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## EP GLOBAL OPPORTUNITIES TRUST PLC

*(Incorporated in Scotland with registered number SC259207 and registered as an investment company under s833 of the Companies Act 2006)*

### **Recommended proposal for the change of investment objective and policy of the Company and proposed tender offer**

**and**

### **Notice of General Meeting**

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Notice of a general meeting of the Company to be held at the offices of Dickson Minto W.S., 16 Charlotte Square, Edinburgh EH2 4DF on 17 December 2021 at 10.00 a.m. (the “**General Meeting**”) is set out at the end of this document. Shareholders are requested to return the Form of Proxy accompanying this document for use at the General Meeting.

To be valid, the Form of Proxy must be completed, signed and returned in accordance with the instructions printed thereon to the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible, but in any event so as to arrive no later than 10.00 a.m. on 15 December 2021.

Alternatively, a proxy may be appointed via the internet by going to [www.eproxypointment.com](http://www.eproxypointment.com) by the Proxy Appointment Deadline. CREST members who wish to appoint a proxy for the General Meeting through the CREST electronic proxy appointment service are referred to note 5 in the Notice of General Meeting set out at the end of this document, and such appointment should be transmitted as soon as possible and, in any event, so as to be received by the Proxy Appointment Deadline. Completion and return of Form(s) of Proxy (including Electronic Voting Instruction(s)) or the giving of CREST Proxy Instruction(s) will not preclude a Shareholder from attending the General Meeting in person if they so wish.

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## EXPECTED TIMETABLE

	<i>2021/22</i>
Publication of this document	24 November
Latest time and date for receipt of Forms of Proxy from Shareholders	10.00 a.m. on 15 December
General Meeting	10.00 a.m. on 17 December
Tender Offer Documentation circulated	Early January
Tender Offer	End of January/February

## PART ONE

### LETTER FROM THE CHAIRMAN

# EP GLOBAL OPPORTUNITIES TRUST PLC

*(Incorporated in Scotland with registered number SC259207 and registered as an investment company under s833 of the Companies Act 2006)*

*Directors:*

Cahal Dowds (*Chairman*)  
Hazel Cameron  
David Ross  
Tom Walker

*Registered office:*

27-31 Melville Street  
Edinburgh  
EH3 7JF

24 November 2021

Dear Shareholders

### **Recommended proposal for change of investment objective and policy and tender offer**

#### **Introduction**

We are writing further to our announcements of 25 and 29 October 2021. As announced, following the review of the strategic direction of the Company, we intend to change the Company's management arrangements by becoming a self-managed investment trust. The Board will assume overall control of the Company's investment policy and have overall responsibility for the Company's activities. It is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will be appointed as an executive Director and Dr Nairn will have day-to-day responsibility for investment management. By becoming a self-managed investment trust, the Board believe it will be able to access a wider range of assets and investment management expertise, particularly in the private capital market. The Board believe there will be more flexibility to use third party managers where appropriate than there is when the manager is a large fund management company.

The Company has entered into heads of terms ("**HoT**") with Franklin Templeton Investment Trust Management Limited (the "**Investment Manager**") and Dr Nairn in respect of the new management arrangements. The arrangements are subject to finalisation of full legal documentation and approval of the new investment objective and policy as set out below. Under the HoT it has been agreed that Dr Nairn will commit a substantial proportion of his time to the management of the Company's investment portfolio. He will continue to work part-time for the Franklin Templeton group ("**FT**") and as part of this engagement he will be responsible for a new sub-advisory arrangement which the Company will enter into with FT.

The change in management structure is subject to the Company being approved by the FCA as a small registered alternative investment fund manager ("**AIFM**"). This is expected to take up to six months. Once the Company has been approved to act as its own AIFM, the current arrangement with the Investment Manager will cease and the sub-advisory agreement with FT will be entered into. New administration arrangements will be put in place at this point as well. It is anticipated that Dr Nairn will join the Board at this point. The Company will also, by resolution of the Board, change its name to Global Opportunities Trust plc.

As part of the Proposals the Company wishes to make changes to its investment objective and policy so as to allow the Company to invest in a larger range of investments. In addition, while the Board believes that most shareholders will wish to maintain their investment in the Company, it recognises that some may wish to realise part, or potentially all, of their shareholding. In order that such shareholders will have the opportunity to do so, the Company intends to put forward the Tender Offer for approval by the Shareholders. Such Tender Offer will be contingent on the new investment objective and policy being approved by Shareholders.

The Company is seeking Shareholder approval for the changes to the investment objective and policy and share buyback authority in respect of the Tender Offer at the General Meeting. **The Company requires approval of the new investment objective and policy for the Proposals to go ahead.**

### **New investment objective and policy**

As part of its strategic review, the Board and the Investment Manager have undertaken a review of the Company's objective and investment policy. The Board and the Investment Manager have reflected on the different underlying investment types that may be included in the portfolio in pursuit of the investment objective as well as ensuring that the objective and policy were clear and understandable by investors.

It is proposed that the Company's amended investment objective and policy will provide the Company with the flexibility to seek out value across asset classes to accommodate a wider range of investments than currently available (the **"New Investment Objective and Policy"**).

The Company's original investment objective and policy were set in 2003 and reflected investment conditions that prevailed at that time. The intention then was to provide sufficient flexibility to avoid artificial constraints that could effectively force the Company into owning particular assets or classes of security. For this reason, the Company had the ability to own cash and bonds, if listed equities were not at appropriate valuations and to also allow some investment in unlisted equity securities where appropriate.

Following the financial crisis of 2008 and the subsequent extended period of negative real interest rates, conditions are now very different and many asset classes are more expensive. As a consequence, the Company has been forced to hold significant levels of cash where, because of central bank policy, there is a negligible or negative real return. The Company believes that there are more profitable opportunities available in private capital investments but, other than a limited ability to invest in unlisted securities, the current investment policy does not allow the Investment Manager to access the full range of private capital investments. The private capital opportunities would primarily be accessed through delegation to specialist third party managers (including through investments in investment funds) but it is expected that co-investment opportunities for direct investment may also be available. As a long-term capital vehicle with a closed-ended structure, the Company is ideally placed to take advantage of these opportunities. For these reasons it is important that some of the existing constraints on the Company's investment objective and policy be lifted. As such, the Company is seeking to amend its investment objective and policy so as to allow it to invest up to 30 per cent. of its total assets in private investments which the Company believes strikes the correct balance between liquidity and opportunity. This will allow the Company to adapt to the current investment conditions which are very different from those at launch.

### **Further detail on New Investment Objective and Policy**

The private investments are likely to be focused on the provision of capital to boutique private capital managers. Dr Nairn has direct experience in this area through the creation of Edinburgh Partners, private equity investing and extensive industry contacts. The investments are likely to be made through funds which specialise in this area and also potentially through co-investments and unlisted equity investments. Valuation in such investments is typically quarterly with ad hoc valuations as required to recognise significant events. The allocation of resources to private capital will be determined by reference to the relative attractiveness of the investment whilst considering the liquidity, likely term of the investment and the associated cash-flow. The NAV will continue to be published daily.

It is anticipated that if the New Investment Objective and Policy is approved that the portfolio will initially be weighted as follows:

- Global equities: 40 – 60 per cent.;
- Specialist funds: 8-10 per cent. (including the existing investment in the Templeton European Long-Short Equity SIF);
- Private capital: 10 per cent.;
- Bonds: 5 to 10 per cent.; and
- Cash and cash-like instruments: 20-30 per cent.

**Please note that these** proportions will change over time to reflect shifts and valuations that create new opportunities. The use of third party advisors and managers is envisaged to take advantage of valuation anomalies that arise in specific niche areas of asset markets where the key to success and accessing these opportunities is specialist knowledge and experience. It is anticipated that the initial sub-advisory agreement with FT will cover equities, cash and bonds.

The Board acknowledges that the New Investment Objective and Policy increases the Company's exposure to private markets which are historically less liquid assets than those traded on the public markets. The Board believes that these are appropriate investments for the Company, particularly given the closed-ended nature of the Company and that such change in investment focus is in the best interests of the Company. The private holdings will be significantly less liquid than other holdings and as such the balance of the portfolio will be in holdings with high liquidity to ensure that the portfolio has the ability to take advantage of any new opportunities that may arise.

The Company's existing investment objective and policy and the New Investment Objective and Policy are set out in full in Part 2 of this document.

The Listing Rules require any proposed material changes to the Company's published investment policy to be submitted to the FCA for prior approval. The FCA has approved the New Investment Objective and Policy. The Listing Rules also require Shareholder approval prior to any material changes being made to the Company's published investment policy and the Board is seeking this approval at the General Meeting.

### **Experience of the Board and Dr Nairn**

The Board consider that it has the required breadth of business, regulatory and investment experience to oversee Dr Nairn's management of the portfolio and to fulfil the Company's responsibilities as a self-managed AIFM. In particular each of the Directors is, or has been, an approved person, senior manager or certificated individual under the FCA Rules.

- **Cahal Dowds (Chairman)**

Cahal Dowds qualified as a chartered accountant with Touche Ross and co-founded Rutherford Manson Dowds in 1986, advising on a significant number of large, complex transactions, in the UK and internationally. Rutherford Manson Dowds was acquired by Deloitte in 1999. He led Deloitte's UK advisory corporate finance business from 2005 before becoming chairman. He also set up and created the UK strategy and vision for Deloitte Private Markets. In 2014 he was also appointed vice chairman of Deloitte UK, until his retirement in 2018. He is a past President of the Institute of Chartered Accountants of Scotland. He is a non-executive director and interim chairman of MarktoMarket Valuations Limited and a member of Gresham House plc Strategy Equity Advisory Group. He was appointed as a Director on 18 May 2021 and Chairman on 9 June 2021.

- **Hazel Cameron**

Hazel Cameron qualified as a chartered accountant with Arthur Andersen, before moving into corporate finance with British Linen Bank and then into private equity investing, initially with 3i in 1993. She was subsequently UK head of San Francisco-based technology investment fund Bowman Capital, before performing the same role for Cross Atlantic Capital Partners, a US technology venture capital company. She is currently network director at Growth Capital Partners LLP, an independent adviser and head of portfolio talent at AIM-listed Gresham House plc and a non-executive director and chair of the audit committee of AIM-listed Parsley Group plc. She was appointed as a Director on 18 May 2021.

- **David Ross**

David Ross is a Fellow of the Chartered Association of Certified Accountants. He was with Ivory & Sime plc, an investment management company, from 1968 to 1990 becoming Finance Director and Company Secretary in 1982 and Managing Director from 1988 to 1990. He was a founding partner of Aberforth Partners LLP, an investment management firm specialising in investment in UK small quoted companies from 1990 until his retirement in 2014. He is non-executive chairman of JPMorgan US Smaller Companies Investment Trust plc and a non-executive director of BMO

Real Estate Investments Limited. He was appointed as a Director on 1 June 2014 and Chairman of the Audit and Management Committee on 24 April 2019.

- **Tom Walker**

Tom Walker qualified as a chartered accountant with Thomson McLintock, now KPMG, then moved into investment management with Edinburgh Fund Managers and subsequently worked in Hong Kong with Baring Asset Management. He joined Martin Currie Investment Management Limited in 1996, initially to lead their Pacific Basin investment team, subsequently moving to head their North America team. Prior to his retirement from Martin Currie in 2018, he headed up their Global Long Term Unconstrained equity team where, as part of his responsibilities, he managed an investment trust, Martin Currie Global Portfolio Trust plc, as well as other global segregated portfolios. He is a non-executive director of Lowland Investment Company plc and JPMorgan Japan Small Cap Growth & Income plc. He was appointed as a Director on 1 April 2019.

- **Dr Sandy Nairn**

Dr Sandy Nairn graduated from the University of Strathclyde in 1982 and in 1985 he achieved a PhD in Economics from the University of Strathclyde/Scottish Business School. He was an economist at the Scottish Development Agency for a year, before spending four years at Murray Johnstone as a portfolio manager and research analyst. Between 1990 and 2000 he was employed by Templeton Investment Management where he became Executive Vice President and the Director of Global Equity Research. He was Chief Investment Officer of Scottish Widows Investment Partnership between 2000 and 2003. He was one of the founders, chief executive and chief investment officer of Edinburgh Partners which was established in 2003. Following the acquisition of Edinburgh Partners by Franklin Resources Inc. in 2018, he was appointed chairman of the Templeton Global Equity Group. Dr Nairn has also been the lead portfolio manager for the Company since its launch in 2003.

## **Benefits of the Proposals**

The Board believes that the Proposals will have the following benefits for the Shareholders:

- **Portfolio benefits and investment opportunities**

The Company has no stated benchmark and this will continue. However, in periods of asset price inflation the importance of investment flexibility increases reflecting the need to avoid being forced into holding expensive assets. The changes will allow the Company to access pockets of value in private capital which should assist with improving the risk and reward profile for investors. The closed-ended structure of the Company is an advantage in private capital investments. The new investments will give individual investors, through a pooled investment, the opportunity to access the types of investments which tend to be reserved for institutional investors.

- **Appointment of Dr Nairn as a Director**

As a result of Dr Nairn being committed to spend a substantial portion of his time as an executive director of the Company, the Company will benefit further from his investment expertise, whilst retaining access to the wider investment expertise of FT. Dr Nairn will receive no salary from the Company under his appointment as a Director.

- **Access to different asset classes for no increase in costs**

The Company believes that the change in management and investment structure under the Proposals is likely to reduce the ongoing charge ratio of the Company (the “OCR”). The OCR for the Company in 2020 was 1.05 per cent. The change in status for the Company to self-managed and the wider range of assets it will be able to invest in under the New Investment Objective and Policy leads the Company to believe this will lead to a reduction in the cost base of the Company and the OCR. The proposal will give Shareholders cost effective access to a new variety of investments.



## **Tender Offer**

While the Board believes that the Proposals are in the best interests of the Shareholders, it understands that some may wish to sell some, or all, of their Shares. Subject to the approval of the New Investment Objective and Policy, it is proposed that the Tender Offer will be for up to 20 per cent. of the Shares and will be at a discount of 2 per cent. to the NAV per Share (plus costs and expenses of the Tender Offer). Shareholders will be entitled to tender up to 20 per cent. of their holding of shares (the “**Basic Entitlement**”) and to apply to tender more than their Basic Entitlement.

The required Shareholder authorities are being sought at the General Meeting but the formal Tender Documentation will follow in early January 2022. It is anticipated that the Tender Offer will take place in late January or February 2022.

## **Details of the Tender Offer**

The Tender Offer will enable those Shareholders (other than those Shareholders identified in the Tender Documentation as restricted Shareholders and certain overseas Shareholders) who wish to sell some or all of their Shares to elect to do so, subject to the overall limits of the Tender Offer. Shareholders who successfully tender Shares will receive the Tender Price per Share, being a 2 per cent. discount to the NAV per Share (plus costs and expenses of the Tender Offer) as at the last practical date before the Tender Offer. The Tender Price will be set at this level to allow Shareholders who wish to realise a portion of their holding of Shares to do so at what the Board expects will be a premium to the market price per Share without any dilution to the NAV per Share for continuing Shareholders, should the Tender Offer be fully subscribed.

Under the terms of the Tender Offer, Shareholders (other than restricted Shareholders and certain overseas shareholders as will be identified in the Tender Documentation) will be entitled to tender up to their Basic Entitlement, rounded down to the nearest whole Share. Shareholders may also tender additional Shares, but any such excess tenders above the Basic Entitlement will only be satisfied, on a pro rata basis, to the extent that other Shareholders tender less than their aggregate Basic Entitlement.

**This letter is not a recommendation for Shareholders to tender their Shares under the Tender Offer.** Whether or not Shareholders tender their Shares will depend on, amongst other things, their view of the Company’s prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice. The Directors and Dr Nairn do not intend to tender their Shares under the Tender Offer.

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should immediately consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA.

## **Share buyback authority**

The Company’s authority to repurchase its own Shares, which was granted at the last annual general meeting of the Company held on 21 April 2021, in respect of up to 14.99 per cent. of the Company’s issued share capital as at the date of that meeting, will remain in force and be unaffected by the Tender Offer.

The increased investment flexibility will allow the Company to take advantage of a broader range of opportunities which should make the Company an attractive vehicle for a wider range of potential investors than the existing shareholder base. In particular, the Board believes that the different types of assets available will attract those investors who are looking for exposure to assets that may typically be reserved for institutional investors. Gaining new investors is an important component in ongoing discount control, which cannot solely rely on share buybacks, and the Board believes this will be assisted by the change in investment policy. The Board may use share buybacks, when appropriate, to narrow the discount to NAV at which the Shares trade. This will be done in conjunction with creating new demand and being aware of the liquidity of the Shares.

The Company’s share buyback policy will no longer aim to keep the share price at close to NAV. The Board is offering Shareholders the opportunity to participate in a Tender Offer at this point which will give the Shareholders the chance to sell some or all of their shares at the Tender Price.



## **Summary of the Resolutions to be proposed at the General Meeting**

The business to be conducted at the General Meeting is set out in the Notice of General Meeting at pages 17 to 20 (inclusive) of this document. You will be asked to consider and vote on the Resolutions set out in the Notice. There are two resolutions to be proposed at the General Meeting. An explanation of the Resolutions is given below.

Resolution 1 is to be proposed as an ordinary resolution and, accordingly, will be passed if more than 50 per cent. of the votes are cast in favour. Should a majority of the Shareholders vote against the Resolution, the Board will not adopt the New Investment Objective and Policy.

Resolution 2 is subject to the passing of Resolution 1. Resolution 2 is to be proposed as a special resolution and, accordingly, will be passed if more than 75 per cent. of the votes are cast in favour.

## **Action to be taken**

It is important to the Company that Shareholders have the opportunity to vote even if they are unable to attend the General Meeting. You will find enclosed with this document a Form of Proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting in person, you are requested to complete the Form of Proxy and return it to the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, so as to arrive no later than 10.00 a.m. on 15 December 2021. All voting at the General Meeting shall be taken on a poll.

Alternatively, you may complete a proxy via the internet by going to [www.eproxyappointment.com](http://www.eproxyappointment.com) and logging into your share portal account or registering for the share portal if you have not already done so; this must also be done by 10.00 a.m. on 15 December 2021. To register for the share portal, you will need your investor code set out on the accompanying white Form of Proxy.

CREST members who wish to appoint a proxy through the CREST electronic proxy appointment services are referred to note 5 in the Notice of the General Meeting at the end of this document.

Completion and return of a Form of Proxy (including Electronic Voting Instructions) or the giving of a CREST Proxy Instruction will not prevent a Shareholder from subsequently attending and voting in person at the General Meeting should they wish to do so.

The completion and return of the Form of Proxy will not affect your right to attend and vote in person at the General Meeting if you wish.

## **Recommendation**

The Board considers that the Resolutions to be proposed at the General Meeting are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of the Resolutions, as the Directors and Dr Nairn intend to do in respect of their own beneficial shareholdings. As of the latest practical date prior to the publication of this document the Directors hold 32,000 Shares (which represent 0.09 per cent. of the Shares) and Dr Nairn holds 3,805,615 Shares (which represents 10.43 per cent. of the Shares).

Yours faithfully

**Cahal Dowds**

*Chairman*

## PART TWO

### INVESTMENT OBJECTIVE AND POLICY

#### Current objective and investment policy

##### *Objective*

The Company's objective is to provide Shareholders with an attractive real long-term total return by investing globally in undervalued securities. The portfolio is managed without reference to the composition of any stock market index.

##### *Investment policy*

The Company invests in a focused portfolio of approximately 30 to 40 securities of issuers throughout the world, predominantly in quoted equities. The Company may also invest in unquoted securities, which are not anticipated to exceed 10 per cent. of the Company's total assets at the time of investment. No investment in the Company's portfolio may exceed 15 per cent. of the Company's total assets at the time of investment.

The Company has the ability to invest in other investment companies or funds but will invest no more than 15 per cent. of its gross assets in other listed investment companies (including investment trusts).

The Company may also invest a substantial portion of its assets in debt instruments, cash or cash equivalents when the Investment Manager believes market or economic conditions make equity investment unattractive or while seeking appropriate investment opportunities for the portfolio or to maintain liquidity. In addition, the Company may purchase derivatives for the purposes of efficient portfolio management.

It is intended that, from time to time, when deemed appropriate, the Company will borrow for investment purposes up to the equivalent of 25 per cent. of its total assets. By contrast, the Company's portfolio may from time to time have substantial holdings of debt instruments, cash or short-term deposits.

#### Amended objective and investment policy

##### *Objective*

The Company's objective is to provide Shareholders with an attractive real long-term total return by investing globally in undervalued asset classes. The portfolio is managed without reference to the composition of any stock market index.

##### *Investment policy*

The Company invests in a range of assets across both public and private markets throughout the world. These assets include both listed and unquoted securities, investments and interests in other investment companies and investment funds (including limited partnerships and offshore funds) as well as bonds (including index-linked securities and cash as appropriate).

Any single investment in the Company's portfolio may not exceed 15 per cent. of the Company's total assets at the time of the relevant investment (the "**Single Investment Limit**").

The Company may invest in other investment companies or funds and may appoint one or more sub-advisors to manage a portion of the portfolio if, in either case, the Board believes that doing so will provide access to specialist knowledge that is expected to enhance returns. The Company will gain exposure to private markets directly and indirectly through investments and interest in other investment companies and investment funds (including limited partnerships and offshore funds). The Company's investment directly and indirectly in private markets (including through investment companies and investment funds) shall not, in aggregate, exceed 30 per cent. of the Company's total assets, calculated at the time of the relevant investment.

The Company will invest no more than 15 per cent. of its total assets in other closed-ended listed investment companies (including investment trusts).

## **Current objective and investment policy**

### *Investment policy (continued)*

The investment objective and policy are intended to distinguish the Company from other investment vehicles which have relatively narrow investment objectives and which are thus constrained in their decision making and asset allocation. The objective and policy allow the Company to be constrained in its investment selection only by valuation and to be pragmatic in portfolio construction by only investing in securities which the Investment Manager considers to be undervalued on an absolute basis.

## **Amended objective and investment policy**

### *Investment policy (continued)*

The Company may also invest up to 50 per cent. of its total assets in bonds, debt instruments, cash or cash equivalents when the Board believes extraordinary market or economic conditions make equity investment unattractive or while seeking appropriate investment opportunities for the portfolio or to maintain liquidity. The Single Investment Limit does not apply to cash or cash equivalents in such circumstances. In addition, the Company may purchase derivatives for the purposes of efficient portfolio management.

From time to time, when deemed appropriate and only where permitted in accordance with the UK Alternative Fund Managers Regulations 2013, the Company may borrow for investment purposes up to the equivalent of 25 per cent. of its total assets. By contrast, the Company's portfolio may from time to time have substantial holdings of debt instruments, cash or short-term deposits.

The investment objective and policy are intended to ensure that the Company has the flexibility to seek out value across asset classes rather than being constrained by a relatively narrow investment objective. The objective and policy allow the Company to be constrained in its investment selection only by valuation and to be pragmatic in portfolio construction by only investing in assets which the Board considers to be undervalued on an absolute basis.

## PART THREE

### RISKS ASSOCIATED WITH PROPOSALS

Shareholders should consider carefully all of the information set out in this document including, in particular, the risks associated with the Proposals described below, as well as their own personal circumstances, prior to making any decision as to whether or not to tender any Shares in the Tender Offer.

The Company's business, financial condition or operations could be materially and adversely affected by the occurrence of any of the risks described below. In such circumstances, the market price of the Shares could decline and investors could lose all or part of their investment. In particular, Shareholders should note that the past performance of the Shares should not be used as a guide to their future performance.

Additional risks and uncertainties which were not known to the Board at the date of this document or that the Board considers at the date of this document to be immaterial (based on the assumption that the Resolutions is passed at the General Meeting and the Proposals implemented) may also materially and adversely affect the Company's business, financial condition or results or prospects.

Shareholders should be aware of the following considerations relating to the Proposals

- The Company will be reliant on Dr Nairn in respect of identifying and selecting investment opportunities for the Company. There is a key person risk for the Company if Dr Nairn is not able to perform his duties.
- If the Company becomes a small registered AIFM it will not be able to employ leverage unless it appoints a full-scope AIFM under the AIFM rules.
- The Company will continue to publish its NAV on a daily basis. Under the New Investment Objective and Policy up to 30 per cent. of the Company's portfolio may be held in private markets. Such investments are more difficult to value than those in public markets. The valuations of the Company's interests in private markets used to calculate the NAV will be based on the Company's 'fair values' of those interests, applying valuation techniques which are consistent with the International Private Equity and Venture Capital Valuation Guidelines. Such estimates, and any NAV published by the Company, may vary (in some cases materially) from realised or realisable values. Such private market investments are likely to be formally valued on a quarterly basis but this will depend on the nature of the specific investments.
- Investments in private markets are less liquid than those in public markets. There may not be a secondary market for interests in private market investments. Such illiquidity may affect the Company's ability to vary its portfolio or dispose of or liquidate part of its portfolio, in a timely fashion (or at all) and at satisfactory prices in response to changes in economic or other conditions. If the Company were required to dispose of or liquidate an investment on unsatisfactory terms, it may realise less than the value at which the investment was previously recorded, which could result in a decrease in NAV.
- There may be restrictions on the transfer of interests in private markets investments that mean that the Company will not be able to freely transfer its interests. For instance, the sale or transfer of interests in private market investments may be subject to the consent or approval of the issuer or (other) holders of the relevant interests, and obtaining such consent or approval cannot be guaranteed. Contractual restrictions on transfer may exist in shareholder agreements or the issuer's constitutional documents. Accordingly, if the Company were to seek to exit from any of its investments in private market investments, the sale or transfer of interest may be subject to delays or additional costs, or may not be possible at all.
- There can be no assurance that the Company will be successful in achieving the Company's investment objectives. The implementation will be subject to a number of factors, including market conditions and the timing of investments relative to market cycles, many of which (particularly over the short term) are beyond the control of the Company and difficult to predict.

- An increase in illiquid assets within the Company's portfolio may impact on the Company's ability to buyback its Shares.
- The Company may make investments in other investment funds. Accounting standards may require additional disclosures of underlying fund charges and these may impact on the OCR of the Company.
- To the extent that the Company uses third party managers, either by investing with them directly or through a fund structure, it will have less direct knowledge of, and potentially limited control over, the decisions of such managers. It could incur additional investment fees and performance fees (which could erode any investment gains), and it could face liquidity risk in trying to unwind its investments in any funds and private investments.
- The functional currency of the Company is sterling. The international nature of the Company's investment activities gives rise to a currency risk which is inherent in the performance of its overseas investments. The Company's overseas income is also subject to currency fluctuations. It is not the Company's policy to hedge this risk on a continuous basis.
- Implementation of the Tender Offer is conditional, *inter alia*, upon the passing as a special resolution, by no later than 31 December 2021, of the resolution to be proposed at the General Meeting authorising the Company to make market purchases of Shares purchased by the Market Maker pursuant to the Tender Offer. In the event that the Resolution is not passed, the Tender Offer will not proceed and the Company would have to bear the abortive costs of having proposed the Tender Offer.
- If the Tender Offer does not proceed for any reason, the Company would bear the fixed costs properly incurred at the relevant date in relation to the Tender Offer.
- If any Shares permitted to be tendered pursuant to the Tender Offer are tendered, the issued share capital of the Company will be reduced as a result of the Tender Offer and the Company will be smaller. As a result the ongoing fixed costs of the Company will be spread over fewer Shares.
- The lower number of Shares in issue following completion of the Tender Offer may reduce secondary market liquidity in the Shares, which could, accordingly, adversely affect a Shareholder's ability to sell their Shares in the market.
- Changes in economic conditions (including, for example, changes in interest rates, rates of inflation, industry conditions and competition), political, diplomatic, social and demographic events and trends, tax laws and other factors such as the COVID-19 pandemic could substantially and adversely affect the value of the Company's portfolio and, as a consequence, the Company's investment performance, Share price and the returns attributable to Shareholders.
- Any change in the Company's tax status, or in taxation legislation or in the interpretation or application of taxation legislation, could affect the value of investments held by the Company, the Company's ability to achieve its investment objective, the ability of the Company to provide returns to Shareholders and/or alter the post-tax returns of Shareholders.

The foregoing factors are not exhaustive and do not purport to be a complete explanation of all risks and significant considerations relating to the Proposals and the Company. Accordingly, additional risks and uncertainties not presently known to the Board may also have an adverse effect on the Proposals and/or the Company's business, financial condition or results or prospects.

## PART FOUR

### DEFINITIONS

Unless the context otherwise requires, the following words and expressions have the following meanings in this document:

<b>AIFM Rules</b>	means: (i) the Alternative Investment Fund Managers Directive (2011/61/EU) (the “ <b>EU AIFM Directive</b> ”) as incorporated into UK law by the European Union (Withdrawal) Act 2018, as amended from time to time; (ii) the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773); (iii) any other delegated regulations in respect of the EU AIFM Directive, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time; and (iv) all associated provisions of the FCA Rules
<b>Basic Entitlement</b>	the number of Shares that each Shareholder will be entitled to sell to the Market Maker (expressed as a percentage), being up to 20 per cent. of their Shares in the Company
<b>Board or Directors</b>	the board of Directors of the Company or any duly constituted committee thereof
<b>Companies Act</b>	the Companies Act 2006, as amended
<b>Company</b>	EP Global Opportunities Trust plc, a public company incorporated in Scotland (registered number SC259207) whose registered office is at 27-31 Melville Street, Edinburgh EH3 7JF
<b>CREST Manual</b>	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
<b>Euroclear</b>	Euroclear UK & International Limited, the operator of CREST
<b>FCA</b>	the Financial Conduct Authority of the United Kingdom including any replacement or substitute thereof, and any regulatory body or person succeeding, in whole or in part, to the functions thereof
<b>FCA Rules</b>	the rules of the FCA from time to time
<b>Form of Proxy</b>	the form of proxy for use by Shareholders at the General Meeting, which accompanies this document
<b>FSMA</b>	Financial Services and Markets Act 2000, as amended
<b>General Meeting</b>	the general meeting of the Company to be held at the offices of Dickson Minto W.S., 16 Charlotte Square, Edinburgh EH2 4DF on 17 December 2021 at 10.00 a.m.
<b>Investment Manager</b>	Franklin Templeton Investment Trust Management Limited, a private company incorporated in Scotland (registered number SC430631) whose registered office is at 5 Morrison Street, Edinburgh EH3 8BH

<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Market Maker</b>	the market maker to be appointed by the Company in respect of the Tender Offer
<b>Net Asset Value or NAV</b>	the net asset value of the Company which shall be the total value of all the assets of the Company less its liabilities as determined by the Board and calculated in accordance with the Company's accounting policies (for the avoidance of doubt, this includes accumulated reserves and current period revenue and is after the deduction of any borrowings at their fair value)
<b>Net Asset Value per Share or NAV per Share</b>	the Net Asset Value divided by the number of Shares then in issue (excluding treasury shares)
<b>Notice or Notice of Meeting</b>	the Notice of General Meeting set out at the end of this document
<b>Proposals</b>	the Proposals set out in the Introduction paragraph of Part 1 of this document
<b>Proxy Appointment Deadline</b>	10.00 a.m. on 15 December 2021
<b>Registrars or Computershare</b>	Computershare Investor Services PLC, a private limited company incorporated in England and Wales (registered number 03498808) whose registered office is at The Pavilions, Bridgwater, Bristol BS13 8AE
<b>Regulatory Information Service or RIS</b>	any of the regulatory information services set out in Appendix 3 of the listing rules of the FCA
<b>Resolutions</b>	Resolution 1 and Resolution 2
<b>Resolution 1</b>	the ordinary resolution proposed at the General Meeting
<b>Resolution 2</b>	the special resolution proposed at the General Meeting
<b>Shareholders</b>	holders of Shares
<b>Shares or Ordinary Shares</b>	ordinary shares of 1 penny each in the capital of the Company
<b>Tender Documentation</b>	the tender documentation including the terms and conditions of the Tender Offer, the Tender Form and other relevant documentation to be circulated in January 2022
<b>Tender Form</b>	the tender form which will be posted to Shareholders with the Tender Documentation in January 2022 for use by Shareholders who hold their Shares in certificated form in connection with the Tender Offer
<b>Tender Offer</b>	the invitation by the Market Maker to each Shareholder (other than certain restricted Shareholders and certain overseas Shareholders as to be set out in the Tender Documentation) to tender up to their Basic Entitlement of Shares, and the acceptance of such tenders by the Market Maker on the terms and subject to the conditions set out in this document and, in the case of Shares held in certificated form, the Tender Form, or any one or more of such invitation, tender or acceptance as the context requires



**Tender Price**

the fair value cum income NAV per Share (inclusive of undistributed revenue reserves) as at the latest practicable date before the Tender Offer, less a 2 per cent. discount plus the costs and expenses of the Tender Offer

**United Kingdom or UK**

the United Kingdom of Great Britain and Northern Ireland

## NOTICE OF GENERAL MEETING

# EP GLOBAL OPPORTUNITIES TRUST PLC

*(Incorporated in Scotland with registered number SC259207 and registered as an investment company under s833 of the Companies Act 2006)*

Notice is hereby given that a general meeting of EP Global Opportunities Trust plc (the “**Company**”) will be held at the offices of Dickson Minto W.S., 16 Charlotte Square, Edinburgh EH2 4DF on 17 December 2021 at 10.00 a.m. to consider, and if thought fit, pass resolution 1 as an ordinary resolution and resolution 2 as a special resolution:

### ORDINARY RESOLUTION

1. That the proposed investment objective and investment policy set out in Part 2 of the circular to Shareholders of the Company dated 24 November 2022 (the “**Circular**”), a copy of which has been produced to the meeting and signed by the Chairman for the purposes of identification, be and are hereby adopted as the investment objective and investment policy of the Company to the exclusion of all previous investment objectives and investment policies of the Company.

### SPECIAL RESOLUTION

2. Subject to the passing of resolution 1, that, without prejudice to and in addition to, and not in substitution for, any existing authorities, the Company be and is hereby authorised for the purpose of section 701 of the Company Act 2006 (the “**Companies Act**”) to make market purchases (within the meaning of section 693 of the Companies Act) of its issued ordinary shares of 1 pence each (the “**Shares**”) following completion of the tender offer to all shareholders in the Company made by its appointed market maker on the terms set out in the Circular provided that:
  - (i) the maximum aggregate number of Shares hereby authorised to be purchased is 8,500,000 Shares;
  - (ii) the price which shall be paid for a Share shall be the Tender Price (as defined in the Circular) (which shall be both the maximum and the minimum price for the purposes of section 701 of the Companies Act); and
  - (iii) unless previously renewed, revoked or varied the authority hereby conferred shall expire at midnight on 31 March 2022 save that the Company may before such expiry make a contract or contracts to purchase Shares under the authority hereby conferred prior to the expiry of such authority which will or may be completed or executed wholly or partly after such expiry and may make a purchase of Shares in pursuance of any such contract or contracts.

*By order of the Board*

**Kenneth J Greig**  
*Company Secretary*

*Registered office:*

27-31 Melville Street  
Edinburgh  
EH3 7JF

Dated: 24 November 2021

## Notes:

### 1. Entitlement to attend and vote

If you wish to attend the General Meeting in person, you should arrive at the venue for the General Meeting in good time to allow your attendance to be registered. It is advisable to have some form of identification with you as you may be asked to provide evidence of your identity prior to being admitted to the General Meeting.

To be entitled to attend and vote at the General Meeting (and for the purpose of determining the votes that may be cast), members must be registered in the Company's register of members by close of business of 15 December 2021 (or, if the meeting is adjourned, 48 hours (excluding non-working days) prior to the adjourned meeting). No member shall, unless the Board otherwise decides, be entitled to vote in respect of any share held by him (either personally or by proxy) at any general meeting of the Company unless all calls or other sums presently payable in respect of those shares have been paid.

### 2. Appointment of proxies

Members are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the General Meeting. A proxy need not be a member of the Company but must attend the General Meeting to represent a member. To be validly appointed a proxy must be appointed using the procedures set out in these notes and in the notes to the accompanying form of proxy.

If members wish their proxy to speak on their behalf at the meeting, members will need to appoint their own choice of proxy (not the chairman of the General Meeting) and give their instructions directly to them.

Members can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Members cannot appoint more than one proxy to exercise the rights attached to the same share(s). Members must state clearly on each form of proxy the number of shares in relation to which the proxy is appointed. If a member wishes to appoint more than one proxy, they should contact the Registrar on 03708894069. Lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday. Calls from outside the United Kingdom will be charged at the applicable international rate.

A member may instruct their proxy to abstain from voting on any resolution to be considered at the General Meeting by marking the 'vote withheld' option when appointing their proxy. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes 'for' or 'against' the resolution.

The appointment of a proxy will not prevent a member from attending the General Meeting and voting in person if he or she wishes.

A person who is not a member of the Company but who has been nominated by a member to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 8 below.

Members can:

- (i) appoint a proxy or proxies and give proxy instructions by returning the enclosed form of proxy by post; or
- (ii) register their proxy appointment electronically; or
- (iii) if a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service.

### 3. Appointment of proxy online

As an alternative to completing a form of proxy, you can appoint (a) proxy(ies) electronically by visiting [www.eproxyappointment.com](http://www.eproxyappointment.com). You will need your Voting ID, Task ID and Shareholder Reference Number (as printed on your form of proxy). Alternatively, if you have already registered, you can submit your form of proxy at [www.eproxyappointment.com](http://www.eproxyappointment.com). Full instructions are given on both websites. To be valid your proxy appointment(s) and instructions should reach Computershare no later than 48 hours (excluding non-working days) before the time of the General Meeting or any adjournment of that meeting.

### 4. Appointment of proxy using a form of proxy

A form of proxy for use in connection with the General Meeting is enclosed. To be valid any completed and signed form of proxy or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand by the Registrar at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 48 hours (excluding non-working days) before the time of the General Meeting or any adjournment of that meeting.

If you do not have a form of proxy and believe that you should have one, or you require additional forms of proxy, please contact the Registrar on 0370 889 4069. Lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday. Calls from outside the UK will be charged at the applicable international rate.

#### **5. Appointment of proxy through CREST**

CREST members who wish to appoint a proxy or proxies for the General Meeting by utilising the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and Euroclear UK & International Limited's specifications to ensure a valid proxy appointment and/or instructions are submitted through the CREST service.

In order for a proxy appointment made via CREST to be valid, the proxy message must be:

- (i) properly authenticated in accordance with Euroclear UK & International Limited's specifications;
- (ii) contain the information required for such instruction, as described in the CREST Manual; and
- (iii) be received by the Registrar (ID 3RA50) by no later than 48 hours (excluding non-working days) before the time of the General Meeting or any adjournment of that meeting.

For this purpose, the time of receipt will be taken to be the time from which the Registrar is able to retrieve the message by enquiry to CREST. Members and/or voting service providers using the CREST service should refer to the CREST manual for guidance on the practical limitations of CREST service and timings. The Board may treat as invalid a CREST proxy appointment or instruction in the circumstances set out in Regulations 35(5)(a) of the Uncertificated Securities Regulations 2001.

#### **6. Appointment of proxy by joint holders**

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. The first-named holder is considered the most senior for this purpose.

#### **7. Corporate representatives**

Any corporation which is a member can, by a resolution of its board of directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at the General Meeting.

#### **8. Nominated persons**

Any person who receives this Notice as a person nominated under section 146 of the Companies Act to enjoy information rights (a Nominated Person) may, under an agreement with him/her and the registered member by whom they have been nominated, be entitled to be appointed (or have someone else appointed) as proxy to vote at the General Meeting. If a Nominated Person does not have such a right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the registered member as to the exercise of voting rights. Any queries with respect to your rights as a Nominated Person should be directed to the registered member.

#### **9. Voting rights**

As at 6.00 p.m. on 22 November 2021 (being the latest practicable date prior to the publication of this notice) the Company's issued share capital consisted of 64,509,642 ordinary shares, carrying one vote each. The Company holds 27,981,917 in treasury. Therefore, the total voting rights in the Company as at 6.00 p.m. on 22 November 2021 were 36,527,725 votes.

#### **10. Notification of shareholdings**

Any person holding 3 per cent. or more of the total voting rights of the Company who appoints a person as their proxy will need to ensure that both they and their proxy complies with their respective disclosure obligations under the FCA's Disclosure Guidance and Transparency Rules. Should the members grant the chairman or any director voting authority representing 3 per cent. or more of the total voting rights of the Company, an appropriate disclosure will be released to the London Stock Exchange in accordance with the FCA's Disclosure Guidance and Transparency Rules.

**11. Members' right to require circulation of resolution to be proposed at the meeting**

Members meeting the threshold requirements set out in the Act have the right to: (a) require the Company to give notice of any resolution which can properly be, and is to be, moved at the meeting pursuant to Section 338 of the Act; and/or (b) include a matter in the business to be dealt with at the meeting, pursuant to Section 338A of the Act.

**12. Voting and announcement of results**

Voting at the General Meeting will be conducted on a poll. As soon as practicable following the General Meeting, the results of the voting at the General Meeting, the number of votes cast for and against and the number of votes withheld in respect of each resolution will be announced via a Regulatory Information Service and placed on the Company's website [www.epgot.com](http://www.epgot.com).

**13. Communication**

Members are advised that, unless otherwise stated, any telephone number, website or email address which may be set out in this notice of General Meeting or in any related documents (including the form of proxy) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.