to liquidate. The fair value of these investments has been determined by reference to their quoted prices at the reporting date.

10. Significant interests

The Company had holdings of 3% or more in the following companies:

Name of investment	Class of Share	30 June 2026 Percentage held
Iomart Group	Ordinary	22.1%
TruFin	Ordinary	13.1%
Diaceutics	Ordinary	9.4%
Watkin Jones	Ordinary	8.2%
Tribal Group	Ordinary	6.7%
Netcall	Ordinary	6.6%
Brooks Macdonald	Ordinary	5.6%
ActiveOps	Ordinary	4.8%
Fintel	Ordinary	3.8%

11. Trade and other receivables

	30 June 2026 £'000	30 June 2025 £'000
UK dividends receivable	–	189
Other receivables and prepayments	41	14
	41	203

12. Trade and other payables

	30 June 2026 £'000	30 June 2025 £'000
Other payables and accruals	247	246
	247	246

13. Nominal share capital

	Number	£'000
Alloted, called up and fully paid Ordinary shares of 10p each:		
Ordinary shares in circulation at 30 June 2025	63,529,206	6,353
Shares held in Treasury at 30 June 2025	(19,155,406)	(1,915)
Ordinary shares in issue per Balance Sheet at 30 June 2025	44,373,800	4,438
Shares bought back and cancelled	(7,199,397)	(720)
Shares bought back to be held in Treasury	(3,249,500)	(325)
Ordinary shares in issue per Balance Sheet at 30 June 2026	33,924,903	3,393
Shares held in Treasury at 30 June 2026	22,404,906	2,240
Ordinary shares in circulation at 30 June 2026	56,329,809	5,633

14. Reserves

For the period ended 30 June 2026	Share premium account £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Capital redemption reserve £'000	Revenue reserve £'000
At the beginning of the year	**11,300**	**157,331**	**(8,335)**	**2,897**	**4,607**
Realised gains on investments	–	621	–	–	–
Unrealised losses on investments	–	–	(2,688)	–	–
Share buy-backs	–	(41,597)	–	720	–
Net return for the year	–	–	–	–	283
Dividends paid	–	–	–	–	(1,831)
As at 30 June 2026	**11,300**	**116,355**	**(11,023)**	**3,617**	**3,059**

The Capital reserve realised and Revenue reserve represent the amount of the Company's distributable reserves.

For the period ended 30 June 2025	Share premium account £'000	Capital reserve realised £'000	Capital reserve unrealised £'000	Capital redemption reserve £'000	Revenue reserve £'000
At the beginning of the year	11,300	141,531	23,958	2,897	3,926
Realised gains on investments	–	27,295	–	–	–
Unrealised losses on investments	–	–	(32,293)	–	–
Share buy-backs	–	(11,495)	–	–	–
Net return for the year	–	–	–	–	2,330
Dividends paid	–	–	–	–	(1,649)
As at 30 June 2025	11,300	157,331	(8,335)	2,897	4,607

15. Reconciliation of net cash flow to net funds

	30 June 2026 £'000	30 June 2025 £'000
Opening net funds	**9,519**	9,153
(Decrease)/increase in cash and cash equivalents in year	**(2,236)**	366
Closing net funds	**7,283**	9,519

	At 30 June 2025 £'000	Net cash flow £'000	**At 30 June 2026 £'000**
Cash at bank	9,518	(2,236)	**7,282**
Liquidity funds	1	–	**1**
	9,519	(2,236)	**7,283**

16. Net asset value per Ordinary share

The net asset value per Ordinary share is based on net assets of £128,941,000 (2025: £174,153,000) and on 33,924,903 (2025: 44,373,800) Ordinary shares, being the number of shares in issue at the year end.

17. Analysis of financial assets and liabilities

The Company's financial instruments comprise securities, cash balances (including amounts held in liquidity funds) and debtors and creditors that arise from its operations, for example, in respect of sales and purchases awaiting settlement and debtors for accrued income.

The Company has little exposure to credit and cash flow risk. Credit risk is due to uncertainty in a counterparty's ability to meet its obligations. The Company has no exposure to debt purchases and ensures that cash at bank is held only with reputable banks with high quality external credit ratings. All the assets of the Company which are traded on listed exchanges are held by J.P.Morgan Chase Bank N.A., the Company's Custodian. Bankruptcy or insolvency of the Custodian may cause the Company's rights with respect to securities held by the Custodian to be delayed or limited. The Board reviews the Custodian's annual controls report and the Investment Manager's management of the relationship with the Custodian.

The Company invests in markets that operate DVP (Delivery versus Payment) settlement. The process of DVP mitigates the risk of losing the principal of a trade during the settlement process. The Investment Manager continuously monitors dealing activity to ensure best execution, a process that involves measuring various indicators including the quality of trade settlement and incidence of failed trades. Counterparty lists are maintained and adjusted accordingly.

Due to timings of investment and distributions, at any one time the Company may hold significant amounts of surplus cash. Any funds in excess of those required to meet daily operational requirements are invested in Institutional Liquidity Funds. These are highly liquid assets that are redeemable on less than 24 hours notice. The Company only invests in funds that have an AAA rating and the funds' performance is monitored by the Investment Manager. The maximum exposure to credit risk is £7,283,000 (2025: £9,707,000). There are no assets past due or impaired (2025: none).

The Company finances its operations through its issued capital and existing reserves.

The principal risks the Company faces in its investment portfolio management activities are:

- market price risk, i.e. the movements in value of investment holdings caused by factors other than interest rate movement;
- interest rate risk; and
- liquidity risk.

The Investment Manager's policies for managing these risks are summarised below and have been applied throughout the year:

Policy

(i) Market price risk

The Company's investment portfolio is exposed to market price fluctuations which are monitored by the Investment Manager.

Adherence to the investment objectives and the limits on investment set by the Company mitigates the risk of excessive exposure to any one particular type of security or issuer.

If the investment portfolio valuation fell by 30% from the 30 June 2026 valuation (2025: 30%), with all other variables held constant, there would have been a reduction of £36,559,000 (2025: £49,403,000) in the return after taxation and equity. An increase of 30% in the investment portfolio valuation would have had an equal and opposite effect on the return after taxation and equity. Given the highly concentrated portfolio of 15-25 companies, the Board considers 30% to be an appropriate figure. The calculations are based on the fair value of investments at 30 June 2026 and these may not be representative of the year as a whole.

(ii) Cash flow interest rate risk exposure

The Company's bank accounts earn interest at a variable rate which is subject to fluctuations in interest rates.

The Company holds cash in liquidity funds. Income from these funds is dependent on the performance of the funds, which is subject to fluctuations in interest rates (along with other factors).

If interest rates had reduced by 0.5% from those obtained at 30 June 2026 (2025: 0.5%), it would have the effect, with all other variables held constant, of reducing the net return after taxation and equity by £36,000 (2025: £48,000). If there had been an increase in interest rates of 0.5% there would have been an equal and opposite effect in the net return after taxation and equity. The calculations are based on the cash balances at 30 June 2026 and are not representative of the year as a whole.

Non-interest rate risk exposure

The remainder of the Company's portfolio and current assets and liabilities are not subject directly to interest rate risk (2025: same).

Details of the interest rate risk profile of the Company are shown in the following tables.

The interest rate risk profile of the Company's financial assets at 30 June 2026 was:

	Total £'000	No interest rate risk financial assets £'000	Cash flow interest rate risk financial assets £'000
Sterling			
Quoted investments	121,864	121,864	–
Liquidity funds	1	–	1
Cash	7,282	–	7,282
Total	129,147	121,864	7,283

The interest rate risk profile of the Company's financial assets at 30 June 2025 was:

	Total £'000	No interest rate risk financial assets £'000	Cash flow interest rate risk financial assets £'000
Sterling			
Quoted investments	164,677	164,677	–
Liquidity funds	1	–	1
Cash	9,518	–	9,518
Receivables*	189	189	–
Total	174,385	164,866	9,519

* Receivables exclude prepayments which under IAS 32 are not classed as financial assets.

The interest rate risk profile of the Company's financial liabilities at 30 June 2026 was:

	Total £'000	**No interest rate risk financial assets £'000**
Sterling		
Creditors	**247**	**247**

All amounts were due in three months or less for a consideration equal to the carrying value of the creditors shown above.

The interest rate risk profile of the Company's financial liabilities at 30 June 2025 was:

	Total £'000	No interest rate risk financial assets £'000
Sterling		
Creditors	246	246

All amounts were due in three months or less for a consideration equal to the carrying value of the creditors shown above.

(iii) Liquidity risk

The Investment Manager may invest on behalf of the Company in securities which are not readily tradable, which can lead to volatile share price movements. It may be difficult for the Company to sell such investments. Although the Company's AIM quoted investments are less liquid than securities listed on the London Stock Exchange, the Board seeks to ensure that an appropriate proportion of the Company's investment portfolio is invested in cash and readily realisable investments, which are sufficient to meet any funding requirements that may arise.

Fair values of financial assets and financial liabilities

The carrying value of the financial assets and liabilities (receivables and payables) of the Company is equivalent to their fair value (2025: same).

Managing Capital

Capital structure

The Company is funded through shareholders' equity and cash reserves. The Company's Articles of Association permit the Board to borrow up to 25% of the Company's net asset value at the time of borrowing. Capital is managed so as to maximise the return to shareholders while maintaining an appropriate capital base to allow the Company to operate effectively in the marketplace and to sustain future development of the business. The Company pays such dividends as are required to maintain its investment trust status, and may also from time to time return capital to shareholders through the purchase of its own shares at a discount to net asset value.

Capital requirement

The Company operates so as to qualify as a UK investment trust for UK tax purposes. Although no longer a requirement for obtaining and retaining investment trust status, it remains the Company's investment policy that the maximum investment in any single investee company will be no more than 15% of the Company's investments at the time of investment.

The Company's capital requirement is reviewed regularly by the Board.

18. Related party transactions and transactions with the Investment Manager

Fees paid to Directors are disclosed in the Directors' Remuneration Report on page 44. Full details of Directors' interests are set out on page 45.

The amounts payable to the Investment Manager, which is not considered to be a related party, are disclosed in notes 3 and 4 on pages 61 and 62. The amount due to the Investment Manager for management fees at 30 June 2026 was £80,000 (2025: £105,000). The amount due to the Investment Manager for performance fees at 30 June 2026 was £nil (2025: £nil).



Shareholder Information

Financial calendar

Company's year-end	30 June
Annual results announced	September
Annual General Meeting	November
Company's half-year	31 December
Half yearly results announced	February

Share price

The Company's Ordinary shares are listed on the main market of the London Stock Exchange plc (the "London Stock Exchange"). The share price is quoted daily in the Financial Times under 'Investment Companies'.

Share dealing

Shares can be traded through your usual stockbroker.

Share register enquiries

The register for the Ordinary shares is maintained by Computershare Investor Services plc ("Registrar"). In the event of queries regarding your holding, please contact the Registrar on 0370 707 1285. Changes of name and/or address must be notified in writing to the Registrar, whose address is shown on page 77.

Net Asset Value

The Company's net asset value is announced daily to the London Stock Exchange.

Alternative Investment Fund Managers Directive ("AIFMD") Disclosures

The Company's AIFM is GHAM.

In accordance with the AIFMD, information in relation to the Company's leverage and the remuneration of the Company's AIFM is required to be made available to investors. In accordance with the Directive, the AIFM's remuneration policy and remuneration disclosures in respect of the year ended 31 December 2025 are available from GHAM on request.

Leverage, for the purposes of the AIFM Directive, is any method which increases the company's exposure to stockmarkets whether through borrowings, derivatives, or any other means. It is expressed as a ratio of the company's exposure to its NAV. In summary, the gross method measures the company's exposure before applying hedging or netting arrangements. The commitment method allows certain hedging or netting arrangements to be offset. As at 30 June 2026 and 30 June 2025, the Company had no hedging or netting arrangements. The Company's maximum and actual leverage levels at 30 June 2026 are shown below:

Leverage Exposure	Gross Method	Commitment Method
Maximum limit	125%	125%
Actual	95%	100%

The investor disclosure document and all additional periodic disclosures required in accordance with the requirements of the FCA Rules implementing the AIFMD in the UK are made available on the Company's website (www.strategicequitycapital.com).

Beware of Share Fraud

In recent years there has been an increase in the number of increasingly sophisticated but fraudulent financial scams. This is often by a phone call or email which can originate from outside UK. Shareholders may receive unsolicited phone calls or correspondence concerning investment matters that imply a connection to the Company. These are typically from overseas 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high risk shares.

Shareholders may also be advised that there is an imminent offer for the Company, and the caller may offer to buy shares at significantly above the market price if an administration fee is paid. This is known as 'boiler room fraud'.

If you are contacted, we recommend that you do not respond with any personal information, including access to financial information or bank accounts. If you are in any doubt you should seek financial advice before taking any action.

You can find more information about investment scams at the Financial Conduct Authority (FCA) website: www.fca.org.uk/consumer/protect-yourself-scams. You can also call the FCA Consumer Helpline on 0800 111 6768.

Non-Mainstream Pooled Investment Rules

The Company's shares are 'excluded securities' for the purposes of the rules relating to non-mainstream pooled investment products. This means they can be recommended by independent financial advisers to their ordinary retail clients, subject to normal suitability requirements.

Website

Further information on the Company can be accessed via the Manager's website www.greshamhouse.com.



Alternative Performance Measures

Alternative Performance Measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes UK-adopted IFRS and the AIC SORP. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies. The Alternative Performance Measures chosen are widely used in the investment trust sector and thus provide information for users of the accounts to compare the results with other closed-end investment companies.

Discount

The amount by which the Ordinary share price is lower than the NAV per Ordinary share. The discount is normally expressed as a percentage of the NAV per share.

			2026	2025
NAV per Ordinary share	a		**380.08p**	392.47p
Share Price	b		**361.00p**	363.00p
Discount	c	c=(b—a)/a	**5.0%**	7.5%

Average discount

The average discount is calculated by taking the average of each day's share price discount to NAV over the course of the year. The (premium)/discount range during the year was (0.7)% to 13.7% (2025: 4.1% to 12.1%) and the average discount was 7.3% (2025: 8.4%).

NAV Total return

NAV Total return is the increase/(decrease) in NAV per Ordinary share plus dividends paid, which are assumed to be reinvested at the time the share price is quoted ex-dividend.

	2026	2025
Opening NAV	**392.47p**	396.87p
Decrease in NAV per Ordinary share	**(12.39)p**	(4.40)p
Closing NAV	**380.08p**	392.47p
% Decrease in NAV	**(3.2)%**	(1.1)%
Impact of dividends reinvested*	**1.0%**	1.0%
NAV total return	**(2.2)%**	(0.1)%

* The impact of dividends reinvested assumes that the dividend of 4.25p (2025: 3.50p) paid by the Company was reinvested into shares of the Company at the ex-dividend date.

Share price total return

Share price total return is the increase/(decrease) in share price plus dividends paid, which are assumed to be reinvested at the time the share price is quoted ex-dividend.

	2026	2025
Opening share price	**363.00p**	365.50p
Decrease in share price	**(2.00)p**	(2.50)p
Closing share price	**361.00p**	363.00p
% Decrease in share price	**(0.6)%**	(0.7)%
Impact of dividends reinvested*	**1.2%**	1.1%
Share price total return	**0.6%**	0.4%

* The impact of dividends reinvested assumes that the dividend of 4.25p (2025: 3.50p) paid by the Company was reinvested into shares of the Company at the ex-dividend date.

Ongoing charges

Ratio of expenses as a percentage of average daily shareholders' funds calculated as per the Association of Investment Companies industry standard method.

			2026 £'000	2025 £'000
Investment management fee			**1,173**	1,256
Administrative expenses			**1,698**	870
Non-recurring charges in relation to 2025 Tender Offer			**(834)**	–
Other non-recurring charges			**(14)**	–
Ongoing charges	a		**2,023**	2,126
Average net assets	b		**156,413**	168,830
Ongoing charges ratio (%)	c	c=a/b	**1.3%**	1.3%

Contribution to return

The weighted total return of an investment instrument, calculated as the daily total return multiplied by the daily weight, compounded over the attribution timeframe.

Ongoing charges (including performance fee)

As per above, with the addition of the performance fee.

			2026 £'000	2025 £'000
Investment management fee			**1,173**	1,256
Administrative expenses			**1,698**	870
Non-recurring charges in relation to 2025 Tender Offer			**(834)**	–
Performance fee			**–**	–
Ongoing charges (including performance fee)	a		**2,037**	2,126
Average net assets	b		**156,413**	168,830
Ongoing charges ratio (including performance fee) (%)	c	c=a/b	**1.3%**	1.3%

Dividend yield

The proposed annual dividend expressed as a percentage of the Ordinary share price.

			2026	2025
Proposed dividend	a		**4.50p**	4.25p
Ordinary share price	b		**361.00p**	363.00p
Dividend yield	c	c=a/b	**1.2%**	1.2%

Intra-pool financial information

As a result of the Company's tender offer in October 2025, the Company's net assets were divided into two pools: a Continuing Pool and a Tender Pool.

The table below provides a breakdown of the relevant financial information presented on page 3, where applicable, between the two pools.

	Continuing	Tender	Total
NAV per share (p)	379.10	393.41	380.08*
Discount	(4.8)%	(8.2)%	(5.0)%*
Total assets (£'000)	120,083	9,105	129,188
Shareholders' funds (£'000)	119,848	9,093	128,941
Ordinary shares	31,613,804	2,311,099	33,924,903
NAV TR	(2.6)%	0.4%	(2.2)%
Revenue return (p)	0.35	0.38	0.73

* calculated using a weighted average based on the number of shares in each pool.

Since the separation of the two pools in October 2025, income has been allocated to the relevant pool based on that pool's holding of the underlying investment on the ex-dividend date.

Expenses have been allocated between the pools in proportion to their respective net asset values at the date on which the related invoice is processed.



Corporate Information

Auditor

Johnston Carmichael LLP
7-11 Melville Street
Edinburgh EH3 7PE

Broker

Panmure Liberum Limited
Ropemaker Place
25 Ropemaker Street
London EC2Y 9LY

Custodian

J.P. Morgan Chase Bank N.A.
25 Bank Street
Canary Wharf
London E14 5JP

Depositary

J.P. Morgan Europe Limited
25 Bank Street
Canary Wharf
London E14 5JP

Investment Manager

Gresham House Asset Management Limited
80 Cheapside
London EC2V 6EE
Tel: 020 3837 6270

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Tel: 0370 707 1285
Website: www.computershare.com

Solicitor

Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

Company Secretary and Administrator

Juniper Partners Limited
28 Walker Street
Edinburgh EH3 7HR
Tel: 0131 378 0500

Registered Office

c/o Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

An investment company as defined under Section 833 of the Companies Act 2006.

Registered in England and Wales No. 05448627

A member of the Association of Investment Companies

Notice of Annual General Meeting

This document is important and requires your immediate attention.

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 professional adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, another appropriately authorised independent professional adviser, without delay. If you have sold or transferred all of your Ordinary shares in the capital of the Company and, as a result, no longer hold any Ordinary shares in the Company, please send this document and the accompanying form of proxy as soon as possible to the purchaser or transferee, or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold only part of your holding of Ordinary shares in the Company, you should retain the documents and consult the person through whom the sale was effected.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Strategic Equity Capital plc will be held at the offices of Panmure Liberum Limited, Ropemaker Place, 25 Ropemaker Street, London, EC2Y 9LY on Thursday 12 November 2026 at 12 noon for the following purposes:

Ordinary Business

Ordinary Resolutions

1. To receive and adopt the audited Financial Statements for the year ended 30 June 2026, together with the Strategic Report and Reports of the Directors and Auditor thereon.
2. To approve a final dividend of 4.50p per Ordinary share.
3. To receive and approve the Directors' Remuneration Report.
4. To elect Will Rogers as a Director.
5. To elect Guy Walker as a Director.
6 To re-elect Annie Coleman as a Director.
7. To re-elect Brigid Sutcliffe as a Director.
8. To re-elect Howard Williams as a Director.
9. To re-appoint Johnston Carmichael LLP as Auditor to the Company and to authorise the Directors to determine their remuneration.

Special Business

Ordinary Resolutions

10. THAT in substitution for any existing authority, the Board be and it is hereby generally and unconditionally authorised to exercise all powers of the Company to allot equity securities (within the meaning of Section 560 of the Companies Act 2006, (the "Act") up to an aggregate nominal amount of £333,499 (equivalent to 10% of the Company's issued Ordinary share capital of 33,349,903 Ordinary 10p shares at 21 September 2026), which authority shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company after the passing of this resolution and 12 February 2028 (unless previously revoked or varied by the Company in General Meeting) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special Resolutions

11. THAT, subject to the passing of resolution 10 above and in substitution for any existing authority, the Board be and it is hereby empowered, pursuant to Sections 570 and 573 of the Act, to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by resolution 10 above and/or to sell equity securities from Treasury for cash, as if Section 561 of the Act did not apply to any such allotment or sales, provided that this power shall be limited to the allotment of equity securities or sale of shares out of Treasury up to an aggregate nominal value of £333,499 (equivalent to 10% of the Company's issued Ordinary share capital of 33,349,903 Ordinary 10p shares at 21 September 2026), and shall expire on the earlier of the conclusion of the next Annual General Meeting of the Company after the passing of this resolution and 12 February 2028, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted or sold after such expiry and the Board may allot or sell equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

12. THAT the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of its Ordinary shares provided that:

    (i) the maximum number of Ordinary shares hereby authorised to be purchased shall not exceed 4,999,150 Ordinary shares (being 14.99% of the Company's issued ordinary share capital as at 21 September 2026 (being the latest practicable date prior to the date of this notice) excluding any Ordinary shares held in Treasury), or if lower, such number of Ordinary shares equal to 14.99% of the issued Ordinary share capital as at the date of the passing of the resolution;

    (ii) the minimum price which may be paid (exclusive of expenses) for an Ordinary share shall be not less than the nominal amount of such Ordinary share at the time of purchase; and

    (iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be the higher of (a) 5% above the average of the middle market prices of the Ordinary shares according to the Daily Official List of the London Stock Exchange for the five business days immediately before the date on which the Company agrees to buy the Ordinary shares, and (b) the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out.

This authority shall continue for the period ending on the earlier of: (i) the date on which the maximum number of Ordinary shares authorised to be purchased pursuant to this resolution 12 have been purchased by the Company; (ii) the date of the next Annual General Meeting of the Company after the passing of this resolution; and (iii) 12 February 2028 provided that if the Company has agreed, before this authority expires, to purchase Ordinary shares where the purchase will or may be executed after this authority expires (whether wholly or in part), the Company may complete such purchase as if this authority has not expired.

Registered Office:

c/o Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

By Order of the Board

Juniper Partners Limited
Company Secretary

22 September 2026

Notes to the Notice of the Annual General Meeting:

1. Attending the Annual General Meeting

A member who is entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend, speak and vote on their behalf. Such a proxy need not also be a member of the Company. Shareholders are encouraged to submit their votes by proxy in advance of the meeting in case it is not possible for shareholders to attend in person.

To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), members must be registered in the Company's register of members at 6pm on 10 November 2026 (or, if the Annual General Meeting is adjourned, 6pm on the day two days (excluding non working days) prior to the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

2. Appointment of Proxy

A Form of Proxy for use by shareholders is enclosed. Completion of the Form of Proxy will not prevent a Shareholder from attending the Annual General Meeting and voting in person.

You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Shares. You may not appoint more than one proxy to exercise rights attached to any one Share. To appoint more than one proxy, please contact the Registrars of the Company. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

To be valid the proxy form must be completed and lodged, together with the power of attorney or any authority under which it is signed, or a notarially certified copy of such power of authority, with the Registrars of the Company no later than 48 hours (excluding non-working days) before the time set for the Annual General Meeting, or any adjourned meeting.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held on 12 November 2026 and any adjournment(s) thereof by using the procedures described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, CREST Participant ID 3RA50, no later than 48 hours (excluding non working days) before the time appointed for the Annual General Meeting.

A corporation that is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that they do not do so in relation to the same shares.

3. Questions and Answers

The Board continues to welcome questions from shareholders at the Annual General Meeting. However, it asks shareholders to please submit any questions to the Board by email, to the following address: cosec@junipartners.com before 12 noon on 7 November 2026. In the event the Annual General Meeting proceeds in its usual format as currently anticipated, pursuant to section 319A of the Act, the Company must provide an answer to any question that is put by a member attending the Annual General Meeting relating to the business being considered, except if a response would not be in the interest of the Company or for the good order of the meeting or if to do so would involve the disclosure of confidential information or if the answer has already been given on the Company's website. The Company may however elect to provide an answer to a question within a reasonable period of days after the conclusion of the Annual General Meeting.

4. Total Voting Rights

As at 21 September 2026 (being the last business day prior to the publication of this notice) the Company's issued share capital amounted to 56,329,809 Ordinary shares carrying one vote each. After deducting 22,979,906 Ordinary shares held in treasury, which do not have voting rights, the total voting rights in the Company as at 21 September 2026 were 33,349,903.

5. Information on the Manager's Website

In accordance with Section 311A of the Act, the contents of this notice of meeting, details of the total number of Shares in respect of which members are entitled to exercise voting rights at the Annual General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Manager's website at www.greshamhouse.com.

6. Nominated Persons

Any person to whom this notice is sent who is a person nominated under Section 146 of the Act to enjoy information rights (a Nominated Person) may, under an agreement between such person and the Shareholder nominating such person, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise such right, the Nominated Person may, under any such agreement, have a right to give instructions to the registered Shareholder as to the exercise of voting rights.

7. Audit Concerns

In accordance with Section 527 of the Act, the members of the Company may require the Company (without payment) to publish, on its website, a statement (which is also to be passed to the Auditor) setting out any matter relating to the audit of the Company's Financial Statements, including the Auditor's report and the conduct of the audit. The Company will be required to do so once it has received such requests from either members representing at least 5% of the total voting rights of the Company or at least 100 members who have a relevant right to vote and hold Shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing must identify the statement to which it relates, must be authenticated by the person(s) making it, and must be received by the Company at its registered office address at least one week before the Annual General Meeting.

8. Documents available for inspection

The Directors' letters of appointment and a copy of the Articles of Association of the Company will be available for inspection at the Company's registered office from the date of this notice until the conclusion of the Annual General Meeting.



Gresham House

Specialist investment