

ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH RULE 2 OF THE AIM RULES FOR COMPANIES (“AIM RULES”)

COMPANY NAME:

EPE Special Opportunities plc (“ESO” or the “Company”)

As of completion of the Migration (as defined and described in the circular sent to the Company’s shareholders on 1 August 2018 (the “Circular”)), which is expected to occur on 12 September 2018, the Company’s name will be EPE Special Opportunities Limited

COMPANY REGISTERED OFFICE ADDRESS AND IF DIFFERENT, COMPANY TRADING ADDRESS (INCLUDING POSTCODES) :

Current registered office address:

IOMA House
Hope Street
Douglas
Isle of Man
IM1 1AP

As of completion of the Migration, the Company’s registered office address will be:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

The address of the Company’s centre of operations is, and will continue to be after completion of the Migration:

Ordnance House
31 Pier Road
St Helier
Jersey JE4 8PW

COUNTRY OF INCORPORATION:

Current: Isle of Man

As of completion of the Migration, the Company’s country of incorporation will be Bermuda.

COMPANY WEBSITE ADDRESS CONTAINING ALL INFORMATION REQUIRED BY AIM RULE 26:

www.epespecialopportunities.com

COMPANY BUSINESS (INCLUDING MAIN COUNTRY OF OPERATION) OR, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING POLICY). IF THE ADMISSION IS SOUGHT AS A RESULT OF A REVERSE TAKE-OVER UNDER RULE 14, THIS SHOULD BE STATED:

ESO is a private equity investment company whose objective is to provide long-term return on equity for its shareholders by investing in small and medium sized companies. The Company is quoted on both AIM and the NEX Exchange Growth Market.

EPIC Private Equity LLP with FCA reference number 451580 is the investment adviser to the Company and an appointed representative of EPIC Private Equity Limited which is authorised and regulated by the FCA, with reference number 217457.

ESO seeks to invest between £2m and £20m in growth capital, buyout, distressed and private investment in public equities ("PIPE") situations and has the flexibility to invest publicly as well as privately. The Company is also able to invest in special purpose acquisition companies ("SPACs") and third party funds.

ESO will consider most industry sectors including consumer and retail, financial services, manufacturing and the wider services sector (including education, healthcare and business services).

ESO targets companies with strong fundamentals, including defensible competitive positioning and high levels of cash generation, and seeks to partner with outstanding management teams to combine operational and financial expertise in each investment.

ESO's portfolio may be concentrated in order to focus on a small number of high-quality assets, generally between two and ten at any one time.

DETAILS OF SECURITIES TO BE ADMITTED INCLUDING ANY RESTRICTIONS AS TO TRANSFER OF THE SECURITIES (i.e. where known, number and type of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares):

The Company's issued share capital is 30,065,714 ordinary shares of 5 pence each ("Ordinary Shares"), of which 1,765,876 Ordinary Shares are Ordinary Shares held in treasury.

There are no restrictions on the transfer of securities.

CAPITAL TO BE RAISED ON ADMISSION (AND/OR SECONDARY OFFERING) AND ANTICIPATED MARKET CAPITALISATION ON ADMISSION:

Admission only due to a migration of the Company's jurisdiction of incorporation from the Isle of Man to Bermuda. There is no fund raise associated with the Migration.

The market capitalisation on re-admission of the Ordinary Shares to AIM ("Admission") is expected to be approximately £40 million.

PERCENTAGE OF AIM SECURITIES NOT IN PUBLIC HANDS AT ADMISSION:

29.88%

DETAILS OF ANY OTHER EXCHANGE OR TRADING PLATFORM TO WHICH THE AIM SECURITIES (OR OTHER SECURITIES OF THE COMPANY) ARE OR WILL BE ADMITTED OR TRADED:

The Ordinary Shares are admitted to trading on the NEX Exchange Growth Market.

The Company also has unsecured loan notes ("ULNs") admitted to trading on the NEX Exchange Growth Market. The carrying value of the ULNs in issue as at 31 January 2018 (the last financial year-end) was £7,882,736.

FULL NAMES AND FUNCTIONS OF DIRECTORS AND PROPOSED DIRECTORS (underlining the first name by which each is known or including any other name by which each is known):

Geoffrey Vero, Non-executive chairman

Heather Bestwick, Non-executive director
Robert Quayle, Non-executive director
Clive Spears, Non-executive director
Nicholas Wilson, Non-executive director

FULL NAMES AND HOLDINGS OF SIGNIFICANT SHAREHOLDERS EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL, BEFORE AND AFTER ADMISSION (underlining the first name by which each is known or including any other name by which each is known):

The Company is currently aware of the following shareholdings which represent 3 per cent. or more of the Company's issued share capital (excluding treasury shares) as at 31 July 2018, being the latest date prior to the issue of this announcement. As no capital is being raised concurrently with Admission, and subject to any acquisition or disposal by such persons of any Ordinary Shares in the period between 31 July 2018 and Admission, these holdings are before and after Admission.

Giles Brand: 22.59%
Miton Asset Management: 6.64%
The Corporation of Lloyds: 6.20%
HSBC Private Bank: 5.26%
Canaccord Genuity Wealth Management: 4.82%
Janus Henderson Investors: 3.42%
Hoares Bank: 3.33%
Lombard Odier Darier Hentsch: 3.25%
Killik & Co: 3.17%

NAMES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES:

The names of persons (excluding professional advisers otherwise named in this announcement) that have received fees in excess of £10,000 from the Company since 1 September 2017 are set out below:

Cardew Group Limited
Drax Executive Limited
FIM Capital Limited
EPE Administration Limited
KPMG Audit LLC
Latham & Watkins (London) LLP
Macfarlanes LLP
R&H Fund Services (Jersey) Limited
Squire Patton Boggs (UK) LLP

(i) ANTICIPATED ACCOUNTING REFERENCE DATE
(ii) DATE TO WHICH THE MAIN FINANCIAL INFORMATION IN THE ADMISSION DOCUMENT HAS BEEN PREPARED (this may be represented by unaudited interim financial information)
(iii) DATES BY WHICH IT MUST PUBLISH ITS FIRST THREE REPORTS PURSUANT TO AIM RULES 18 AND 19:

i) Accounting reference date is 31 January
ii) Not applicable as no admission document published. The Company published its annual report for the year ended 31 January 2018 on 2 May 2018.
iii) 31 October 2018 (for its half-yearly report for the period ended 31 July 2018), 31 July 2019 (for its annual audited accounts for the period ended 31 January 2019), 31 October 2019 (for its half-yearly report for the period ended 31 July 2019)

EXPECTED ADMISSION DATE:
21 September 2018
NAME AND ADDRESS OF NOMINATED ADVISER:
Numis Securities Limited 10 Paternoster Square London EC4M 7LT
NAME AND ADDRESS OF BROKER:
Numis Securities Limited 10 Paternoster Square London EC4M 7LT
OTHER THAN IN THE CASE OF A <u>QUOTED APPLICANT</u>, DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES:
Not applicable.
THE CORPORATE GOVERNANCE CODE THE APPLICANT HAS DECIDED TO APPLY
The Company has decided to apply the Quoted Companies Alliance Corporate Governance Code (the "QCA Code").
DATE OF NOTIFICATION:
1 August 2018
NEW/ UPDATE:
New
QUOTED APPLICANTS MUST ALSO COMPLETE THE FOLLOWING:
THE NAME OF THE <u>AIM DESIGNATED MARKET</u> UPON WHICH THE APPLICANT'S SECURITIES HAVE BEEN TRADED:
AIM
THE DATE FROM WHICH THE APPLICANT'S SECURITIES HAVE BEEN SO TRADED:
The Ordinary Shares were admitted to trading on AIM on 31 August 2010, following completion of a reverse takeover. The Ordinary Shares were first admitted to trading on AIM on 16 September 2003.
CONFIRMATION THAT, FOLLOWING DUE AND CAREFUL ENQUIRY, THE APPLICANT HAS ADHERED TO ANY LEGAL AND REGULATORY REQUIREMENTS INVOLVED IN HAVING ITS SECURITIES TRADED UPON SUCH A MARKET OR <u>DETAILS OF WHERE THERE HAS BEEN ANY BREACH</u>:
The Company confirms that, following due and careful enquiry, it has adhered to all legal and regulatory requirements involving having its securities traded on AIM.
AN ADDRESS OR WEB-SITE ADDRESS WHERE ANY DOCUMENTS OR ANNOUNCEMENTS WHICH THE APPLICANT HAS MADE PUBLIC OVER THE LAST TWO YEARS (IN CONSEQUENCE OF HAVING ITS SECURITIES SO TRADED) ARE

AVAILABLE:

www.epespecialopportunities.com

DETAILS OF THE APPLICANT'S STRATEGY FOLLOWING ADMISSION INCLUDING, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING STRATEGY:

The Company's strategy will remain unchanged following Admission. The limited partnerships, limited liability partnership and the private limited company through which the Company holds its investments will continue in the same form post completion of the Migration.

A DESCRIPTION OF ANY SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION OF THE APPLICANT, WHICH HAS OCCURRED SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH AUDITED STATEMENTS HAVE BEEN PUBLISHED:

The following significant events occurred since 31 January 2018, being the end of the last financial period for which audited statements have been published:

As disclosed in the Company's annual report for the year ended 31 January 2018, on 6 March 2018, Luceco plc ("Luceco"), shares in which represent the Company's largest asset, issued a trading update which revised down market expectations for the year ended 31 December 2017 but gave the market greater guidance for Luceco's future outlook.

The resulting fall in Luceco's share price has contributed to a decline in the Company's net asset value ("NAV") to 197.0 pence per Ordinary Share as at 19 July 2018, from 234.43 pence per Ordinary Share as at 31 January 2018.

A STATEMENT THAT THE DIRECTORS OF THE APPLICANT HAVE NO REASON TO BELIEVE THAT THE WORKING CAPITAL AVAILABLE TO IT OR ITS GROUP WILL BE INSUFFICIENT FOR AT LEAST TWELVE MONTHS FROM THE DATE OF ITS ADMISSION:

The directors of the Company have no reason to believe that the working capital available to the Company or its group will be insufficient for at least 12 months from the date of Admission.

DETAILS OF ANY LOCK-IN ARRANGEMENTS PURSUANT TO RULE 7 OF THE AIM RULES:

None

A BRIEF DESCRIPTION OF THE ARRANGEMENTS FOR SETTLING THE APPLICANT'S SECURITIES:

Following completion of the Migration the Ordinary Shares will no longer be eligible for settlement via the CREST system operated by Euroclear UK & Ireland Limited ("CREST"). Therefore, the Company intends to put in place arrangements where Computershare Investor Services PLC, acting as the depositary will, through a custodian, hold the Ordinary Shares currently held in CREST for the relevant shareholders who elect to exchange their uncertificated Ordinary Shares for depositary interests and will on Admission issue depositary interests, being dematerialised depositary interests representing the underlying Ordinary Shares, to the relevant shareholders which may be settled and paid for through the CREST system. Shareholders who currently hold Ordinary Shares through CREST that do not elect to exchange their Ordinary Shares for depositary interests, will, after Admission, be issued with certificates in respect of their Ordinary Shares.

Further details in relation to the depositary interests are set out in paragraph 5 of Part I of the Circular.

Any shareholders who currently hold their Ordinary Shares in the Company in certificated form may continue to hold their Ordinary Shares in certificated form after completion of the Migration and settle any transfers in respect of them in accordance with the Company's newly adopted bye-laws.

A WEBSITE ADDRESS DETAILING THE RIGHTS ATTACHING TO THE APPLICANT'S SECURITIES:

www.epespecialopportunities.com

INFORMATION EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT WHICH IS NOT CURRENTLY PUBLIC:

Please see the document titled "Additional information to Schedule 1 Announcement dated 1 August 2018" which can be found on the company's AIM Rule 26 website at www.epespecialopportunities.com.

A WEBSITE ADDRESS OF A PAGE CONTAINING THE APPLICANT'S LATEST ANNUAL REPORT AND ACCOUNTS WHICH MUST HAVE A FINANCIAL YEAR END NOT MORE THEN NINE MONTHS PRIOR TO ADMISSION AND INTERIM RESULTS WHERE APPLICABLE. THE ACCOUNTS MUST BE PREPARED IN ACCORDANCE WITH ACCOUNTING STANDARDS PERMISSIBLE UNDER AIM RULE 19:

www.epespecialopportunities.com

THE NUMBER OF EACH CLASS OF SECURITIES HELD IN TREASURY:

The Company has 1,765,876 Ordinary Shares each held in treasury.