

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

**Name:** EPE Special Opportunities Limited (“ESO” or “the Company”) – Zero Dividend Preference Shares

**ISIN:** BMG3163K1137

**Manufacturer:** EPIC Investment Partners LLP

**Contact details:** [www.epespecialopportunities.com](http://www.epespecialopportunities.com); call: +44 20 7269 8860 for more information

**Competent Authority:** UK Financial Conduct Authority

This key information document (KID) is produced as at 1 February 2022

## What is this product?

**Type:** Zero dividend preference shares of ESO (“ZDP”), a closed-ended investment company incorporated in Bermuda. The zero dividend preference shares are traded on the Main Market (standard listing segment) of the London Stock Exchange. There is no recommended holding period for the zero dividend preference shares (although a holding period of 5 years has been used for the purposes of the calculations in this document).

**Objectives:** ESO aims to provide long-term return on equity for its shareholders by investing in small and medium sized companies. ESO invests in growth capital, buyout, distressed and PIPE situations and it has the flexibility to invest publicly as well as privately. The company is also able to invest in special purpose acquisition companies and third party funds. ESO will consider most industry sectors including consumer and retail, financial services, manufacturing and the wider services sector which incorporates education, healthcare and business services. ESO provides some diversification of risk across different sectors, asset classes and investment sizes as well as through the differing maturity profile of its investment portfolio. Investments are generally structured as a mixture of equity and shareholder debt with the aim of maximising returns to shareholders, whilst maintaining a strong capital base. The returns for investors in the ZDP are principally determined by reference to the price at which the zero dividend preference shares can be sold in the market or, if held to maturity, the redemption price equal to 129.14 pence per ZDP share. No dividends are payable for ZDP shares.

**Intended Retail Investor:** The product is intended for institutional, professional and high net worth investors, private client fund managers and brokers who have knowledge and experience in investing in financial markets and collective investment vehicles and are capable of evaluating the merits and risks of private equity and debt investments and who wish to invest for the long term in predominantly capital growth investments. Investors should have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses (which may equal the whole amount invested) that may result from the investment.

## What are the risks and what could I get in return?



There is no specific recommended holding period for the ZDP shares in the Company. You may not be able to sell ZDP shares in the Company easily or you may have to sell at a price below the price that you paid or below the prevailing net asset value.



The summary risk indicator is a guide to the level of risk of the Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the market or because the Company is not able to meet the ZDP redemption obligations. We have classified this Product as 2 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact the Company's capacity to meet the ZDP redemption obligations. This Product does not include any protection from future market performance so you could lose some or all of your investment. If the Company is not able to meet the ZDP redemption obligations, you could lose your entire investment.

The following are some of the other risks materially relevant to the PRIIP which are not taken into account in the summary risk indicator:

- The Company is exposed to the risk that its portfolio fails to perform in line with the Company's objectives if it is inappropriately invested or markets move adversely
- While there are a number of methods by which the Company could seek to manage any discount to net asset value at which the Company's ZDP may trade in the secondary market, there is no guarantee that the Company can or will utilise any or all of these methods or, if it does, that it will be successful.

This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment.

### Performance Scenarios

Initial Investment Amount: £10,000

		1 year	3 years	5 years Recommended Holding Period
<b>Stress Scenario</b>	<b>What you might get back after costs</b>	<b>£8,426</b>	<b>£9,162</b>	<b>£8,925</b>
	Average return each year	(15.7%)	(2.9%)	(2.2%)
<b>Unfavourable Scenario</b>	<b>What you might get back after costs</b>	<b>£10,032</b>	<b>£10,417</b>	<b>£10,880</b>
	Average return each year	0.3%	1.4%	1.7%
<b>Moderate Scenario</b>	<b>What you might get back after costs</b>	<b>£10,283</b>	<b>£10,878</b>	<b>£11,507</b>
	Average return each year	2.8%	2.8%	2.8%
<b>Favourable Scenario</b>	<b>What you might get back after costs</b>	<b>£10,547</b>	<b>£11,365</b>	<b>£12,177</b>
	Average return each year	5.5%	4.4%	4.0%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest in £10,000 from the outset. The scenarios shown illustrate how your investment could perform. The scenarios presented are an estimate of future performance based on evidence from how comparables instruments have performed, and are not an exact indicator. Your return will vary depending on how the market performs and how long you hold the investment. The stress scenario shows what you might get back in extreme market circumstances, but does not take into account the situation where the Company is not able to fund the ZDP redemption obligations. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect your return.

### What happens if ESO is unable to pay out?

The Company has no obligations to pay out. Investors may, however, suffer financial loss if the Company is unable to pay out. Investors do not have protection from an investor compensation or guarantee scheme.



## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

**Table 1: Cost over time**

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment: £10,000	If you cash in after 1 year	If you cash in after half the recommended holding period of 5 years	If you cash in at the recommended holding period of 5 years
Total Costs	£0	£0	£0
Impact on return (RIY) per year	0.0%	0.0%	0.0%

**Table 2: Composition of costs**

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period
- The meaning of different cost categories

This table shows the impact on the return per year

### One-off costs

Entry costs	0.0%	The impact of the costs you pay when entering your investment.
Exit costs	0.0%	The impact of the costs of exiting your investment at the end of the recommended holding period.

### Ongoing costs

Portfolio Transaction costs	0.0%	The impact of the costs of us buying and selling underlying investments for the product.
Other ongoing costs	0.0%	The impact of the costs that we take each year for managing your investments.

## How long should I hold it and can I take money out early?

There is no required minimum holding period for the ZDP, with investors being able to sell their investment in the ZDP on the Main Market of the London Stock Exchange. The recommended holding period in this document is for illustrative purposes only. You may sell your ZDP shares in the Company on any day which is a dealing day on the London Stock Exchange. If you choose to sell your shares, you may be subject to dealing costs that your adviser charges for this service.

## How can I complain?

As a shareholder in the Company you do not have the right to complain to the Financial Ombudsman Service about the way it is managed. If you have any complaints about the Company, you may lodge your complaint by writing an email to IR@epicip.com or by sending a letter to: Investor Relations, EPE Special Opportunities Limited, Liberation House, Castle Street, St Helier, Jersey, JE1 2LH. If you have a complaint about a person who is advising on, or selling, an investment in the Company's ZDP you should pursue that complaint with the relevant person in the first instance.

## Other relevant information

This KID, as well as further documentation, including the Company's annual and semi-annual reports, regulatory disclosures and disclaimers, are available on the Company's website at [www.epespecialopportunities.com](http://www.epespecialopportunities.com). This documentation is made available in accordance with the Listing Rules and the Disclosure Guidance and Transparency Rules of the United Kingdom Listing Authority. The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules.

