

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own financial advice immediately from an independent financial adviser who is authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”) if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.**

This document has been prepared in connection with the publication of a prospectus (the “**Prospectus**”) for the purposes of Article 3 of the UK version of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by the Prospectus (Amendment, etc.) (EU Exit) Regulations 2019 relating to EPE Special Opportunities Limited (the “**Company**”), prepared in accordance with the prospectus regulation rules of the Financial Conduct Authority (the “**FCA**”) made pursuant to section 73A of FSMA (the “**Prospectus Regulation Rules**”) and approved by the FCA as competent authority under the Prospectus Regulation and under Section 87A of FSMA. It constitutes “a separate copy of the summary” for the purposes of Article 21(3) of the Prospectus Regulation.

The Prospectus is dated 2 December 2021. The page numbers in this document correspond to the page numbers in the Prospectus. The Prospectus is available for download at [www.epespecialopportunities.com/](http://www.epespecialopportunities.com/).

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## **EPE SPECIAL OPPORTUNITIES LIMITED**

*(Incorporated in Bermuda under the Companies Act 1981, as amended, with company number 53954)*

**Placing targeting an issue of 20 million Zero Dividend Preference Shares  
at a Placing Price of £1.00 per ZDP Share**

**Admission to the standard segment of the Official List of the UK Listing Authority and  
to trading on the London Stock Exchange’s Main Market for listed securities**

***Broker and Placing Agent***  
**LIBERUM CAPITAL LIMITED**

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Liberum Capital Limited (“**Liberum**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and for no one else in relation to Admission and the Placing and the other arrangements referred to in this Prospectus. Liberum will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to Admission and the Placing and the other arrangements referred to in this Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to Admission or the Placing, the contents of this Prospectus or any transaction or arrangement referred to in this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Liberum by the FSMA or the regulatory regime established thereunder, Liberum does not make any representation express or implied in relation to, nor accepts any responsibility whatsoever for, the contents of the Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the ZDP Shares, Admission or the Placing. Liberum (and its affiliates) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for any statutory liability) whether arising in tort, contract or otherwise which it might have in respect of the contents of the Prospectus or any other statement made or purported to be made by it or on its behalf in connection with the Company, the ZDP Shares, Admission or the Placing.

This document and the Prospectus do not constitute an offer to sell or issue, or the solicitation of an offer to purchase, subscribe for or otherwise acquire, Shares in any jurisdiction where such an offer or solicitation would be unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company or PCP2 Limited. This document does not form the complete Prospectus and any decision to acquire securities should only be taken on the basis of information contained in the full Prospectus.

## SUMMARY

### 1 **Introduction and warnings**

**This summary has been prepared in accordance with Article 7 of the UK Prospectus Regulation and should be read as an introduction to the Prospectus. Any decision to invest in the ZDP Shares should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of its invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in ZDP Shares.**

The securities which the Company intends to issue pursuant to the Placing are zero dividend preference shares of one pence each in the capital of the Company (the “**ZDP Shares**”), whose ISIN is BMG3163K1137 and SEDOL number is BMFSHK1. The Company’s legal entity identifier (“**LEI**”) is 213800BQKN9C23A7LK98.

EPE Special Opportunities Limited, the issuer and offeror of the securities can be contacted by writing to its principal place of business, Liberation House, Castle Street, St Helier, Jersey JE1 2LH or by calling +44 1534 885200, within business hours. The Company can also be contacted through its administrator, Langham Hall Fund Management (Jersey) Limited by writing to Liberation House, Castle Street, St Helier, Jersey JE1 2LH, calling within business hours, +44 1534 885200 or emailing [eso@langhamhall.com](mailto:eso@langhamhall.com).

This Prospectus has been approved by the United Kingdom Financial Conduct Authority of 12 Endeavour Square, London E20 1JN on 2 December 2021. Contact information relating to the Financial Conduct Authority can be found at <https://www.fca.org.uk/contact>.

### 2 **Key information on the issuer**

#### 2.1 **Who is the issuer of the securities?**

The issuer is EPE Special Opportunities Limited of Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company’s principal place of business is Liberation House, Castle Street, St Helier, Jersey JE1 2LH. The Company was incorporated in the Isle of Man as a public company limited by shares on 25 July 2002 with registered number 108834C. On 12 September 2018, the Company completed the migration of its place of incorporation from the Isle of Man to Bermuda with registered number 53954. The principal legislation under which the Company operates is the Bermuda Companies Act. The Company’s principal place of business and its place of tax residency is Jersey. The Company is not regulated as a collective investment scheme by the FCA but is an AIF under the AIFM Regime and the EU AIFM Directive.

The Ordinary Shares are quoted on the AIM market of the London Stock Exchange and on the Aquis Stock Exchange (formerly the NEX Exchange). The Company has appointed EPIC Investment Partners LLP as the investment advisor of the Group.

The Company’s investment objective and investing policy is set out below.

#### **Investment Objective**

The Company’s investment objective is to provide long-term return on equity for Ordinary Shareholders by way of investment in a portfolio of private equity assets. The portfolio is likely to be concentrated, numbering between two and ten assets at any one time.

The Company’s investment advisor is EPIC Investment Partners LLP (“**EPIC**” or the “**Investment Advisor**”).

#### **Investing Policy**

The Investment Advisor believes that there is a strong case to invest in small and medium sized enterprises (“**SMEs**”) given the attractive fundamentals of the segment. As a result, the Investment

Advisor continues to use proprietary deal sourcing approaches to source these opportunities, as well as engaging actively with the wider corporate advisory community to communicate the Company's investment strategy.

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; and
- Opportunity for strong cash generation.

The Company will continue to target the following types of investments:

- Growth, Buyout and Pre-IPO opportunities: leveraging the Investment Advisor's investment experience, contacts and ability. The Company is particularly focused on making investments in sectors where the opportunity exists to create a unique asset via the consolidation of a number of smaller companies, taking advantage of the lack of liquidity in the SME market and the attraction to secondary buyers of larger operations.
- Special Situations: investment opportunities where the Investment Advisor believes that assets are undervalued due to specific, event-driven circumstances and where asset-backing may be available and the opportunity exists for recovery and significant upside. Target companies may or may not be distressed as a result of the situation. The Investment Advisor will aim to use its restructuring and refinancing expertise to resolve the situation and achieve a controlling position in the target company. The Company seeks to acquire distressed debt, undervalued equity or the assets of target businesses in solvent or insolvent situations.
- Private Investment in Public Equities ("**PIPEs**"): the Company may consider making investments in a number of smaller quoted companies, primarily those whose shares are admitted to AIM. The Company will either seek to acquire and de-list the target company or take a large minority interest in the target company whilst retaining the listing. The Company may offer ordinary shares in the Company as all or part of the consideration for such investments.
- Special Purpose Acquisition Companies ("**SPACs**"): the Company may consider making investments in listed companies which have been established to acquire other companies. The Investment Advisor would seek to work with a management team to develop an acquisition strategy in advance of the listing of the SPAC, at which point the Company would invest. The subsequent acquisition or acquisitions may be funded through further equity raises directly into the SPAC. The strategy would seek to take advantage of the Investment Advisor's combination of experience in both the establishment of and management of listed companies and private equity investing.
- Secondary Portfolios, Limited Partner positions (Secondary or Primary), other EPIC Funds: the Company is able, through EPIC's Placement division, to invest as a limited partner in various private equity funds and debt funds on substantially improved terms. On occasion, the Company will seek to take advantage of these commitments. The Investment Advisor's skill-set and experience is well suited to the requirements of co-investing in funds.

The Company will consider most industry sectors, but has particular expertise in the consumer and retail, business services, financial services and industrials sectors. The Company partners with management teams and entrepreneurs to maximise value by combining financial and operational expertise in each investment.

The Company will seek to invest between £2 million and £30 million in a range of debt and equity instruments with a view to generating returns through both yield (c.5 per cent. to 15 per cent. per annum) and capital gain. Whilst in general the Company aims to take controlling equity positions, it may seek to develop companies as a minority investor. Occasionally the Board may authorise investments of less than £2 million. For investments larger than £30 million, the Company may seek co-investment from third parties or additional public market fundraisings.

The Company looks to invest in businesses with strong fundamentals, including defensible competitive advantage, opportunity for strong future cashflow and dynamic management teams.

The Company's portfolio is likely to be concentrated, numbering between two and ten assets at any one time, which allows the Company to allocate the necessary 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 Company's period of ownership.

The Company aims to invest in UK focused assets as well as those with significant overseas operations.

The Company will not make any material change to its published investment policy without the approval of the Ordinary Shareholders by way of an ordinary resolution at a general meeting. Any change to the investment policy which does not amount to a material change to the investment policy may be made by the Company without the approval of the Ordinary Shareholders.

In the event of the Directors becoming aware of a breach of the investing policy and/or the investment restrictions applicable to the Company and if the Directors consider the breach to be material, a notification will be made to a Regulatory Information Service.

### **Major Shareholders**

As at the latest practicable date, insofar as is known to the Company based on notifications made to it pursuant to the Disclosure Guidance and Transparency Rules (as adopted pursuant to the Bye-Laws), the following persons held, directly or indirectly, three per cent. or more of the Company's voting rights (in each case for the purposes of Chapter 5 of the Disclosure Guidance and Transparency Rules):

<i>Name</i>	<i>% voting rights</i>
Giles Brand	32.14
The Corporation of Lloyds	9.77
Canaccord Genuity Wealth Management	7.31
Boston Trust Company Limited (Trustee of the EBT)	5.82
Premier Miton Investors	5.46
Lombard Odier Darier Hentsch	3.25

## **2.2 Who are the Directors?**

No member of the Group has any executive directors. The following individuals are the non-executive directors of the Company: Clive Spears (Chairman), Heather Bestwick, David Pirouet, Nicholas Wilson and Michael Gray.

## **2.3 Who are the statutory auditors?**

The statutory auditors to the Group are KPMG Audit LLC of Heritage Court, 41 Athol Street, Douglas, Isle of Man, IM1 1LA.

## **2.4 What is the key financial information regarding the Group?**

The selected historical financial information set out below, which has been prepared under IFRS, has been extracted without material adjustment from the annual reports and audited consolidated financial statements of the Group for each of the three financial years ended 31 January 2019, 2020 and 2021 and the interim reports and unaudited financial statements of the Group for each of the six months ended 31 July 2020 and 31 July 2021 which have been incorporated into this Prospectus by reference.

### **Additional information relevant to closed ended funds (unaudited)**

<i>Share Class</i>	<i>Total NAV*</i>	<i>No. of Shares</i>	<i>NAV per Share*</i>		<i>Historical performance of the Company</i>				
					<i>6 months (%)</i>	<i>1 year (%)</i>	<i>3 years (%)</i>	<i>5 years (%)</i>	<i>10 years (%)</i>
Ordinary Shares	£172.4 million	32,148,823	536.19p	NAV per Share total return	8	35	168	67	554

\* As at 31 October 2021, being the latest published NAV prior to the publication of this Prospectus.

## Statement of Comprehensive Income

	Year ended 31 January		Six months ended 31 July		
	2019 (audited)	2020 (audited)	2021 (audited)	2020 (unaudited)	2021 (unaudited)
Total income/(loss) (£'000)	(3,588.1)	39,670.1	42,016.2	(2,438.3)	36,735.2
Total comprehensive income/(loss) (£'000)	(6,671.3)	36,224.7	38,253.0	(4,172.9)	34,309.7
Performance fee (£'000)	(418.7)	7,445.0	16,893.0	6,370.5	26,592.3
Investment Management Fee (£'000)	1,137.1	1,642.5	1,937.2	938.0	1,029.0
Other Expenses (£'000)	1,476.8	1,483.1	1,506.3	636.8	1,236.6
Basic earnings/(loss) per Ordinary Share (pence)	(23.47)	112.86	116.69	(12.69)	106.72

## Statement of Assets and Liabilities

	As at 31 January		As at 31 July	
	2019 (audited)	2020 (audited)	2021 (audited)	2021 (unaudited)
Net assets (£'000)	59,812	104,258	140,693	174,342
Net asset value per Ordinary Share (pence)	205.19	317.18	437.63	542.30

### 2.5 What are the key risks that are specific to the issuer?

The attention of investors is drawn to the risks associated with an investment in the Group which, in particular, include the following:

- Meeting the Company's investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met. The Company will be dependent upon the Investment Advisor's successful implementation of the Company's investing policy and its investment strategies, and ultimately on its ability to create an investment portfolio capable of generating attractive returns.
- The Company holds a concentrated investment portfolio and as at 31 October 2021 is approximately 86 per cent. of the Company's gross asset value is represented by 5 investments. In particular, approximately 62 per cent. of the gross asset value of the Company as at 31 October 2021 is represented by the Group's investment in the equity securities of Luceco. Any adverse decline in the value of the Group's investment in Luceco may have a material adverse effect on the Company's ability to pay the Final Capital Entitlement on the ZDP Shares in full on the ZDP Repayment Date.
- The Company's portfolio comprises equity interests in, and debt owed by, unquoted private companies which may be difficult to value and/or realise. The future success of the Company is dependent upon the performance of its portfolio and the identification and acquisition of suitable investment opportunities. There can be no guarantees that such investments can or will be acquired or that its current or future investments will be successful.
- The Company may employ third party borrowings at the level of the Company and/or at the level of any Group entity through which the Company invests. In the event that the Company's income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Company and accordingly, this will could have a material adverse effect on the performance of the Company and its ability to pay the Final Capital Entitlement on the ZDP Shares in full on the ZDP Repayment Date.

## 3 Key information on the securities

### 3.1 What are the main features of the securities?

#### ZDP Shares

The securities which the Company is targeting to issue pursuant to the Placing is 20 million Zero Dividend Preference Shares of one pence each, whose ISIN is BMG3163K1137, SEDOL number is BMFSHK1 and ticker symbol is ESOZ. The maximum number of ZDP Shares to be issued pursuant to the Placing is 20 million ZDP Shares. The currency of the ZDP Shares is Sterling.

As at 1 December 2021, being the latest practicable date prior to publication of this Prospectus there were no ZDP Shares in issue. As at the same date, the Company had 32,148,823 Ordinary Shares in issue. The Ordinary Shares are quoted on the AIM market of the London Stock Exchange and on the Aquis Stock Exchange (formerly the NEX Exchange). The Loan Notes are quoted on the Aquis Stock Exchange (formerly the NEX Exchange).

### ***Rights attaching to the ZDP Shares***

The ZDP Shares will carry no entitlement to income and the whole of any return will therefore take the form of capital. The ZDP Shares will have an initial capital entitlement on 17 December 2021 of 100p per ZDP Share (being equivalent to the Placing Price) and will have a Final Capital Entitlement of 129.14p per ZDP Share on 16 December 2026, equivalent to a Gross Redemption Yield of 5.25 per cent. per annum on the Placing Price. No further ZDP Shares will be issued at a price which has the effect of reducing the Cover for the ZDP Shares, at or around the time of the issue of such additional ZDP Shares, below four times. The ZDP Shares will not carry the right to vote at general meetings of the Company, but they will carry the right to vote as a class on certain proposals which would be likely to affect materially their position.

### ***Rank of securities in the issuer's capital structure in the event of insolvency***

The ZDP Shares will rank in priority to the Ordinary Shares in the event of an insolvency of the Company.

### ***Restrictions on the free transferability of the ZDP Shares***

Subject as provided below, any ZDP Shareholder may transfer all or any of their ZDP Shares by instrument of transfer in any form which the Directors may approve, subject to compliance with applicable securities laws. The Board may in its absolute discretion and without giving any reason, refuse to register a transfer of a partly paid share provided that the Directors have exercised their discretion without thereby prejudicing dealings being on an open and proper basis. The Board may also refuse to register a transfer of uncertificated shares in such other circumstances as may be permitted or required by the Regulations.

### ***Dividend Policy***

No dividends will be paid to any ZDP Shareholders. Dividends and other payments to holders of Ordinary Shares will be restricted while the ZDP Shares are in issue unless the Cover is at least three times immediately following any such payment.

## **3.2 Where will the securities be traded?**

Application will be made to the London Stock Exchange for all of the ZDP Shares to be issued pursuant to the Placing to be admitted to trading on the Main Market (standard listing segment). It is expected that Admission will become effective, and that dealings in the ZDP Shares will commence, on 17 December 2021.

## **3.3 What are the key risks that are specific to the securities?**

The attention of investors is drawn to the risks associated with an investment in the ZDP Shares issued pursuant to the Placing which, in particular, include the following:

- Although on an insolvency of the Company, the ZDP Shares will rank in priority to the Ordinary Shares, the ZDP Shares will rank behind any secured creditors or unsecured creditors of the Company.
- If the Company is wound up prior to the ZDP Repayment Date, holders of the ZDP Shares may not be entitled to receive the full Final Capital Entitlement.

## **4 Key information on the offer of securities to the public and the admission to trading on a regulated market.**

### **4.1 Under which conditions and timetable can I invest in this security?**

The Company is targeting an issue of 20 million ZDP Shares by way of the Placing. The maximum number of ZDP Shares to be issued pursuant to the Placing is 20 million ZDP Shares. Holders of Ordinary Shares will not suffer any dilution of their voting rights as a result of the issue of the ZDP Shares pursuant to the Placing as ZDP Shares do not carry any voting rights save in limited circumstances.

ZDP Shares are being made available under the Placing at the Placing Price of 100p per ZDP Share. The Placing will close at 11.00 a.m. on 14 December 2021 (or such later date as the Company, the Investment Advisor and Liberum may agree). The results of the Placing are expected to be announced on 15 December 2021. Admission of the ZDP Shares issued pursuant to the Placing is expected to occur on 17 December 2021.

The Placing is conditional upon, *inter alia*, (i) Admission occurring and becoming effective by 8.00 a.m. on or prior to 17 December 2021 (or such later time and/or date, not being later than 8.00 a.m. on 31 January 2022, as the Company, the Investment Advisor and Liberum may agree); (ii) the Placing Agreement becoming otherwise unconditional in all respects (other than in respect of any condition regarding Admission) in relation to the Placing and not having been terminated in accordance with its terms on or before 8.00 a.m. on the date of the Admission; (iii) the Minimum Gross Proceeds being raised pursuant to the Placing; (iv) the Company having the requisite authority to issue and allot the ZDP Shares pursuant to the passing of the Resolution; and (v) Liberum confirming to the Placees their allocation of ZDP Shares.

Application will be made for all of the ZDP Shares to be issued pursuant to the Placing to be admitted to the Official List (by way of a standard listing under Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange.

The costs and expenses (including irrecoverable VAT) of, and incidental to, the Placing payable by the Company are expected to be approximately £610,000 (assuming Gross Proceeds of £20 million). There are no commissions, fees or expenses to be charged to investors by the Company under the Placing.

#### **4.2 Why is this prospectus being produced?**

This Prospectus is being produced in connection with the admission of the ZDP Shares to the standard segment of the Official List and to trading on the main market of the London Stock Exchange.

The Company is targeting an issue of £20 million pursuant to the Placing of ZDP Shares. The Directors intend to use the entirety of the Net Proceeds of the Placing to allow the Company to maintain significant cash balances whilst continuing to invest in accordance with the Company's investing policy.

None of the ZDP Shares available under the Placing are being underwritten.

