RNS Number : 1495C
EPE Special Opportunities Limited
26 March 2025

EPE Special Opportunities Limited
("ESO" or the "Company")

Annual Reports and Accounts for the year ended 31 January 2025

The Board of EPE Special Opportunities is pleased to announce the Company's Report and Accounts for the year ended 31 January 2025.

Summary

- The Company and its portfolio have faced a challenging environment during the year ended 31 January 2025 against the backdrop of an uncertain and complex economic landscape. The Board and Investment Advisor continue to manage the Company prudently, prioritising liquidity and securing the financial position of the portfolio. Given the economic context, overall M&A activity has remained subdued and market valuations have been depressed, limiting the opportunities for new acquisitions and disposals in the period. The operational improvements and progress made against long-term value creation plans within the portfolio position our businesses for sustained growth as macro economic conditions stabilise.

- The Net Asset Value ("NAV") per share of the Company as at 31 January 2025 was 328 pence, representing an increase of 1 per cent. on the NAV per share of 324 pence as at 31 January 2024. The unaudited estimate has been prepared using the Company's historic valuation methodology and accounting principles.

- The share price of the Company as at 31 January 2025 was 149 pence, representing a decrease of 10 per cent. on the share price of 165 pence as at 31 January 2024.

- In January 2025, Luceco released a trading update for the year ended 31 December 2024, announcing results ahead of market expectations. Luceco announced sales in the region of £240 million, achieving organic growth of 5 per cent. on the prior year on a constant currency basis. The business delivered strong Q4 trading, with impressive sales growth in the Residential RMI division as well as the Residential EV Charger division, which delivered quarterly year-on-year growth of circa 50%. The business expects to generate operating profit in the region of £28.5 - 29.0 million for the year. Luceco completed two acquisitions in the period, acquiring D-Line, a supplier of cable management solutions, for £8.6 million initial consideration and up to £3.8m million contingent consideration in March 2024, and CMD, a wiring accessories manufacturer for commercial premises, for £30.0 million consideration in October 2024. The business' balance sheet remains robust with net debt of 1.7x LTM EBITDA as at 31 December 2024, within the target range of 1.0-2.0x.

- Whittard of Chelsea ("Whittard") delivered pleasing growth across its sales channels. The UK retail store estate performed strongly, achieving 6% like for like sales growth and opening new stores in Oxford Circus, Gatwick Airport and Victoria Station. Whittard has continued to develop its international channels, with expansion in the US market underpinned by new customers wins with key retailer accounts, including Sam's Club. The business has also continued to improve its customer proposition, with a new customer loyalty programme launched in the period.

- The Rayware Group ("Rayware") continued to face headwinds to trading performance, but has made progress on the development of its overall channel strategy in the period. In August 2024 Rayware launched a new retail channel, with its first store opened in Swindon. Rayware's US channel achieved pleasing growth, securing new customer wins. Rayware appointed a CEO in May-24, Jamie O'Brien, who brings to the business over 20 years' leadership experience in the branded consumer sector. During the period, the Company, through its subsidiary ESO Investments 1 Limited, invested £3.5 million to reduce Rayware's senior debt and has a £1.0 million contingent guarantee outstanding to third-party lenders as at 31 January 2025.

- Pharmacy2U ("P2U") maintained strong organic growth during the period and accelerated its underlying growth trajectory via acquisition. The integration of LloydsDirect was approved by the CMA in March 2024, delivering material additional scale to the platform and synergy opportunities. In April 2024, P2U expanded its offering to include pet care, via the acquisition of The PharmaPet Co.

- David Phillips ("DP") continues to experience profitability headwinds but enters the year with an encouraging pipeline. In July 2024, Ben Munn joined the business as CEO, with over 25 years of experience in the real estate sector. In January 2025, the Company, through its subsidiary ESO Investments 1 Limited, invested £0.7 million to support the business.

- Denzel's achieved top line growth, expanding their offering within key retailers and securing new accounts. The business' marketing activity has been supported by new partnerships such as the collaboration with Battersea Dogs & Cats Home, launched in June 2024.

- The Company had cash balances of £11.9 million1 as at 31 January 2025. In July 2024, the Company agreed the extension of the maturity of £4.0 million of unsecured loan notes to July 2025. In the period, the Company repurchased 3.0 million zero dividend preference ("ZDP") shares. Following this buyback, the Company has 9.5 million ZDP shares remaining in issue, maturing in December 2026. The Company has no other third-party debt outstanding. In the period, the Company completed ordinary share buybacks in the market totalling 0.6 million ordinary shares at a weighted average share price of 152 pence.

- As at 31 January 2025, the Company's unquoted portfolio was valued at a weighted average EBITDA to enterprise value multiple of 7.8x and the portfolio has a low level of third-party leverage with net debt at 1.2x EBITDA in aggregate.

Mr Clive Spears, Chairman, commented: "Due to the complex business conditions faced in the period, the priority of the Board, Investment Advisor and portfolio management teams has been to ensure the resilience of the Company and its portfolio against these headwinds. Value creation plans are in place within the portfolio to generate future growth, with close monitoring of progress maintained. Prudent action has been taken to preserve liquidity and to manage the capital structure of the Company. The Board would like to extend their thanks to the Investment Advisor and portfolio management teams for their efforts through a demanding period and look forward to updating shareholders on further progress at the half year."

The person responsible for releasing this information on behalf of the Company is Amanda Robinson of Langham Hall Fund Management (Jersey) Limited.

Note 1: Company liquidity is stated inclusive of cash held by subsidiaries in which the Company is the sole investor

Enquiries:

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Nominated Advisor:	Stuart Skinner
Corporate Broker:	Charles Farquhar

Chairman's Statement

Due to the complex business conditions faced in the period, the priority of the Board, Investment Advisor and portfolio management teams has been to ensure the resilience of the Company and its portfolio against these headwinds. Value creation plans are in place within the portfolio to generate future growth, with close monitoring of progress maintained. Prudent action has been taken to preserve liquidity and to manage the capital structure of the Company.

The Net Asset Value ("NAV") per share* of the Company as at 31 January 2025 was 328 pence, representing an increase of 1 per cent. on the NAV per share* of 324 pence as at 31 January 2024. The share price of the Company as at 31 January 2025 was 149 pence, representing a decrease of 10 per cent. on the share price of 165 pence as at 31 January 2024. The share price of the Company represents a discount* of 55% to the NAV per share of the Company as at 31 January 2025. The Company seeks to manage the discount to NAV via capital management, including ordinary share buyback programs, as well as achieving further diversification of the investment portfolio and scale in the Company.

The Company has continued to manage the Company prudently, prioritising liquidity and securing the financial position of the portfolio:

- Luceco plc ("Luceco") released its results for the year ended 31 December 2024 announcing sales in the region of £240 million and expects to generate an operating profit in the region of £28.5 - 29.0 million, ahead of expectations.

- The Rayware Group ("Rayware") experienced challenging trading conditions, but has progressed its overall strategic development. Rayware appointed Jamie O'Brien as CEO in May 2024, with more than 20 years' experience in the consumer sector.

- Whittard of Chelsea ("Whittard") achieved strong growth led by the UK retail channel, benefitting from like for like sales growth and new store openings. Progress has been made on key strategic priorities including international growth and the launch of a new customer loyalty proposition.

- David Phillips faced headwinds to profitability in the period. Ben Munn was appointed as CEO in July 2024, with over 25 years of experience in the real estate sector.

- Pharmacy2U ("P2U") continued to scale its operations via organic growth and the integration of the LloydsDirect acquisition, which was approved by the CMA in March 2024.

- Denzel's delivered continued sales growth supported by growth in key existing accounts, new customer wins and partnerships.

The Company completed the following investments in the period;

- In the year ended 31 January 2025, the Company, through its subsidiary ESO Investments 1 Limited, invested £3.5 million in Rayware, reducing the business' senior debt, and has a £1.0 million contingent guarantee outstanding to Rayware's third-party lenders.

- In January 2025, the Company, through its subsidiary ESO Investments 1 Limited, invested £0.7 million in David Phillips to support the business.

The performance of the investment portfolio is a key driver of the Net Asset Value performance of the Company.

The Company had cash balances of £11.9 million*[1] as at 31 January 2025. Prioritising liquidity and managing the capital structure of the Company has been the focus for the Board, whilst the macroeconomic environment remains challenging. In July 2024, the Company exercised its right to extend the maturity of its £4.0 million unsecured loan notes to July 2025. In the period, the Company repurchased 3.0 million zero dividend preference ("ZDP") shares for a total consideration of £3.5 million. Following this buyback, the Company has 9.5 million ZDP shares remaining in issue, maturing in December 2026. The Company has no other third-party debt outstanding. In the period, the Company completed ordinary share buybacks in the market totalling 0.6 million ordinary shares at a weighted average share price of 152 pence.

The Board would like to extend their thanks to the Investment Advisor and portfolio management teams for their efforts through a demanding period and look forward to updating shareholders on further progress at the half year.

Clive Spears
Chairman
25 March 2025

*See Alternative Performance Measures of this Report and Accounts.

[1] Company liquidity is stated inclusive of cash held in subsidiaries in which the Company is the sole investor.

Investment Advisor's Report

The Company and its portfolio have faced a challenging environment during the year ended 31 January 2025 against the backdrop of an uncertain and complex economic landscape. The Board and Investment Advisor continue to manage the Company prudently, prioritising liquidity and securing the financial position of the portfolio. Given the economic context, overall M&A activity has remained subdued and market valuations have been depressed, limiting the opportunities for new acquisitions and disposals in the period. The operational improvements and progress made against long-term value creation plans within the portfolio, position our businesses for sustained growth as macro economic conditions stabilise. The Company has taken action to de-risk its capital structure and improved liquidity by electing to extend the maturity of its £4.0 million unsecured loan notes to July 2025. This supported the repurchase of 3.0 million of its ZDP shares, decreasing the redemption amount payable at maturity in December 2026.

The NAV per share* of the Company as at 31 January 2025 was 328 pence, representing an increase of 1 per cent. on the NAV per share* of 324 pence as at 31 January 2024. The share price of the Company as at 31 January 2025 was 149 pence, representing a decrease of 10 per cent. on the share price of 165 pence as at 31 January 2024.

The Company has continued to prioritise liquidity during the ongoing challenging economic environment . The Company had cash balances of £11.9 million*[1] as at 31 January 2025, which are available to support the portfolio, meet committed obligations and deploy into attractive investment opportunities. Net third-party debt* in the underlying portfolio stands at 1.2x EBITDA* in aggregate.

The Company's unquoted private equity investment portfolio (including debt) is valued at a weighted average enterprise value to EBITDA multiple* of 7.8x for mature assets (excluding assets investing for growth). The valuation has been derived by reference to quoted comparables, after the application of a liquidity discount to adjust for the portfolio's scale and unquoted nature. The Investment Advisor notes that the fair market value of the portfolio remains exposed to a volatile macro environment and equity market valuations.

In the period the Company completed the repurchase of 3.0 million of its ZDP shares in the market (or 24 per cent. of the Company's outstanding ZDP share capital) at a weighted average share price of 116 pence for a total consideration of £3.5 million.

Luceco released its results for the year ended 31 December 2024 in March 2025. The business announced results ahead of market expectations, with sales in the region of £240 million, achieving organic growth of 5 per cent. on the prior year on a constant currency basis. The business delivered strong Q4 trading, with impressive sales growth in the Residential RMI division as well as the Residential EV Charger division, which delivered quarterly year-on-year growth of circa 50%. The business expects to generate operating profit in the region of £28.5 - 29.0 million for the year. Luceco completed two acquisitions in the period, acquiring D-Line, a supplier of cable management solutions, for £8.6 million initial consideration and up to £3.8m million contingent consideration in March 2024, and CMD, a wiring accessories manufacturer for commercial premises, for £30.0 million consideration in October 2024. The business' balance sheet remains robust with net debt of 1.7x LTM EBITDA as at 31 December 2024, within the target range of 1.0-2.0x.

Rayware continued to face headwinds to trading performance, but has made progress on the development of its overall channel strategy in the period. In August 2024 Rayware launched a new retail channel, with its first store opened in Swindon. Rayware's US channel achieved pleasing growth, securing new customer wins. Rayware appointed a new CEO in May 2024, Jamie O'Brien, who brings to the business over 20 years' leadership experience in the branded consumer sector. During the period, the Company, through its subsidiary ESO Investments 1 Limited, invested £3.5 million to reduce Rayware's senior debt and has a £1.0 million contingent guarantee outstanding to third-party lenders as at 31 January 2025.

Whittard of Chelsea delivered pleasing growth across its sales channels. The UK retail store estate performed strongly, achieving 6% like for like sales growth and opening new stores in Oxford Circus, Gatwick Airport and Victoria Station. Whittard has continued to develop its international channels, with expansion in the US market underpinned by new customers wins with key retailer accounts, including Sam's Club. The business has also continued to improve its customer proposition, with a new customer loyalty programme launched in the period.

David Phillips continues to experience profitability headwinds but enters the year with an encouraging pipeline. In July 2024, Ben Munn joined the business as CEO, with over 25 years of experience in the real estate sector. In January 2025, the Company, through its subsidiary ESO Investments 1 Limited, invested £0.7 million to support the business.

Pharmacy2U maintained strong organic growth during the period and accelerated its underlying growth trajectory via acquisition. The integration of LloydsDirect was approved by the CMA in March 2024, delivering material additional scale to the platform and synergy opportunities. In April 2024, P2U expanded its offering to include pet care, via the acquisition of The PharmaPet Co.

Denzel's achieved top line growth, expanding their offering within key retailers and securing new accounts. The business' marketing activity has been supported by new partnerships such as the collaboration with Battersea Dogs & Cats Home, launched in June 2024.

The Investment Advisor would like to share its appreciation to all of the management teams across the portfolio for their dedication during an uncertain period, and to the Board and the Company's shareholders for their counsel and support.

EPIC Investment Partners LLP
Investment Advisor to the Company
25 March 2025

*See Alternative Performance Measures of this Report and Accounts.

[1] Company liquidity is stated inclusive of cash held in subsidiaries in which the Company is the sole investor.

2 EV / EBITDA multiple excludes Denzel's as the assets are in a growth stage, prior to mature profitability.

Audit and Risk Committee Report

The Audit and Risk Committee is chaired by David Pirouet and comprises all other Directors. Mr Pirouet was appointed as Chairman of the Committee on 28 June 2019.

The Audit and Risk Committee's main duties are:

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

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

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

Significant accounting matters

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

The Company's accounting policy for valuing investments is set out in notes 3 and 12. The Audit and Risk Committee examined and challenged the valuations prepared by the Investment Advisor, taking into account the latest available information on the Company's investments and the Investment Advisor's knowledge of the underlying portfolio companies through their ongoing monitoring. The Audit and Risk Committee satisfied itself that the valuation of investments had been carried out consistently with prior accounting periods, or that any change in valuation basis was appropriate, and was conducted in accordance with published industry guidelines and IFRS Accounting Standards.

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

External audit

The Audit and Risk Committee reviewed the audit plan and fees presented by the auditors, PricewaterhouseCoopers CI LLP ("PwC"), and considered their report on the financial statements. The fee for the audit of the annual report and financial statements of the Company (and subsidiaries) for the year ended 31 January 2025 is £79,200 (2024: £81,200).

The Audit and Risk Committee reviews the scope and nature of all proposed non-audit services before engagement, with a view to ensuring that none of these services have the potential to impair or appear to impair the independence of their audit role. The Audit and Risk Committee receives an annual assurance from the auditors that their independence is not compromised by the provision of such services, if applicable. During the period under review, the auditors provided non-audit services to the Company in relation to the Interim Review representing total fees of £24,600 (2024: £26,350).

On 22 April 2022, PwC were appointed as auditors to the Company from the 31 July 2023 Interim review and the 31 January 2023 audit. The Audit and Risk Committee regularly considers matters relating to audit quality, auditor rotation requirements, fees and independence, alongside matters raised during each audit.

PwC, being eligible, have expressed their willingness to continue in office for the current financial year.

Other service providers

The Board will review the performance and services offered by Langham Hall, as administrator and EPIC Administration as financial administrator on an ongoing basis. KPMG completed the triennial agreed upon procedures review for the year ended 31 January 2024 for the procedures as documented by EPIC Administration.

Risk management and internal control

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

Corporate Governance Statement

The Board of EPE Special Opportunities is pleased to update shareholders of the Company's compliance with the 2023 Quoted Companies Alliance Corporate Governance Code (the "QCA Code").

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

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

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

The Company's compliance with the QCA Code is included in this report and on the Company's website (www.epespecialopportunities.com). The Board deems the QCA Code sufficient and any additional listing rules and DTR disclosures are covered in this Corporate Governance report. The Company will provide annual updates on changes to compliance with the QCA Code.

The Quoted Companies Alliance announced that the 2023 QCA Code will apply to accounting periods commencing on or after 1 April 2024. The Company has chosen to early adopt the requirements of the revised code.

The FCA updated the UK Listing Rules in July 2024. The key changes include creating a single segment for listed equity securities, replacing the current premium and standard distinctions and placing revised obligations on non-equity shares and non-voting equity shares issuers, formerly standard listed issuers. The Board has assessed the impact of these changes on the Company, and confirmed that there has not been a material change to the obligations of the Company.

The Board has reviewed the analysis, which can be found in the Company's Report and Accounts for the year ended 31 January 2025 on pages 32 to 40, and confirms in its view that the Company has complied with the applicable requirements of the 2023 QCA Code.

Clive Spears
Chairman
25 March 2025

Report of the Directors

Principal activity and incorporation

EPE Special Opportunities Limited (the "Company") was incorporated in the Isle of Man as a company limited by shares under the Laws with registered number 108834C on 25 July 2003. On 23 July 2012, the Company re-registered under the Isle of Man Companies Act 2006, with registration number 008597V. On 11 September 2018, the Company re-registered under the Bermuda Companies Act 1981, with registration number 53954. The Company's ordinary shares are quoted on AIM, a market operated by the London Stock Exchange, and the Growth Market of the Aquis Stock Exchange (formerly the NEX Exchange). The Company's Zero Dividend Preference Shares are admitted to trade on the London Stock Exchange (non-equity shares and non-voting equity shares, formerly standard listing (shares)). The Company's Unsecured Loan Notes ("ULN") are quoted on the Growth Market of the Aquis Stock Exchange.

The principal activity of the Company and its subsidiaries holding vehicles (together the "Subsidiaries") is to provide long-term return on equity for its shareholders by investing between £2m and £30m in small and medium sized companies. The Company targets growth capital and buy-out opportunities, special situations and distressed transactions, deploying capital where it believes the potential for shareholder value creation to be compelling. The Company has the flexibility to invest in public as well as private companies and is also able to invest in Special Purpose Acquisition Companies ("SPACs") and third-party funds. The Company will consider most industry sectors including business services, consumer and retail, financial services and the industrials sector. The 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 Subsidiary investment holding vehicles are not consolidated in the group's financial statements in accordance with IFRS 10. The Company also controls an employee benefit trust ("EBT") established to operate the jointly owned share plan and share based payment scheme for the Company's Directors and certain employees of the Investment Advisor. The financial statements presented in this Report and Accounts are the consolidated financial statements of the Company and the EBT subsidiary. The Company and the EBT subsidiary are collectively referred to as the "Group" hereinafter.

Registered office

The Company's registered office is:

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

Place of business

The Company operated out of and was controlled from:

Gaspe House, 66-72 Esplanade, St Helier, Jersey, Channel Islands, JE1 2LH.

Results of the financial year

Results for the year are set out in the Consolidated Statement of Comprehensive Income and in the Consolidated Statement of Changes in Equity.

Dividends

The Board does not recommend a dividend in relation to the current year (2024: nil) (see note 10 for further details).

Corporate governance principles

The Directors, place a high degree of importance on ensuring that the Company maintains high standards of Corporate Governance and have therefore adopted the Quoted Companies Alliance 2023 Corporate Governance Code (the "QCA Code").

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

Composition of the Board

The Board currently comprises five non-executive directors, all of whom are independent. Clive Spears is Chairman of the Board, David Pirouet is Chairman of the Audit and Risk Committee.

Audit and Risk Committee

The Audit and Risk Committee comprises David Pirouet (Chairman of the Committee) and all other Directors. The Audit and Risk Committee provides a forum through which the Company's external auditors report to the Board.

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

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

Principal risks and uncertainties

The Group has a robust approach to risk management that involves ongoing risk assessments, communication with our Board of Directors and Investment Advisor, and the development and implementation of a risk management framework along with reports, policies and procedures. We continue to monitor relevant emerging risks and consider the market and macro impacts on our key risks.

Risk	Description	Mitigation
Performance Risk	In the event the Company's investment portfolio underperforms the market, the Company may underperform vs. the market and peer benchmarks.	The Board independently reviews any investment recommendation made by the Investment Advisor in light of the investment objectives of the Company and the expectations of shareholders. The Investment Advisor maintains board representation on all majority owned portfolio investments and maintains ongoing discussions with management and other key stakeholders in investments to ensure that there are controls in place to ensure the success of the investment.
Portfolio Concentration Risk	The Company's investment policy is to hold a concentrated portfolio of 2-10 assets. In a concentrated portfolio, if the valuation of any asset decreases it may have a material impact on the Company's NAV.	The Directors and Investment Advisor keep the portfolio under review and focus closely on those holdings which represent the largest proportion of total value.
Liquidity Management	Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.	The Board and Investment Advisor closely monitor cash flow forecasts in conjunction with liability maturity. Liquidity forecasts are carefully considered before capital deployment decisions are made.
Credit Risk	Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. The Company, through its interests in subsidiaries, has advanced loans to a number of private companies which exposes the Company to credit risk. The loans are advanced to unquoted private companies, which have no credit risk rating.	Loan investments are entered into as part of the investment strategy of the Company and its subsidiaries, and credit risk is managed by taking security where available (typically a floating charge) and the Investment Advisor taking an active role in the management of the borrowing companies. In addition to the repayment of loans advanced, the Company and subsidiaries will often arrange additional preference share structures and take significant equity stakes so as to create shareholder value. It is the performance of the combination of all securities including third-party debt that determines the Company's view of each investment.
Operational Risk	The Company outsources investment advisory and administrative functions to service providers. Inadequate or failed internal processes could lead to operational performance risk and regulatory risk.	The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. This responsibility is supported by the development of overall standards for the management of operational risk, which encompasses the controls and processes at the service providers and the establishment of service levels with the service providers. The Directors' assessment of the adequacy of the controls and processes in place at the service providers with respect to operational risk is carried out via regular discussions with the service providers as well as site visits to their offices. The Company also undertakes periodic third-party reviews of service providers' activities.

Directors

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

Mr. C.L. Spears (Chairman)
Ms. H. MacCallum (appointed on 17 October 2024)
Ms. H. Bestwick
Mr. D.R. Pirouet
Mr. M.M Gray

Related Party Transactions

Details in respect of the Group's related party transactions during the period are included in note 22 to the financial statements.

Staff and Secretary

At 31 January 2025 the Group employed no staff (2024: none).

Independent Auditors

The current year is the third year in which PricewaterhouseCoopers CI LLP are undertaking the audit for the Group. PricewaterhouseCoopers CI LLP have indicated willingness to continue in office.

On behalf of the Board

Heather Bestwick
Director
25 March 2025

Director's Remuneration Report

As the Board is comprised solely of non-executive directors, the Company does not have a Remuneration Committee. The determination of the directors' fees is dealt with by the whole Board.

Directors are remunerated in the form of fixed fees payable to the Director personally. An additional fee is paid to the Chair of the Board and to the Audit Committee Chair (in recognition of extra workload and responsibility, in line with market practices).

The total amount of remuneration paid by the Company to its Directors during the year ended 31 January 2025 was £149,290 (2024: 162,474).

Table of remuneration by role

	31 January 2025	**31 January 2024**
	£	**£**
Chair of the Board	42,000	42,000
Chair of the Audit Committee	34,000	34,000
Directors' fee	32,000	32,000

In addition to the fees noted above, C.L. Spears, H. Bestwick and M.M Gray received during the year;

£3,750 each as Directors' fees for their directorship of ESO Investments 1 Limited; and

£3,750 each as Directors' fees for their directorship of ESO Investments 2 Limited.

Aggregate Directors' fees for ESO Investments 1 Limited and ESO Investments 2 Limited for the year ended 31 January 2025 amounted to £22,500 (2024: £22,500).

Directors of the Company also receive remuneration in the form of equity-settled share-based payment transactions, through a JOSP Scheme (see note 3l).

Statement of Directors' Responsibilities
in respect of the Annual Report and the Financial Statements

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

The Directors are required to prepare financial statements for each financial year. The Group is required to prepare the financial statement in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (hereinafter "IFRS Accounting Standards") and applicable legal and regulatory requirements of Bermuda Companies Act 1981.

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of its profit or loss for that period. In preparing the Group's financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRS Accounting Standards; and
- assess the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and use the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that its financial statements comply with the Bermuda Companies Act 1981. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The maintenance and integrity of the Company's website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that might have occurred to the annual financial statements since they were initially presented on the website. Legislation in Bermuda governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors confirm that, to the best of their knowledge:

- The financial statements, prepared in accordance with IFRS Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Investment Advisor's report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

This annual report was approved by the Board and the above Director's Responsibility Statement was signed on behalf of the Board by:

Heather Bestwick
Director
25 March 2025

Consolidated Statement of Comprehensive Income

For the year ended 31 January 2025

Note		31 January 2025 Total £	31 January 2024 Total £
	Income		
4	Interest income	709,751	366,660
11	Net fair value movement on investments*	3,443,032	3,384,604
	Total income	**4,152,783**	**3,751,264**
	Expenses		
5	Investment advisor's fees	(1,898,990)	(1,832,745)
6	Directors' fees	(149,290)	(162,474)
7	Share based payment expense	(308,433)	(339,593)
8	Other expenses	(605,486)	(635,675)
	Total expense	**(2,962,199)**	**(2,970,487)**
	Profit before finance costs and tax	**1,190,584**	**780,777**
	Finance charges		
15	Interest on unsecured loan note instruments	(319,018)	(309,049)
15	Zero dividend preference shares finance charge	(789,942)	(868,190)
	Profit / (loss) for the year before taxation	**81,624**	**(396,462)**
9	**Taxation**	-	-
	Profit / (loss) for the year	**81,624**	**(396,462)**
	Other comprehensive income	-	-
	Total comprehensive income / (loss)	**81,624**	**(396,462)**
17	**Basic profit / (loss) per ordinary share (pence)**	**0.29**	**(1.39)**
17	**Diluted profit / (loss) per ordinary share (pence)**	**0.27**	**(1.33)**

* The net fair value movements on investments is allocated to the capital reserve and all other income and expenses are allocated to the revenue reserve in the Consolidated Statement of Changes in Equity. All items derive from continuing activities.

Consolidated Statement of Assets and Liabilities

At 31 January 2025

Note		31 January 2025 £	31 January 2024 £
	Non-current assets		
11	Investments at fair value through profit or loss	100,502,430	95,459,612

		100,502,430	**95,459,612**
	Current assets		
11	Investments at fair value through profit or loss	-	5,262,427
13	Cash and cash equivalents	11,069,366	14,462,495
	Trade and other receivables and prepayments	68,228	73,646
		11,137,594	**19,798,568**
	Current liabilities		
14	Trade and other payables	(653,033)	(676,284)
15	Unsecured loan note instruments	(3,987,729)	(3,987,729)
		(4,640,762)	**(4,664,013)**
	Net current assets	**6,496,832**	**15,134,555**
	Non-current liabilities		
15	Zero dividend preference shares	(11,030,633)	(13,714,191)
		(11,030,633)	**(13,714,191)**
	Net assets	**95,968,629**	**96,879,976**
	Equity		
16	Share capital	1,730,828	1,730,828
16	Share premium	13,619,627	13,619,627
24	Capital reserve	103,967,025	100,523,993
24	Revenue reserve and other equity	(23,348,851)	(18,994,472)
	Total equity	**95,968,629**	**96,879,976**
18	**Net asset value per share (pence)**	**327.52**	**324.26**

The financial statements were approved by the Board of Directors on 25 March 2025 and signed on its behalf by:

Clive Spears
Director

David Pirouet
Director

Consolidated Statement of Changes in Equity

For the year ended 31 January 2025

		Year ended 31 January 2025				
Note		**Share capital** £	**Share premium** £	**Capital reserve** £	**Revenue reserve and other equity** £	**Total** £
	Balance at 1 February 2024	1,730,828	13,619,627	100,523,993	(18,994,472)	96,879,976
	Total comprehensive income for the year	-	-	3,443,032	(3,361,408)	81,624
	Contributions by and distributions to owners					
7	Share-based payment charge	-	-	-	308,433	308,433
	Share ownership scheme participation	-	-	-	44,736	44,736
16	Purchase of shares	-	-	-	(872,064)	(872,064)
16	Share acquisition for JOSP scheme	-	-	-	(474,076)	(474,076)
	Total transactions with owners	**-**	**-**	**-**	**(992,971)**	**(992,971)**
	Balance at 31 January 2025	**1,730,828**	**13,619,627**	**103,967,025**	**(23,348,851)**	**95,968,629**

		Year ended 31 January 2024				
Note		**Share capital** £	**Share premium** £	**Capital reserve** £	**Revenue reserve and other equity** £	**Total** £
	Balance at 1 February 2023	1,730,828	13,619,627	97,139,389	(15,068,480)	97,421,364
	Total comprehensive loss for the year	-	-	3,384,604	(3,781,066)	(396,462)
	Contributions by and distributions to owners					
7	Share-based payment charge	-	-	-	339,593	339,593
	Share ownership scheme participation	-	-	-	41,401	41,401

	Share ownership scheme participation	-	-	-	41,401	41,401
16	Share acquisition for JOSP scheme	-	-	-	(525,920)	(525,920)
	Total transactions with owners	**-**	**-**	**-**	**(144,926)**	**(144,926)**
	Balance at 31 January 2024	**1,730,828**	**13,619,627**	**100,523,993**	**(18,994,472)**	**96,879,976**

Consolidated Statement of Cash Flows

For the year ended 31 January 2025

Note		31 January 2025 £	31 January 2024 £
	Operating activities		
	Interest income received	709,751	366,660
	Expenses paid	(2,670,754)	(2,535,853)
11	Purchase of investments	(4,605,969)	(3,350,000)
11	Proceeds from investments	8,268,610	6,425,542
19	**Net cash generated from operating activities**	**1,701,638**	**906,349**
	Financing activities		
15	Unsecured loan note interest paid	(319,018)	(309,049)
16	Purchase of shares	(872,064)	(525,920)
16	Share acquisition for JOSP scheme	(474,076)	-
15	Buyback of zero dividend preference shares	(3,473,500)	(7,875,000)
	Share ownership scheme participation	44,736	41,401
	Net cash used in financing activities	**(5,093,922)**	**(8,668,568)**
	Decrease in cash and cash equivalents	(3,392,284)	(7,762,219)
	Effect of exchange rate fluctuations on cash and cash equivalents	(845)	(1,294)
	Cash and cash equivalents at start of year	14,462,495	22,226,008
13	**Cash and cash equivalents at end of year**	**11,069,366**	**14,462,495**

Reconciliation of net debt

Cash and cash equivalents	**On 31 January 2024 £**	**Cash flows £**	**Other non-cash charge £**	**On 31 January 2025 £**
Cash at bank	14,462,495	(3,392,284)	(845)	11,069,366
Unsecured loan note instruments	(3,987,729)	319,018	(319,018)	(3,987,729)
Zero dividend preference shares	(13,714,191)	3,473,500	(789,942)	(11,030,633)
Net debt	**(3,239,425)**	**400,234**	**(1,109,805)**	**(3,948,996)**

Notes to the Consolidated Financial Statements

For the year ended 31 January 2025

1 General information

On 25 July 2003, the Company was incorporated with limited liability in the Isle of Man. On 23 July 2012, the Company then re-registered in the Isle of Man in order to bring the Company within the Isle of Man Companies Act 2006, with registration number 008597V. On 11 September 2018, the Company re-registered under the Bermuda Companies Act 1981, with registration number 53954. The Company moved its operations to Jersey with immediate effect on 17 May 2017 and has subsequently operated from Jersey only.

The Company's ordinary shares are quoted on AIM, a market operated by the London Stock Exchange, and the Growth Market of the Aquis Stock Exchange (formerly the NEX Exchange). The Company's zero dividend preference shares are admitted to trade on the main market of the London Stock Exchange (non-equity shares and non-voting equity shares, formerly standard listing (shares)). The Company's unsecured loan notes are quoted on the Growth Market of the Aquis Stock Exchange.

The financial statements of the Company as at and for the year ended 31 January 2025 are available upon request from the Company's business office at 3rd Floor, Gaspe House, 66-72 Esplanade, St Helier, Jersey, Channel Islands, JE1 2LH and the registered office at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda, or at www.epespecial opportunities.com.

The Company's portfolio investments are held in two majority owned subsidiary entities, ESO Investments 1 Limited and ESO Investments 2 Limited and one wholly owned subsidiary entity, ESO Alternative Investments LP (together the "Subsidiaries"). ESO Investments 1 Limited and ESO Investments 2 Limited operate out of Jersey and ESO Alternative Investments LP operates out of the United Kingdom.

Direct interests in the individual portfolio investments are held by the following Subsidiaries;

- ESO Investment 1 Limited: Rayware, Whittard, David Phillips and Denzel's

- ESO Investments 2 Limited: Luceco and Pharmacy2U

- ESO Alternative Investments LP: European Capital Private Debt Fund LP, Atlantic Credit Opportunities DAC, and EAC Sponsor Limited

The Company also controls the EPIC Private Equity Employee Benefit Trust (referred herein as the "EBT subsidiary"), an employee benefit trust, which financial position and results are consolidated in these financial statements (refer to Notes 3a and 7 for details). These financial statements are consolidated financial statements of the Company and the EBT subsidiary. The Company and the EBT subsidiary are collectively referred to as the "Group" hereinafter.

The Group's primary objective is to provide long-term return on equity for its shareholders by investing between £2m and £30m in small and medium sized companies.

The Group targets growth capital and buy-out opportunities, special situations and distressed transactions, deploying capital where it believes the potential for shareholder value creation to be compelling. ESO has the flexibility to invest in public as well as private companies and is also able to invest in Special Purpose Acquisition Companies ("SPACs") and third-party funds.

ESO will consider most industry sectors including business services, consumer and retail, financial services and the industrials sector.

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

The Group has no employees.

The following significant changes occurred during the year ended 31 January 2025:

- In February 2024, the realisation of the investment in EPIC Acquisition Corp was completed, realising €6.2 million. The realisation from EAC Sponsor Limited remains subject to the completion of the liquidation.

- In May 2024, the Company, through its subsidiary ESO Investments 1 Limited, invested £1.5 million to reduce Rayware's senior debt.

- In June 2024, the Company, through its subsidiary ESO Investments 1 Limited, invested £0.4 million in Whittard. The cash was returned by Whittard in two equal instalments of £0.2 million in October 2024 and in December 2024.

- In July 2024, the Company agreed the extension of the maturity of £4.0 million unsecured loan notes to 24 July 2025.

- In October 2024, the Company through its subsidiary ESO Investments 1 Limited, invested £2.0 million to reduce Rayware's senior debt and ESO Investments 1 Limited provided a £1.0 million contingent guarantee to Rayware's third-party lenders as at 31 January 2025.

- In January 2025, the Company, through its subsidiary ESO Investments 1 Limited, invested £0.7 million to reduce David Phillips' senior debt.

- The movement in the value of investments and fair value movement are deemed as significant changes during the period (see note 12).

The financial information is derived from the Group's consolidated financial statements for the year ended 31 January 2025. The financial information set out above does not constitute the Group's statutory accounts for the years ended 31 January 2024 and 31 January 2025 but is derived from those accounts. The Auditors have reported on the statutory accounts and their report was unqualified and did not draw attention to any matters by way of emphasis. The full text of the auditors' report can be found in the Company's full 2025 Report and Accounts on pages 51 to 56.

The 2025 Report and Accounts will be published on the Company's website at https://www.epespecialopportunities.com/ as soon as practicable. They will also be submitted to the National Storage Mechanism where they will be available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

2 Basis of preparation

a. Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and applicable legal and regulatory requirements of Bermuda Companies Act 1981. The following accounting policies have been adopted and applied consistently. The financial statements comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

b. Basis of measurement

The financial statements have been prepared on the historical cost convention except for financial instruments at fair value through profit or loss which are measured at fair value (note 12). Several new standards and interpretations have been published that are not mandatory for 31 January 2024 reporting periods and earlier application is permitted; however, the Group has not adopted early the new or amended standards in preparing these financial statements. The Directors do not expect the adoption of the standards and interpretations to have a material impact on the Group's financial statements in the period of initial application. The following are interpretations to have a material impact on the Group's financial statements in the period of initial application. The following are amendments that the Group has decided not to adopt early:

- **Standards and amendments to existing standards effective 1 January 2024**
  There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2024 that have a material effect on the financial statements of the Group.

- **New standards, amendments and interpretations effective after 1 January 2024 and have not been early adopted**
  A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2024, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Group.

c. Functional and presentation currency

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

'Functional currency' is the currency of the primary economic environment in which the Group operates. The expenses (including investment advisory and administration fees) and investments are denominated and paid in Sterling. Accordingly, management has determined that the functional currency of the Group is Sterling.

A foreign currency transaction is recorded initially at the rate of exchange at the date of the transaction. Assets and liabilities are translated from foreign currency to the functional currency at the closing rate at the end of the reporting period. The resulting gains or losses are included in the Consolidated Statement of Comprehensive Income.

d. Use of estimates and judgements

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

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

Critical accounting estimates and assumptions made by Directors and the Investment Advisor in the application of IFRS Accounting Standards that have a significant effect on the financial statements and estimates with a significant risk of material adjustments in the year relate to the determination of fair value of financial instruments with significant unobservable inputs (see note 12).

The critical judgements made by the Directors and the Investment Advisor in preparing these financial statements are:

- Classification of the zero dividend preference share as a non-current liability in the Consolidated Statement of Assets and Liabilities. The zero dividend preference shares meet the definition of a non-current liability as detailed in note 3(m). Please refer to note 15 for further details.

- Categorisation of ESO Alternative Investments LP, ESO Investments 1 Limited and ESO Investments 2 Limited as Subsidiaries. The Company is deemed to have control over these Subsidiaries. Please refer to note 3(a) for details.

e. Unconsolidated structured entities

The Company invests in portfolio investments through its Subsidiaries. See note 3(a) for an explanation of why these entities are considered controlled subsidiary investments. The purpose of the Subsidiaries is to hold investments. The Subsidiaries meet the definition of unconsolidated structured entities under IFRS 12. There are letters of support in place between the Company and ESO Investments 1 Limited and ESO Investments 2 Limited for the payment of expenses. ESO Alternative Investments LP pays its own expenses.

The total fair value of the Subsidiaries, and the amount recognised in the Company's financial statements (as investments at fair value) is £100,502,430 (2024: £100,722,039).

In respect of ESO Alternative Investments LP, the Company has 100% beneficial ownership of the entity.

In respect of ESO Investments 1 Limited, the Company has 80% beneficial ownership of the entity.

In respect of ESO Investments 2 Limited, the Company has 80% beneficial ownership of the entity.

There are no restrictions on the ability of the above Subsidiaries to transfer funds to the Company in the form of cash dividends or loan repayments.

The Company's maximum exposure to loss from its interest in its Subsidiaries is equal to the total fair value of its investment in its Subsidiaries.

The Company's Subsidiaries invest in quoted and unquoted securities, in line with the Company's investment policy. The value of these investments may be impacted by market price risk arising from uncertainty about the future market value of these holdings as well as the risk of underperformance of the underlying portfolio companies.

The exposure to investments in Subsidiaries measured at fair value is disclosed in the following table :

	31 January 2025 £	31 January 2024 £
ESO Investments 1 Limited	51,555,286	52,200,243
ESO Investments 2 Limited	48,805,719	42,722,072
ESO Alternative Investments LP	141,425	5,799,724
	100,502,430	**100,722,039**

During the year ended 31 January 2025 total net profit incurred on the fair value movement on investments in Subsidiaries was £3,443,032 (2024: £3,384,604) (as set out in note 11).

f. Going concern

The Group's management has assessed the Group's ability to continue as a going concern and is satisfied that the Group has adequate resources to continue in business for at least twelve months from the date of approval of financial statements. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

3 Material accounting policy information

a. Subsidiaries and consolidation

The Company has subsidiaries which have been determined to be controlled subsidiary investments. Controlled subsidiary investments are measured at fair value through profit or loss and are not consolidated in accordance with IFRS 10. The fair value of controlled subsidiary investments is determined on a consistent basis to all other investments measured at fair value through profit or loss, and as described in note 3.j.

A controlled subsidiary investment involves holding companies over which the Company has the power to govern the financial and operating policies. These holding companies are subsidiaries that have been incorporated for the purpose of holding underlying investments on behalf of the Company. Such holding companies have no operations other than providing a vehicle for the acquisition, holding and onward sale of certain portfolio investment companies. The holding companies are also reflected at its fair value, with the key fair value driver thereof being the investment in the underlying portfolio company investments that the holding company holds on behalf of the Company. The holding companies require no consolidation, because the holding companies are not deemed to be providing investment related services, as defined by IFRS 10.

Where the Company is deemed to have control over an underlying portfolio company, either directly or indirectly, and whether the control is via voting rights or through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the Company does not consolidate the underlying portfolio company; instead, the Company reflects its investment at fair value through profit or loss.

The EPIC Private Equity Employee Benefit Trust ("EBT Subsidiary or Trust") is treated as a subsidiary and consolidated in the financial statements. The impact on the financial statements is immaterial. All transactions and balances between the Company and EBT Subsidiary are eliminated on consolidation. Amounts reported in the financial statements have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Company. Please refer to note 7 for more details.

b. Investment entity

IFRS 10: "Consolidated Financial Statements", provides an exception to the consolidation requirement for entities that meet the definition of an investment entity.

The Directors believe the Company meets the definition of an investment entity as the following conditions exist:

- The Company obtains funds from its members for the purpose of providing those members with investment management services;
- The Company commits to its members that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- The Company measures and evaluates the performance of substantially all of its investments on a fair value basis.

The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss.

c. Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business and geographic area, being arranging financing for growth, buyout and special situations investments in the United Kingdom. Information presented to the Board of Directors for the purpose of decision making is based on this single segment. All significant operating decisions are based upon the analysis of the Company's investments as a single operating segment. The financial information from this segment are equivalent to the financial information of the Company as a whole, which are evaluated on a regular basis by the Board of Directors.

d. Income

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

e. Expenses

All expenses are accounted for on an accrual basis.

f. Cash and cash equivalents

Cash and cash equivalents comprise of current cash deposits with banks only. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

g. Finance charges

Other finance charges are recognised as an expense.

h. Trade and other payables

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

i. Unsecured loan note instruments

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

j. Financial assets and financial liabilities

A. Classification

Financial assets

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

- Amortised cost: a financial asset is measured at amortised cost if both of the following conditions are met:
  - the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair value through other comprehensive income: financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

- Fair value through profit or loss: any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

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

Financial liabilities

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

B. Recognition

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

C. Measurement

Equity and debt investments, including those held by Subsidiaries, are stated at fair value. Loans and Receivables are stated at amortised cost less any impairment losses.

The Investment Advisor determines asset values using the valuation principles of IFRS 13.

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

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

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

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

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

D. Impairment

12-month expected credit losses

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

Lifetime expected credit losses

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

E. Derecognition

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

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

k. Share capital

Ordinary share capital

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

Repurchase of share capital (treasury shares)

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

Capital Reserve and Revenue Reserve and other equity

The capital reserve comprises net gains and losses on investments. The revenue reserve and other equity comprise other income and expenses plus other items recorded directly in equity (excluding items recorded as share capital / share premium).

l. Jointly owned share plan ("JOSP") and share-based payments

Directors of the Company and certain employees of the Investment Advisor (together "Participants") receive remuneration in the form of equity-settled share-based payment transactions, through a JOSP Scheme.

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value is determined based on the share price of the equity instrument at the grant date. The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of shares that will eventually vest. The instruments are subject to a three-year service vesting condition from the grant date, and their fair value is recognised as a share-based expense with a corresponding increase in revenue reserves within equity over the vesting period. Contributions received from employees as part of the JOSP arrangement are recognised directly in equity in the line share ownership scheme participation.

The assets (other than investments in the Company's shares), liabilities, income and expenses of the Trust established to operate the JOSP scheme are consolidated in these financial statements. Any expense incurred by the Trust are borne by the Company. The Trust's investment in the Company's shares is deducted from shareholders' funds in the Consolidated Statement of Asset and Liabilities as if they were treasury shares (see note 7).

m. Zero dividend preference shares ("ZDP")

Under IAS 32 - Financial Instruments: Presentation, the ZDP Shares are classified as financial liabilities and are held at amortised cost. An accrual for the final capital entitlement of the ZDP Shares is included in the Consolidated Statement of Comprehensive Income as a finance cost and is calculated using the effective interest rate method ("EIR"). The costs of issue of the ZDP Shares are amortised over the period to the ZDP Share redemption date.

4 Interest income

	2025	**2024**
	Group	**Group**
	£	**£**
Interest earned on cash balances	709,751	366,660
Total	**709,751**	**366,660**

5 Investment advisory, administration and performance fees

Investment advisory fees

The investment advisory fee payable to EPIC Investment Partners LLP ("EPIC") is assessed and payable at the end of each fiscal quarter and is calculated as 2 per cent. of the Group's NAV where the Group's NAV is less than £100 million; otherwise the investment advisory fee is calculated as the greater of £2.0 million or the sum of 2 per cent. of the Group's NAV comprising Level 2 and Level 3 portfolio assets, 1 per cent. of the Group's NAV comprising Level 1 assets, no fees on assets which are managed or advised by a third-party manager, 0.5 per cent. of the Group's net cash (if greater than nil), and 2 per cent. of the Group's net cash (if less than nil) (i.e. reducing fees for net debt positions).

The charge for the current year was £1,898,990 (2024: £1,832,745). The amount outstanding as at 31 January 2025 was £482,435 (2024: £484,400) (see note 14).

Administration fees

EPIC Administration Limited provides accounting and financial administration services to the Group. The fee payable to EPIC Administration Limited is assessed and payable at the end of each fiscal quarter and is calculated as 0.15 per cent. of the Group's

NAV where the Group's NAV is less than £100 million (subject to a minimum fee of £35,000); otherwise the advisory fee shall be calculated as 0.15 per cent. of £100 million plus a fee of 0.1 per cent of the excess of the Group's NAV above £100 million.

The charge for the current year was £145,872 (2024: £141,330).

Other administration fees during the year were £80,699 (2024: £82,406).

Performance fees paid by Subsidiaries

The Subsidiaries are stated at fair value. Performance fees to the Investment Advisor are accrued based on the movement in fair value of the investments held by the Subsidiaries and are deducted in calculating the fair value of Subsidiaries. Performance fees are only paid to the Investment Advisor following the realisation of an investment and the distribution of proceeds from the Subsidiaries to the Group.

Performance fee in ESO Investments 1 Limited

The distribution policy of ESO Investments 1 Limited includes an allocation of profits payable to the Investment Advisor on the realisation of an investment. Proceeds are distributed to the Group only until the base cost for the portfolio asset has been fully recovered and a hurdle of 8 per cent. per annum has been fully satisfied. Proceeds are then distributed 90% to the Investment Advisor and 10% to the Group until the Investment Advisor has received proceeds equal to 20% of the accrued hurdle amount. All remaining proceeds are then distributed 20% to the Investment Advisor and 80% to the Group. Performance fees are only paid to the Investment Advisor following the realisation of an investment and the distribution of proceeds from the Subsidiaries to the Group. As at 31 January 2025, £6,778,769 has been accrued in the profit share account of the Investment Advisor in the records of ESO Investments 1 Limited (2024: £4,983,792 accrued).

Performance fee in ESO Investments 2 Limited

The distribution policy of ESO Investments 2 Limited includes an allocation of profits payable to the Investment Advisor on the realisation of an investment. Proceeds are distributed to the Group only until the base cost for the portfolio asset has been fully recovered and a hurdle of 8 per cent. per annum has been fully satisfied. Proceeds are then distributed 90% to the Investment Advisor and 10% to the Group until the Investment Advisor has received proceeds equal to 20% of the accrued hurdle amount. All remaining proceeds are then distributed 20% to the Investment Advisor and 80% to the Group. Performance fees are only paid to the Investment Advisor following the realisation of an investment and the distribution of proceeds from the Subsidiaries to the Group. As at 31 January 2025, £11,048,303 has been accrued in the profit share account of the Investment Advisor in the records of ESO Investments 2 Limited (2024: £9,104,320 accrued).

Joint Owned Share Plan ("JOSP") and share-based payments

Directors of the Company and certain employees of the Investment Advisor (together "Participants") receive remuneration in the form of equity-settled share-based payment transactions, through a JOSP Scheme (see note 7).

6 Directors' fees

	2025 Company £	2025 Share-based payment £	2024 Company £	2024 Share-based payment £
C.L. Spears (Chairman)	42,000	6,201	42,000	6,393
H. MacCallum (appointed on 17 October 2024)	9,290	-	-	-
N. Wilson (resigned on 30 September 2023)	-	-	22,474	5,972
H. Bestwick	32,000	6,201	32,000	6,393
D.R. Pirouet	34,000	6,201	34,000	8,298
M.M. Gray	32,000	6,009	32,000	4,296
Total	**149,290**	**24,612**	**162,474**	**31,352**

In addition to the fees noted above, C.L. Spears, H. Bestwick and M.M Gray received during the year;

- £3,750 each as Directors' fees for their directorship of ESO Investments 1 Limited; and
- £3,750 each as Directors' fees for their directorship of ESO Investments 2 Limited.

Aggregate Directors' fees for ESO Investments 1 Limited and ESO Investments 2 Limited for the year ended 31 January 2025 amounted to £22,500 (2024: £22,500).

Heather MacCallum was appointed on 17 October 2024.

The share-based payment expense is calculated as set out in Note 7.

7 Share-based payment expense

The cost of equity-settled transactions to Participants in the JOSP Scheme are measured at fair value at the grant date. The fair value is determined based on the share price of the equity instrument at the grant date.

The Trust was created to award shares to Participants as part of the JOSP. The Trust is consolidated in these financial statements in accordance with Note 3a. Participants are awarded a certain number of shares ("Matching Shares") which are subject to a three-year service vesting condition from the grant date. In order to receive their Matching Share allocation Participants are required to purchase shares in the Company on the open market ("Bought Shares"). The Participant will then be entitled to acquire a joint ownership interest in the Matching Shares for the payment of a nominal amount, on the basis of one joint ownership interest in one Matching Share for every Bought Share they acquire in the relevant award period.

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

The Trust held 1,669,961 (2024: 1,546,693) matching shares at the year-end which have historically not voted (see note 16).

163,513 shares vested to Participants in the year ended 31 January 2025 (2024: 257,061). 272,882 shares were awarded to Participants in the year ended 31 January 2025 (2024: 305,082). The weighted average fair value of the shares awarded during the period is 150.35

in the year ended 31 January 2025 (2024: 303,082). The weighted average fair value of the shares awarded during the period is 130.55 pence per share.

The fair value of awards granted under the JOSP is recognised as an employee benefits expense, with a corresponding increase in equity. This has been calculated on the basis of the fair value of the equity instruments, which is the share price of the equity instrument on the AIM market of the London Stock Exchange at the grant date and the estimated number of equity instruments to be issued after the vesting period, less the amount paid for the joint ownership interest in the Matching Shares from the Participants. As the Company does not pay dividends, no expected dividends were incorporated into the measurement value. No other features other than the share price of the equity instrument is incorporated into the measurement of the fair value of the awards.

The impact of revision to original estimates, if any, is recognised in profit or loss, with a corresponding adjustment to equity.

The total share-based payment expense in the year ended 31 January 2025 was £308,433 (2024: £339,593). Of the total share-based payment expense in the year ended 31 January 2025, £24,612 related to the Directors (2024: £31,352) and the balance related to members, employees and consultants of the Investment Advisor.

8 Other expenses

The breakdown of other expenses presented in the Consolidated Statement of Comprehensive Income is as follows:

	31 January 2025 Total £	31 January 2024 Total £
Administration fees	(226,571)	(223,806)
Directors' and officers' insurance	(27,722)	(27,993)
Professional fees	(108,504)	(145,363)
Board meeting and travel expenses	(1,967)	(1,639)
Auditors' remuneration	(79,200)	(81,200)
Interim review remuneration*	(24,600)	(26,350)
Bank charges	(1,380)	(1,404)
Foreign exchange movement	(1,667)	(1,137)
Nominated advisor and broker fees	(58,661)	(55,001)
Listing fees	(56,622)	(53,472)
Sundry expenses	(18,592)	(18,310)
Other expenses	**(605,486)**	**(635,675)**

*This relates to the interim review of the half yearly financial report which was performed by the auditors.

9 Taxation

The Company is a tax resident of Jersey and is subject to 0 per cent. corporation tax (2024: 0 per cent.).

ESO Alternative Investments LP is transparent for tax purposes.

ESO Investments 1 Limited and ESO Investments 2 Limited are tax resident in Jersey and are subject to 0 per cent. (2024: 0 per cent.) corporation tax.

10 Dividends paid and proposed

No dividends were paid or proposed for the year ended 31 January 2025 (2024: £nil).

11 Investments at fair value through profit or loss

	31 January 2025 £	31 January 2024 £
Investments at fair value through profit and loss*	100,502,430	100,722,039
	100,502,430	**100,722,039**

Investments roll forward schedule

	31 January 2025 £	31 January 2024 £
Investments at fair value at 1 February	100,722,039	100,412,977
Purchase of investments	4,605,969	3,350,000
Proceeds from investments	(8,268,610)	(6,425,542)
Net fair value movements	3,443,032	3,384,604
Investments at fair value	**100,502,430**	**100,722,039**

* Comprises Subsidiaries stated at fair value in accordance with accounting policy set out in note 3(a) (ESO Investments 1 Limited, ESO Investments 2 Limited and ESO Alternative Investments LP).

Discussion of the performance of individual investments is presented in the Chairman's Statement and the Investments Advisor's Report.

12 Fair value of financial instruments

The Company determines the fair value of financial instruments with reference to IPEV guidelines and the valuation principles of IFRS 13 (Fair Value Measurement). The Company measures fair value using the IFRS 13 fair value hierarchy, which reflects the significance and certainty of the inputs used in deriving the fair value of an asset:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly

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

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

The Investment Advisor undertakes the valuation of financial instruments required for financial reporting purposes. Recommended valuations are reviewed and approved by the Investment's Advisor's Valuation Committee for circulation to the Company's Board. The Audit and Risk Committee of the Company's Board meets at least once every six months, in line with the Company's semi-annual reporting periods, to review the recommended valuations and approve final valuations for adoption in the Company's financial statements.

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

Valuation framework

The Company employs the valuation framework detailed below with respect to the measurement of fair values. A valuation of the Company's investments held via its Subsidiaries are prepared by the Investment Advisor with reference to IPEV guidelines and the valuation principles of IFRS 13 (Fair Value Measurement). The Investment Advisor recommends these valuations to the Board of Directors. The Audit and Risk Committee of the Company's Board considers the valuations recommended by the Investment Advisor, determines any amendments required and thereafter adopts the fair values presented in the Company's financial statements. Changes in the fair value of financial instruments are recorded in the Consolidated Statement of Comprehensive Income in the line item "Net fair value movement on investments".

Quoted investments

Quoted investments traded in an active market are classified as Level 1 in the IFRS 13 fair value hierarchy. The investment in Luceco is a Level 1 asset. For Level 1 assets, the holding value is calculated from the closing price on the relevant exchange at the measurement date.

Quoted investments traded in markets that are considered less than active are classified as Level 2 in the IFRS 13 fair value hierarchy. The Company does not hold any investment that are considered as Level 2 assets.

Unquoted private equity investments and unquoted fund investments

Private equity investments and fund investments are classified as Level 3 in the IFRS 13 fair value hierarchy. The investments in Whittard, David Phillips, Rayware, Denzel's, Pharmacy2U, European Capital Private Debt Fund LP, EPIC Atlantic Credit Opportunities DAC, and EAC Sponsor Limited are considered to be Level 3 assets. Various valuation techniques may be applied in determining the fair value of investments held as Level 3 in the fair value hierarchy;

- For underperforming assets, net asset or liquidation valuation is considered more applicable, in particular where the business' performance be contingent on shareholder financial support;

- For performing assets, market approach is considered to be the most appropriate with a specific focus on trading comparables, applied on a forward basis. Transaction comparables, applied on a historic basis may also be considered. The financial metric to which the multiple is applied will depend on the stage of the company and the sector in which it operates. Typically, mature companies will be valued on the basis of an EBITDA multiple, while growth companies will be valued on the basis of a sales multiple;

- For assets managed and valued by third-party managers, the valuation methodology of the third-party manager is reviewed. If deemed appropriate and consistent with reporting standards, the valuation prepared by the third-party manager will be used.

The Investment Advisor believe that it is appropriate to apply an illiquidity discount to the multiples of comparable companies when using them to calculate valuations for small, private companies. This discount adjusts for the difference in size between generally larger comparable companies and the smaller assets being valued. The illiquidity discount also considers the premium the market gives to comparable companies for being freely traded or listed securities. The Investment Advisor has determined between 15 per cent. and 25 per cent. to be an appropriate illiquidity discount with reference to market data and transaction multiples seen in the market in which the Investment Advisor operates.

Where portfolio investments are held through subsidiary holding companies, the net assets of the holding company are added to the value of the portfolio investment being assessed to derive the fair value of the holding company held by the Company.

Fair value hierarchy - Financial instruments measured at fair value

The Company's investments in the Subsidiaries at 31 January 2025 are classified as Level 3 (in line with 31 January 2024), given the variation in classification of the underlying assets. The Company values these investments on the basis of the net asset value of these holdings.

The table below analyses the underlying investments held by the Subsidiaries measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The Board assesses the fair value of the total investment, which includes debt and equity.

The tables below show the gross amount and the net amount of all investments held via the Subsidiaries per the fair value hierarchy. The net amount includes an accrual for the profit share explained in Note 5.

	Level 1	Level 3	Total
31 January 2025	**£**	**£**	**£**
Financial assets at fair value through profit or loss			
Unquoted private equity investments (including debt)	-	61,087,242	61,087,242
Fund investments	-	136,460	136,460
Quoted investments	55,835,888	-	55,835,888

Investments at fair value through profit or loss	**55,835,888**	**61,223,702**	**117,059,590**
Other asset and liabilities (held at cost)	-	-	1,269,912
Performance fee adjustment	(10,466,584)	(7,360,488)	(17,827,072)
Total	**45,369,304**	**53,863,214**	**100,502,430**

31 January 2024	**Level 1** **£**	**Level 3** **£**	**Total** **£**
Financial assets at fair value through profit or loss			
Unquoted private equity investments (including debt)	-	59,103,536	59,103,536
Fund investments	-	451,348	451,348
Quoted investments	48,865,293	5,262,427	54,127,720
Investments at fair value through profit or loss	**48,865,293**	**64,817,311**	**113,682,604**
Other asset and liabilities (held at cost)	-	-	1,127,547
Performance fee adjustment	(8,732,750)	(5,355,362)	(14,088,112)
Total	**40,132,543**	**59,461,949**	**100,722,039**

The following table, detailing the value of portfolio investments only, shows a reconciliation of the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy for the underlying investments held by the Subsidiaries.

Unquoted investments (including debt)	**31 January 2025** **£**	**31 January 2024** **£**
Balance as at 1 February	59,461,949	50,568,639
Additional investments	4,605,969	3,350,000
Capital distributions from investments	(5,986,417)	(2,694,081)
Transfer to Level 3 investments	-	5,495,557
Change in fair value through profit & loss	(4,218,287)	2,741,834
Balance as at 31 January	**53,863,214**	**59,461,949**

Significant unobservable inputs used in measuring fair value

The table below sets out information about significant unobservable inputs used at 31 January 2025 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description	**Fair value at 31 January 2025** **£**	**Significant unobservable inputs**
Unquoted private equity investments (including debt)	53,726,754	Sales / EBITDA multiple
Fund investments	136,460	Reported net asset value

Significant unobservable inputs are developed as follows:

- Trading comparable multiple: valuation multiples used by other market participants when pricing comparable assets. Relevant comparable assets are selected from public companies determined to be proximate to the investment based on similarity of sector, size, geography or other relevant factors. The valuation multiple for a comparable company is determined by calculating the enterprise value of the company implied by its market price as at the reporting date and dividing by the relevant financial metric (sales or EBITDA). An illiquidity discount may be applied to trading comparable multiples to reflect the impact on valuation of differences in scale and profile to the company subject to valuation.

- Reported net asset value: for assets managed and valued by a third-party, the manager provides periodic valuations of the investment. The valuation methodology of the third-party manager is reviewed. If deemed appropriate and consistent with reporting standards, the Board will adopt the valuation prepared by the third-party manager. Adjustments are made to third-party valuations where considered necessary to arrive at the Director's estimate of fair value.

- Liquidation value: for underperforming assets, the Investment Advisor considers the value recovered in the event of a liquidation of the asset an appropriate fair value for the asset.

Although management believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements of Level 3 assets, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on the Level 3 investment valuations:

- For the Company's investment in mature Level 3 assets, the valuations used in the preparation of the financial statements imply an average EV to EBITDA multiple of 7.8x (weighted by each asset's total valuation) (2024: 7.2x). The key unobservable inputs into the preparation of the valuation of mature Level 3 assets was the EBITDA multiple applied to the asset's financial forecasts. A sensitivity of 25 per cent. has been applied to these multiples, in line with the maximum liquidity discount employed in the valuations. If these inputs had been taken to be 25 per cent. higher, the value of the Level 3 assets and profit for the year would have been £15,668,759 higher. If these inputs had been taken to be 25 per cent. lower, the value of the Level 3 assets and profit for the year would have been £15,725,658 lower. A corresponding increase or decrease in the asset's financial forecasts would have a similar impact on the Company's assets and profit.

- For the Company's investment in growth Level 3 assets, the valuations used in the preparation of the financial statements imply an average EV to sales multiple of 1.8x (weighted by each asset's total valuation) (2024: 1.5x). The key unobservable inputs into the preparation of the valuation of growth Level 3 assets were the sales multiple applied to the asset's financial forecasts. A sensitivity of 25 per cent. has been applied to these multiples, in line with the maximum liquidity discount employed in the valuations. If these inputs had been taken to be 25 per cent. higher, the value of the Level 3 assets and profit for the year would not be impacted. If these inputs had been taken to be 25 per cent. lower, the value of the Level 3 assets and profit for the year would not be impacted. A corresponding increase or decrease in the asset's financial forecasts would have a similar impact on the Company's assets and profit.

Classification of financial assets and liabilities

The table below sets out the classifications of the carrying amounts of the Company's financial assets and liabilities into categories of financial instruments.

31 January 2025

Financial assets	**At fair value £**	**At amortised cost £**	**Total £**
Investments at fair value through profit or loss	100,502,430	-	100,502,430
Cash and cash equivalents	-	11,069,366	11,069,366
	100,502,430	**11,069,366**	**111,571,796**

Financial liabilities			
Trade and other payables	-	653,033	653,033
Unsecured loan note instruments*	-	3,987,729	3,987,729
Zero dividend preference shares**	-	11,030,633	11,030,633
	-	**15,671,395**	**15,671,395**

31 January 2024

Financial assets	**At fair value £**	**At amortised cost £**	**Total £**
Investments at fair value through profit or loss	100,722,039	-	100,722,039
Cash and cash equivalents	-	14,462,495	14,462,495
	100,722,039	**14,462,495**	**115,184,534**

Financial liabilities			
Trade and other payables	-	676,284	676,284
Unsecured loan note instruments*	-	3,987,729	3,987,729
Zero dividend preference shares**	-	13,714,191	13,714,191
	-	**18,378,204**	**18,378,204**

* The Directors consider that the fair value of the unsecured loan note instruments is the same as its carrying value.
** The Directors consider that the fair value of the zero dividend preference shares is £11,020,000 (2024: £12,812,500) calculated on the basis of the quoted price of the instrument on the London Stock Exchange of 116.00 pence as at 31 January 2025 (2024: 102.50 pence).

13 Cash and cash equivalents

	2025 £	**2024 £**
Current and call accounts	11,069,366	14,462,495
	11,069,366	**14,462,495**

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

14 Trade and other payables

	2025 £	**2024 £**
Trade payables	38,921	91,297
Accrued administration fee	35,988	36,330
Accrued audit fee	45,465	20,918
Accrued professional fee	33,490	29,272
Accrued investment advisor fees	482,435	484,400
Accrued Directors' fees	14,334	11,667
Other payables	2,400	2,400
Total	**653,033**	**676,284**

15 Liabilities

Unsecured Loan Notes ("ULN")

The Company has issued ULN's that are redeemable on 24 July 2025, following the extension of their maturity in July 2024. The Company's ULN's are quoted on the Growth Market of the Aquis Stock Exchange. The interest rate for the period is 8.0 per cent per annum. At 31 January 2025, £3,987,729 (2024: £3,987,729) of ULNs in principal amount were outstanding. Issue costs totalling £144,236 have been offset against the value of the loan note instrument and have been amortised over the period to 24 July 2022. The carrying value of the ULNs in issue at the year end was £3,987,729 (2024: £3,987,729). The total interest expense for the ULNs for the year is £319,018 (2024: £309,049). The carrying value of the ULN is presented under current liabilities in the current period as they are redeemable within 12-month period from the Consolidated Statement of Assets and Liabilities date. The ULN has in place Financial Covenants including an Interest Coverage Test (that the ratio of cash and cash equivalents to interest payable is greater than or equal to 6:1) and a Gross Asset Test (that the ratio of gross asset value to financial indebtedness of the Company is greater than or equal to 2:1). The Covenants have been met for the years ended 31 January 2025 and 31 January 2024.

Zero Dividend Preference Shares ("ZDP Shares")

On 17 December 2021 the Company issued 20,000,000 ZDP Shares at a price of £1 per share, raising £20,000,000. The Company's ZDP shares are admitted to trade on the main market of the London Stock Exchange (non-equity shares and non-voting equity shares, formerly standard listing (shares)). The ZDP Shares will not pay dividends but have a final capital entitlement at maturity on 16 December 2026 of 129.14 pence per ZDP Share. It should be noted that the predetermined capital entitlement of a ZDP Share is not guaranteed and is dependent upon the Company's gross assets being sufficient on 16 December 2026 to meet the final capital entitlement. Under IAS 32 - Financial Instruments: Presentation, the ZDP Shares are classified as financial liabilities and are held at amortised cost. Issue costs totalling £573,796 have been offset against the value of the ZDP Shares liabilities and are held at amortised cost. Issue costs totalling £375,796 have been offset against the value of the ZDP Shares and are being amortised over the life of the instrument. In December 2024, the Company completed the repurchase of 3,000,000 ZDP shares, which are held in treasury. Following this buyback, the Company has 9,500,000 ZDP shares remaining in issue. The total issue costs expensed in the year ended 31 January 2025 was £69,088 (2024: £115,359). The carrying value of the ZDP Shares in issue at the year-end was £11,030,633 (2024: £13,714,191). The total finance charge for the ZDP Shares for the year is £789,942 (2024: £868,190). This includes the ZDP Share finance charge and the amortisation of the Issue costs.

	31 January 2025	**31 January 2024**
	£	**£**
Balance as at 1 February	13,714,191	20,721,001
ZDP non cash charge	789,942	945,348
Buyback of ZDP shares	(3,473,500)	(7,952,158)
Total	**11,030,633**	**13,714,191**

16 Share capital

	2025	**2025**	**2024**	**2024**
	Number	**£**	**Number**	**£**
Authorised share capital				
Ordinary shares of 5p each	45,000,000	2,250,000	45,000,000	2,250,000
Called up, allotted and fully paid				
Ordinary shares of 5p each	34,616,554	1,730,828	34,616,554	1,730,828
Ordinary shares of 5p each held in treasury	(5,314,707)	-	(4,739,707)	-
	29,301,847	**1,730,828**	**29,876,847**	**1,730,828**
Share Premium	**-**	**13,619,627**	**-**	**13,619,627**

No shares were issued during the year ended 31 January 2025 and year ended 31 January 2024.

During the year ended 31 January 2025, the Company repurchased 575,000 shares into treasury (2024: transferred 211,868 out of treasury to the Trust) with a total value of £872,064 (2024: £350,006). These shares are held as treasury shares.

During the year ended 31 January 2025, the Trust purchased 286,781 shares (2024: 301,684 shares) with a total value of £474,076 (2024: £525,920). 163,513 shares vested to Participants in the year ended 31 January 2025 (2024: 257,061). At 31 January 2025 1,669,961 shares were held by the Trust (2024: 1,546,693) (see note 7).

17 Basic and diluted profit / (loss) per share (pence)

Basic profit per share for the year ended 31 January 2025 is 0.29 pence (2024: basic loss per share of 1.39 pence). This is calculated by dividing the profit of the Group for the year attributable to the ordinary shareholders of £81,624 (2024: loss of £396,462) divided by the weighted average number of shares outstanding, excluding the shares of the EBT subsidiary, during the year of 28,069,697 (2024: 28,469,486 shares). The basic loss per share for the year ended 31 January 2024 has been restated to exclude the shares of the EBT subsidiary from the weighted average number of outstanding shares so that it is consistent with the calculation for the year ended 31 January 2025.

Diluted profit per share for the year ended 31 January 2024 is 0.27 pence (2024: diluted loss per share of 1.33 pence). This is calculated by dividing the profit of the Group for the year attributable to ordinary shareholders of £81,624 (2023: loss of £396,462) divided by the weighted average number of shares outstanding, including the shares of the EBT subsidiary, during the year of 29,735,363 (2024: 29,832,732 shares).

18 NAV per share (pence)

The Group's NAV per share of 327.52 pence (2024: 324.26 pence) is based on the net assets of the Group at the year-end of £95,968,629 (2024: £96,879,976) divided by the outstanding shares of 29,301,847 (2024: 29,876,847).

The shares of the EBT subsidiary are included in the outstanding shares when calculating the Company's NAV per share to ensure that the NAV per share is stable in the event of share purchases made by the EBT subsidiary or the vesting of shares of the EBT subsidiary.

19 Net cash used in operating activities

Reconciliation of profit before finance cost and tax to net cash used in operating activities:

	2025	**2024**
	Group	**Group**
	£	**£**
Profit / (loss) for the year before taxation	81,624	(396,462)
Adjustments for non-cash income / expense		
Net fair value movement on investments	(3,443,032)	(3,384,604)
Interest on unsecured loan note instruments	319,018	309,049
Zero dividend preference shares finance charge	789,942	868,190
Loss before finance cost	(2,252,448)	(2,603,827)
Adjustments:		
Share-based payment expense	308,433	339,593
Purchase of investments	(4,605,969)	(3,350,000)
Proceeds from investments	8,268,610	6,425,542
	1,718,626	**811,308**

	1,718,626	**811,308**
Working capital changes		
Movement in trade and other receivables and prepayments	5,418	14,253
Movement in trade and other payables	(23,251)	79,494
Non-cash items		
Effect of exchange rate fluctuations on cash and cash equivalents	845	1,294
Net cash generated from operating activities	**1,701,638**	**906,349**

20 Financial instruments

The Company's financial instruments comprise:

- Investments in listed and unlisted companies held by Subsidiaries, comprising equity and loans
- Cash and cash equivalents, ZDP shares and unsecured loan note instruments; and
- Accrued interest and trade and other receivables, accrued expenses and trade and other payables.

Financial risk management objectives and policies

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

Capital management

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

Liquidity risk

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

Residual contractual maturities of financial assets

31 January 2025	**Less than 1 Month £**	**1 - 3 Months £**	**3 months to 1 year £**	**1 - 5 years £**	**Over 5 years £**	**No stated maturity £**
Financial assets						
Cash and cash equivalents	11,069,366	-	-	-	-	-
Total	**11,069,366**	**-**	**-**	**-**	**-**	**-**

31 January 2024	**Less than 1 Month £**	**1 - 3 Months £**	**3 months to 1 year £**	**1 - 5 years £**	**Over 5 years £**	**No stated maturity £**
Financial assets						
Cash and cash equivalents	14,462,495	-	-	-	-	-
Total	**14,462,495**	**-**	**-**	**-**	**-**	**-**

Residual contractual maturities of financial liabilities

31 January 2025	**Less than 1 Month £**	**1 - 3 Months £**	**3 months to 1 year £**	**1 - 5 years £**	**Over 5 years £**	**No stated maturity £**
Financial liabilities						
Trade and other payables	653,033	-	-	-	-	-
Loan note instruments	-	-	3,987,729	-	-	-
Zero dividend preference shares	-	-	-	12,267,960	-	-
Total	**653,033**	**-**	**3,987,729**	**12,267,960**	**-**	**-**

31 January 2024	**Less than 1 Month £**	**1 - 3 Months £**	**3 months to 1 year £**	**1 - 5 years £**	**Over 5 years £**	**No stated maturity £**
Financial liabilities						
Trade and other payables	676,284	-	-	-	-	-
Loan note instruments	-	-	3,987,729	-	-	-
Zero dividend preference shares	-	-	-	16,142,500	-	-
Total	**676,284**	**-**	**3,987,729**	**16,142,500**	**-**	**-**

Credit risk

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

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

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

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

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

	2025	2024
	£	£
Cash and cash equivalents	11,069,366	14,462,495
Total	**11,069,366**	**14,462,495**

Cash balances are placed with HSBC Bank plc, Barclays Bank plc and Santander Financial Services plc, all of which have the credit rating of A1 Stable (Moody's).

Market price risk

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

Market price risk sensitivity

The Company is exposed to market price risk with regard to its underlying equity interests in a number of quoted and unquoted companies which are stated at fair value. Luceco plc was quoted on the Main Market of the London Stock Exchange at 31 January 2025.

If Luceco plc's share price had been 5.0 per cent. higher than actual close of market on 31 January 2025, EPE Special Opportunities Limited's NAV per share would have been 2.3 per cent. (2024: 2.0 per cent.) higher than reported. If Luceco's share price had been 5.0 per cent. lower than actual close of market on 31 January 2025, EPE Special Opportunities Limited's NAV per share would have been 2.3 per cent. (2024: 2.0 per cent.) lower than reported. These movements would have had a corresponding effect on the profit for the year.

Interest rate risk

The Company is exposed to interest rate risk through its unsecured loan note instruments and on its cash balances. Most of the loans are at fixed rates. Cash balances earn interest at variable rates. The unsecured loan note instruments carry fixed interest rates.

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

31 January 2025	**Less than 1 month**	**1 month to 1 year**	**1 - 5 years**	**Over 5 years**	**Non-interest bearing**	**Total**
Assets	**£**	**£**	**£**	**£**	**£**	**£**
Receivables and cash						
Cash and cash equivalents	11,069,366	-	-	-	-	11,069,366
Total financial assets	**11,069,366**	**-**	**-**	**-**	**-**	**11,069,366**
Liabilities						
Financial liabilities measured at amortised cost						
Trade and other payables	-	-	-	-	(653,033)	(653,033)
Unsecured loan note instruments	-	(3,987,729)	-	-	-	(3,987,729)
Total financial liabilities	**-**	**(3,987,729)**	**-**	**-**	**(653,033)**	**(4,640,762)**

31 January 2024	**Less than 1 month**	**1 month to 1 year**	**1 - 5 years**	**Over 5 years**	**Non-interest bearing**	**Total**
Assets	**£**	**£**	**£**	**£**	**£**	**£**
Receivables and cash						
Cash and cash equivalents	14,462,495	-	-	-	-	14,462,495
Total financial assets	**14,462,495**	**-**	**-**	**-**	**-**	**14,462,495**
Liabilities						
Financial liabilities measured at amortised cost						
Trade and other payables	-	-	-	-	(676,284)	(676,284)
Unsecured loan note instruments	-	(3,987,729)	-	-	-	(3,987,729)

Total financial liabilities	**-**	**(3,987,729)**	**-**	**-**	**(676,284)**	**(4,664,013)**

Interest rate sensitivity

The Company is exposed to market interest rate risk via its cash balances and unsecured loan note instruments. A sensitivity analysis has not been provided as it is not considered significant to Company performance.

Currency risk

The Group has no significant exposure to foreign currency risk.

Exposure to other market price risk

The Investment Advisor monitors the concentration of risk for equity and debt securities based on counterparties and industries (and geographical location). The Company's underlying investments including bank deposits held through its Subsidiaries are concentrated in the following industries.

	2025	**2024**
	%	**%**
Consumer and Retail	43	49
Engineering, Manufacturing and Distribution	45	37
Bank Deposits	12	14
	100	**100**

The Group notes that there was a concentration on the Engineering, Manufacturing and Distribution sector, representing 45 per cent. of investments for the year ended 31 January 2025 (2024: Consumer and Retail sector representing 49 per cent.). The Company monitors carefully the sector concentration risk across the portfolio.

Operational risk

'Operational risk' is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's activities (both at the Company and at its service providers) and from external factors (other than credit, market and liquidity risks) such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour.
The Company's objective is to manage operational risk so as to balance the limitation of financial losses and damage to its reputation with achieving its investment objective of generating returns to investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. This responsibility is supported by the development of overall standards for the management of operational risk, which encompasses the controls and processes at the service providers and the establishment of service levels with the service providers, in the following areas:

- documentation of controls and procedures;
- requirements for:
  - appropriate segregation of duties between various functions, roles and responsibilities;
  - reconciliation and monitoring of transactions; and
  - periodic assessment of operational risk faced;
- the adequacy of controls and procedures to address the risks identified;
- compliance with regulatory and other legal requirements;
- development of contingency plans;
- training and professional development;
- ethical and business standards; and
- risk mitigation, including insurance if this is effective.

The Company's key service providers include the following:

- Administrator: Langham Hall Fund Management (Jersey) Limited
- Investment Advisor: EPIC Investment Partners LLP
- Financial Administrator: EPIC Administration Limited
- Nominated Advisor and Broker: Deutsche Numis
- Registrar and CREST Providers: Computershare Investor Services (Jersey) Limited

The Directors' assessment of the adequacy of the controls and processes in place at the service providers with respect to operational risk is carried out via regular discussions with the service providers as well as site visits to their offices. The Company also undertakes periodic third-party reviews of service providers' activities.

21 Directors' interests

Four of the Directors have interests in the shares of the Company as at 31 January 2025 (2024: four). Clive Spears holds 70,520 ordinary shares (2024: 63,010). Heather Bestwick holds 58,110 ordinary shares (2024: 50,600). David Pirouet holds 41,145 ordinary shares (2024: 33,635). Michael Gray holds 18,620 ordinary shares (2024: 11,627).

22 Related parties

The Company has no ultimate controlling party.

Directors' fees during the year amounted to £149,290 (2024: £162,474) of which £14,333 is accrued as at 31 January 2025 (2024: £11,667).

There were no shares re-acquired from related parties during the year ended 31 January 2025 (2024: nil). Certain Directors of the Company and other participants are incentivised in the form of equity settled share-based payment transactions, through a Jointly Owned Share Plan (see note 7).

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

Performance fees are paid to the Investment Advisor following the realisation of the investments held by the Subsidiaries and the accrual for this performance fee is deducted in calculating the fair value of Subsidiaries (see note 5).

In December 2021, ESO Alternative Investments LP invested €10 million into EPIC Acquisition Corp ("EAC"), a special purpose acquisition company ("SPAC") and EAC's sponsor, EAC Sponsor Limited (the "Sponsor"). The Sponsor was jointly led by the Investment Advisor and TT Bond Partners (an independent party). In February 2024, the realisation of the investment in EPIC Acquistion Corp was completed, realising €6.2 million. The realisation from EAC Sponsor Limited remains subject to the completion of the liquidation.

In May 2024, the Company, through its subsidiary ESO Investments 1 Limited, invested £1.5 million to reduce Rayware's senior debt.

In June 2024, the Company, through its subsidiary ESO Investments 1 Limited, invested £0.4 million in Whittard. The cash was returned by Whittard in two equal instalments of £0.2 million in October 2024 and in December 2024.

In July 2024, the Company agreed the extension of the maturity of £4.0 million unsecured loan notes to 24 July 2025. Delphine Brand, a Managing Partner of EPIC and a connected party of Giles Brand (a person discharging managerial responsibilities ("PDMR") for the Company), is a minority holder of the unsecured loan notes.

In October 2024, the Company through its subsidiary ESO Investments 1 Limited, invested £2.0 million to reduce Rayware's senior debt and has a £1.0 million contingent guarantee outstanding to Rayware's third-party lenders as at 31 January 2025.

In January 2025, the Company, through its subsidiary ESO Investments 1 Limited, invested £0.7 million to reduce David Philips's senior debt.

Giles Brand, Managing Partner of the Investment Advisor, is a director of Luceco plc and Hamsard 3145 Limited (trading as Whittard of Chelsea).

23 Commitments and Contingencies

As at 31 January 2025, ESO Investments 1 Limited has a contingent guarantee of £1.0 million outstanding (2024: £1.75 million) in favour of Rayware and its third-party debt providers.

24 Other information

The revenue and capital reserves are presented in accordance with the Board of Directors' agreed principles, which are that the net gain / loss on investments is allocated to the capital reserve and all other income and expenses are allocated to the revenue reserve and other equity. The total reserve of the Company for the year ended 31 January 2025 is £80,618,174 (2024: £81,529,521).

25 Subsequent events

There were no subsequent events after the end of reporting period.

Alternative Performance Measures

An Alternative Performance Measure (APM) is a numerical measure of the Group's historical or current performance. The Board uses APMs, which are non-GAAP metrics, to monitor the Company's financial performance. These APMs serve as the basis for the financial metrics discussed in this review. The Board believes that APMs, alongside GAAP measures, assists shareholders in assessing the Company's investments and the execution of its investment strategy.

Measures	Definition
Premium / Discount to NAV	The amount by which the share price of the Company is either higher (premium) or lower (discount) than the NAV per share, expressed as a percentage of the NAV per share. Please find a reconciliation to the NAV per share of the Company below

	31 January 2025	31 January 2024
Share price (pence)	149	165
NAV per share (pence)	328	324
Discount to NAV (%)	55%	49%

Measures	Definition
EBITDA	Earnings before interest, taxation, depreciation and amortisation. This measure is calculated at the level of the underlying portfolio and therefore is not directly reconcilable to GAAP metrics in the financial statements.
EV / EBITDA multiple	The EV / EBITDA multiple is calculated by dividing a company's Enterprise Value ('EV') by its annual EBITDA. The mature unquoted asset valuation EV / EBITDA multiple quoted in the report is weighted by the Fair Value of the underlying investments, and excludes assets at a pre-profitability growth stage. This measure is calculated at the level of the underlying portfolio and therefore is not directly reconcilable to GAAP metrics in the financial statements.

	31 January 2025	31 January 2024
Mature unquoted asset valuation	7.8x	7.2x

Measures	Definition
EV / Sales multiple	The EV / Sales multiple is calculated by dividing a company's EV by its annual Sales. This measure is calculated at the level of the underlying portfolio and therefore is not directly reconcilable to GAAP metrics in the financial statements.
IRR	The gross Internal Rate of Return ("IRR") of an investment or set of investments, calculated as the annual compound rate of return on the investment cashflows. Gross IRR does not reflect expenses to be borne by the relevant fund or its investors, including performance fees, management fees, taxes and organisational or transaction expenses.

This measure is calculated at the level of the underlying portfolio and therefore is not directly reconcilable to GAAP metrics in the financial statements.

	31 January 2025	31 January 2024
Portfolio IRR	22%	22%
EPIC IRR	15%	15%

Liquidity

Company liquidity is calculated as cash balances held by the Company, inclusive of cash held by Subsidiaries in which the Company is the sole investor.

Please find a reconciliation to the cash balances held by the Company below.

	31 January 2025	31 January 2024
Cash held by the Company	11,069,366	14,462,495
Cash held by the Subsidiaries	803,521	868,510
Total liquidity	**11,872,887**	**15,331,005**

Portfolio Sales CAGR

The portfolio sales compound annual growth rate ("CAGR") is calculated on the basis of the CAGR implied by the sum of the annual sales for the portfolio companies' latest completed financial year vs. the prior three year period.

This measure is calculated at the level of the underlying portfolio and therefore is not directly reconcilable to GAAP metrics in the financial statements.

	31 January 2025	31 January 2024
Portfolio Sales CAGR	5%	8%

MM

The Money Multiple ("MM") is calculated as the total gross realisations from an investment or set of investments, divided by the total cost of the investment. Gross money multiple does not reflect expenses to be borne by the relevant fund or its investors, including performance fees, management fees, taxes and organisational or transaction expenses.

This measure is calculated at the level of the underlying portfolio and therefore is not directly reconcilable to GAAP metrics in the financial statements.

	31 January 2025	31 January 2024
Portfolio MM	3.4x	3.1x
EPIC MM	2.3x	2.3x

NAV per share

The Group's NAV per share is calculated as the net assets of the Group at the year-end divided by the outstanding shares.

The shares of the EBT subsidiary are included in the outstanding shares when calculating the Company's NAV per share to ensure that the NAV per share is stable in the event of share purchases made by the EBT subsidiary or the vesting of shares of the EBT subsidiary.

	31 January 2025	31 January 2024
Net asset value (£)	95,968,629	96,879,976
Outstanding shares	29,301,847	29,876,847
NAV per share (pence)	327.52	324.26

Net Debt

Net Debt is calculated as the total third-party debt of a portfolio company, less cash balances.

This measure is calculated at the level of the underlying portfolio and therefore is not directly reconcilable to GAAP metrics in the financial statements.

Portfolio Leverage

Portfolio Leverage is calculated as the aggregate Net Debt of the portfolio, divided by the aggregate annual EBITDA of the portfolio.

This measure is calculated at the level of the underlying portfolio and therefore is not directly reconcilable to GAAP metrics in the financial statements.

	31 January 2025	31 January 2024
Portfolio Leverage	1.2x	1.4x

Annualised Net Asset Value Per Share return

The annualised net asset value per share return is calculated as the CAGR implied by the Company's net asset value per share vs. the net asset value per share 10 years prior.

Please find a reconciliation to the share price of the Company below:

	31 January 2025	31 January 2024
Company's net asset value per share 10		

Company's net asset value per share 10 years prior to the year end (pence)	142	135
Company's net asset value per share at the year end (pence)	328	324
Annualised Net Asset Value Per Share return (%)	**9%**	**9%**

Unaudited schedule of shareholders holding over 3% of issued shares

As at 31 January 2025

	Percentage holding
Giles Brand	36.3%
Corporation of Lloyds	8.5%
First Equity	7.7%
Boston Trust Company Limited (Trustee to the ESO JOSP Scheme)	4.6%
Asset Value Investors	3.6%
Lombard Odier Darier Hentsch	3.6%
Total over 3% holding	**64.2%**

Company Information

Directors
C.L. Spears (Chairman)
H. Bestwick
D. Pirouet
M.M. Gray
H. MacCallum (appointed on 17 October 2024)

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