EPE Special Opportunities

Report & Accounts | **January 2019**

Annual Report and Accounts for the Year Ended 31 January 2019

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Annual Review

Chairman’s Statement

The performance of EPE Special Opportunities Limited (“ESO” or the “Company”) for the year ending 31 January 2019 has been mixed. The Investment Advisor has successfully stabilised, consolidated and de-risked the Company and the portfolio. A significant number of positive developments occurred during the period, including successful disposals, the migration of the Company to Bermuda, redemption of half of the unsecured loan notes and good financial performance across the majority of the portfolio. The Company’s strong momentum was, despite Luceco plc’s stabilising financial position, set against a fall in Luceco plc’s market value which cast a long shadow over the financial performance of the Company.

The Net Asset Value (“NAV”) per share of the Company as at 31 January 2019 was 205.19 pence per share, representing a decrease of 12.5 per cent. on the NAV per share of 234.43 pence as at 31 January 2018. The share price of the Company as at 31 January 2019 was 148.57 pence, representing a decrease of 7.1 per cent. on the share price of 160.00 pence as at 31 January 2018. The unsatisfactory performance of the Company’s NAV during the full year period was driven primarily by a 27.7 per cent. fall in value of the Company’s largest asset, Luceco plc. Nonetheless, leverage across the Company’s portfolio remains modest, with third party net debt representing 0.9x EBITDA. Furthermore, it is the Board’s view that the valuations employed across the private equity portfolio are conservative, with a weighted average Enterprise Value to EBITDA multiple for mature assets of 5.1x and sales multiple for assets investing for growth of 0.2x across the portfolio.

The UK economy continues to face considerable questions over its future trajectory given the uncertainty surrounding the European Union exit process, with the Bank of England predicting a potential contraction in UK GDP should an exit occur on unfavourable terms. However, underlying economic momentum is mixed, with slowing GDP growth in the fourth quarter of 2018, while the labour market and wage growth remain robust. The Board will continue to assess ongoing political developments and their implications for UK markets and the portfolio.

Given uncertainty in the UK economy and the underperformance of Luceco plc, the Investment Advisor decided to de-risk the portfolio during 2018. As a result, two notable disposals occurred during the year: the full exit of Process Components in September and a partial exit of the investment in Pharmacy2U in March. The disposal of Process Components returned £13.6 million in total to ESO Investments (PC) LLP and was completed at a 44.1 per cent. premium to Process Components Limited’s prevailing NAV. The total return to ESO Investments (PC) LLP since acquisition in March 2005 equates to a 4.5x Money Multiple and 20.7 per cent. IRR or a total of £18.2 million, distributed via income, loan repayments and the disposal proceeds.

In March 2018, Pharmacy2U completed the raise of £40 million new growth capital from G Square Capital, a European healthcare focussed private equity investor. The transaction was completed at a premium to Pharmacy2U’s holding value and, in conjunction with the new investment, the Company sold down 50 per cent. of its existing investment to G Square achieving a 2.0x money multiple realised return.

Luceco plc’s share price was under considerable pressure during 2018 after announcements made to the market in the first quarter which reduced trading expectations as a result of headwinds in its retail business as well as ongoing margin pressure. Luceco plc announced performance in line with market expectations in April 2019. Luceco plc significantly lowered its net debt in the second half of 2018, with a reduction of £9.2 million to £32.2 million as at 31 December 2018. The Company acquired 5.0 million additional shares in August 2018, taking the Company’s holding in Luceco plc to 27.4 per cent.

Whittard of Chelsea has grown resiliently through the period. The business achieved like for like sales growth across its UK retail estate despite the significant headwinds experienced across much of the UK retail sector. In particular, Whittard enjoyed a stable festive trading period, despite a hostile, discount-driven retail environment. The business’s e-commerce platforms maintained an encouraging growth trajectory, to be aided in the coming period by the recent launch of a new domestic platform and expansion in their international channels. The brand continues to seek new international franchise partnerships, and in January 2019, opened its first store in Taiwan.

David Phillips made progress in its ongoing turnaround through the period. Substantial efficiencies have been achieved across the business's operations, with further future opportunities identified. David Phillips' trading momentum has stabilised through the year as a result of the normalisation of service levels, working capital and operations. Given the nascent turnaround of the business and ongoing Brexit turbulence the Board continues to monitor this investment closely.

The Company sought and received shareholder consent for a migration of the Company's incorporation from the Isle of Man to Bermuda. The migration completed on 11 September 2018, and the Company is now incorporated in Bermuda.

The Company continues to manage prudently its capital structure and investigate opportunities to maximise liquidity, shareholder value creation and alignment with the Investment Advisor, including the buyout of minority interests within the Company's capital structure and the buyback of shares in the market. Consistent with these objectives, the Company chose to exercise its option to redeem £4.0 million of outstanding unsecured loan notes in July 2018, allowing the Company to both reduce leverage and save £0.3 million in annual financing costs.

The Company's strong cash position following its recent disposals allows the Board to continue to examine further investment proposals presented by the Investment Advisor. The Company maintains its focus on identifying attractively valued assets and endeavours to ensure careful and thoughtful interrogation is applied to potential opportunities. In addition to utilising available cash balances the Board is considering other sources of finance for acquisitions including zero dividend preference shares.

I would like to extend my thanks to the Company's shareholders for their confidence and support and look forward to reporting further improvements at the half year point and beyond.

Geoffrey Vero
Chairman
8 April 2019

Investment Advisor's Report

The Investment Advisor (the "IA") continues to focus its efforts both on the creation of value within the current portfolio and the identification and consideration of compelling new investments. The IA acknowledges the significant volatility resulting from the ongoing Brexit process. Nevertheless, the IA is confident that within the Company's investment mandate there exist good opportunities for investment, albeit requiring prudence and sensitivity to emerging dynamics in the short to medium term. To this end, the IA continues to review and develop a healthy pipeline of potential investments.

The Company

The NAV per share of the Company as at 31 January 2019 was 205.19 pence representing a decrease of 12.5 per cent. on the NAV per share of 234.43 pence as at 31 January 2018. The share price of the Company as at 31 January 2019 was 148.57 pence, representing a decrease of 7.1 per cent. on the share price of 160.00 pence as at 31 January 2018.

Based on the Company's balance sheet as at 31 January 2019, gross asset cover for the total outstanding loans of £3.9 million is 16.3x. Cash balances now stand at £30.4 million (including cash held by underlying partnerships in which the Company is the sole investor). Overall liquidity at the Company, inclusive of banking facilities, is £32.6 million.

The Portfolio

Third party net debt across the Company's private equity portfolio is low, standing at 0.9x EBITDA. The portfolio remains conservatively valued with a weighted average Enterprise Value equating to an EBITDA multiple of 5.1x for mature assets and a sales multiple of 0.2x for assets investing for growth. This compares favourably to an average Enterprise Value to EBITDA multiple across comparable listed European private equity companies of 11.5x.

The share price of Luceco plc fell by 27.7 per cent. during the period, following announcements made in the first half of 2018 reducing trading expectations due to margin pressure and headwinds in the retail division. In February 2018, Luceco plc appointed a new CFO, Matt Webb, who joined the business from FTSE 100 listed multinational building materials distribution company Ferguson plc. Since joining, Matt has had a meaningful and sustained impact in improving Luceco's people, processes and systems.

In April 2019, Luceco released results for the 12 months ended 31 December 2018, noting that revenue was broadly in line with the prior year, and that there had been a significant improvement in margin in H2 2018 as a result of a shift towards the higher margin professional channel, pricing changes and a more favourable input cost environment. Luceco reported a reduction in net debt of £9.2 million in H2 2018 which was ahead of market expectations and resulted in a balance of £32.2 million as at 31 December 2018. Since the end of the period, Luceco's share price increased by 36.7 per cent. from 53.20 pence at 31 January 2019 to 72.75 pence at 5 April 2019.

The Company acquired a further 5.0 million shares in Luceco plc in the market on 1 August 2018, for a cost of £2.0 million. As at 31 January 2019, Luceco plc represented circa 31.4 per cent. of the Company's GAV, with the remaining assets constituted by other investments and cash.

Whittard of Chelsea achieved robust sales growth over the period, outperforming both budget and the prior year. EBITDA performance was ahead of the prior year (on a 52 week basis) but behind budget, impacted by a reduction in margin across sales channels as well as increased people and property costs. The IA believes this performance should be considered particularly commendable given the significant challenges facing the wider UK retail sector. The business remains focussed on the expansion of its e-commerce offering and launched a new web platform in September 2018. Rapid growth in Whittard's Chinese e-commerce channels is expected to be supported in the coming period by expansion onto further platforms and a physical presence in the territory. In addition, franchise partnerships and wholesale opportunities continue to be pursued in new international markets, with Whittard's debut Taiwanese store opening in the new year.

The IA successfully completed the sale of Process Components to Schenck Process in September 2018, returning £13.6 million to ESO Investments (PC) LLP at the exit date and a total of £18.2 million since acquisition. Process Components has thereby represented a strong return over the lifetime of the investment, generating a 4.5x Money Multiple and 20.7 per cent. IRR since acquisition in March 2005. The IA would like to thank the management of Process Components for their hard work and dedication over the last 13 years.

Pharmacy2U has achieved strong growth, underpinned by pleasing momentum in new customer acquisition. In March 2018, Pharmacy2U completed the raise of £40.0 million new growth capital from G Square to support the continuation of this high growth trajectory. The transaction was completed at a premium to Pharmacy2U's holding value and, in conjunction with the new investment, the Company sold down 50 per cent. of its existing investment to G Square achieving a 2.0x money multiple realised return. The remaining 50 per cent. of the Company's investment in Pharmacy2U has been retained to benefit from the potential increase in value offered by the £40.0 million growth capital investment.

David Phillips has faced difficult, but strengthening, trading in the marketplace over the period. The IA remains focused on delivering operational improvements across all facets of the business. The IA has sought to realign the business's cost base and working capital requirements with current trading levels, delivering significant reductions over the period. Further improvements in profitability are intended through the next phase of the turnaround, with the achievement of further operational efficiencies and a strategic focus on high margin business lines. The IA continues closely to monitor progress made in the business's ongoing turnaround.

EPIC Private Equity LLP
Investment Advisor to EPE Special Opportunities

8 April 2019

As at 31 January 2019

NAV per share	**205.19 pence**
Share price	**148.57 pence**
Portfolio returns	**4.1x MM / 39.8% IRR**
Mature asset valuation	**5.1x EV/EBITDA**
Growth asset valuation	**0.2x EV/Sales**
Portfolio leverage	**0.9x Net Third Party Debt/EBITDA**

ESO portfolio asset: David Phillips

Introduction to EPE Special Opportunities

EPE Special Opportunities

EPE Special Opportunities ("ESO" or the "Company") is a private equity investment company established in 2003.

The Company's shares trade on the AIM market of the London Stock Exchange with the ticker "ESO".

The Company's primary objective is to provide long-term return on equity for its shareholders by investing in small and medium sized companies in the UK.

The Company targets growth and buy-out opportunities, special situations and distressed transactions, deploying capital where it believes the potential for shareholder value creation to be compelling.

The Investment Advisor to the Company is EPIC Private Equity LLP ("EPE").

EPE Special Opportunities

Investment highlights since inception include:

4.1x	39.8%	67.6%	395.2%
Portfolio current money multiple	Portfolio current IRR	Premium to NAV on last three exits	9 year share price growth

Recent developments:

- October 2016: IPO of Luceco plc.
- March 2017: ESO acquires a €2.5 million commitment to European Capital Private Debt Fund, focussed on European small and medium-sized enterprises predominantly in France and the UK.
- September 2017: Luceco plc acquires Kingfisher Lighting, a UK-based lighting competitor.
- December 2017: Luceco plc releases a trading update downgrading guidance on future profitability.
- December 2017: ESO acquires David Phillips, a market-leading business-to-business provider of furniture and furnishing services to the UK property sector.
- March – July 2018: Luceco plc releases trading updates downgrading 2017 profitability and providing guidance on the trading outlook for 2018.
- March 2018: Pharmacy2U raises £40.0 million new growth capital from G Square Capital. The Company sells down 50% of its investment in Pharmacy2U, achieving a 2.0x MM realised return.
- August 2018: ESO acquires £2.0 million shares in Luceco plc in the market.
- September 2018: Migration of the Company to Bermuda.
- September 2018: Process Components sold to Schenck Process, returning £18.2 million since acquisition in March 2005, representing a 4.5x Money Multiple and 20.7% IRR.

EPIC Private Equity LLP – Investment Advisor

EPIC Private Equity LLP ("EPE" or the "Investment Advisor") was founded in June 2001 and is an independent investment manager wholly owned by its partners.

EPE has made 35 investments in UK small and medium sized enterprises and was appointed Investment Advisor to the Company in September 2003.

EPE manages the Company's investments in accordance with guidelines determined by the Board and the Company's constitutional framework. The governance structure is subject to periodic review by the Board.

In addition to investment management, EPE has a complementary business line, Advisory, which provides independent corporate finance advice.

EPIC Private Equity LLP

Market-leading track record	Track record of 35 investments across a large range of sectors and situations. EPE has returned 2.2x money multiple and 14.8% IRR on its investments to 31 January 2019.
Highly aligned and stable team	Committed and stable partnership, with average tenure in excess of 8 years. The EPE team is the largest investor in ESO, representing in aggregate c.25% of the share register.
Extensive industry network	Longstanding relationships in the UK market underpin EPE's access to deals with c.300 deals p.a. reviewed. EPE also leverages a network of operating partners to drive portfolio value creation.
Listed market experience	EPE has a successful track record of advising listed vehicles spanning more than 17 years. In addition to ESO, EPE has previously advised EPIC plc and EPIC Brand Investments plc and listed Luceco plc.
Complementary business lines	EPE's cross-disciplinary expertise, borne of its Advisory division, allows EPE to access off-market investment opportunities and deploy specialist knowledge.

Why UK lower mid-market private equity?

Large universe of companies

A greater universe of potential transactions compared to the larger cap space allows EPE to be more selective, applying a higher threshold of deal evaluation and greater pricing discipline.

Low transactional competition

Reduced investor engagement and diminished buy-side competition in the lower mid-market is a structural driver for attractive valuations and higher likelihood of successful transaction outcomes.

Low availability of alternative financing

The difficulty experienced by companies in the lower mid-market in accessing bank financing often drives owners to seek equity funding, in order to achieve their growth or liquidity objectives.

High volume of shareholders seeking liquidity

The lower mid-market is characterised by owner-managed businesses. Many of these owners seek liquidity from external investors, in part given the lack of alternative financing available to finance shareholder exits.

Growth and operational improvements

Strong potential to create value either via top line growth or operational improvements. Private equity investors bring critical development capital and leverage cross-sector expertise to action transformational change.

These factors result in an extensive supply of attractive investment opportunities, with the potential for strong value creation at favourable entry valuations.

Why EPE Special Opportunities?

Market-leading returns	The Company has continued to deliver market leading returns with a share price increase of 395.2% over the last 9 years. Current portfolio returns are 4.1x MM and 39.8% IRR to 31 January 2019.
Access to high quality portfolio	The Company offers investors access to a conservatively valued, high growth portfolio. Mature portfolio assets are valued at 5.1x EBITDA (vs. 11.5x EBITDA for comparable listed private equity funds). The combined sales of the portfolio have grown at a CAGR of 12.6% over the last 3 years.
Established deal pipeline	EPE consistently targets proprietary deal opportunities. Deals are also sourced from a network of industry contacts including operating partners and corporate finance advisors. EPE reviews c.300 deals p.a. in the UK lower mid-market.
Long term capital vehicle	The Company's quoted structure allows investments to develop over the long term, benefiting from the ability to implement transformational initiatives and compound returns over periods in excess of standard private equity hold periods (typically 3-5 years).
Manager alignment	EPE is a focussed and independent manager with substantial investment in the Company. The EPE team own c.25% of ESO, creating significant alignment with investors and a focus on long-term sustainable shareholder returns.

Biographies of the Directors

Geoffrey Vero FCA

Geoffrey Vero qualified as a chartered accountant with Ernst & Young and then worked for Savills, chartered surveyors, and The Diners Club Limited. He has been active in venture capital since 1985, initially with Lazard Development Capital Limited and then from 1987 to 2002 as a director of Causeway Capital Limited which became ABN Amro Capital Limited. In 2002, he set up The Vero Consultancy specialising in corporate advisory services and recovery situations. He has considerable experience in evaluating investment opportunities and dealing with corporate recovery. While at Causeway Capital, Mr Vero was a Founder Director of Causeway Invoice Discounting Company Limited, which was subsequently sold to NM Rothschild. He is also a non-executive director of Numis Corporation plc and Chairman of Albion Development VCT plc.

Heather Bestwick

Heather Bestwick has been a financial services professional for 25 years, onshore in the City of London and offshore in the Cayman Islands and Jersey. She qualified as an English solicitor, specialising in ship finance, with City firm Norton Rose, and worked in their London and Greek offices for 8 years. Ms Bestwick subsequently practised and became a partner with global offshore law firm Walkers in the Cayman Islands, and Managing Partner of the Jersey office. Becoming a non-executive director in 2014, she is Chairman of Equiom (Jersey) Limited and Equiom (Guernsey) Limited, sits on the boards of the manager of the Deutsche Bank dbX hedge fund platform, a shipping fund, and the States of Jersey incorporated company holding Jersey's affordable housing.

Nicholas Wilson

Nicholas Wilson has over 40 years of experience in hedge funds, derivatives and global asset management. He has run offshore branch operations for Mees Pierson Derivatives Limited, ADM Investor Services International Limited and several other London based financial services companies. He is Chairman of Gulf Investment Fund plc, a premium listed company, and, until recently, was chairman of Alternative Investment Strategies Limited. He is a resident of the Isle of Man.

Clive Spears

Clive Spears retired from the Royal Bank of Scotland International Limited in December 2003 as Deputy Director of Jersey after 32 years of service. His main activities prior to retirement included Product Development, Corporate Finance, Trust and Offshore Company Services and he was Head of Joint Venture Fund Administration with Rawlinson & Hunter. Mr Spears is an Associate of the Chartered Institute of Bankers and a Member of the Chartered Institute for Securities & Investment. He has accumulated a well spread portfolio of directorships centring on private equity, infrastructure and corporate debt. His appointments currently include being Chairman of Nordic Capital Limited and being director and Head of the Investment Committee for GCP Infrastructure Investments (FTSE 250 listed company).

Robert Quayle

Robert Quayle qualified as an English solicitor at Linklaters & Paines in 1974 after reading law at Selwyn College, Cambridge. He subsequently practiced in London and the Isle of Man as a partner in Travers Smith Braithwaite. He served as Clerk of Tynwald (the Isle of Man's parliament) for periods totalling 12 years and holds a number of public and private appointments, and is active in the voluntary sector. Mr. Quayle is Chairman of the Isle of Man Steam Packet Company Limited and a number of other companies in the financial services, manufacturing and distribution sectors.

Biographies of the Investment Advisor

Giles Brand

Giles Brand is a Managing Partner and the founder of EPE. He is currently the non-executive chairman of Whittard of Chelsea and non-executive chairman of Luceco plc. Before joining EPE, Giles was a founding Director of EPIC Investment Partners, a fund management business which at sale to Syndicate Asset Management plc had US$5 billion under management and spent five years working in Mergers and Acquisitions at Baring Brothers in Paris and London. Giles read History at Bristol University.

Hiren Patel

Hiren Patel is a Managing Partner and EPE's Finance Director and Compliance Officer. He has worked in the investment management industry for the past ten years. Before joining EPEA and EPE, Hiren was finance director of EPIC Investment Partners and was employed at Groupama Asset Management where he was the Group Financial Controller.

Robert Fulford

Robert Fulford is an Investment Director of EPE. He previously worked at Barclaycard Consumer Europe before joining EPE. Whilst at Barclaycard, Robert was the Senior Manager for Strategic Insight and was responsible for identifying, analysing and responding to competitive forces. Prior to Barclaycard, Robert was a strategy consultant at Oliver Wyman Financial Services, where he worked with a range of major retail banking and institutional clients in the UK, mainland Europe, Middle East and Africa, specialising in strategy and risk modelling. He manages the Company's investment in David Phillips and Whittard of Chelsea, where he is currently a non-executive director. Robert read Engineering at Cambridge University.

James Henderson

James Henderson is an Investment Director of EPE. He previously worked in the Investment Banking division at Deutsche Bank before joining EPE. Whilst at Deutsche Bank he worked on a number of M&A transactions and IPOs in the energy, property, retail and gaming sectors, as well as providing corporate broking advice to mandated clients. He manages the Company's investment in Pharmacy2U. James read Modern History at Oxford University and Medicine at Nottingham University.

Alex Leslie

Alex Leslie is an Investment Director of EPE. He previously worked in Healthcare Investment Banking at Piper Jaffray. Whilst at Piper Jaffray he worked on a number of M&A transactions and equity fundraisings within the Biotechnology, Specialty Pharmaceutical and Medical Technology sectors. He manages the Company's investment in Luceco plc. Alex read Human Biological and Social Sciences at Oxford University and obtained an MPhil in Management from the Judge Business School at Cambridge University.

Ian Williams

Ian Williams is an Investment Director of EPE. Before joining EPE, he was a partner at Lyceum Capital where he was responsible for deal origination with a primary focus on the business services and software sectors, as well as financial services, education and health sectors. Prior to Lyceum, Ian was a Director at Arbuthnot Securities, involved in transactions including IPOs, secondary fund raisings and M&A, focusing on the support services, healthcare, transport & IT sectors. Ian read Politics and Economics at the University of Bristol.

ESO portfolio asset: Luceco

Investment Strategy and Portfolio Review

Investment Strategy

The Company aims to provide long-term return on equity for its shareholders by investing in a portfolio of private equity assets.

Approach

Given its attractive fundamentals, the Investment Advisor believes there is a strong case to invest in the UK lower mid-market. Proprietary deal sourcing is complemented by active engagement within the wider corporate advisory community to communicate the Company's clearly defined investment strategy.

The portfolio is likely to be concentrated, numbering between two and 10 assets at any one time, which allows EPE to allocate the resource to form genuinely engaged and supportive partnerships with management teams. This active approach facilitates the delivery of truly transformational initiatives in underlying investments during the period of ownership.

The Company aims to invest in businesses exhibiting inter alia the following characteristics:

- Attractive entry pricing
- High quality management teams with established track records
- Defensible competitive position
- Opportunity for strong revenue growth, either by market expansion or increased market share
- Opportunity for strong cash generation

Investment Criteria

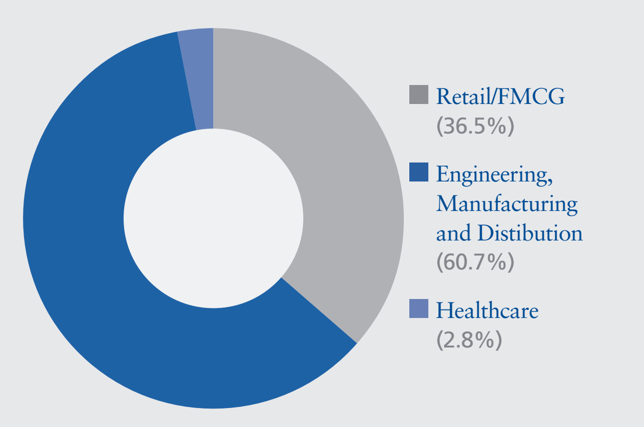
Size	The Company seeks to invest between £2 million and £30 million per transaction. For investments larger than £30 million, the Company may seek co-investment from third parties.
Sector	The Company will consider most sectors, but has particular expertise in consumer, retail, financial services, manufacturing and the wider services sector (including education, healthcare and social housing).
Control	The Company aims to take controlling equity positions, but may also consider minority stakes where the investment case is compelling and shareholder protections are robust.
Deal Type	The Company targets growth, buyout, special situations and private investment in public equities ("PIPE") investments. Given EPE's listed market experience, the Company may also partner with outstanding management teams on the listing and management of special purpose acquisition vehicles. The Company may occasionally invest in third-party funds.
Geography	The Company primarily seeks to invest in UK focused assets as well as those with significant overseas operations; for example, Luceco plc within the current portfolio.

Portfolio

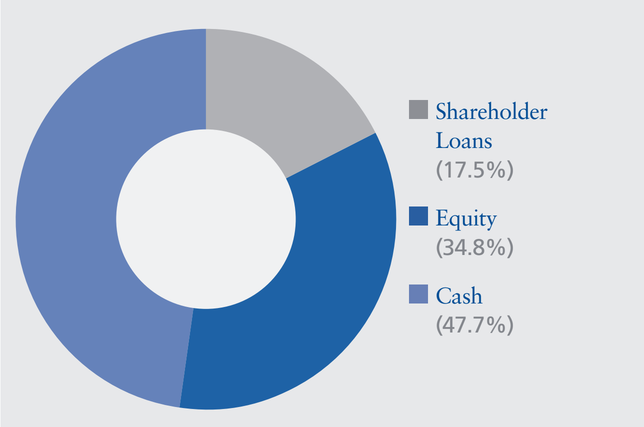
The current portfolio consists of four private equity assets and one third party fund investment.

LUCECO plc	**Luceco plc** Supplier of wiring accessories and LED lighting
Whittard CHELSEA 1886	**Whittard of Chelsea** Speciality tea, coffee and cocoa brand
Pharmacy2U Your prescriptions, taken care of.	**Pharmacy2U** Leading online pharmacy in the UK
DAVID PHILLIPS	**David Phillips** Furniture provider to the UK property sector
	Third Party Fund Investments European Capital Private Debt Fund LP

Sector Diversification



Instrument Diversification



Luceco plc

Leading supplier of LED lighting and electrical accessories

LUCECO plc

Key facts

Location:	**UK / China**
Sector:	**Wiring Accessories & LED**
Type of deal:	**Buyout**
Equity holding:	**27.4%**
Financial year:	**December**
Latest sales:	**£163.9m (2018)**

Description

Luceco plc is a manufacturer and distributor of electrical accessories and LED lighting products to the UK and, increasingly, international markets.

The business is headquartered in the UK, and has a Chinese manufacturing facility and several international sales offices.

Background

Luceco plc was established as a manufacturer of wiring accessories, predominantly switches and sockets, under the "British General" brand.

In 2007, the business established a Chinese manufacturing facility which has been subsequently expanded twice. The facility has provided Luceco plc with supply chain flexibility and margin efficiencies.

Luceco plc entered the LED lighting market in 2013 at a point of disruptive change and high growth opportunity.

In October 2016, Luceco plc was admitted to trading on the Main Market of the London Stock Exchange.

Recent Developments

Matt Webb was appointed as the new chief financial officer in February 2018, arriving from FTSE 100 building materials distribution company Ferguson plc.

In August 2018, ESO acquired £2.0m of additional shares in Luceco plc, increasing its holding in the business to 27.4%.

In April 2019, Luceco released results for the 12 months ended 31 December 2018, announcing trading in line with market expectations, noting that revenue was broadly in line with the prior year, and that there had been a significant improvement in margin in H2 2018. Luceco also reported a reduction in net debt of £9.2 million in H2 2018, ahead of market expectations.

Whittard of Chelsea

Speciality tea, coffee and cocoa brand

Key facts

Location:	**Oxfordshire**
Sector:	**Consumer**
Type of deal:	**Turnaround**
Equity holding*:	**85.3%**
Financial year:	**December**
Latest sales:	**£37.7m (2018)**

Description

Whittard of Chelsea ("Whittard") is a British heritage brand supplying a range of premium teas, coffees and cocoas to a global consumer market.

The business operates an established omni-channel platform spanning retail (50 UK stores), e-commerce (UK site with global distribution), Tmall (leading Chinese e-commerce platform), wholesale and franchise.

Background

Founded by Walter Whittard in 1886, Whittard has accumulated over 130 years of specialist expertise, establishing strong brand recognition and a loyal customer base. Since the acquisition in 2008, EPE and management have led the successful turnaround of Whittard by restructuring its operations, developing a scalable omni-channel platform and investing in the brand to establish a premium positioning appropriate to the brand's heritage.

Recent Developments

In 2018, Whittard of Chelsea achieved robust sales growth. The business achieved like for like sales growth across its UK retail estate despite the significant headwinds experienced across much of the UK retail sector. The business's e-commerce platforms maintained an encouraging growth trajectory, to be aided in the coming period by the recent launch of a new domestic platform and expansion in their international channels.

Outlook

Whittard is ideally positioned in a large and growing global market with its strong brand and omni-channel platform, and also benefits from the macro consumer trends for premiumisation and health and wellness and the appetite internationally for heritage British brands.

* On a non-diluted basis

Pharmacy2U

Leading online pharmacy in the UK

Pharmacy2U
Your prescriptions, taken care of.

Key facts

Location:	**West Yorkshire**
Sector:	**Healthcare**
Type of deal:	**Growth**
Equity holding*:	**2.0%**
Financial year:	**March**
Latest sales:	**£43.2m (2018)**

Description

Pharmacy2U ("P2U") is focussed on delivering repeat NHS prescriptions to patients in the community. Repeat prescriptions comprise c.80% of the c.£10 billion NHS community prescription market.

P2U benefits from highly attractive customer dynamics, with low churn rates following patient acquisition and significant lifetime value.

P2U operates from a facility in Leeds which employs automated dispensing systems and has substantial capacity to support growth.

Background

P2U created the concept of online pharmacy and, in conjunction with the NHS, developed the Electronic Prescription Service ("EPS") technology. EPS allows for prescriptions to be electronically signed by doctors and medicines to be delivered direct to the home.

Funds advised by EPE originally provided growth capital to exploit this opportunity in November 2002 and ESO acquired its interest in P2U in September 2010.

Recent developments

In July 2016, P2U merged with Chemist Direct to create a clear leader in the online pharmacy market.

In September 2017, P2U exceeded 100,000 active patients.

In March 2018, P2U raised £40 million new growth capital from G Square. At the same time the Company sold down 50% of its investment in P2U, achieving a 2.0x MM realised return.

In September 2018, P2U announced the development of a new dispensing facility in Leicestershire which is expected to open in 2019.

Outlook

P2U's focus remains on acquiring patients with NHS repeat prescription requirements.

* Post growth capital investment, March 2018 and on a non-diluted basis

David Phillips

Leading furniture provider to the UK property sector

DAVID PHILLIPS/

Key facts

Location:	**London**
Sector:	**Property Services**
Type of deal:	**Turnaround**
Equity holding*:	**40.0%**
Financial year:	**March**
Latest sales:	**£47.8m (2018)**

Description

David Phillips provides furniture and furnishing services to the UK property sector, supplying owners, managers, agents and developers in the residential, build-to-rent, student accommodation and social housing sectors.

Background

The business was established in 1999 as a London-focused furniture supplier and has since expanded through acquisitions, increasing its geographic reach and product offering to become a clear market leader.

Recent Developments

ESO invested in the business in December 2017.

In 2018, David Phillips made progress in its ongoing turnaround. Substantial efficiencies have been achieved across the business's operations, with further, future opportunities identified. David Phillips' trading momentum has stabilised through the year as a result of the normalisation of service levels, working capital and operations. Further improvements in profitability are intended through the next phase of the turnaround, with the achievement of further operational efficiencies and a strategic focus on cash generative business lines.

Outlook

David Phillips has demonstrated strong historic growth; in the near term there will be a focus on consolidation and business efficiency improvements.

In the long term, significant growth opportunities have been identified, both to consolidate the UK market and to enter other European markets.

* On a non-diluted basis

ESO portfolio asset: Pharmacy2U

Governance Report

Risk and Audit Committee Report

The Risk and Audit Committee is chaired by Clive Spears and comprises all other Directors.

The Risk and Audit Committee's main duties are:

- To review and monitor the integrity of the interim and annual financial statements, interim statements, announcements and matters relating to accounting policy, laws and regulations of the Company;
- To evaluate the risks to the quality and effectiveness of the financial reporting process;
- To review the effectiveness and robustness of the internal control systems and the risk management policies and procedures of the Company;
- To review the valuation of portfolio investments;
- To review corporate governance compliance, including the Company's compliance with the QCA Corporate Governance Code;
- To review the nature and scope of the work to be performed by the Auditors, and their independence and objectivity; and
- To make recommendations to the Board as to the appointment and remuneration of the external auditors.

The Risk and Audit Committee has a calendar which sets out its work programme for the year to ensure it covers all areas within its remit appropriately. It met four times during the period under review to carry out its responsibilities and senior representatives of the Investment Advisor attended the meetings as required by the Risk and Audit Committee. In between meetings, the Risk and Audit Committee chairman maintains ongoing dialogue with the Investment Advisor and the lead audit partner via visits and meetings at the office of the Investment Advisor.

During the past year the Risk and Audit Committee carried out an ongoing review of its own effectiveness and the Board carried out a review of the Committee's terms of reference. These concluded that the Risk and Audit Committee is satisfactorily fulfilling its terms of reference and is operating effectively. In addition, the Committee undertook a review of the Company's corporate governance and adoption of the QCA Corporate Governance Code.

Significant accounting matters

The primary risk considered by the Risk and Audit Committee during the period under review in relation to the financial statements of the Company is the valuation of unquoted investments.

The Company's accounting policy for valuing investments is set out in notes 3i, 10 and 11. The Risk and Audit Committee examined and challenged the valuations prepared by the Investment Advisor, taking into account the latest available information on the Company's investments and the Investment Advisor's knowledge of the underlying portfolio companies through their ongoing monitoring. The Risk and Audit Committee satisfied itself that the valuation of investments had been carried out consistently with prior accounting periods, or that any change in valuation basis was appropriate, and was conducted in accordance with published industry guidelines.

The Auditors explained the results of their review of the procedures undertaken by the Investment Advisor in preparation of valuation recommendations for the Risk and Audit Committee. On the basis of their audit work, no material adjustments were identified by the Auditor.

External audit

The Risk and Audit Committee reviewed the audit plan and fees presented by the Auditors, KPMG Audit LLC ("KPMG"), and considered their report on the financial statements. The fee for the audit of the annual report and financial statements of the Company for the year ended 31 January 2019 is expected to be £35,000 (2018: £35,800).

The Risk and Audit Committee reviews the scope and nature of all proposed non-audit services before engagement, with a view to ensuring that none of these services have the potential to impair or appear to impair the independence of their audit role. The Committee receives an annual assurance from the Auditors that their independence is not compromised by the provision of such services, if applicable. During the period under review, the Auditors provided non-audit services to the Company in relation to the Company's migration to Bermuda.

External audit (continued)

KPMG were appointed as Auditors to the Company for the year ending 31 January 2005 audit. The Risk and Audit Committee does regularly consider the need to put the audit out to tender, the Auditors' fees and independence, alongside matters raised during each audit. The appointment of KPMG has not been put out to tender as yet as the Committee, from ongoing direct observation and indirect enquiry of the Investment Advisor, remain satisfied that KPMG continue to provide a high-quality audit and effective independent challenge in carrying out their responsibilities. The Company adheres to a five year roll over in relation to the Auditor partner.

Having considered these matters and the continuing effectiveness of the external auditor, the Risk and Audit Committee has recommended to the Board that KPMG be appointed as Auditors for the year ending 31 January 2020.

The Board will review the performance and services offered by R&H as fund administrator and EPEA as fund sub-administrator on an ongoing basis. An external assurance review was completed in the past year to provide comfort to the Board regarding operational processes undertaken by EPEA.

Risk management and internal control

The Company does not have an internal audit function. The Risk and Audit Committee believes this is appropriate as all of the Company's operational functions are delegated to third party service providers who have their own internal control and risk monitoring arrangements. A report on these arrangements is prepared by each third party service provider and submitted to the Risk and Audit Committee which it reviews on behalf of the Board to support the Directors' responsibility for overall internal control. The Company does not have a whistleblowing policy and procedure in place. The Company delegates this function to the Investment Advisor who is regulated by the FCA and has such policies in place. The Risk and Audit Committee has been informed by the Investment Advisor that these policies meet the industry standards and no whistleblowing took place during the year.

Clive Spears
Chairman of the Risk and Audit Committee
8 April 2019

Corporate Governance

The Board of EPE Special Opportunities is pleased to inform shareholders of the Company's adoption of the Quoted Companies Alliance 2018 Corporate Governance Code (the "QCA Code").

The Company is committed to the highest standards of corporate governance, ethical practices and regulatory compliance. The Board believe that these standards are vital to generate long-term, sustainable value for the Company's shareholders. In particular the Board is concerned that the Company is governed in a manner to allow efficient and effective decision making, with robust risk management procedures.

As an investment vehicle, the Company is reliant upon its service providers for many of its operations. The Board maintains ongoing and rigorous review of these providers. Specifically the Board reviews the governance and compliance of these entities to ensure they meet the high standards of the Company.

The Board is dedicated to upholding these high standards and will look to strengthen the Company's governance on an ongoing basis.

The Company's compliance with the QCA Code is included in this report and on the Company's website (www.epespecialopportunities.com). The Company will provide annual updates on changes to compliance with the QCA Code.

Geoffrey Vero
Chairman
8 April 2019

The 2018 QCA Code

QCA Code Application	Explanation of the Company's Compliance
1. Establish a strategy and business model which promote long-term value for shareholders	
The board must be able to express a shared view of the company's purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.	*The annual and interim reports detail the Company's investment strategy, historic performance, current portfolio and future outlook.* *These reports discuss challenges faced by the Company and the portfolio and how these are mitigated.* *Further the Company provides updates to shareholders on significant changes in the Company's or the portfolio's position or prospects through ad hoc announcements, as required.*
2. Seek to understand and meet shareholder needs and expectations	
Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base. The Board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.	*The Board seeks to develop a strong and ongoing understanding with the Company's shareholders.* *The Board is available to respond to or address any queries or concerns raised by shareholders. Such concerns should be raised via the Company's investment advisor or the Company's administrator, as appropriate.* *Throughout the year the Company's investment advisor and NomAd meet with key shareholders to keep them informed of the Company's progress. Both these advisors report to the Board on these interactions regularly.* *The Company holds general meetings of its shareholders on an annual basis, where the annual report is presented to shareholders for their approval. The Board attends these meetings and is available to respond to or address any queries or concerns raised by attendees.*

QCA Code Application	Explanation of the Company's Compliance
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success	
Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations. Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model. Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.	*The Company seeks to invest capital in a responsible and sustainable manner, generating benefit to shareholders, its portfolio companies and the wider economy.* *The Company, as a vehicle for holding investments, has limited, direct relationships with stakeholders (outside of its shareholder base). That said, the Board is keen that the portfolio companies, in which the Company has an interest, act in a responsible manner with consideration to their various stakeholders.* *The Company's investment advisor, in its capacity as manager of these portfolio assets, provides feedback to the Board on their performance and interaction with the wider community. The Board gives consideration to steps which might be taken to enhance the impact the Company's investments might have on the wider economy, within the Company's strategic objectives. The Board makes specific enquiry of the investment advisor where relevant to the activities or scale of these portfolio assets.*
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation	
The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer. Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).	*The Board maintains a robust risk management framework, which is reviewed and challenged on an ongoing basis.* *The Board has established a Risk and Audit Committee to advise the Board on the Company's risk management approach and overall risk profile. The Committee meets at least twice a year and undertakes periodic business risk assessments. The key risks categories for the Company are portfolio performance and operational performance.* *In relation to the risks associated with the portfolio's performance, the Company's investment advisor manages the portfolio. The performance and capabilities of the investment advisor are reviewed on an ongoing basis and in particular, via an annual site visit by the Board to the investment advisor. Further, the Board receives updates on the portfolio on a quarterly basis (and on an ad hoc basis, as required) and challenges the investment advisor, as appropriate. The portfolio is relatively concentrated with a target size of 2-10 assets.* *In relation to risks associated with the Company's operational performance, the Company has no direct employees or operations, and has instead delegated its operations to certain service providers, in particular the Company's investment advisor, NomAd, administrator and financial administrator. The Company reviews the performance of these key suppliers on an annual basis with site visits and in-person meetings with all key advisors. In the case of the financial administrator, the Company receives independent agreed upon procedures compliance reports on a three year cycle (and when procedures are significantly amended). The Committee ensures that all service providers remain compliant with relevant regulation and remain suitable to provide their contracted services.*

Corporate Governance (continued)

<table>
<tr><th>QCA Code Application</th><th>Explanation of the Company's Compliance</th></tr>
<tr><td colspan="2">5. Maintain the board as a well-functioning, balanced team led by the chair</td></tr>
<tr><td>The board members have a collective responsibility and legal obligation to promote the interests of the company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.

The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight.

The board should have an appropriate balance between executive and non-executive directors and should have at least two independent non-executive directors. Independence is a board judgement.

The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively.

Directors must commit the time necessary to fulfil their roles.</td><td>All members of the Board are considered to be of independent thought and are non-executive directors. In particular, the Board feel that they are sufficiently independent of the investment advisor and that they sufficiently challenge the advice received from the investment advisor.

Several Board members have long periods of service. The Board believe that the experience and familiarity with the Company is to the benefit of the Company, its portfolio, its shareholders and objectives. The investment period of portfolio assets matches the long period of service held by certain Board members, providing deep knowledge of the Company's investment portfolio. Board members voluntarily retire by rotation for re-election by shareholders, on 4-year cycles.

The Board has established the following committees to advise on the Board's responsibilities:

• Audit and Risk Committee
• Investment Committee

All directors are members of these committees.

The Board does not feel that that the establishment of either a Remuneration Committee or a Nomination Committee would be appropriate for an investment company of the Company's current size.

The Board meets at least four times a year to review the Company's performance and operations. All directors attended the four routine meetings convened in the last twelve months.

The Board may convene additional meetings, as required to address matters arising. The Company does not disclose the attendance records of these additional Board meetings, given attendance is not representative of director participation as input is often provided by absent directors ahead of meetings.

The Risk and Audit Committee meets at least two times a year. The Chairman of the Audit and Risk Committee meets with the Company's auditors at least three times a year. The Investment Committee meets as required.

The time commitment required of directors varies dependent upon the activity level of the Company. It is anticipated that 8-12 days per annum are required of directors for the attendance of routine meetings of the Board. In addition it is anticipated that 4-10 days per annum are required for the participation in other matters arsing,</td></tr>
</table>

QCA Code Application	Explanation of the Company's Compliance
6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities	
The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition. The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board.	*The experience and skills of the directors are detailed in their biographies included on the website and in the annual and interim reports.* *The Board reviews the experience and skills of the Board, as a collective, on an annual basis, along with the efficacy of the Board's operations. Any deficiencies identified by these exercises are mitigated, where possible, by development of individual directors or recruitment of directors, when necessary.* *Each director is responsible for the maintenance of their skills. All directors hold other complementary directorships and are active participants in the investment management community. By way of example, Jersey-based directors are required, under local regulations, to complete a certain amount of Continuing Professional Development ("CPD") each year.* *The Board receives investment advice from its investment advisor on an ongoing basis. The Board receives compliance advice from the NomAd on an ongoing basis. The Board seeks legal advice where appropriate and for all significant corporate actions / legal agreements.* *The Company's secretary and administrator provide compliance advice, as relevant.* *The Company's advisors are detailed on the Company's website and in the annual and interim reports.* *The Company doesn't have a senior independent director. The Board does not feel one is required given the independence of all directors.*
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	
The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors. The board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team. It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.	*The Board reviews the experience and skills of the Board, as a collective, on an annual basis, along with the efficacy of the Board's operations. Any deficiencies identified by these exercises are mitigated, where possible, by development of individual directors or recruitment of directors, when necessary.* *This review is conducted by an anonymised questionnaire completed by directors, with results collated by the Company's administrator. The matrix of skills and experience against which the Board reviews itself is broad and reflects the Company's strategy and long-term objectives.* *The review of the Board's skill mix carried out in the last twelve months highlighted areas for diversification which are under ongoing review.* *The review of the Board's efficacy carried out in the current year highlighted no issues in the running of the Board's functions.* *The directors collectively review the succession plan for the Board on an annual basis, with recruitment of directors, when necessary, aligned to the skill reviews performed by the Board.*

Corporate Governance (continued)

QCA Code Application	Explanation of the Company's Compliance
8. Promote a corporate culture that is based on ethical values and behaviours	
The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage. The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the company. The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the company. The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.	*The Company seeks to invest capital in a responsible and ethical manner, generating benefit to shareholders, its portfolio companies and the wider economy.* *The Company, as a vehicle for holding investments, has no employees and limited capacity to effect changes in culture in companies it is affiliated with. That said, the Board is keen that the portfolio companies, in which the Company has an interest, act in an ethical manner with consideration to the wider community.* *The Board ensures that all portfolio companies have policies in place to comply with applicable governance laws and regulations, such as anti-bribery and modern day slavery. The Board has a zero tolerance approach to breaches of these laws and regulations.* *The Board promotes ethical behaviour throughout the portfolio, through directions to the Company's investment advisors in relation to the ethical management of the portfolio.*
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board	
The company should maintain governance structures and processes in line with its corporate culture and appropriate to its: • size and complexity; and • capacity, appetite and tolerance for risk. The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company.	*The roles and responsibilities of the directors are detailed in the Governance Report in the annual and interim reports.* *A summary of the role and responsibilities of the chairman of the Board is included on the Company's website.* *All significant matters related to the operation of the Company are reserved to the Board, in particular given the Company does not have an executive function.* *The committees of the Board have been established to advise the Board of certain matters.* *A summary of the terms of reference of the Board and each of the committees of the Board is included on the Company's website.* *The Company has engaged certain suppliers to provide services to the Company. These suppliers are engaged by and report to the Board.*

QCA Code Application	Explanation of the Company's Compliance
10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	
A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company. In particular, appropriate communication and reporting structures should exist between the board and all constituent parts of its shareholder base. This will assist: • the communication of shareholders' views to the board; and • the shareholders' understanding of the unique circumstances and constraints faced by the company. It should be clear where these communication practices are described (annual report or website).	*The annual and interim reports include the following details:* • *The work of the Board during the period of review – please see the Chairman's Statement* • *The work of the Audit and Risk Committee – please see the Governance Report* *The annual and interim reports do not include a report from the Investment Committee, as their considerations and work is detailed in the Chairman's Statement.* *The annual and interim reports do not include a remuneration report as the Board does not consider such a report appropriate, given the Company does not have executive directors and the remuneration of the non-executive directors is detailed elsewhere in the reports.* *The directors of the Company participate in a share-based remuneration scheme. Participation in this scheme requires the purchase, by directors of shares in the Company. The Board feel that this scheme is appropriate as equity participation in the Company is important for fostering alignment with shareholders. The scheme has caps on director participation and has been approved by a general meeting of shareholders.* *The outcomes of all votes of shareholders are disclosed shortly afterwards via announcement to the market. These announcements are retained on the Company's website.* *Historic interim and annual reports are contained on the Company's website (last five years).*

ESO portfolio company: Luceco

Financial Statements

Contents

Report of the Directors

Principal activity

The Company was incorporated in the Isle of Man as a company limited by shares under Isle of Man Law with registered number 108834C on 25 July 2003. On 23 July 2012, the Company re-registered under the Isle of Man Companies Act 2006, with registration number 008597V. On 11 September 2018, the company re-registered under the Bermuda Companies Act 1981, with registration number 53954. The Company's ordinary shares are quoted on AIM, a market operated by the London Stock Exchange, and the Growth Market of the NEX Exchange.

The principal activity of the Company and its subsidiaries and its associates ("the Group") is to arrange income yielding financing for growth, buyout and special situations and holding the investments with a view to exiting in due course at a profit.

Incorporation

The Company was incorporated on 25 July 2003 and on 11 September 2018, registered under the Bermuda Companies Act 1981. The Company's registered office is:

Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

Details of subsidiaries are provided in note 23.

Place of business

Since 17 May 2017, the Company has solely operated out of and has been controlled from:

Ordnance House, 31 Pier Road, St Helier, Jersey, JE4 8PW

Results of the financial year

Results for the year are set out in the Consolidated Statements of Comprehensive Income on page 47 and in the Consolidated Statement of Changes in Equity on page 49.

Dividends

The Board does not recommend a dividend in relation to the current year (2018: nil) (see note 9 for further details).

Corporate governance principles

As a company quoted on the AIM market on the London Stock Exchange, the Company is subject to the AIM Rules, which include a requirement for the Company to adopt a recognised Corporate Governance Code. The Directors have therefore adopted the QCA Corporate Governance Code. The Corporate Governance Report (page 30) sets out the QCA Corporate Governance Code, it's principles and explanations of the Company's compliance with the code.

The Board holds at least four meetings annually and has established Risk and Audit and Investment committees. The Board does not intend to establish remuneration and nomination committees given the current composition of the Board and the nature of the Company's operations. The Board reviews annually the remuneration of the Directors and agrees on the level of Directors' fees.

Composition of the Board

The Board currently comprises five non-executive directors, all of whom are independent. Geoffrey Vero is Chairman of the Board, Clive Spears is Chairman of the Risk and Audit Committee and Nicholas Wilson is Chairman of the Investment Committee.

Risk and Audit Committee

The activities of the Risk and Audit Committee continued, members of which are Clive Spears (Chairman of the Committee) and all the other Directors. The Risk and Audit Committee provides a forum through which the Company's external auditors report to the Board.

The Risk and Audit Committee meets twice a year, at a minimum, and is responsible for considering the appointment and fee of the external auditors and for agreeing the scope of the audit and reviewing its findings. It is responsible for monitoring compliance with accounting and legal requirements, ensuring that an effective system of internal controls is maintained and for reviewing annual and interim financial statements of the Company before their submission for approval by the Board. The Risk and Audit Committee has adopted and complied with the extended terms of reference implemented on the Company's readmission in August 2010, as reviewed by the Board from time to time.

The Board is satisfied that the Risk and Audit Committee contains members with sufficient recent and relevant financial experience.

Investment Committee

The Board established an Investment Committee, which comprises Nicholas Wilson (Chairman of the Committee) and all the other Directors. The purpose of this committee is to review the portfolio of the Company and evaluate the performance of the Investment Advisor.

The Board is satisfied that the Investment Committee contains members with sufficient recent and relevant financial experience.

Significant holdings

Significant shareholdings are analysed on page 74. The Directors are not aware of any other holdings greater than 3% of issued shares.

Directors

The Directors of the Company holding office during the financial year and to date are:

Mr. G.O. Vero (Chairman)
Mr. R.B.M. Quayle
Mr. C.L. Spears
Mr. N.V. Wilson
Ms. H. Bestwick

Staff

At 31 January 2019 the Group employed no staff (2018: none).

Auditors

Our Auditors, KPMG Audit LLC, being eligible, have expressed their willingness to continue in office.

On behalf of the Board

Nicholas Wilson
Director

8 April 2019

Statement of Directors' Responsibilities

in respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the Group financial statements in accordance with applicable law and regulations.

The Directors are required to prepare Group financial statements for each financial year. As required by the AIM Rules of the London Stock Exchange they are required to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs as adopted by the EU), as applicable to a Bermuda company and applicable 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 Group and of its profit or loss for that period. In preparing the Group 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 IFRSs as adopted by the EU;
- assess the Group'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 Group 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 parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Bermuda Companies Act. 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 Group and to prevent and detect fraud and other irregularities.

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

Independent Auditor's Report to the Members of EPE Special Opportunities Limited

1 Our opinion is unmodified

We have audited the financial statements of EPE Special Opportunities Limited ("the Group") for the year ended 31 January 2019 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Assets and Liabilities, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 January 2019 and of the Group's loss for the year then ended;

- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including 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 and we do not provide a separate opinion on these matters. We identified one key audit matter in arriving at our audit opinion above. The key audit matter was as set out below. This key audit matter and the risk significance of this matter is unchanged from 2018.

Independent Auditor's Report to the Members of EPE Special Opportunities Limited (continued)

	The risk	Our response
Carrying value of investments in associates and loans to associates and related companies where underlying investments are unquoted: **£14.2m** (2018: £21.9m). Refer to page 28 (Significant accounting matters identified by the Risk and Audit Committee), notes 3(i) (accounting policy); note 10 (non-current assets), note 11 (financial assets and liabilities) and note 20 (financial instruments disclosures).	**Subjective valuation:** 48% of the Group's underlying investment portfolio (by value) includes investments in and loans to entities where no quoted market price is available. Unquoted investments are measured at fair value, which is established in accordance with the International Private Equity and Venture Capital Valuation Guidelines by using measurements of value such as prices of recent orderly transactions, earnings multiples and net assets. The preparation of the fair value estimate for the investments and related disclosures involves subjective judgments or uncertainties, which requires special audit consideration because of the likelihood and potential magnitude of misstatements to the valuation of the financial instrument. The effect of these matters is that, as part of our risk assessment, we determined that the valuation of unquoted investments has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 11) disclose the range estimated by the Group.	Our procedures included: **Control design:** Documenting and assessing the design and implementation of the investment valuation process and controls; **Methodology choice:** In the context of observed industry best practice and the provisions of the International Private Equity and Venture Capital Valuation Guidelines, we challenged the appropriateness of the valuation basis selected; **Our valuations experience:** Challenging the Investment Advisor on key judgements affecting investee entity valuations, such as the choice of benchmark for sales or earnings multiples or by comparing key underlying financial data inputs to external sources and investee company management accounts information as applicable. We challenged the assumptions around sustainability of sales and earnings by comparison with the plans of the investee companies. Further, we obtained an understanding of existing and prospective investee company cash flows to understand whether refinancing may be required. Our work included consideration of events which occurred subsequent to the year end up until the date of this audit report including the impact of uncertainties due to the UK exiting the European Union. **Assessing transparency:** Consideration of the appropriateness, in accordance with relevant accounting standards, of the disclosures in respect of unquoted investments and the effect of changing one or more inputs to reasonably possible alternative valuation assumptions.

3 Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £1,790,000 (2018: £1,990,000), determined with reference to a benchmark of Groups’ net assets, of which it represents 3% (2018: 3%). Net assets has been used as a benchmark as this is deemed to be the most appropriate benchmark the it is a key focus for users of the financial statements.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £89,500 (2018: £99,500) for Group’s financial statements, in addition to other identified misstatements that warranted reporting on qualitative grounds.

The Group’s associates were subjected to full scope statutory audit by the Group audit team and subject to a lower level of materiality based on their individual financial statements, except for the two dormant subsidiary entities. For these two non-significant entities, we conducted reviews of financial information (including inquiry), as they were not financially significant enough to receive a full scope audit for group purposes.

4 We have nothing to report on going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or to cease their operations, and as they have concluded that the Group’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

Our responsibility is to conclude on the appropriateness of the Directors’ conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the Company will continue in operation.

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Group's business model, including the impact of a disorderly Brexit, and analysed how those risks might affect the Group's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5 We have nothing to report on the other information in the Annual Report

The Directors are responsible for the information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon. Based solely on that work we have not identified material misstatements in the other information.

Independent Auditor's Report to the Members of EPE Special Opportunities Limited (continued)

6 Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 4, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; assessing the Group'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 they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

7 The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body. 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.

KPMG Audit LLC
Chartered Accountants
Heritage Court
41 Athol Street
Douglas
Isle of Man IM99 1HN

8 April 2019

Consolidated Statement of Comprehensive Income

For the year ended 31 January 2019

Note		Revenue £	Capital £	31 January 2019 Total £	31 January 2018 Total £
	Income				
4	Interest income	276,328	–	276,328	33,477
	Total income	**276,328**	**–**	**276,328**	**33,477**
	Expenses				
5	Investment advisor's fees	(1,137,117)	–	(1,137,117)	(2,370,687)
	Administration fees	(148,566)	–	(148,566)	(218,589)
6	Directors' fees	(154,000)	–	(154,000)	(161,500)
	Directors' and Officers' insurance	(11,705)	–	(11,705)	(3,974)
	Professional fees	(855,046)	–	(855,046)	(211,428)
	Board meeting and travel expenses	(12,340)	–	(12,340)	(7,391)
	Auditors' remuneration	(35,217)	–	(35,217)	(35,800)
	Bank charges	(1,008)	–	(1,008)	(868)
	Irrecoverable VAT	–	–	–	(32,764)
7	Share based payment expense	(120,544)	–	(120,544)	(210,043)
	Sundry expenses	(40,183)	–	(40,183)	(60,300)
	Nominated advisor and broker fees	(57,758)	–	(57,758)	(60,405)
	Listing fees	(38,425)	–	(38,425)	(28,511)
	Net foreign exchange loss	(2,049)	–	(2,049)	–
	Total expenses	**(2,613,958)**	**–**	**(2,613,958)**	**(3,402,260)**
	Net expense	**(2,337,630)**	**–**	**(2,337,630)**	**(3,368,783)**
	(Losses)/Gains on investments				
10	Share of loss of associates	–	(2,776,502)	(2,776,502)	(32,258,774)
	(Loss)/gain on FV of loan to related companies	–	(1,087,945)	(1,087,945)	40,000
	Loss for the year on investments	**–**	**(3,864,447)**	**(3,864,447)**	**(32,218,774)**
	Finance charges				
15	Interest on unsecured loan note instruments	(469,225)	–	(469,225)	(618,765)
	Loss for the year before taxation	**(2,806,855)**	**(3,864,447)**	**(6,671,302)**	**(36,206,322)**
8	**Taxation**	–	–	–	–
	Loss for the year	**(2,806,855)**	**(3,864,447)**	**(6,671,302)**	**(36,206,322)**
	Other comprehensive income	–	–	–	–
	Total comprehensive loss	**(2,806,855)**	**(3,864,447)**	**(6,671,302)**	**(36,206,322)**
17	**Basic loss per ordinary share (pence)**	(9.87)	(13.60)	(23.47)	(128.45)
17	**Diluted loss per ordinary share (pence)**	(9.87)	(13.60)	(23.47)	(128.45)

The total column of this statement represents the Group Statement of Comprehensive Income, prepared in accordance with IFRSs. The Supplementary revenue and capital return columns are prepared in accordance with the Board of Directors' agreed principles. All items derive from continuing activities.

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Assets and Liabilities

At 31 January 2019

Note		31 January 2019 £	31 January 2018 £
	Non-current assets		
10	Investments in associates	27,707,795	41,391,258
10,13	Loans to associates and related companies	7,085,825	5,152,739
		34,793,620	**46,543,997**
	Current assets		
12	Cash and cash equivalents	29,125,615	28,047,141
	Trade and other receivables	301,728	98,774
		29,427,343	**28,145,915**
	Current liabilities		
14	Trade and other payables	(492,878)	(464,322)
		(492,878)	**(464,322)**
	Net current assets	**28,934,465**	**27,681,593**
	Non-current liabilities		
15	Unsecured loan note instruments	(3,915,612)	(7,882,736)
		(3,915,612)	**(7,882,736)**
	Net assets	**59,812,473**	**66,342,854**
	Equity		
16	Share capital	1,503,286	1,503,286
	Share premium	3,867,209	3,867,209
	Capital reserve	44,716,943	48,581,390
	Revenue reserve	9,725,035	12,390,969
	Total equity	**59,812,473**	**66,342,854**
18	**Net asset value per share (pence)**	**205.19**	**234.43**

The financial statements were approved by the Board of Directors on 8 April 2019 and signed on its behalf by:

Geoffrey Vero
Director

Clive Spears
Director

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 January 2019

Note		Share capital £	Share premium £	Capital reserve £	Revenue reserve £	Total £
		Year ended 31 January 2019				
	Balance at 1 February 2018	1,503,286	3,867,209	48,581,390	12,390,969	66,342,854
	Total comprehensive income for the year	–	–	(3,864,447)	(2,806,855)	(6,671,302)
	Contributions by and distributions to owners					
7	Share based payment charge	–	–	–	120,544	120,544
	Share ownership scheme participation	–	–	–	20,377	20,377
	Total transactions with owners	**–**	**–**	**–**	**140,921**	**140,921**
	Balance at 31 January 2019	**1,503,286**	**3,867,209**	**44,716,943**	**9,725,035**	**59,812,473**

Note		Share capital £	Share premium £	Capital reserve £	Revenue reserve £	Total £
		Year ended 31 January 2018				
	Balance at 1 February 2017	1,568,568	2,893,562	80,800,164	17,868,042	103,130,336
	Total comprehensive loss for the year	–	–	(32,218,774)	(3,987,548)	(36,206,322)
	Contributions by and distributions to owners					
7	Share based payment charge	–	–	–	210,043	210,043
	Share ownership scheme participation	–	–	–	15,915	15,915
	Purchase of treasury shares	(94,786)	–	–	(1,715,483)	(1,810,269)
	Issue of new shares	29,504	973,647	–	–	1,003,151
	Total transactions with owners	**(65,282)**	**973,647**	**–**	**(1,489,525)**	**(581,160)**
	Balance at 31 January 2018	**1,503,286**	**3,867,209**	**48,581,390**	**12,390,969**	**66,342,854**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 January 2019

Note		31 January 2019 £	31 January 2018 £
	Operating activities		
	Interest income received	187,516	8,450
	Expenses paid	(2,591,918)	(3,414,475)
19	**Net cash used in operating activities**	**(2,404,402)**	**(3,406,025)**
	Investing activities		
	Loan advances to associates	(2,008,113)	(2,045,657)
	Loan advances to investee companies	(1,000,000)	(2,030,000)
	Loan repayment to associates	–	(274,410)
10	Capital distribution from/(contribution to) associate	10,906,961	(40,160)
	Net cash generated from/(used in) investing activities	**7,898,848**	**(4,390,227)**
	Financing activities		
	Issue of new shares	–	1,003,151
	Unsecured loan note repurchases	(3,987,729)	–
	Unsecured loan note interest paid	(448,620)	(598,159)
	Purchase of treasury shares	–	(1,810,269)
	Share ownership scheme participation	20,377	15,914
	Net cash used in financing activities	**(4,415,972)**	**(1,389,363)**
	Increase/(decrease) in cash and cash equivalents	1,078,474	(9,185,615)
	Cash and cash equivalents at start of year	28,047,141	37,232,756
	Cash and cash equivalents at end of year	**29,125,615**	**28,047,141**

The accompanying notes form an integral part of these financial statements.

1 Operations

The Company was incorporated with limited liability in the Isle of Man on 25 July 2003. The Company then re-registered under the Isle of Man Companies Act 2006, with registration number 008597V. On 11 September 2018, the company re-registered under the Bermuda Companies Act 1981, with registration number 53954. The Company raised £30.0 million by a placing of ordinary shares at 100 pence per share. In 2009 the Company raised an additional £5.0 million by a placing of ordinary shares at 5 pence per share. During the year ended 31 January 2011, the Company issued a further £2.4 million in share capital. During the year ended 31 January 2016, the Company raised a further £0.25 million in share capital. The Company moved its operations to Jersey with immediate effect on 17 May 2017 and subsequently operates from Jersey only.

The Company's ordinary shares are quoted on AIM, a market operated by the London Stock Exchange, and the Growth Market of the NEX Exchange.

The Company has two wholly owned subsidiary companies (see note 23) and at 31 January 2019, had interests in four partnerships and one limited company that are accounted for as associates. The partnerships comprise one limited liability partnership and three limited partnerships.

The principal activity of the Group and its associates is to arrange income yielding financing for growth, buyout and special situations and holding the investments and its associates with a view to exiting in due course at a profit.

The consolidated financial statements comprise the results of the Group and its associates (see notes 3(a) and 23).

The Company has no employees.

2 Basis of preparation

a. Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards and Interpretations as adopted by the EU ("IFRS") and applicable legal and regulatory requirements of Bermuda law and reflect the following policies, which have been adopted and applied consistently, with the exception of the adoption of the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2018:

a. Annual improvements to IFRS – 2014-2016 cycle – various standards

b. IFRS 15: Revenue from Contracts with Customers

c. IFRS 9 Financial Instruments

d. Amendments to IAS 40: Transfers of Investments Property

The adoption of the above new standards has had no significant impact on the Groups' measurement of its assets and liabilities, and no impact on the disclosures included in the financial statements.

b. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss which are measured at fair value.

c. Functional and presentation currency

These consolidated financial statements are presented in Sterling, which is the Group's functional currency. All financial information presented in Sterling has been rounded to the nearest pound.

d. Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires Directors and the Investment Advisor to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The Directors have, to the best of their ability, provided as true and fair a view as is possible. Actual results may differ from these estimates.

2 Basis of preparation continued

d. Use of estimates and judgements continued

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by Directors and the Investment Advisor in the application of IFRSs that have a significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year relate to impairment provisioning in connection with secured loans and valuations of unquoted equity investments held by associates (see note 11).

Brexit

The major effects of Brexit, if executed, will be felt only once the country actually leaves the EU, with the nature and magnitude of these effects dependent on the terms of exit and the success of subsequent trade negotiations. Whilst the exact terms of Brexit are yet to be finalised and the ultimate outcome is uncertain, the Board have made an assessment of the potential effect on the Group and do not believe that Brexit will have a material impact on the investment activities of the Group.

e. Disclosure on changes in significant accounting policies

This note explains the impact of the adoption of IFRS 9 Financial Instruments effective from 1 January 2018. IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 Financial Instruments has resulted in changes in accounting policies and in accordance with the transitional provisions in IFRS 9 (7.2.15) and (7.2.26), comparative figures have not been restated.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Fund's financial assets and financial liabilities as at 1 January 2018.

Financial Assets	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 £	New carrying amount under IFRS 9 £
Investments in associates	Designated as at FVTPL	Mandatorily at FVTPL	27,707,795	27,707,795
Loans to associates and related companies	Loans and receivables	Amortised cost	7,085,825	7,085,825
Cash and cash equivalents	Loans and receivables	Amortised cost	29,125,615	29,125,615
Trade and other receivables	Loans and receivables	Amortised cost	301,728	301,728
			64,220,963	**64,220,963**

Financial Liabilities	Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39 £	New carrying amount under IFRS 9 £
Trade and other payables	Amortised cost	Amortised cost	492,878	492,878
Unsecured loan note instruments	Amortised cost	Amortised cost	3,915,612	3,915,612
			4,408,490	**4,408,490**

3 Significant accounting policies

a. Basis of consolidation

Subsidiaries

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company is exposed or has rights to variable returns from its involvement with the investee and has the ability to effect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Associates

Associates are those enterprises over which the Company has significant influence, and which are neither subsidiaries nor an interest in a joint venture. Significant influence is exerted when the Company has the power to participate in the financial and operating policy decision of the investee, but is not in control or joint control over those policies.

The Company holds interests in ESO Investments 1 LP, ESO Alternative Investments LP, ESO Investments (PC) LLP, ESO Investments 2 LP and ESO Investments (DP) Limited which are managed and controlled by parties related to EPIC Private Equity LLP for the benefit of the Company and the other members. The Company does not have the ability to direct the activities of ESO Investments 1 LP, ESO Alternative Investments LP, ESO Investments (PC) LLP, ESO Investments 2 LP and ESO Investments (DP) Limited. The Directors consider that ESO Investments 1 LP, ESO Alternative Investments LP, ESO Investments (PC) LLP, ESO Investments 2 LP and ESO Investments (DP) Limited do not meet the definition of subsidiaries. These entities are instead treated as associates.

The Company applies the equity method in accounting for associates. The investment is initially measured at cost and the carrying amount is increased or decreased to recognise the Company's share of the associate's profit or loss. Accounting policies of associates are aligned with those of the Group.

b. Segmental reporting

The Directors are of the opinion that the Group is engaged in a single segment of business and geographic area being arranging financing for growth, buyout and special situations in the United Kingdom. Information presented to the Board of Directors for the purpose of decision making is based on this single segment.

c. Income

Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is accounted for when the right to receive such income is established.

d. Expenses

All expenses are accounted for on an accruals basis.

e. Cash and cash equivalents

Cash comprises current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purposes of meeting short-term cash commitments rather than for investments or other purposes.

f. Finance Charges

Finance charges that are directly attributable to the acquisition, construction or production of a 'qualifying asset' (one that necessarily takes a substantial period of time to get ready for its intended use or sale) are included in the cost of the asset. Other finance charges are recognised as an expense.

g. Trade and other payables

Trade and other payables are stated at amortised cost in accordance with IFRS 9.

3 Significant accounting policies continued

h. Unsecured loan note instruments

Unsecured loan note instruments are stated at amortised cost in accordance with IFRS 9.

i. Financial assets and financial liabilities

i. Classification

➤ Financial assets

When the company first recognises a financial asset, it classifies it based on the business model for managing the asset and the asset's contractual cash flow characteristics, as follows:

- Amortised cost – a financial asset is measured at amortised cost if both of the following conditions are met:
  - the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Fair value through other comprehensive income – financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Fair value through profit or loss – any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

When, and only when, the company changes its business model for managing financial assets it must reclassify all affected financial assets.

➤ Financial liabilities

All financial liabilities are measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities include derivatives (other than derivatives that are financial guarantee contracts or are designated and effective hedging instruments), other liabilities held for trading, and liabilities that an entity designates to be measured at fair value through profit or loss.

ii. Recognition

The Group recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

iii. Measurement

Equity and preference share investments, including those held by associates, are stated at fair value. Loans and receivables are stated at amortised cost less any impairment losses.

The Investment Advisor determines asset values using IPEV guidelines and other valuation methods with reference to the valuation principles of IFRS 13. The valuation principles adopted are classified as Level 3 for unquoted investments and Level 1 for quoted investments in the IFRS 7 fair value hierarchy. IPEV guidelines recommend the use of comparable quoted company metrics and comparable transaction metrics to determine an appropriate enterprise value, to which a marketability discount is applied given the illiquid nature of private equity investments. The Investment Advisor also seeks to confirm value using discounted cash flow and other methods of valuation, and by applying a range approach. The Investment Advisor then seeks to determine whether holding the investment at cost is appropriate given the implied value, or whether an adjustment should be made to achieve fair value: whether this be in the form of an impairment or a write-up.

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantages market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Group measures instruments quoted in an active market at mid-price.

3 Significant accounting policies continued

iii. Measurement continued

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment. Financial assets that are not carried at fair value though profit and loss are subject to an impairment test. For loans to portfolio companies the impairment test is undertaken as part of the assessment of the fair value of the enterprise value of the related business, as described above. If expected life cannot be determined reliably, then the contractual life is used.

iv. Impairment

➤ **12-month expected credit losses**

12-month expected credit losses are calculated by multiplying the probability of a default occurring in the next 12 months with the total (lifetime) expected credit losses that would result from that default, regardless of when those losses occur. Therefore, 12-month expected credit losses represent a financial asset's lifetime expected credit losses that are expected to arise from default events that are possible within the 12 month period following origination of an asset, or from each reporting date for those assets in initial recognition stage.

➤ **Lifetime expected credit losses**

Lifetime expected credit losses are the present value of expected credit losses that arise if a borrower defaults on its obligation at any point throughout the term of a lender's financial asset (that is, all possible default events during the term of the financial asset are included in the analysis). Lifetime expected credit losses are calculated based on a weighted average of expected credit losses, with the weightings being based on the respective probabilities of default.

v. Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9.

The Company uses the weighted average method to determine realised gains and losses on derecognition. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

j. Share capital

Ordinary share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from retained earnings.

3 Significant accounting policies continued

k. Compound financial instruments

Compound financial instruments issued by the Group comprise convertible loan note instruments that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition.

When convertible loan notes are repurchased, the nominal value of the convertible loan notes repurchased is first deducted from the consideration paid with any gain or loss from the repurchase being recognised in the profit or loss.

Interest, dividends, losses and gains in relation to the financial liability are recognised in profit or loss. Distributions to the equity holders are recognised in equity net of any tax benefits.

l. EPIC Private Equity Employee Benefit Trust (“EBT”)

As the Company is deemed to have control of its EBT, the EBT is treated as a subsidiary and consolidated for the purposes of the Group financial statements. The EBT’s assets (other than investments in the Company’s shares), liabilities, income and expenses are included on a line-by-line basis in the Group financial statements. The EBT’s investment in the Company’s shares is deducted from shareholders’ funds in the Group Statement of asset and liabilities as if they were treasury shares (see note 7).

m. Share based payments

Certain employees (including Directors) of the Company and the Investment Advisors receive remuneration in the form of equity settled share-based payment transactions, through a Joint Share Ownership Plan (“JSOP”).

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value is determined based on the share price of the equity instrument at the grant date. The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of the number of shares that will eventually vest. The instruments are subject to a three year service vesting condition from the grant date, and their fair value is recognised as an employee benefit expense with a corresponding increase in retained earnings within equity over the vesting period.

Contributions received from employees as part of the JSOP arrangement are recognised directly in equity.

n. Future changes in accounting policies

The International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) have issued the following standards and interpretations with an effective date after the date of these financial statements:

IFRS Standards and Interpretations (IAS/IFRS)	**EU effective date** (accounting periods commencing on or after)
IFRS 16 – Leases (issued on 13 January 2016)	1 January 2019
IFRIC 23- Uncertainty over Income Tax Treatments (issued on 07 June 2017)	1 January 2019

3 Significant accounting policies continued

n. Future changes in accounting policies continued

Amendments	**EU effective date** (accounting periods commencing on or after)
Annual improvements to IFRS Standards 2015-2017 Cycle (issued on 12 December 2017)	Not yet endorsed
Amendments to IFRS 9 Financial Instruments:	
Prepayment Features with Negative Compensation (issued on 12 October 2017)	Not yet endorsed
Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures (issued on 12 October 2017)	Not yet endorsed
Amendments to IRFS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	Not yet endorsed

The Directors do not expect the adoption of the standards and interpretations to have a material impact on the Group's financial statements in the period of initial application.

4 Interest income

	2019 Group £	**2018 Group** £
Cash balances	17,711	8,450
Bond interest income	258,617	25,027
Total	**276,328**	**33,477**

5 Investment advisory, administration and performance fees

Investment advisory fees

Company

As agreed on the 31 August 2010, the investment advisory fee payable to EPIC Private Equity LLP ("EPE") is calculated at 2% of the Group's Net Asset Value ("NAV"), with a minimum of £325,000 payable per annum. The charge for the current year was £1,137,117 (2018: £2,370,687). Amount outstanding as at 31 January 2019 was £308,454 (2018: £386,934).

ESO 1 LP

The members of ESO 1 LP restated the Limited Partnership agreement on 25 July 2015. The restated agreement allocated the Investment Advisor a fixed priority profit share of £350,000 per annum (previously £800,000 per annum).

Administration fees

On 30 November 2007 the Group entered into an agreement with FIM Capital Limited ("FIM"), for the provision of administration, registration and secretarial services. On 17 May 2017 and concurrent with the move of the Company's operations to Jersey, R&H Fund Services (Jersey) Limited ("R&H") were appointed as the Company's administrators.

The provision of accounting and financial administration services has been delegated to EPE Administration Limited ("EPEA", formerly EHM International Limited). The fee payable to EPEA is at a rate of 0.15% per annum of the Group's NAV. The charge for the current year was £88,438 (2018: £161,697). Amount outstanding as at 31 Jan 2019 was £7,726 (2018: £9,673).

5 Investment advisory, administration and performance fees continued

Performance fees

Company

The Investment Advisory Agreement with EPE as described above also provides for the provision of a performance fee. The fee is payable if the Total Return (taken as NAV plus dividends distributed) is equal to at least 8% per annum from the date of admission of the Company's shares to AIM, based on the funds raised through the placing of shares and compounded annually. No performance fee has accrued for the year ended 31 January 2019 (2018: £nil).

Carried interest in ESO 1 LP

The distribution policy of ESO 1 LP includes a carried interest portion retained for the Investment Advisor such that, for each investor where a hurdle of 8% per annum has been achieved, the carry vehicle of the Investment Advisor is entitled to receive 20% of the increase in that investor's investment. For the year ended 31 January 2019, £1,533,425 has been debited from the carry account of the Investment Advisor in the records of ESO 1 LP (2018: Debit of £8,115,607).

The Board and the Investment Advisor continue to explore mechanisms for aligning the Investment Advisor with the Company's performance whilst preserving liquidity in the vehicle. These mechanisms include the buyout of the Investment Advisor's carried interest in ESO 1 LP in exchange for shares in the Company. Such a buyout of ESO 1 LP carried interest would be dilutive to existing Company shareholders but would increase Company cash proceeds from future asset sales that would otherwise be partially paid out as carried interest to the Investment Advisor

Carried interest in ESO (PC) LLP

The Investment Advisor is entitled to receive 20% of the profits of ESO (PC) LLP where a hurdle of 8% has been achieved over the initial value of the investment. For the year ended 31 January 2019, £1,952,103 has been debited from the carry account of the Investment Advisor in the records of EOS (PC) LLP (2018: Credit of £50,646).

6 Directors' fees

	2019 Group £	2019 Share based payment expense £	2018 Group £	2018 Share based payment expense £
G.O. Vero (Chairman)	32,000	5,709	32,000	6,357
R.B.M. Quayle	30,000	2,614	30,000	5,077
C.L. Spears	32,000	2,614	32,000	5,077
N.V. Wilson	30,000	2,614	30,000	5,077
H. Bestwick	30,000	–	37,500	–
Total	**154,000**	**13,551**	**161,500**	**21,588**

H. Bestwick had received £37,500 as a Directors' fee in 2018 of which £7,500 related to services provided prior to her appointment.

7 Share based payment expense

The cost of equity settled transactions with certain Directors of the Company and other participants (including employees of the Investment Advisor) ("Participants") is measured by reference to the fair value at the date on which they are granted. The fair value is determined based on the share price of the equity instrument at the grant date.

The EBT was created to award shares to Participants as part of the JSOP. Participants are awarded a certain number of shares ("Matching Shares") which are subject to a three year service vesting condition from the grant date. In order to receive their Matching Share allocation Participants are required to purchase shares in the Company on the open market ("Bought Shares"). The Participant will then be entitled to acquire a joint ownership interest in the Matching Shares for the payment of a nominal amount, on the basis of one joint ownership interest in one Matching Share for every Bought Share they acquire in the relevant award period.

7 Share based payment expense continued

The EBT holds the Matching Shares jointly with the Participant until the award vests. These shares carry the same rights as rest of the ordinary shares.

The EBT held 1,035,624 (2018: 420,050) matching shares at the year end which have traditionally not voted (see note 16).

During the year, 849,626 was issued to EBT for the JSOP scheme. 234,052 shares were vested during the year to the JSOP participants. No shares were awarded to the participants in the year ending 31 January 2019.

The amount expensed in the income statement has been calculated by reference to the grant date at a fair value of the equity instrument and the estimated number of equity instruments to be issued after the vesting period, less the nominal amount paid for the joint ownership interest in the Matching Shares. The total expense recognised on the share based payments during the year amounts to £120,544 (2018: £210,043).

8 Taxation

The Company is a tax resident of Jersey. The Company is subject to 0% income tax (2018: 0%).

The Limited Liability Partnerships and Limited Partnerships are transparent for tax purposes.

ESO Investments (DP) Limited is tax resident in the United Kingdom and did not have any tax charge in the current period.

9 Dividends paid and proposed

No dividends were paid or proposed for the year ended 31 January 2019 (2018: £nil).

10 Non-current assets

	2019 £	2018 £
Financial assets		
Investments in associates	27,707,795	41,391,258
Loans to associates and related companies (note 13)	7,085,825	5,152,739
	34,793,620	**46,543,997**

Investment in associates

The Investment Advisor has applied appropriate valuation methods with reference to IPEV guidelines and the valuation principles of IFRS 9 Financial Instruments, with regard to the underlying investments held by the associates. See note 11 regarding the assessment of the fair values of the underlying investments.

Investments in associates comprise the investment in ESO Investments 1 LP, ESO Investments (PC) LLP, ESO Alternative Investments LP, ESO Investments (DP) Limited and ESO Investments 2 LP which are stated at fair value through profit or loss. The fair value of the investment is calculated with reference to the Second Amended and Restated Limited Partnership Agreement for ESO Investments 1 LP, the Limited Liability Partnership Agreement for ESO Investments (PC) LLP, the Limited Liability Partnership Agreement for ESO Alternative Investments LLP and the Article of Association for ESO Investments (DP) Limited. The associates have accounted for their equity investments at fair value.

During the year, the Company received £nil (2018:£nil) capital distribution from ESO Investments 1 LP, £10,906,961 (2018:£nil) from ESO Investments (PC) LLP and £nil (2018:nil) from ESO Alternative Investment LP, ESO Investments (DP) Limited and ESO Investments 2 LP.

10 Non-current assets continued

Investment in associates continued

The movements in the associates during the year are as follows:

	ESO 1 LP £	ESO (PC) LLP £	ESO AI LP £	ESO (DP) Ltd £	ESO 2 LP £	Total £
Investment in associates						
Balance at 1 February 2018	33,321,502	7,770,549	305,546	(6,419)	80	41,391,258
Share of profit/(loss) from associates	(6,133,700)	3,136,788	224,073	(3,663)	–	(2,776,502)
Capital distribution from associate	–	(10,906,961)	–	–	–	(10,906,961)
	27,187,802	**376**	**529,619**	**(10,082)**	**80**	**27,707,795**

Summary financial information for associates as at 31 January 2019 is as follows:

Vehicle	Total £	Minority interest £	ESO Ltd share £	Percentage share %
ESO 1 LP				
Non-current assets	36,029,926	(7,205,984)	28,823,942	80.0%
Current assets	1,014,047	(202,808)	811,239	80.0%
Current liabilities	(3,059,224)	611,845	(2,447,379)	80.0%
Net assets	**33,984,749**	**(6,796,947)**	**27,187,802**	**80.0%**
Income	168,913	(27,317)	141,596	83.8%
Gains/(losses) on investments	(7,255,808)	1,173,508	(6,082,300)	83.8%
Expenses	(230,232)	37,236	(192,996)	83.8%
Profit	**(7,317,127)**	**1,183,427**	**(6,133,700)**	**83.8%**
ESO (PC) LLP				
Non-current assets	–	–	–	–
Current assets	4,697	(939)	3,758	80.0%
Current liabilities	(4,227)	845	(3,382)	80.0%
Net assets	**470**	**(94)**	**376**	**80.0%**
Income	–	–	–	–
Gains/(losses) on investments	4,001,157	(857,725)	3,143,432	78.6%
Expenses	(8,457)	1,813	(6,644)	78.6%
Profit	**3,992,700**	**(855,912)**	**3,136,788**	**78.6%**

10 Non-current assets continued

Investment in associates continued

Vehicle	**Total** £	**Minority interest** £	**ESO Ltd share** £	**Percentage share** %
ESO AI LP				
Non-current assets	2,464,248	–	2,464,248	100.0%
Current assets	114,655	–	114,655	100.0%
Current liabilities	(2,049,284)	–	(2,049,284)	100.0%
Net assets	**529,619**	**–**	**529,619**	**100.0%**
Income	230,399	–	230,399	100.0%
Gains/(losses) on investments	9,020	–	9,020	100.0%
Expenses	(15,346)	–	(15,346)	100.0%
Profit	**224,073**	**–**	**224,073**	**100.0%**
ESO Inv (DP)				
Non-current assets	–	–	–	–
Current assets	–	–	–	–
Current liabilities	(10,082)	–	(10,082)	100.0%
Net assets	**(10,082)**	**–**	**(10,082)**	**100.0%**
Income	–	–	–	100.0%
Gains/(losses) on investments	–	–	–	100.0%
Expenses	(3,663)	–	(3,663)	100.0%
Profit	**(3,663)**	**–**	**(3,663)**	**100.0%**
ESO Inv 2 LP				
Non-current assets	100	(20)	80	80.0%
Current assets	–	–	–	80.0%
Current liabilities	–	–	–	80.0%
Net assets	**100**	**(20)**	**80**	**80.0%**
Income	–	–	–	100.0%
Gains/(losses) on investments	–	–	–	100.0%
Expenses	–	–	–	100.0%
Profit	**–**	**–**	**–**	**100.0%**
ESO Ltd				
Loans to associates and related companies	7,085,825	–	7,085,825	100.0%
Other assets and liabilities ESO Ltd	28,934,465	–	28,934,465	100.0%
Total	**36,020,290**	**–**	**36,020,290**	**100.0%**
Total assets less current liabilities	**70,525,146**	**(6,797,061)**	**63,728,085**	**90.4%**

10 Non-current assets continued

Investment in associates continued

Summary of ESO Ltd fund structure	Total £	Minority interest £	ESO Ltd share £	Percentage share £
ESO 1 LP	33,984,749	(6,796,947)	27,187,802	80.0%
ESO (PC) LLP	470	(94)	376	80.0%
ESO AI LP	529,619	–	529,619	100.0%
ESO Inv (DP)	(10,082)	–	(10,082)	100.0%
ESO Inv 2 LP	100	(20)	80	80.0%
ESO Ltd current assets, current liabilities and loans to related companies	36,020,290	–	36,020,290	100.0%
Total assets less current liabilities	**70,525,146**	**(6,797,061)**	**63,728,085**	**90.4%**

Summary financial information for associates as at 31 January 2018 is as follows:

Vehicle	Total £	Minority interest £	ESO Ltd share £	Percentage share %
ESO 1 LP				
Non-current assets	41,282,258	(8,256,451)	33,025,807	80.0%
Current assets	3,233,610	(646,722)	2,586,888	80.0%
Current liabilities	(2,863,992)	572,799	(2,291,193)	80.0%
Net assets	**41,651,876**	**(8,330,374)**	**33,321,502**	**80.0%**
Income	570,268	(110,083)	460,185	80.7%
Gains/(losses) on investments	(40,594,020)	7,836,254	(32,757,766)	80.7%
Expenses	(204,281)	39,434	(164,847)	80.7%
Profit	**(40,228,033)**	**7,765,605**	**(32,462,428)**	**80.7%**
ESO (PC) LLP				
Non-current assets	9,453,084	(1,898,053)	7,555,031	79.9%
Current assets	270,674	(54,348)	216,326	79.9%
Current liabilities	(1,011)	203	(808)	79.9%
Net assets	**9,722,747**	**(1,952,198)**	**7,770,549**	**79.9%**
Income	–	–	–	–
Gains/(losses) on investments	–	–	–	–
Expenses	(4,747)	953	(3,794)	79.9%
Profit	**(4,747)**	**953**	**(3,794)**	**79.9%**

10 Non-current assets continued

Investment in associates continued

Vehicle	Total £	Minority interest £	ESO Ltd share £	Percentage share %
ESO AI LP				
Non-current assets	2,234,789	–	2,234,789	100.0%
Current assets	119,881	–	119,881	100.0%
Current liabilities	(2,049,124)	–	(2,049,124)	100.0%
Net assets	**305,546**	**–**	**305,546**	**100.0%**
Income	102,788	–	102,788	100.0%
Gains/(losses) on investments	253,419	–	253,419	100.0%
Expenses	(50,741)	–	(50,741)	100.0%
Profit	**305,466**	**–**	**305,466**	**100.0%**
ESO Inv (DP)				
Non-current assets	–	–	–	–
Current assets	–	–	–	–
Current liabilities	(6,419)	–	(6,419)	100.0%
Net assets	**(6,419)**	**–**	**(6,419)**	**100.0%**
Income	–	–	–	–
Gains/(losses) on investments	(40,000)	–	(40,000)	100.0%
Expenses	(6,419)	–	(6,419)	100.0%
Profit	**(46,419)**	**–**	**(46,419)**	**100.0%**
ESO Inv 2 LP				
Non-current assets	100	(20)	80	80.0%
Current assets	–	–	–	–
Current liabilities	–	–	–	–
Net assets	**100**	**(20)**	**80**	**80.0%**
Income	–	–	–	–
Gains/(losses) on investments	–	–	–	–
Expenses	–	–	–	–
Profit	**–**	**–**	**–**	**–**
ESO Ltd				
Loans to associates and related companies	5,152,739	–	5,152,739	100.0%
Other assets and liabilities ESO Ltd	27,681,593	–	27,681,593	100.0%
Total	**32,834,332**	**–**	**32,834,332**	**100.0%**
Total assets less current liabilities	**84,508,182**	**(10,282,592)**	**74,225,590**	**87.8%**

10 Non-current assets continued

Investment in associates continued

Summary of ESO Ltd fund structure	Total £	Minority interest £	ESO Ltd share £	Percentage share £
ESO 1 LP	41,651,876	(8,330,374)	33,321,502	80.0%
ESO (PC) LLP	9,722,747	(1,952,198)	7,770,549	79.9%
Expenses	305,546	–	305,546	100.0%
Profit	(6,419)	–	(6,419)	100.0%
ESO Inv 2 LP	100	(20)	80	80.0%
ESO Ltd current assets, current liabilities and loans to related companies	32,834,332	–	32,834,332	100.0%
Total assets less current liabilities	**84,508,182**	**(10,282,592)**	**74,225,590**	**87.8%**

11 Financial assets and liabilities

	2019 Group £	2018 Group £
Assets		
Financial assets at fair value through profit or loss – designated on initial recognition		
Investments in associates	27,707,795	41,391,258
Financial assets at amortised cost		
Loans and receivables and cash balances	36,513,168	33,298,654
Total financial assets	**64,220,963**	**74,689,912**
Liabilities		
Financial liabilities measured at amortised cost		
Other financial liabilities	(492,878)	(464,322)
Loans from associates and related companies	–	–
Unsecured loan note instruments	(3,915,612)	(7,882,736)
Total financial liabilities	**(4,408,490)**	**(8,347,058)**

Fair values of financial instruments

The fair values of financial assets and financial liabilities that are traded in an active market are based on quoted market prices. For all other financial instruments, the Group determines fair values using other valuation techniques, based on the IPEV guidelines.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using; quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data;

11 Financial assets and liabilities continued

Fair values of financial instruments continued

- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Various valuation techniques may be applied in determining the fair value of investments held as level 3 in the fair value hierarchy. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used. As discussed below, the Investment Advisor has selected to use the Sales/EBITDA multiples valuation model as a benchmark in arriving at the fair value of investments held as level 3 in the fair value hierarchy.

Valuation framework

The Group has developed a valuation framework with respect to the measurement of fair values. The valuation of investments is performed by the Investment Advisor. As detailed in note 3(f), the Investment Advisor determines fair values using the IPEV guidelines. The following approach is used:

- 'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk;
- The Sales/EBITDA multiples valuation model is used as a benchmark and is based on budgeted Sales/EBITDA for the next financial year;
- Loans made are stated at amortised cost but impairment tested based on the enterprise value derived from the valuation.

Fair value hierarchy – Financial instruments measured at fair value

The table below analyses the underlying investments held by the associates measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. Debt securities are also included, as although stated at amortised cost, the Investment Advisor assesses the fair value of the total investment, which includes debt and equity. The amounts are based on the values recognised in the statement of financial position. All fair value measurements below are recurring. There are no other financial assets or liabilities carried at fair value.

31 January 2019	Level 1 £	Level 3 £	Total £
Financial assets at fair value through profit or loss			
Unlisted private equity investments	–	3,130,983	3,130,983
Listed private equity investments	23,442,246	–	23,442,246
Debt securities, unlisted	–	13,595,893	13,595,893
Total investments	**23,442,246**	**16,726,876**	**40,169,122**

31 January 2018	Level 1 £	Level 3 £	Total £
Financial assets at fair value through profit or loss			
Unlisted private equity investments	–	14,737,400	14,737,400
Listed private equity investments	28,763,616	–	28,763,616
Debt securities, unlisted	–	11,495,027	11,495,027
Total investments	**28,763,616**	**26,232,427**	**54,996,043**

11 Financial assets and liabilities continued

Fair value hierarchy – Financial instruments measured at fair value continued

The following table shows a reconciliation of the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

Unlisted private equity investments	2019 £	2018 £
Balance at 1 February	14,737,400	11,685,937
Additional investments	–	2,351,104
Sale of investments	(11,012,405)	–
Change in fair value through profit or loss	(594,012)	700,359
Balance at 31 January	**3,130,983**	**14,737,400**

Significant unobservable inputs used in measuring fair value

The table below sets out information about significant unobservable inputs used at 31 January 2019 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description	Fair value at 31 January 2019 £	Valuation technique	Range of Estimate
Unquoted private equity investments	£3.13m	Sales/EBITDA multiple	£2.85m – £4.59m

The table below sets out information about significant unobservable inputs used at 31 January 2018 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description	Fair value at 31 January 2019 £	Valuation technique	Range of Estimate
Unquoted private equity investments	£12.67m	Sales/EBITDA multiple	£11.25m – £20.78m
Recent unquoted private equity investments	£2.07m	Cost value	–

Significant unobservable inputs are developed as follows:

- Sales/EBITDA multiples: Represents amounts that market participants would use when pricing the investments. Sales/EBITDA multiples are selected from comparable public companies based on geographic location, industry, size, target markets and other factors that management considers to be reasonable. The traded multiples for the comparable companies are determined by dividing the enterprise value of the company by its Sales or EBITDA and further discounted for considerations such as the lack of marketability and other differences between the comparable peer group and specific company.
- Cost value: For recently acquired unquoted private equity investments the fair value of the asset is measured as the acquisition cost (less any attributable fees). This approach to measuring the fair value of unquoted private equity investments is in line with the guidelines published by IPEV.

IFRS 13 requires disclosure, by class of financial instrument, if the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. The information used in determination of the fair value of Level 3 investments is chosen with reference to the specific underlying circumstances and position of the investee company. On that basis, the Board believe that the impact of changing one or more of the inputs to reasonably possible alternative assumptions would not change the fair value significantly.

Financial instruments not measured at fair value

The carrying value of short-term financial assets and financial liabilities (cash, debtors and creditors) approximate their fair value. The carrying value of the convertible and the new loan note instruments are also considered to approximate fair value. Investments in associates are considered to be stated at fair value, as the underlying investments are at fair value.

12 Cash and cash equivalents

	2019 £	2018 £
Current and call accounts	29,125,615	28,047,141
	29,125,615	**28,047,141**

The current and call accounts have been classified as cash and cash equivalents in the Consolidated Statement of Cash Flows.

13 Loans to associates and related companies

	2019 £	2018 £
EPIC Structured Finance Limited	500,000	500,000
ESO 1 LP	2,512,055	512,055
ESO AI LP	2,045,657	2,045,657
David Philips Group Limited	–	40,000
Hamsard 3463 Limited	2,020,000	2,055,027
ESO DP Limited	8,113	–
Total loans to associates and related companies	**7,085,825**	**5,152,739**

The loans to associates are unsecured, interest free and not subject to any fixed repayment terms.

The loan to Hamsard 3463 Limited is unsecured, interest bearing at 10% per annum and payable by 31 January 2023.

14 Trade and other payables

	2019 £	2018 £
Trade payables	50,176	16,391
Accrued administration fee	7,726	9,673
Accrued audit fee	12,224	14,241
Accrued professional fee	101,465	24,250
Accrued investment advisor fees	308,454	386,934
Accrued Directors’ fees	12,833	12,833
Total	**492,878**	**464,322**

15 Non-current liabilities

On 23 July 2015, the Company raised £4,500,000 via a placing of a Unsecured Loan Note ("ULN") instrument. Following the initial issuance of the ULNs, further notes were issued to investors such that on 31 January 2016 the Company had issued £7,975,459 in principal amount and the notes admitted to trading on the ISDX Growth Market on 29 January 2016. During the years ended 31 January 2017 and 31 January 2018 the Company issued no further notes such that on 31 January 2018 the Company had issued £7,975,459 in principal amount. On 31 July 2018, 50% of the outstanding ULNs in issue were redeemed such that £3,987,729 in principal amount was outstanding at the end of the period. The notes carry interest at 7.5% per annum. Issue costs totalling £144,236 have been offset against the value of the loan note instrument and are being amortised over the life of the instrument. The total amount expensed in the year ended 31 January 2019 was £20,605 (2018: £20,605). The carrying value of the ULNs in issue at the year-end was £3,915,612 (2018: £7,882,736). The total interest expense on the ULNs for the year is £469,225 (2018: £618,765). This includes the amortisation of the issue costs.

16 Share Capital

At the year end 1,035,624 treasury shares were held by the EBT (see note 7) (2018: 420,050).

	2019 Number	2019 £	2018 Number	2018 £
Authorised share capital				
Ordinary shares of 5p each	45,000,000	2,250,000	45,000,000	2,250,000
Called up, allotted and fully paid				
Ordinary shares of 5p each	30,065,714	1,503,286	30,065,714	1,503,286
Ordinary shares of 5p each held in treasury	(916,250)	–	(1,765,876)	–
	29,149,464	**1,503,286**	**28,299,838**	**1,503,286**

On 10 December 2018, the Company transferred a total of 849,626 ordinary shares of 5 pence each from the Company's treasury to the trustee of the Company's JSOP Scheme. The transfer was made at a price of 160.00 pence per ordinary share, representing the closing share price on the day of the transfer.

17 Basic and diluted loss per share (pence)

Basic loss per share is calculated by dividing the loss of the Group for the year attributable to the ordinary shareholders of (£6,671,302) (2018: loss of £36,206,322) divided by the weighted average number of shares outstanding during the year of 28,420,881 after excluding treasury shares (2018: 28,187,483 shares).

Diluted loss per share is calculated by dividing the loss of the Group for the year attributable to ordinary shareholders of (£6,671,302) (2018: loss of £36,206,322) divided by the weighted average number of ordinary shares outstanding during the year, as adjusted for the effects of all dilutive potential ordinary shares, of 28,420,881 after excluding treasury shares (2018: 28,187,483 shares).

18 NAV per share (pence)

The Group's NAV per share of 205.19 pence (2018: 234.43 pence) is based on the net assets of the Group at the year-end of £59,812,473 (2018: £66,342,854) divided by the shares in issue at the end of the year of 29,149,464 after excluding treasury shares (2018: 28,299,838).

The Group's diluted NAV per share of 205.19 pence is based on the net assets of the Group at the year-end of £59,812,473 (2018: £66,342,854) divided by the shares in issue at the end of the year, as adjusted for the effects of dilutive potential ordinary shares of 29,149,464 after excluding treasury shares (2018: 28,299,838).

19 Net cash used in operating activities

Reconciliation of net investment expense to net cash used in operating activities:

	2019 Group £	2018 Group £
Net investment expense	(2,337,630)	(3,368,783)
Adjustments for:		
Share based payment expense	120,544	210,043
	(2,217,086)	(3,158,740)
Non-cash items		
Movement in trade and other receivables	(215,872)	516
Movement in trade and other payables	28,556	(220,674)
Accrued bond interest income	–	(25,027)
Movement in loans from associates and related companies	–	(2,100)
Net cash used in operating activities	**(2,404,402)**	**(3,406,025)**

20 Financial instruments

The Group's financial instruments comprise:

- Investments in listed and unlisted companies held by associates, comprising equity and loans
- Cash and cash equivalents, bank loan and convertible loan note instruments; and
- Accrued interest and trade and other receivables, accrued expenses and sundry creditors.

Financial risk management objectives and policies

The main risks arising from the Group's financial instruments are liquidity risk, credit risk, market price risk and interest rate risk. None of those risks are hedged. These risks arise through directly held financial instruments and through the indirect exposures created by the underlying financial instruments in the associates. These risks are managed by the Directors in conjunction with the Investment Advisor. The Investment Advisor is responsible for day to day management of financial instruments in the associates.

Capital management

The Group's capital comprises share capital, share premium and reserves and is not subject to externally imposed capital requirements.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's liquid assets comprise cash and cash equivalents and trade and other receivables, which are readily realisable.

20 Financial instruments continued

Residual contractual maturities of financial liabilities

31 January 2019	Less than 1 Month £	1 – 3 Months £	3 months to 1 year £	1 – 5 years £	Over 5 years £	No stated maturity £
Financial liabilities						
Trade and other payables	492,878	–	–	–	–	–
Loan note instruments	–	–	–	3,915,612	–	–
Loans from associates	–	–	–	–	–	–
Total	**492,878**	**–**	**–**	**3,915,612**	**–**	**–**

31 January 2018	Less than 1 Month £	1 – 3 Months £	3 months to 1 year £	1 – 5 years £	Over 5 years £	No stated maturity £
Financial liabilities						
Trade and other payables	464,322	–	–	–	–	–
Loan note instruments	–	–	–	7,882,736	–	–
Loans from associates	–	–	–	–	–	–
Total	**464,322**	**–**	**–**	**7,882,736**	**–**	**–**

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group.

The Group, through its interests in associates, has advanced loans to a number of private companies which exposes the Group to significant credit risk. The loans are advanced to unquoted private companies, which have no credit risk rating. They are entered into as part of the investment strategy of the Group and its associates, and credit risk is managed by taking security where available (typically a floating charge) and the Investment Advisor taking an active role in the management of the borrowing companies.

Although the Investment Advisor looks to set realistic repayment schedules, it does not necessarily view a portfolio company not repaying on time and in full as 'underperforming' and seeks to monitor each portfolio company on a case-by-case basis. However, in all cases the Investment Advisor reserves the right to exercise step in rights. In addition to the repayment of loans advanced, the Group and associates will often arrange additional preference share structures and take significant equity stakes so as to create shareholder value. It is the performance on the combination of all securities including third party debt that determines the Group's view of each investment.

At the reporting date, the Group's financial assets exposed to credit risk amounted to the following (excluding exposure in the underlying associates):

	2019 £	2018 £
Cash and cash equivalents	29,125,615	28,047,141
Trade and other receivables	180,103	84,210
Loans to associates and related companies	7,085,825	5,152,739
Total	**36,391,543**	**33,284,090**

Cash balances are placed with HSBC Bank plc and Barclays Bank plc both of which have the credit rating of A1 Negative (Moody's).

20 Financial instruments continued

Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk). The Group is exposed to a market price risk via its equity investments held through its interests in associates, which are stated at fair value.

Market price risk sensitivity

The Group is exposed to market price risk with regard to its investment in the partnerships, which own equity interests in a number of quoted and unquoted companies which are stated at fair value. Sensitivity analysis cannot be performed with any reliability on the unquoted equity investments. Luceco plc was quoted on the Main Market of the London Stock Exchange at 31 January 2019. If Luceco plc's share price had been 5.0% higher than actual close of market on 31 January 2019, EPE Special Opportunities Limited's NAV/share would have been 1.57% higher than reported. If Luceco's share price had been 5.0% lower than actual close of market on 31 January 2019, EPE Special Opportunities Limited's NAV/share would have been 1.57% lower than reported. Such movement would have had a corresponding effect on the profit for the year.

Interest rate risk

The Group is exposed to interest rate risk through its investment in the associates and on its cash balances. The associates provide loans to portfolio companies. Most of the loans are at fixed rates. Cash balances earn interest at variable rates. The convertible loan note instruments carry fixed interest rates.

The table below summarises the Group's exposure to interest rate risks. It includes the Group's financial assets and liabilities at the earlier of contractual re-pricing or maturity date, measured by the carrying values of assets and liabilities:

31 January 2019 Assets	Less than 1 month £	1 – 3 months £	3 months – 1 year £	1 – 5 years £	Over 5 years £	Non- interest bearing £	Total £
Loans and receivables							
Secured loans	–	–	–	–	–	–	–
Loans to associates and related companies	–	–	–	2,020,000	–	5,065,825	7,085,825
Trade and other receivables	–	–	–	–	–	180,103	180,103
Cash and cash equivalents	29,125,615	–	–	–	–	–	29,125,615
Total financial assets	**29,125,615**	**–**	**–**	**2,020,000**	**–**	**5,245,928**	**36,391,543**
Liabilities							
Financial liabilities measured at amortised cost							
Trade and other payables	–	–	–	–	–	(492,878)	(492,878)
Loans from associates and related companies	–	–	–	–	–	–	–
Convertible loan note instruments	–	–	–	(3,915,612)	–	–	(3,915,612)
Total financial liabilities	**–**	**–**	**–**	**(3,915,612)**	**–**	**(492,878)**	**(4,408,490)**
Total interest rate sensitivity gap	**29,125,615**	**–**	**–**	**(1,895,612)**	**–**	**–**	**–**

20 Financial instruments continued

Interest rate risk continued

31 January 2018 Assets	Less than 1 month £	1 – 3 months £	3 months – 1 year £	1 – 5 years £	Over 5 years £	Non-interest bearing £	Total £
Loans and receivables							
Secured loans	–	–	–	–	–	–	–
Loans to associates and related companies	–	–	–	2,055,027	–	3,097,712	5,152,739
Trade and other receivables	–	–	–	–	–	84,210	84,210
Cash and cash equivalents	28,047,141	–	–	–	–	–	28,047,141
Total financial assets	**28,047,141**	**–**	**–**	**2,055,027**	**–**	**3,181,922**	**33,284,090**
Liabilities							
Financial liabilities measured at amortised cost							
Trade and other payables	–	–	–	–	–	(464,322)	(464,322)
Loans from associates and related companies	–	–	–	–	–	–	–
Convertible loan note instruments	–	–	–	(7,882,736)	–	–	(7,882,736)
Total financial liabilities	**–**	**–**	**–**	**(7,882,736)**	**–**	**(464,322)**	**(8,347,058)**
Total interest rate sensitivity gap	**28,047,141**	**–**	**–**	**(5,827,709)**	**–**	**–**	**–**

Interest rate sensitivity

The Group is exposed to market interest rate risk only via its cash balances. A sensitivity analysis has not been provided as it is not considered significant to Group performance.

Currency risk

The Group has no direct exposure to currency risk as it has no non-sterling assets or liabilities.

21 Directors' interests

Five of the Directors have interests in the shares of the Company as at 31 January 2019 (2018: four). Geoffrey Vero holds 136,214 ordinary shares (2018: 105,532). Nicholas Wilson holds 120,894 ordinary shares (2018: 105,743). Robert Quayle holds 107,201 ordinary shares (2018: 87,883). Clive Spears holds 125,105 ordinary shares (2018: 105,787) and Heather Bestwick holds 12,500 ordinary shares (2018: nil).

22 Related parties

Geoffrey Vero is a non-executive Director of Numis Corporation plc and a former non-executive Director of Numis Securities Limited, the Nominated Advisors to the Company. During the year ended 31 January 2019, broker fees of £52,758 (2018: £60,405) and corporate and finance fees of £235,000 (2018: £nil) in relation to the Company's redomicile to Bermuda were paid to Numis Securities Limited, a subsidiary of Numis Corporation plc.

Directors' interests in the shares of the Company are included in note 21 to the financial statements.

Certain Directors of the Company and other participants (including employees and members of the Investment Advisor) are incentivised in the form of equity settled share-based payment transactions, through a Joint Share Ownership Plan (see note 7).

Details of fees payable to key service providers are included in note 5 to the financial statements.

23 Subsidiary companies

On 29 October 2005, the Company incorporated EPIC Reconstruction Property Company (IOM) Limited, in the Isle of Man, which was incorporated to allow the Group to look into possible investments in IOM which did not transpire the way it was intended to. As a result, there has been no trading activity being carried out through the subsidiary. EPE Special Opportunities Limited owns 100% ordinary shares of EPIC Reconstruction Property Company (IOM) Limited.

On 16 November 2012, the Company incorporated Corvina Limited, in the Isle of Man, whose principal activity is that of acquiring shares in the Company, which are held as treasury shares (see note 16). EPE Special Opportunities Limited owns 100% ordinary shares of Corvina Limited ordinary shares.

The Company is deemed to have control of its EBT, which is therefore treated as a subsidiary and consolidated for the purpose of the Group accounts (see note 16). EPE Special Opportunities Limited owns 100% ordinary shares of EBT.

EPIC Reconstruction Property Company (IOM) Limited and Corvina Limited are dormant.

24 Subsequent events

There were no significant subsequent events.

Schedule of shareholders holding over 3% of issued shares

As at 24 January 2019

	Percentage holding
Giles Brand	22.41%
Corporation of Lloyds	6.09%
Miton Asset Management	5.91%
HSBC Private Bank	5.01%
Canaccord Genuity Wealth Management	4.68%
Janus Henderson Investors	3.32%
Total over 3% holding	**47.42%**

For your notes

For your notes

Group Information

Directors	G.O. Vero *(Chairman)* H. Bestwick R.B.M. Quayle C.L. Spears N.V. Wilson	Administrator and Company Address	R&H Fund Services (Jersey) Limited Ordnance House 31 Pier Road, St Helier Jersey JE4 8PW
Secretary	P.P. Scales		
Investment Advisor	EPIC Private Equity LLP Audrey House 16-20 Ely Place London EC1N 6SN	Nominated Advisor and Broker	Numis Securities Limited 10 Paternoster Square London EC4M 7LT
Auditors and Reporting Accountants	KPMG Audit LLC Heritage Court 41 Athol Street Douglas Isle of Man IM99 1HN	Registered Agent (Bermuda)	Conyers Dill & Pearman Clarendon House 2 Church Street Hamilton HM 11 Bermuda
Bankers	Barclays Bank plc 1 Churchill Place Canary Wharf London E14 5HP HSBC Bank plc 1st Floor 60 Queen Victoria Street London EC4N 4TR	Registrar and CREST Providers	Computershare Investor Services (Jersey) Limited Queensway House Hilgrove Street St. Helier Jersey JE1 1ES