

Valuation Policy

Strategic Equity Capital plc

The unaudited net asset value per ordinary share is calculated in sterling by the Administrator on a daily basis. Such calculations are notified daily through a Regulatory Information Service and are available through the Company's website at: <https://greshamhouse.com/strategic-equity/public-equity/strategic-equity-capital-plc/#shareholder-information>

The net asset value is the value of all assets of the Company less liabilities to creditors (including provisions for such liabilities) determined in accordance with the AIC's valuation guidelines and in accordance with applicable accounting standards or as otherwise determined by the Board.

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, listed equities, unlisted 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, less any transaction costs payable.

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 capital.

For investments actively traded in organised financial markets, fair value is solely determined by reference to Stock Exchange quoted market bid prices at the close of business on the valuation date, without adjustment for transaction costs necessary to realise the asset. For the avoidance of doubt, in circumstances in which the Manager and/or any of the Directors is in possession of inside information or unpublished price sensitive information relating to any of the Company's quoted investments, the net asset value will not reflect such information.

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 International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines. New investments are initially carried at cost, for a limited period, being the price of the most recent investment in the investee company. This is in accordance with IPEVC Guidelines as the cost of recent investments will generally provide a good indication of fair value. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

The making of valuations will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Any suspension in the calculation of the net asset value, to the extent required under the Articles or by the Listing Rules, will be notified through a Regulatory Information Service as soon as practicable after any such suspension occurs.