EP Global
Opportunities Trust plc

Annual Report and Financial Statements
31 December 2021

CONTENTS

Registered in Scotland No. 259207

An investment company as defined under section 833 of the Companies Act 2006

CORPORATE INFORMATION

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Charles (Cahal) Dowds (Chairman)[1]
Teddy Tulloch[2]
Hazel Cameron[3]
David Hough[4]
David Ross
Tom Walker

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Strategic review
Following a strategic review in the second half of 2021, the Board decided to propose a change to the Company's investment objective and investment policy, conduct a tender offer and that it intended to change the Company's management arrangements by becoming a self-managed investment trust. Details of the changes are set out in the Chairman's Statement on pages 10 to 14 and in the Strategic Report on pages 19 and 20.

1 Appointed as a Director on 18 May 2021 and Chairman on 9 June 2021
2 Retired as a Director and Chairman on 9 June 2021
3 Appointed as a Director on 18 May 2021
4 Retired as a Director on 3 March 2021

COMPANY SUMMARY

Commencement	The Company was incorporated on 13 November 2003. It commenced operations on the admission of its shares to trading on the London Stock Exchange on 15 December 2003.
Investment objective and investment policy	On 17 December 2021, the Company received Shareholder approval to change its investment objective and investment policy. Please see pages 3 and 4 for a full comparison of the Company's previous and current investment objective and investment policy.
Shareholders' funds	£116,123,000 at 31 December 2021.
Market capitalisation	£106,296,000 at 31 December 2021.
Capital structure	At 31 December 2021, there were 36,527,725 shares in circulation (the total number of shares in issue was 64,509,642 shares, of which 27,981,917 shares were held in treasury). As at 11 March 2022, the date of signing this report, there were 29,222,180 shares in circulation (the total number of shares in issue was 64,509,642 shares, of which 35,287,462 shares were held in treasury).
Investing in the Company	The Company's shares are traded on the London Stock Exchange and can be bought or sold through a stockbroker or financial adviser. The shares are eligible for inclusion in Individual Savings Accounts ("ISAs") and Self-Invested Personal Pensions ("SIPPs"). The Company's shares are also available on various share trading platforms. The Company's registrar, Computershare Investor Services PLC, offers Shareholders the opportunity to reinvest their dividends in the Company's shares.
AIC	The Company is a member of the Association of Investment Companies ("AIC").
Alternative Investment Fund Manager	Franklin Templeton Investment Trust Management Limited (the "AIFM").
Investment Manager	The AIFM has delegated the function of managing the Company's investment portfolio to Edinburgh Partners Limited ("Edinburgh Partners" or the "Investment Manager"). Further details on the Investment Manager can be found on page 9.
Strategic review	Following a strategic review in the second half of 2021, the Board decided to propose a change to the Company's investment objective and investment policy, conduct a tender offer and that it intended to change the Company's management arrangements by becoming a self-managed investment trust. Details of the changes are set out in the Chairman's Statement on pages 10 to 14 and in the Strategic Report on pages 19 and 20.

INVESTMENT OBJECTIVE AND INVESTMENT POLICY

Following the approval of Shareholders at a General Meeting on 17 December 2021, the Company's investment objective and investment policy were changed. Please see below a comparison of the previous and current investment objective and investment policy.

Previous Investment Objective and Investment Policy (up to 17 December 2021)	***Current Investment Objective and Investment Policy (from 17 December 2021)***
Investment Objective The Company's objective is to provide Shareholders with an attractive real long-term total return by investing globally in undervalued securities. The portfolio is managed without reference to the composition of any stock market index.	***Investment Objective*** The Company's objective is to provide Shareholders with an attractive real long-term total return by investing globally in undervalued asset classes. The portfolio is managed without reference to the composition of any stock market index.
Investment policy The Company invests in a focused portfolio of approximately 30 to 40 securities of issuers throughout the world, predominantly in quoted equities. The Company may also invest in unquoted securities, which are not anticipated to exceed 10 per cent. of the Company's total assets at the time of investment. No investment in the Company's portfolio may exceed 15 per cent. Of the Company's total assets at the time of investment. The Company has the ability to invest in other investment companies or funds but will invest no more than 15 per cent. of its gross assets in other listed investment companies (including investment trusts). The Company may also invest a substantial portion of its assets in debt instruments, cash or cash equivalents when the Investment Manager believes market or economic conditions make equity investment unattractive or while seeking appropriate investment opportunities for the portfolio or to maintain liquidity. In addition, the Company may purchase derivatives for the purposes of efficient portfolio management. It is intended that, from time to time, when deemed appropriate, the Company will borrow for investment purposes up to the equivalent of 25 per cent. of its total assets. By contrast, the Company's portfolio may from time to time have substantial holdings of debt instruments, cash or short-term deposits. The investment objective and policy are intended to distinguish the Company from other investment vehicles which have relatively narrow investment objectives and which are thus constrained in their decision making and asset allocation. The objective and policy allow the Company to be constrained in its investment selection only by valuation and to be pragmatic in portfolio construction by only investing in securities which the Investment Manager considers to be undervalued on an absolute basis.	***Investment policy*** The Company invests in a range of assets across both public and private markets throughout the world. These assets include both listed and unquoted securities, investments and interests in other investment companies and investment funds (including limited partnerships and offshore funds) as well as bonds (including index linked securities) and cash as appropriate. Any single investment in the Company's portfolio may not exceed 15 per cent. of the Company's total assets at the time of the relevant investment (the "Single Investment Limit"). The Company may invest in other investment companies or funds and may appoint one or more sub-advisors to manage a portion of the portfolio if, in either case, the Board believes that doing so will provide access to specialist knowledge that is expected to enhance returns. The Company will gain exposure to private markets directly and indirectly through investments and interest in other investment companies and investment funds (including limited partnerships and offshore funds). The Company's investment directly and indirectly in private markets (including through investment companies and investment funds) shall not, in aggregate, exceed 30 per cent. of the Company's total assets, calculated at the time of the relevant investment. The Company will invest no more than 15 per cent. of its total assets in other closed-ended listed investment companies (including investment trusts).

Previous Investment Objective and Investment Policy (up to 17 December 2021)	***Current Investment Objective and Investment Policy (from 17 December 2021)***
	The Company may also invest up to 50 per cent. of its total assets in bonds, debt Instruments, cash or cash equivalents when the Board believes extraordinary market or economic conditions make equity investment unattractive or while seeking appropriate investment opportunities for the portfolio or to maintain liquidity. The Single Investment Limit does not apply to cash or cash equivalents in such circumstances. In addition, the Company may purchase derivatives for the purposes of efficient portfolio management. From time to time, when deemed appropriate and only where permitted in accordance with the UK Alternative Fund Managers Regulations 2013, the Company may borrow for investment purposes up to the equivalent of 25 per cent. of its total assets. By contrast, the Company's portfolio may from time to time have substantial holdings of debt instruments, cash or short-term deposits. The investment objective and policy are intended to ensure that the Company has the flexibility to seek out value across asset classes rather than being constrained by a relatively narrow investment objective. The objective and policy allow the Company to be constrained in its investment selection only by valuation and to be pragmatic in portfolio construction by only investing in assets which the Board considers to be undervalued on an absolute basis.

STRATEGIC REPORT
FINANCIAL SUMMARY

	31 December 2021	31 December 2020	Change
Results for year			
Shareholders' funds	**£116,123,000**	£119,095,000	(2.5)%
Net asset value per share ("NAV")[1]	**317.9p**	308.4p	3.1%
NAV Total Return[1,2,5]	**5.1%**	(1.3)%	
Share price	**291.0p**	284.0p	2.5%
Share price total return[1,2,5]	**4.6%**	(5.6)%	
Share price discount to NAV[5]	**8.5%**	7.9%	
Revenue return per share[1,3]	**4.4p**	4.9p	(10.2)%
Final dividend per share	**5.0p**[4]	6.0p	(16.7)%
Year's high/low			
Share price – high	**296.0p**	312.5p	
– low	**272.0p**	217.5p	
NAV – high	**328.6p**	330.1p	
– low	**301.6p**	259.4p	
Share price discount to NAV[1]			
– high	**14.6%**	18.7%	
– low	**4.8%**	3.2%	
Cost of running the Company			
Ongoing charges[1,5]	**1.1%**[6]	1.0%	

1 See glossary on page 81.
2 The NAV and share price total returns are sourced from Edinburgh Partners and include dividends reinvested.
3 Based on the weighted average number of shares in issue, excluding shares held in treasury, during the year.
4 Proposed dividend for the year.
5 Alternative performance measure – see pages 78 to 80.
6 Ongoing charges ratio includes look-through costs of 0.1% relating to the investments in the Templeton European Long-Short Equity SIF and the Volunteer Park Capital Fund SCSp.

Past performance is not a guide to future performance.

PORTFOLIO OF INVESTMENTS

as at 31 December 2021

Company	Sector	Country	Valuation £'000	% of Net assets
Equity investments				
20 largest equity investments				
Templeton European Long-Short Equity SIF[1]	Financials	Other – Europe	8,838	7.6
Volunteer Park Capital Fund SCSp[2]	Financials	Luxembourg	5,515	4.7
Unilever	Consumer Staples	United Kingdom	3,607	3.1
Tesco	Consumer Staples	United Kingdom	3,603	3.1
ING	Financials	Netherlands	3,164	2.7
Orange	Communication Services	France	3,007	2.6
TotalEnergies	Energy	France	2,974	2.6
ENI	Energy	Italy	2,948	2.5
Vodafone	Communication Services	United Kingdom	2,894	2.5
AstraZeneca	Health Care	United Kingdom	2,863	2.5
Sumitomo Mitsui Trust	Financials	Japan	2,858	2.5
Novartis	Health Care	Switzerland	2,712	2.3
Sanofi	Health Care	France	2,685	2.3
Samsung Electronics	Information Technology	South Korea	2,584	2.2
Singapore Telecommunications	Communication Services	Singapore	2,447	2.1
Verizon Communications	Communication Services	United States	2,372	2.0
BMW	Consumer Discretionary	Germany	2,341	2.0
Lloyds Banking	Financials	United Kingdom	2,339	2.0
Roche[3]	Health Care	Switzerland	2,338	2.0
Daiwa House Industry	Real Estate	Japan	2,253	1.9
Total – 20 largest equity investments			**64,342**	**55.2**
Other equity investments				
Astellas Pharma	Health Care	Japan	2,236	1.9
Fresenius Medical Care	Health Care	Germany	2,225	1.9
Ubisoft Entertainment	Communication Services	France	2,065	1.8
Panasonic	Consumer Discretionary	Japan	1,963	1.7
Raito Kogyo	Industrials	Japan	888	0.8
Meitec	Industrials	Japan	883	0.8
Mirait	Industrials	Japan	860	0.7
Ship Healthcare	Health Care	Japan	749	0.7
TBS	Communication Services	Japan	647	0.6
Totetsu Kogyo	Industrials	Japan	644	0.6
Exeo	Industrials	Japan	640	0.6
Total – 31 equity investments			**78,142**	**67.3**
Fixed income investments				
US Treasury Inflation Protected Security 0.125% 15 July 2030			5,780	5.0
Total fixed income investments			**5,780**	**5.0**
Total investments			**83,922**	**72.3**
Cash and other net assets			**32,201**	**27.7**
Net assets			**116,123**	**100.0**

1 Luxembourg Specialised Investment Fund

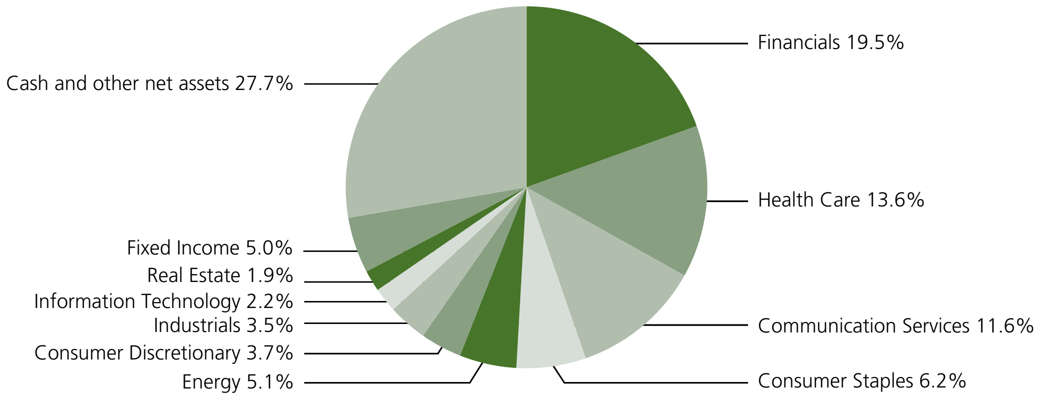
2 Luxembourg Special Limited Partnership

3 The investment is in non-voting shares

Of the ten largest portfolio investments as at 31 December 2021, the valuations at the previous year end, 31 December 2020, were Unilever £3,046,000, Tesco £3,644,000, ING £2,560,000, TotalEnergies £2,449,000, ENI £1,948,000, Orange £3,421,000, Vodafone £3,373,000 and US Treasury Inflation Protected Security 0.125% 15 July 2030 £5,414,000. Templeton European Long-Short Equity SIF and Volunteer Park Capital Fund SCSp were purchased during the year.

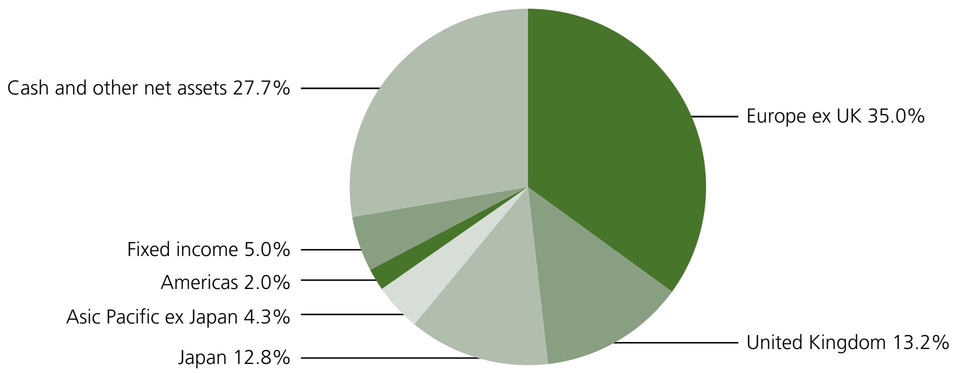
DISTRIBUTION OF INVESTMENTS
as at 31 December 2021 (% of net assets)

Sector distribution



The figures detailed in the sector distribution pie chart represent the Company's exposure to those sectors.

Geographical distribution



The figures detailed in the geographical distribution pie chart represent the Company's exposure to these countries or regional areas.

The geographical distribution is based on each investment's principal stock exchange listing or domicile, except in instances where this would not give a proper indication of where its activities predominate.

DIRECTORS

All of the Directors are non-executive and independent of the AIFM and the Investment Manager.

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

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

David Ross
David Ross is a Fellow of the Chartered Association of Certified Accountants. He was with Ivory & Sime plc, an investment management company, from 1968 to 1990 becoming Finance Director and Company Secretary in 1982 and Managing Director from 1988 to 1990. He was a founding partner of Aberforth Partners LLP, an investment management firm specialising in investment in UK small quoted companies from 1990 until his retirement in 2014. He is non-executive chairman of JPMorgan US Smaller Companies Investment Trust plc and a non-executive director of BMO Real Estate Investments Limited. He was appointed as a Director on 1 June 2014 and Chairman of the Audit and Management Committee on 24 April 2019.

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

INVESTMENT MANAGER

Edinburgh Partners
Edinburgh Partners was founded in 2003 as a specialist investment management firm focusing exclusively on achieving returns for investors based on global investment analysis of the highest quality. In May 2018, Edinburgh Partners was acquired by Franklin Resources, Inc.

Strategic review
Following the strategic review in the second half of 2021 the Board decided that it intended to change the Company's management arrangements by becoming a self-managed investment trust. The Board will assume overall control of the Company's investment policy and have overall responsibility for the Company's activities. It is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will stand for election as a Director of the Annual General Meeting to be held on 27 April 2022 and will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company.

The change in management structure is subject to the Company being approved by the FCA as a small registered alternative investment fund manager. This is expected to occur in the second calendar quarter of 2022. Once the Company has been approved to act as its own alternative investment fund manager, the current arrangements with the existing AIFM and Investment Manager will cease and a sub-advisory investment management agreement with the Franklin Templeton group will be entered into. New administration arrangements will also be put in place at this point. The Company will also, by resolution of the Board, change its name to Global Opportunities Trust plc.

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

CHAIRMAN'S STATEMENT

Introduction

This is my first Annual Report as Chairman of the Company and I would like to start by saying how delighted I am to have taken on the role of Chairman during what has proven to be a period of significant change for the Company. In collaboration with my fellow Directors, one of the first tasks of my tenure has been to undertake a strategic review of the future direction of the Company, the outcome of which was announced to Shareholders in October 2021 and is further discussed later in this Chairman's Statement. My fellow Directors and I believe that the strategic decisions we have taken will be of positive benefit to Shareholders and we look forward to implementing the changes proposed and embarking on the next phase of the Company's journey.

Results

At 31 December 2021, our NAV was 317.9p, an increase of 3.1% in the year. With dividends re-invested, this resulted in a total return of 5.1% for the year.

The share price at the end of the year was 291.0p, an increase of 2.5% from the share price at the end of 2020 of 284.0p. With dividends re-invested, this resulted in a total return of 4.6% for the year. At 31 December 2021, the share price stood at a discount of 8.5% to the NAV, which compared to 7.9% at the prior year end.

As detailed on page 11, there was a reduction in revenue per share in the year under review. As a result, your Board recommends a final dividend of 5.0p per share.

Since the launch of the Company on 15 December 2003 up to the end of 2021 the Company achieved a 7.7% annualised share price total return. The annualised UK Retail Price Inflation rate was 3.1% over the same period.

Stock market review and investment performance

Global equity markets were dominated by two themes in 2021, the first being the gradual acceptance that current high inflation rates may no longer be considered transitory and the second being the fluctuating impact of COVID-19 on economies and societies. Policy makers are responding to inflationary pressures by raising interest rates, the Bank of England becoming the first major central bank to do so by raising interest rates in December 2021 and subsequently in February 2022, with other policy makers expected to follow throughout 2022. This monetary tightening will have a divergent impact on different areas of the equity market. Bank earnings will improve as revenues rise while investors may reconsider the high valuation multiples of certain sectors such as Information Technology. With respect to the fluctuating impact of COVID-19, the year ended with the emergence of the Omicron variant and a renewed surge in global infections. Following a short period of volatility, markets ended the year with less concern regarding COVID-19 amid signs that the latest variant may mark the beginning of the shift of COVID-19 from pandemic to endemic.

Our Investment Manager started the year with a very cautious investment stance and became even more cautious as the year progressed. In the year under review cash balances increased from 13.0% to 27.7% of net assets. This cautious investment strategy suppressed returns. Geographically the most significant changes were the reduction in Asia Pacific ex Japan exposure from 15.0% of net assets to 4.3% and Japanese exposure from 22.3% to 12.8%. This was offset by an increase in the Company's Europe ex UK exposure from 23.4% to 35.0%, which included the investment in the Templeton European Long-Short Equity SIF, which at 7.6% of net assets is now the Company's largest investment. Following Shareholder approval of the change in the Company's investment objective and investment policy, as detailed below, the Company also made a capital commitment to the Volunteer Park Capital Fund SCSp. a Luxembourg Special Limited Partnership, investing in boutique investment management companies. These investments exemplify the desire to access a broader range of asset classes, including private markets. It increased the exposure to the Financials sector from 8.6% to 19.5%, while in contrast the Information Technology exposure reduced from 13.5% to 2.2%, following the disposal of several stocks including Samsung Electronics, Taiwan Semiconductor ADR and Murata Manufacturing. The Investment Manager's Report on pages 15 and 16 contains detailed commentary on the portfolio and performance for the period.

Revenue account and dividend

The revenue per share for the year ended 31 December 2021 was 4.4p, which compared to the prior year figure of 4.9p. The principal reason for the reduction was due to the increased level of cash balances held following share disposals which were not reinvested and either earned very little interest on deposit or in some instances incurred a negative return.

The reduction in the revenue per share occurred despite the change in the allocation of the management fee and finance costs relating to borrowings from 1 January 2021, with 70% of these costs now charged to capital. This change, which was detailed in last year's Annual Report was made to reflect more accurately the past and expected future returns from capital and income. For the year ended 31 December 2021 the change in allocation boosted the revenue return per share by 1.4p per share.

The Board therefore recommends a final dividend of 5.0p per share, subject to Shareholders' approval at the Annual General Meeting to be held on 27 April 2022.

As has been stated in previous years' annual and half-yearly reports, the level of revenue generated from the portfolio will vary from year to year. As a result, any dividend paid to Shareholders is likely to fluctuate from year to year. Our Investment Manager's investment philosophy is long-term and focused on absolute valuation. It aims to identify and invest in undervalued asset classes, which may at times result in a focus on shares with lower dividend yields or in cash and bonds which generate a low return. Shareholders should note that the change in investment policy could potentially result in a further reduction in revenue from the portfolio, which it is anticipated will be more than offset by future capital gains.

Strategic Review

During the period, the Directors took the opportunity to discuss the positioning and outlook for the Company's portfolio in detail with the Investment Manager. The newly constituted Board considered the strategic direction of the Company with the primary focus of what we considered to be in best interests of Shareholders. As Chairman of the Company, I consulted with several Shareholders and Shareholder feedback was taken into consideration by the Board as part of the strategic review. The Board met on several occasions to progress the strategic review. Details of the results of the strategic review are summarised in the sections below relating to management arrangements, investment objective and investment policy, tender offer and shares held in treasury and discount policy.

Management arrangements

As part of its strategic review, the Board considered the Company's management arrangements and, as announced by the Company on 25 October 2021, the Board intends to change the Company's management arrangements by becoming a self-managed investment trust. The Board will assume overall control over the Company's investment policy and will have overall responsibility for the Company's activities. It is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will stand for election as a Director at the Annual General Meeting to be held on 27 April 2022 and will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company.

The Company entered into heads of terms with the Company's AIFM, Franklin Templeton Investment Trust Management Limited (previously named, until 6 July 2021, Edinburgh Partners AIFM Limited) and Dr Nairn in respect of the new management arrangements. The arrangements are subject to finalisation of full legal documentation. Under the heads of terms, it has been agreed that Dr Nairn will continue to work for the Franklin Templeton group and as part of the new arrangements he will be responsible for a new sub-advisory arrangement which the Company will enter into with Franklin Templeton Investment Management Limited ("FTIML"). It is expected that the sub-advisory arrangement will initially be for 70% of the Company's portfolio.

The change in management structure is subject to the Company being approved by the Financial Conduct Authority ("FCA") as a small registered alternative investment fund manager. An application for registration has been submitted to the FCA and it is hoped that approval will be received in the next few months. Once the Company has been approved to act as its own AIFM, the current arrangement with the AIFM and Investment Manager will cease and the new sub-advisory agreement with FTIML will be entered into. As part of the interim arrangements to facilitate this change the Board has agreed that the Company's investment management responsibilities be transferred from Edinburgh Partners Limited to Franklin Templeton Investment Management Limited in the second calendar quarter of 2022. When the Company becomes a self-managed investment trust new administration arrangements will be put in place. The Company will also, by resolution of the Board, change its name to Global Opportunities Trust plc.

Investment objective and investment policy

As part of its strategic review, the Board undertook a review of the Company's objective and investment policy. Following approval by the FCA and subsequently by Shareholders in general meeting, the Company adopted a new investment objective and investment policy on and with effect from 17 December 2021.

The investment objective of providing Shareholders with an attractive real long-term total return by investing globally in undervalued securities was extended by enabling investment also in other financial assets. The investment policy was also amended to permit investment in a diversified portfolio of equity and equity-linked securities (both listed and unquoted), investments in other investment companies and funds which provide exposure to a wide range of financial asset classes and to allocate a portion of portfolio assets to be managed by one or more specialist investment sub-advisors. A comparison of both the previous and new investment objective and investment policy are detailed on pages 3 and 4.

The new investment objective and investment policy provide the Company with the flexibility to seek out value across asset classes to accommodate a wider range of investments. In particular, the Board and the Investment Manager believe that there are profitable opportunities available in private capital investments. Following the change of investment objective and investment policy, the Company can now take advantage of suitable investment opportunities in private markets and, as a long-term capital vehicle with a closed ended structure, is ideally placed to do so.

The private capital opportunities would primarily be accessed through delegation to specialist third party managers, including through investments in investment funds, but it is expected that co-investment opportunities for direct investment may also be available. For these reasons it was considered important that some of the existing constraints on the Company's investment objective and investment policy be lifted and allow the Company to invest up to 30% of its total assets in private investments. It is believed this strikes the correct balance between liquidity and opportunity and will allow the Company to adapt to the current investment conditions which are very different from those at launch.

The Board believes that the Company's new investment objective and investment policy make the Company an attractive vehicle for a wider range of potential investors. In particular, the Company's ability to invest in private markets will give individual investors, through a pooled investment, the opportunity to access the types of investments which tend to be reserved for institutional investors.

Tender offer

The Board was of the view that most Shareholders would wish to maintain their investments in the Company, but recognised that some may wish to realise part, or potentially all, of their shareholding. In order that such Shareholders had the opportunity to do so the Company put forward a tender offer for approval by Shareholders and this was approved by Shareholders on 17 December 2021, when the change to the investment objective and investment policy were also obtained.

A circular relating to the tender offer was issued to Shareholders on 26 January 2022 with details of the tender offer proposing to buy back up to 20% of the Company's shares in circulation as at 24 February 2022. Following completion of the tender offer, the Company has bought back 7,305,545 shares into treasury at a 2% discount to NAV, with the total cost being £23,231,000. The Board is satisfied that, following the tender offer, the Company remains an attractive size with sufficient liquidity.

Shares held in treasury and discount policy

The Company continued to buy back shares and during the year, the Company purchased 2,095,000 shares at a total cost of £5,984,000. This represents 5.4% of the shares in circulation at the start of the year. Shares that have been bought back under the Company's buy back policy are retained by the Company as treasury shares rather than being cancelled, with the intention of re-issuing them when demand warrants doing so.

Following the change of investment policy, gaining new investors will be an important component in ongoing share price discount control, which cannot solely rely on share buybacks. The Board may use share buybacks, when appropriate, to narrow the discount to NAV at which the shares trade. This will be done in conjunction with creating new demand and being aware of the liquidity of the shares. As detailed in the Circular to Shareholders, relating to the change of investment objective and investment policy and tender offer issued on 25 November 2021, the Company's share buyback policy will no longer aim to keep the share price at close to NAV.

At the most recent Annual General Meeting of the Company, which was held on 21 April 2021, Shareholders passed a resolution permitting the Company to sell shares held in treasury at a weighted average discount of not more than 2.0% to the prevailing NAV and providing that any sale of treasury shares would not result in a dilution greater than 0.2% in aggregate in the period between annual general meetings. While no shares were sold from treasury during the year under review, the Board is recommending that Shareholders approve a similar resolution at this year's Annual General Meeting. The Board believes that having the ability to sell shares from treasury at a small discount should help improve the liquidity in the Company's shares when demand for our shares is once again sufficient for sales to be made.

The Board

There were a number of changes to the Board during the period. David Hough retired as a Director of the Company on 3 March 2021, having served on the Board since the launch of the Company in 2003. As noted in the 2020 Annual Report and 2021 Half-Yearly Report the Board acknowledged his wise counsel and commitment to the Company. His understanding of the investment trust market and in-depth knowledge of the wealth management industry had been of great benefit to the Board and Shareholders.

Teddy Tulloch, who had been Chairman of the Company, also since its launch, retired on 9 June 2021. On behalf of Shareholders and themselves, the Directors wish to thank Teddy Tulloch for his outstanding contribution and commitment to the Company. His many years of investment experience and understanding of investment trusts have been of immense value to the Board which has greatly valued his input and advice. I would also like to take this further opportunity to thank him for his advice and for passing on the benefit of his experience to me in taking on the role of Chairman of the Company.

I was appointed a Director on 18 May 2021 and became Chairman on 9 June 2021. Hazel Cameron was also appointed as a Director on 18 May 2021. The biographies of all four current Directors are detailed on page 8.

Tom Walker has informed the Board that he will not be standing for re-election at the Annual General Meeting on 27 April 2022. Consequently, he will cease to be a Director immediately after the conclusion of that meeting. Tom Walker's investment expertise and his experience within the investment trust industry has been of significant value to the Board and we have benefitted from his input during the time he has served as a Director of the Company.

As previously stated, in the Chairman's Statement on page 11, Dr Sandy Nairn will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company. Accordingly, Dr Sandy Nairn will stand for election as a Director of the Company at the Annual General Meeting on 27 April 2022. His biography is detailed on page 9.

Annual General Meeting

At the Annual General Meeting of the Company held on 21 April 2021 two resolutions were passed with a majority of less than 80% of the votes cast. In accordance with the provisions of the AIC Code of Corporate Governance, the Board was required to consult and engage with the relevant Shareholders to understand and discuss their concerns with respect to these resolutions. Details of the action taken are contained within the Directors' Report on pages 29 and 30.

After two years in which Shareholders were unable to attend the Annual General Meeting owing to COVID-19 restrictions, this year's Annual General Meeting has been scheduled be held at 12.00 noon at The Bonham Hotel, 35 Drumsheugh Gardens, Edinburgh EH3 7RN on Wednesday, 27 April 2022. The Board looks forward to meeting Shareholders who are able to attend. In the event that public health measures and government regulations prevent the meeting being held or restrict Shareholders attending any changes will be published on the Company's website at www.epgot.com.

Outlook

Our Investment Manager continues to believe that equity markets remain fully valued, which is why cash balances increased throughout 2021. It continues to remain concerned that the COVID-19 economic rebound will not be sustained and that this will expose valuations. We have already seen signs of this occurring in the early months of 2022. The recent events in Ukraine, which will have a significant long-term human, political and economic impact, has caused further weakness in equity markets. There has been a substantial increase in inflation worldwide, initially from supply bottlenecks in 2021 and more recently from rising energy costs. Another potential concern for equity market valuations is the expectation that central banks will start to reduce market support and raise interest rates, the latter due in part to the recent substantial increase in inflation.

The portfolio continues to be defensively positioned with over one third of the Company's assets invested in cash and fixed income securities at the year end, similar to the position at the half-year end. While this suppressed returns in 2021, the defensive stance has had a beneficial impact in the early part of 2022. The Investment Manager will reduce cash balances when investment opportunities arise.

The Company is currently going through a period of significant change. The process has already started with the change of investment objective and investment policy and the tender offer. Further changes are expected in the next few months with the Company becoming a self-managed investment trust. The Board considers that the various changes are in the best interests of all Shareholders and looks forward to the future with confidence as the Company embarks on a new era of its development.

Cahal Dowds
Chairman

11 March 2022

Past performance is not a guide to future performance.

INVESTMENT MANAGER'S REPORT

In the Investment Manager's report for 2020 we highlighted the incongruity of a world where valuations continued to expand against a backdrop of ever more fiscal and monetary stimulus. It was understandable that the response to new variants of COVID-19 and the associated economic dangers would be an extension of the policies of cheap money and further increases in government spending. One might think that is less understandable that markets would react to this in such a positive manner given the context of near record valuations and ever accumulating debt. However, such has been the duration of the support operation, markets simply now assume that the authorities have permanently removed the downside and will always ride to their support. This is not a view easily sustained by history. On the other hand, it is supported by the post Global Financial Crisis ("GFC") experience which seems to be what markets have been assuming. However, we have now reached a position where the position is extremely precarious.

When the Company was first launched the investment policy was deliberately crafted to provide sufficient flexibility to contend with the periodic episodes where market sentiment had run too far ahead of reality creating significant pockets of over-valuation. This flexibility allowed the Company to navigate the GFC period. However, what we now face is unprecedented in terms of the breadth of asset classes displaying historic high levels of valuation. That there is a lack of concern for risk in asset markets is also amply displayed by price moves in areas such as non-fungible tokens and crypto currencies. The term which has been coined to describe all of this is the 'Everything Bubble', which seems entirely appropriate. Against this backdrop the existing investment flexibility would not have allowed the investment actions we felt necessary to protect capital and prepare the portfolio for what is coming. For this reason, the Company sought changes to the investment objective and investment policy. These were approved by Shareholders and the current portfolio reflects some of the benefits of these changes. These will be considered after a brief review of the investment outcome for calendar year 2021.

The Company has no stated benchmark which was a deliberate decision at inception to try to avoid the potential tyranny of constant comparisons to an index and the associated dangers of having investments unduly influenced by their importance or otherwise to index composition. Nevertheless, we have always included reference to the FTSE All-World Index for information purposes. During 2021 this index achieved a total return of 20.0% largely driven by a relatively narrow range of US technology stocks although there was a continued rise in stocks generally, if in a more subdued manner. Against this backdrop the Company had a net asset value return of 5.1% in the same period.

The positive contributors to returns came from a range of companies with the largest being Shanghai Fosun Pharmaceutical which rose sharply on various rumours of combinations with other pharmaceutical providers. Although we remained comfortable with the original underlying investment thesis, such was the level of share price advance that we sold the holding. Two other holdings that performed well and were sold were Antofagasta and Nokia. Antofagasta is a high quality copper producer where future supply-demand characteristics are supportive for a company with low-cost production. However, such was the enthusiasm in the market for copper that the share price rose to a level where much of this positive outlook was discounted and the shares were sold. Should this enthusiasm wane then it is likely we would seek to reinvest. Nokia was a slightly different investment proposition having worked its way through difficulties in network product development and its share price had recovered accordingly. The other area where we saw good returns was in energy where the holdings of ENI and TotalEnergies which had been added when the market was unduly pessimistic on oil prices reacted to supply shortages and rising crude prices. On the negative side two of the worst performers were Fresenius Medical Care and Ubisoft Entertainment. In both cases we remain confident on the outlook and have maintained the positions.

There are two other holdings worth mentioning since they both fall into the category of being somewhat different from what the Company has invested in before, and with the second investment mentioned below becoming possible as a result of the changes in investment objective and investment policy. The first of the two is the Templeton European Long-Short Equity SIF. This fund invests in stocks on a traditional valuation basis but offsets this by taking short positions in companies where it is believed that there are fundamental issues in the underlying business model. In extended rising markets these flaws can often be ignored but when a more critical appraisal returns the results can be swift and damaging. Since we believe that the market will shift from ignoring risk to becoming much more attentive such a fund has the ability to rise even against the backdrop of serious negative equity market returns. The other investment worth noting is the Volunteer Park Capital Fund SCSp. This fund invests in established general partners of private capital funds focussing on high quality businesses able to provide strong collateral. The collateral element is important given the previous comments about excessive valuations in assets generally. The opportunity exists because the fund focusses on the small to low-mid segment of the market where other potential funders are put off by the level of due diligence required relative to the potential investment that can be made. This investment was made just prior to the end of the year before the fund closed on our assessment that the fund's existing investment portfolio gave a high degree of confidence about the future returns. These two holdings are expected to provide strong diversification to the portfolio with reasonable prospects of achieving positive returns even against the backdrop of significant declines in asset markets generally. The Company also held US Treasury Inflation Protected Securities (TIPS) in anticipation of a rising inflation trend. These positions were reduced prior to the year end and exited fully post year end. These sales were not prompted by confidence on the inflation outlook, but rather the potential returns given the lack of an embedded positive real interest rate. The changes to the portfolio, in particular the addition of the Templeton European Long-Short Equity SIF and the Volunteer Park Capital Fund SCSp provided a potentially superior offset.

Given the concerns over asset valuations the Company retained a high cash balance. Whilst this can be an uncomfortable position it is important to retain the ability to invest in new opportunities that market turmoil might present.

Looking to the future we can see sentiment beginning to change and valuations being more closely scrutinised. It is early in this process but, with inflation now impossible to ignore, attention is turning to the sustainability of the central bank 'put' which has underpinned liquidity and hence asset prices. These liquidity injections eventually will turn into withdrawals and this will focus minds on the debt overhang. A rising interest rate environment will compound this and simultaneously change market dynamics. The new investment policy allows us to try to ensure that the portfolio is both protected as much as possible in this new environment and has the ability to react and take advantage of the opportunities that will emerge. In general, our view was that even a small disruption could be sufficient to expose the fragility of market levels. However, as the world is now painfully aware geo-political events have lurched into very dangerous territory. Whatever the resolution in the Ukraine from the terrible events that are now unfolding, there is little doubt that inflation will remain higher for longer, growth will be slower and government debt pressures will become even more acute. Asset markets have begun to react but this reaction is only in the early stages and is likely to be punctuated by periodic rallies. We are in the fortunate position of being able to wait to take advantage of asset price declines. The key to optimising returns will be retaining the patience and resolve to wait until genuine bargains emerge at which time the portfolio can return to a more fully invested position.

Dr Sandy Nairn
Edinburgh Partners

11 March 2022

Past performance is not a guide to future performance.

OTHER STATUTORY INFORMATION

Principal activity and status of the Company
The principal activity of the Company is to carry on business as an investment trust.

The Company is registered as a public limited company and is an investment company within the terms of section 833 of the Companies Act 2006 (the "Act"). The Company has been approved by HM Revenue & Customs as an authorised investment trust under sections 1158 and 1159 of the Corporation Tax Act 2010 (the "CTA"), subject to there being no subsequent serious breaches of the regulations. In the opinion of the Directors, the Company is directing its affairs so as to enable it to continue to qualify for such approval.

The Company's shares are listed on the premium segment of the Official List of the Financial Conduct Authority (the "FCA") and traded on the main market of the London Stock Exchange.

The Company is a member of the AIC, a trade body which promotes investment companies and also develops best practice for its members.

Purpose, business model and strategy
The Board is responsible for the overall management of the Company and, in accordance with the AIC Code, the Board establishes the Company's purpose, values and strategy, and reports to Shareholders on the detail of how this is achieved.

As an investment company, the Company's purpose is expressed in its investment objective, which is to provide Shareholders with an attractive real long-term total return by investing globally in undervalued asset classes. As a closed-ended investment company whose shares are traded on the main market of the London Stock Exchange, the Company can pursue its investment objective by taking long-term investment decisions without being constrained by the need to sell investments to meet redemptions, as other investment funds such as open-ended investment companies may need to do. The strategy applied by the Company in this context is contained in the Company's investment policy, as set out on pages 3 and 4.

In order to achieve its investment objective, the Board has decided it will continuously evaluate the appropriateness of appointing third party providers with the necessary capability and established track records to deliver the required service requirements to the Company. The AIFM and the Investment Manager have the responsibility of investing and managing the assets of the Company in accordance with the investment objective and for managing its activities on a daily basis. The Company also appoints the Depositary to have responsibility for the safekeeping and monitoring of its assets and the Registrar to maintain Shareholder records.

The Board retains responsibility for decisions regarding corporate strategy, corporate governance, risk and internal control assessment, reviewing the appropriateness of appointing and selecting service providers and determining the overall limits under which the AIFM, the Investment Manager and other service providers operate. To ensure that the Company's service providers continue to deliver the required level of service, the Board receives regular reports, evaluates their control environments and formally assesses their appointment on an annual basis.

The Board maintains a close working relationship with all of its current service providers, in particular with the AIFM and Investment Manager, and monitors their performance closely. Further details of the current service providers and of how their activities are monitored is detailed on pages 41 and 42.

Investment objective
The investment objective of the Company is set out on pages 3 and 4.

Investment policy
The Company's investment policy is set out on page 3.

The Investment Manager's compliance with the limits set out in the investment policy is monitored by the Board and the AIFM.

Investment strategy
The Company's portfolio is managed without reference to any stock market index. Investments are selected for the portfolio only after extensive research by the Investment Manager. The Investment Manager's approach is long-term and focused on absolute valuation. It aims to identify and invest in undervalued asset classes, and to have the patience to hold them until they achieve their long-term earnings potential or valuation. Further details of the investment strategy can be found in the Chairman's Statement on pages 10 to 14 and the Investment Manager's Report on pages 15 and 16.

Portfolio analysis
A detailed review of how the Company's assets have been invested is contained in the Chairman's Statement on pages 10 to 14 and the Investment Manager's Report on pages 15 and 16. A list of all the Company's investments is contained in the Portfolio of Investments on page 6. The portfolio consisted of 32 investments, excluding cash and other net assets as at 31 December 2021, thus ensuring that the Company has a suitable spread of investment risk. A sector and geographical distribution of investments is shown on page 7.

Directors' duties and stakeholder engagement
Section 172 of the Act requires a director to act in a way that he considers, in good faith, would be most likely to promote the success of a company. In doing so, Directors must take into consideration the interests of the various stakeholders of the Company, the impact of the Company's operations on the community and the environment, take a long-term view on the consequences of the decisions they make as well as maintaining a reputation for high standards of business conduct and fair treatment between the members of the Company.

In complying with the requirements of section 172 of the Act, the Directors should be able to ensure that all decisions are made in a responsible and sustainable way for the benefit of all stakeholders. In accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, the Company explains below how the Directors have discharged their duty under section 172 of the Act. This section serves as the Company's section 172 Statement.

A company's stakeholders are normally considered to comprise Shareholders, employees, customers and suppliers as well as the wider community in which the company operates and impacts. The Company is unlike a trading company in that as an investment trust it has no employees and, significantly, its customers are synonymous with its Shareholders. In terms of suppliers, the Company receives professional services from a number of different providers, principal among them being the AIFM and the Investment Manager. The Board believes the wider community in which the Company operates encompasses its portfolio of investee companies and the communities in which they operate.

Details of how the Board seeks to understand the needs and priorities of the Company's stakeholders and how these are taken into account during all its discussions and as part of its decision-making are set out below:

Shareholders
Communication and regular engagement with Shareholders is given a high priority by both the Board and the AIFM and the Investment Manager. The Directors seek to maintain regular contact with major Shareholders and are always available to enter into dialogue with all Shareholders. A regular dialogue is maintained with the Company's institutional Shareholders and private client asset managers through the Investment Manager, which regularly report to the Board on significant contact, the views of Shareholders and any changes to the composition of the share register. Following the COVID-19 pandemic meetings with institutional Shareholders and private client asset managers have been conducted by electronic means.

All Shareholders are encouraged, if possible, to attend and vote at the Annual General Meeting and at any general meetings of the Company, during which the Board and the Investment Manager are available to discuss issues affecting the Company. Shareholders wishing to communicate directly with the Board should contact the Company Secretary at the registered office address. The Chairman is available throughout the year to respond to Shareholders, including those who wish to speak with him in person.

Copies of the Annual and Half-Yearly Reports are currently issued to Shareholders and are also available, along with the monthly factsheets and quarterly investment commentaries, for downloading from the Company's website at www.epgot.com. The Company also releases portfolio updates to the market on a monthly basis.

AIFM and Investment Manager
The Board believes that maintaining a close and constructive working relationship with the AIFM and the Investment Manager is crucial to promoting the long-term success of the Company in an effective and responsible way. This ensures the interests of all current and potential stakeholders and society at large are properly taken into account when decisions are made. Representatives of the AIFM and the Investment Manager attend Board meetings and provide reports on investments, performance, marketing, operational and administrative matters. An open discussion regarding such matters is encouraged, both at Board meetings and by way of ongoing communication between the Board, the AIFM and the Investment Manager. Board members are encouraged to share their knowledge and experience with the AIFM and the Investment Manager and where appropriate, the Board adopts a tone of constructive challenge in its discussions with the AIFM and the Investment Manager. The Board keeps the ongoing performance of the AIFM and the Investment Manager under continual review and conducts an annual appraisal of both the parties. Details regarding the continuing appointment of the AIFM are set out on page 22. This review includes the performance of an administrator, Link Alternative Fund Administrators Limited (the "Administrator") whose services are provided under contract to the AIFM, rather than directly to the Company.

Other service providers
The Company's day-to-day operational functions are delegated to a number of third-party service providers, each engaged under separate contracts. In addition to the AIFM and the Investment Manager, the Company's principal service providers include the Depositary, the Registrar and the Auditor. The Company, through the AIFM, engages with the service providers to develop and maintain positive and productive relationships, and to ensure that they are well informed in respect of all relevant information about the Company's business and activities. The Board, through its Audit and Management Engagement Committee, keeps the ongoing performance, fees and continuing appointment of these service providers under continual review and conducts an annual appraisal of all the third-party service providers.

Portfolio of investee companies
The day-to-day management of the Company's investment portfolio has been delegated by the AIFM to the Investment Manager. As such, the Investment Manager has primary responsibility for engaging with investee companies on behalf of the Company. The Investment Manager does so in accordance with the United Nations Principles for Responsible Investment, and the UK Stewardship Code, and is a signatory to both regimes. The Investment Manager's approach to engagement in this context is detailed in its Engagement Policy Statement and Proxy Voting Policy. Copies of the Investment Manager's Engagement Policy and Proxy Voting Policy can be found on its website at www.edinburghpartners.com, together with a summary of all votes cast by the Investment Manager as proxy on behalf of its clients. Further details regarding the approach to ESG matters are set out on page 25. In 2019, the FRC published a new version of the code, the UK Stewardship Code 2020. The Investment Manager is a signatory of the UK Stewardship Code 2020 published by the FRC. A copy of its stewardship report is available at www.edinburghpartners.com.

The Board recognises the importance of engagement with investee companies, both in the context of ESG matters and more generally. The Board is aware of evolving expectations in this regard and is committed to working with the Investment Manager in relation to future engagement on behalf of the Company.

The above methods for engaging with stakeholders are kept under review by the Directors and discussed on a regular basis at Board meetings to ensure that they remain effective.

In addition to the above, certain key decisions taken by the Board during the year also serve as examples of how the needs and priorities of the Company's stakeholders are taken into account by the Board as part of its decision-making process. Key decisions made during the year include:

- Following a review of the strategic direction of the Company, the Board decided to propose a change to Company's investment objective and investment policy, conduct a tender offer and change the Company's management arrangements by becoming a self-managed investment trust;

- Following approval of the proposed changes to the investment objective and investment policy by the FCA, a Circular seeking the approval of Shareholders to the changes and the tender offer was issued on 24 November 2021 and approved at a General Meeting of the Company held on 17 December 2021. A Circular was issued to Shareholders on 26 January 2022 with details of the tender offer proposing to buy back up to 20% of the Company's shares in circulation as at 24 February 2022. Following completion of the tender offer, the Company bought back 7,305,545 shares into treasury at a total cost of £23,231,000;
- With the Company becoming a self-managed investment trust, the Board will assume overall control of the Company's investment policy and have overall responsibility for the Company's activities. It is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will stand for election as a Director at the Annual General Meeting to be held on 27 April 2022 and will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company; and
- The change in management structure is subject to the Company being approved by the FCA as a small registered alternative investment fund manager. This is expected to occur in the second calendar quarter of 2022. Once the Company has been approved to act as its own alternative investment fund manager, the current arrangements with the existing AIFM and Investment Manager will cease and a sub-advisory investment management agreement with the Franklin Templeton group will be entered into. As part of the interim arrangements to facilitate this change the Board has agreed that the Company's investment management responsibilities be transferred from Edinburgh Partners Limited to Franklin Templeton Investment Management Limited in the second calendar quarter of 2022. When the Company becomes a self-managed investment trust, new administration arrangements will be put in place. The Company will also, by resolution of the Board, change its name to Global Opportunities Trust plc.

Additional details of the above changes are contained within the Chairman's Statement on pages 10 to 14.

Culture
The Chairman leads the Board and is responsible for its overall effectiveness in directing the Company. He demonstrates objective judgement, promotes a culture of openness and debate, and facilitates effective contributions by all Directors. In liaison with the Company Secretary, he ensures that the Directors receive accurate, timely and clear information. The Directors are required to act with integrity, lead by example and promote this culture within the Company.

The Board seeks to ensure the alignment of the Company's purpose, values and strategy with the culture of openness, debate and integrity through ongoing dialogue, and engagement with Shareholders, the AIFM, the Investment Manager and the Company's other service providers. As detailed in the Corporate Governance Statement on page 38, the Company has adopted a number of policies, practices and behaviours to facilitate a culture of good governance and ensure that this is maintained.

The culture of the Board is considered as part of the annual performance evaluation process which is undertaken by each Director. The culture of the Company's service providers is also considered by the Board during the annual review of their performance and while considering their continuing appointment. In the context of the Investment Manager, particular attention is paid to the Investment Manager's environmental, social and governance, engagement and proxy voting policies. Additional information on the Board's approach to environmental, social and governance matters is detailed on page 25.

Results and dividends
The results for the year are set out in the Income Statement on page 55 and in the Statement of Changes in Equity on page 57.

For the year ended 31 December 2021, the net revenue return attributable to Shareholders was £1.6 million (2020: £1.9 million) and the net capital return attributable to Shareholders was £3.6 million (2020: -£4.8 million). Total Shareholders' funds, after taking account of those returns, the dividend payment relating to the prior year of £2.2 million, and share buybacks of £6.0 million, decreased by 2.5% to £116.1 million (2020: £119.1 million).

A final dividend of 5.0p per share for the year ended 31 December 2021 (2020: a final dividend of 6.0p per share) has been recommended by the Board. Subject to the approval of Shareholders at the Annual General Meeting to be held on 27 April 2022, the final dividend will be payable on 25 May 2022 to Shareholders on the register at the close of business on 6 May 2022. The ex-dividend date will be 5 May 2022.

Key performance indicators

At each Board meeting, the Directors consider a number of performance measures to assess how the Company is achieving its investment objective. The key performance indicators used to measure the progress and performance of the Company over time are established industry measures and are as follows:

Net asset value

In the year to 31 December 2021, the NAV increased by 3.1% from 308.4p to 317.9p. After taking account of the 6.0p per share final dividend paid on 28 May 2021 relating to the year ended 31 December 2020, the NAV total return was 5.1% (2020: -1.3%). The UK Retail Price Inflation rate was 7.5% (2020: 1.2%) over the same period.

The annualised NAV total return since the launch of the Company on 15 December 2003 to 31 December 2021 was 8.4%. The annualised UK Retail Price Inflation rate was 3.1% over the same period.

Share price

In the year to 31 December 2021, the Company's share price increased by 2.5% from 284.0p to 291.0p. After taking account of the 6.0p per share final dividend paid on 28 May 2021 relating to the year ended 31 December 2020, the share price total return was 4.6% (2020: -5.6%). The UK Retail Price Inflation rate was 7.5% (2020: 1.2%) over the same period.

The annualised share price total return since the launch of the Company on 15 December 2003 to 31 December 2021 was 7.7%. The annualised UK Retail Price Inflation rate was 3.1% over the same period.

For information, in the year to 31 December 2021, the total return from the FTSE All-World Index, adjusted to sterling, was 20.0% (2020: 13.0%). Since the launch of the Company on 15 December 2003 to 31 December 2021, the annualised total return on the FTSE All-World Index, adjusted to sterling, was 10.9%.

Share price discount to NAV

In the year to 31 December 2021, the share price discount to NAV increased from 7.9% to 8.5%.

Revenue return per share

In the year to 31 December 2021, the revenue per share decreased by 10.2% from 4.9p to 4.4p.

Dividends per share

The Directors are recommending a final dividend of 5.0p per share. This compares to the prior year final dividend of 6.0p per share.

Subject to approval by Shareholders at the Annual General Meeting to be held on 27 April 2022, the final dividend will be payable on 25 May 2022 to all Shareholders on the register at the close of business on 6 May 2022. The ex-dividend date will be 5 May 2022.

Ongoing charges

In the year to 31 December 2021, the ongoing charges ratio was 1.1% (2020: 1.0%). The ongoing charges ratio is based on total expenses, excluding finance costs and certain non-recurring items for the year as a percentage of the monthly net asset value. The ongoing charges ratio includes look-through costs of 0.1% relating to the two funds in which the Company is invested, the Templeton European Long-Short Equity SIF, representing 7.6% of net assets, and the Volunteer Park Capital Fund SCSp, representing 4.7% of net assets, representing a total of 12.3% of net assets.

The longer-term records of the key performance indicators are shown in the Performance Record on page 77.

Management Agreement

In order to comply with the Alternative Investment Fund Managers' Directive ("AIFMD"), the Company appointed Edinburgh Partners AIFM Limited as its Alternative Investment Fund Manager with effect from 16 July 2014. Edinburgh Partners AIFM Limited changed its name to Franklin Templeton Investment Trust Management Limited with effect from 6 July 2021. Franklin Templeton Investment Trust Management Limited has been approved as an Alternative Investment Fund Manager by the FCA. With the approval of the Directors, the AIFM appointed Edinburgh Partners as Investment Manager to the Company pursuant to a delegation agreement.

The AIFM receives a management fee of 0.75% per annum (payable monthly in arrears) of the month-end market capitalisation of the issued shares (excluding treasury shares) up to £100 million and 0.65% above £100 million. No performance fee is payable. The AIFM receives an administration and secretarial fee of £142,000 per annum (payable monthly in arrears), which is adjusted annually in line with changes in the Retail Price Index. The Company also pays the Investment Manager £25,000 per annum in respect of marketing-related services.

The Company has served protective notice to terminate the Management Agreement on 1 May 2022 or such other date as may be agreed between the Company and the AIFM. No additional compensation is payable to the AIFM on the termination of this agreement other than the fees payable during the notice period. Further details relating to the Management Agreement are detailed in note 3 on pages 61 and 62 of the Financial Statements.

Following the review of the strategic direction of the Company, it is intended to change the Company's management arrangements by becoming a self-managed investment trust. The Board will assume overall control of the Company's investment policy and have overall responsibility for the Company's activities. It is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will stand for election as a Director at the Annual General Meeting to be held on 27 April 2022 and will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company.

The change in management structure is subject to the Company being approved by the FCA as a small registered alternative investment fund manager. This is expected to occur in the second calendar quarter of 2022. Once the Company has been approved to act as its own alternative investment fund manager, the current arrangements with the existing AIFM and Investment Manager will cease and the sub-advisory investment management agreement with the Franklin Templeton group will be entered into. As part of the interim arrangements to facilitate this change the Board has agreed that the Company's investment management responsibilities be transferred from Edinburgh Partners Limited to Franklin Templeton Investment Management Limited in the second calendar quarter of 2022. When the Company becomes a self-managed investment trust, new administration arrangements will be put in place. The Company will also, by resolution of the Board, change its name to Global Opportunities Trust plc.

Continuing appointment of the AIFM

The Board keeps the performance of the AIFM under continual review. As the AIFM has delegated the investment management function, the performance of the Investment Manager is also regularly reviewed. The Investment Manager adopts a consistent, long-term approach to investing which is focused on company valuations. This results in a high conviction approach, with a concentrated portfolio and low turnover. The Board, through delegation to the Audit and Management Engagement Committee, has considered the performance of the AIFM and the terms of its engagement. It is the opinion of the Directors that the continuing appointment of the AIFM on the terms agreed is in the interests of Shareholders as a whole, until the Company becomes a self-managed investment trust at which time the appointment of the AIFM will cease. The reasons are that the long-term real return has been satisfactory and the investment strategy remains convincing. The remuneration of the AIFM is fair both in absolute terms and compared to that of managers of comparable investment companies. The Directors believe that by paying the management fee calculated on a market capitalisation basis, rather than a percentage of assets basis, the interests of the AIFM are more closely aligned with those of Shareholders.

AIFM remuneration disclosures

Details of the Remuneration Policy of the AIFM and amounts attributable to the Company are available to Shareholders upon request at the registered office of the Company.

Risk management by the AIFM
As required under the AIFMD, the AIFM has established and maintains a permanent and independent risk management function to ensure that there is a comprehensive and effective risk management policy in place and to monitor compliance with risk limits. This risk policy covers the risks associated with the management of the investment portfolio and the AIFM reviews and approves the adequacy and effectiveness of the policy on at least an annual basis, including the risk management processes and controls and limits for each risk area.

The AIFM sets risk limits that take into account the risk profile of the Company's investment portfolio, as well as its investment objective and strategy. The AIFM monitors the risk limits, including leverage, and periodically assesses the portfolio's sensitivity to key risks.

Leverage
Leverage is defined in the AIFMD as any method by which the Company increases its exposure, whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means. The Company did not have any borrowings and did not use derivative instruments for currency hedging during the year ended 31 December 2021. The Company has an investment in the Templeton European Long-Short Equity SIF which uses derivatives.

In accordance with the detailed requirements of the AIFMD, leverage has been measured in terms of the Company's exposure, and is expressed as a ratio of net asset value. The AIFMD requires this ratio to be calculated in accordance with both the Gross Method and the Commitment Method. Details of these methods of calculation can be found by referring to the AIFMD. In summary, these methods express leverage as a ratio of the exposure of debt, non-sterling currency, equity or currency hedging and derivatives exposure against the net asset value. The principal difference between the two methods is that the Commitment Method enables derivative instruments to be netted off to reflect hedging arrangements and the exposure is effectively reduced, while the Gross Method aggregates the exposure.

The AIFMD introduced a requirement for the AIFM to set maximum levels of leverage for the Company. The Company's AIFM has set a maximum limit of 1.25 for both the Gross and Commitment Methods of calculating leverage. However, the AIFM anticipates that the figures are likely to be lower than this under normal market conditions. At 31 December 2021, the Company's Gross ratio was 1.0 and its Commitment ratio was 1.0. In accordance with the AIFMD, any changes to the maximum level of leverage set by the Company will be communicated to Shareholders.

Principal risks and uncertainties
The Board considers that the following are the principal risks associated with investing in the Company: investment and strategy risk, key manager risk, discount volatility risk, price risk, foreign currency risk, liquidity risk, and regulatory risk. Other risks associated with investing in the Company include, but are not limited to, credit risk, interest rate risk, gearing risk, operational risk and other financial risk. The risks are unchanged from the previous year with the exception of liquidity risk which has increased following the change of the investment policy which allows the Company to invest in private markets. An explanation of these risks and how they are managed and the policy and practice with regards to financial instruments are contained in note 16 on pages 70 to 75 of the Financial Statements.

The Board, through delegation to the Audit and Management Engagement Committee, has undertaken a robust annual assessment and review of all the risks stated above, together with a review of any new and emerging risks which may have arisen during the year, including those that would threaten the Company's business model, future performance, solvency or liquidity. These risks are formalised within the Company's risk assessment matrix.

The Board discussed the ongoing impact of COVID-19, the implications of the United Kingdom's withdrawal from the European Union and the longer-term impact of issues such as climate change. As detailed in the Company's Half-Yearly Report for the period to 30 June 2021, the Directors have noted the operational risks that COVID-19 posed to the Company and its service providers due to global and local movement restrictions imposed by governments worldwide. Where necessary, business continuity arrangements have been implemented by the Company's service providers, principally a work at home strategy, and the Board has obtained assurances that they are continuing to operate effectively. As detailed on pages 27 and 28 the Board is satisfied that there are no issues which trigger a need to re-examine the going concern assumption at this time. Any emerging risks considered to be of immediate significance will be evaluated, and their potential implications integrated into the principal risks.

Those risks identified by the Board are not exhaustive and various other risks may apply to an investment in the Company. Potential investors may wish to obtain independent financial advice.

Internal financial control

In accordance with the guidance issued to directors of listed companies by the Financial Reporting Council ("FRC"), the Directors confirm that they have carried out a review of the effectiveness of the systems of internal financial control during the year ended 31 December 2021, as set out on pages 41 and 42. There were no matters arising from this review that required further investigation and no significant failings or weaknesses were identified.

Depositary agreement

With effect from 1 September 2021, the Company appointed Northern Trust Investor Services Limited to act as its depositary (the "Depositary"). Northern Trust Investor Services Limited is authorised by the UK Prudential Regulation Authority and regulated by the UK Financial Conduct Authority and Prudential Regulation Authority in the conduct of its UK depositary activities. Prior to 1 September 2021 the Company's depositary was Northern Trust Global Services SE. This change was made to comply with post-Brexit regulatory changes that require depositary services for UK alternative investment funds, including investment trusts such as the Company, to be provided by an entity incorporated in the UK. Northern Trust Global Services SE is an authorised credit institution in Luxembourg under Chapter 1 of Part 1 of the Luxembourg law of 5 April 1993 on the financial sector. It is authorised by the European Central Bank ("ECB") and subject to the prudential supervision of the ECB and the Luxembourg Commission de Surveillance du Secteur Financier. Prior to 1 September 2021 the UK offices of Northern Trust Global Services SE were a UK branch of Northern Trust Global Services SE and the branch was authorised by the UK Prudential Regulation Authority and regulated by the UK Financial Conduct Authority and Prudential Regulation Authority in the conduct of its UK depositary activities.

Custody services are provided by The Northern Trust Company (as a delegate of the Depositary). A fee of 0.01% per annum of the net assets of the Company, plus fees in relation to safekeeping and other activities undertaken to facilitate the investment activity of the Company, are payable to the Depositary. The Company and the Depositary may terminate the Depositary Agreement at any time by giving six months' written notice. The Depositary may only be removed from office when a new depositary is appointed by the Company.

Main trends and future development

A review of the main features of the year ended 31 December 2021, the outlook for the current year and the factors likely to affect the future development, performance and position of the business, can be found in the Chairman's Statement on pages 10 to 14 and the Investment Manager's Report on pages 15 and 16. The Board's main focus is on the investment return and strategy, with attention paid to the integrity and success of the investment approach and on the factors which may have an impact on this.

Forward-looking statements

This Strategic Report contains "forward-looking statements" with respect to the Company's plans and its current goals and expectations relating to its future financial condition, performance and results. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events that are beyond the Company's control. Factors that could cause actual results to differ materially from those estimated by the forward-looking statements include, but are not limited to:

- global economic conditions and equity, private market and fixed income performance;
- changes in government policies and monetary and interest rate policies worldwide;
- the continuing impact of COVID-19 on economies and investment markets;
- changes to regulations and taxes worldwide;
- currency exchange rates;
- use of gearing; and
- the Company's success in managing its assets and business to mitigate the impact of the above factors.

As a result, the Company's actual future condition, performance and results may differ materially from the plans set out in the Company's forward-looking statements. The Company undertakes no obligation to update the forward-looking statements contained within the Strategic Report or any other forward-looking statements it makes.

Employees, human rights and community issues
The Board recognises the requirement under the Act to detail information about human rights, employees and community issues, including information about any policies it has in relation to these matters and the effectiveness of these policies. These requirements, which may apply to the Company's investments, do not apply to the Company as it has no employees, all the Directors are non-executive and it has outsourced all its functions to third party service providers. The Company has therefore not reported further in respect of these provisions.

The Company is not within the scope of the Modern Slavery Act 2015 because it has not exceeded the turnover threshold and therefore no further disclosure is required in this regard.

Gender diversity
As at 31 December 2021, the Board of Directors of the Company comprised three male and one female Directors. The appointment of any new Director is made in accordance with the Company's diversity policy as detailed on page 38.

Environmental, social and governance policy
The Company seeks to invest in companies that are well managed with high standards of corporate governance. The Board believes this creates the proper conditions to enhance long-term value for Shareholders. The Company adopts a positive approach to corporate governance and engagement with companies in which it invests.

In pursuit of the above objective, the Board believes that proxy voting is an important part of the corporate governance process and considers seriously its obligation to manage the voting rights of companies in which it is invested. It is the policy of the Company to vote, as far as possible, at all shareholder meetings of investee companies. The Company follows the relevant applicable regulatory and legislative requirements in the UK, with the guiding principles being to make proxy voting decisions which favour proposals that will lead to maximising Shareholder value while avoiding any conflicts of interest. Voting decisions are taken on a case-by-case basis by the Investment Manager on behalf of the Company. The Investment Manager makes use of an external agency, Institutional Shareholders Services, a recognised authority on proxy voting and corporate governance to assist on voting procedures. The key issues on which the Investment Manager focuses are corporate governance, including disclosure and transparency, board composition and independence, control structures, remuneration, and social and environmental issues.

The day-to-day management of the Company's investment portfolio has been delegated by the AIFM to the Company's Investment Manager, Edinburgh Partners, which has an ESG policy in place. The ESG policy statement, which can be found on the website at www.edinburghpartners.com and on the AIC website at www.theaic.co.uk, describes the manner in which the principles of the UK Stewardship Code are incorporated within the investment process. The Investment Manager does so in accordance with the United Nations Principles for Responsible Investment, and the UK Stewardship Code, and is a signatory to both regimes. The Investment Manager's approach to engagement in this context is detailed in its Engagement Policy, an Environmental, SRI and Corporate Governance ("ESG") Policy Statement and a Proxy Voting Policy. Copies of the Investment Manager's Engagement Policy and ESG Policy Statement can be found on its website at www.edinburghpartners.com, together with a summary of all votes cast by the Investment Manager as proxy on behalf of its clients. The Investment Manager is a signatory of the UK Stewardship Code 2020 and a copy of its stewardship report will be available at www.edinburghpartners.com.

The assessment of the quality of investee companies in relation to environmental considerations, socially responsible investment and corporate governance forms part of the Investment Manager's stock selection process.

Approval
This Strategic Report has been approved by the Board and signed on its behalf by:

Cahal Dowds
Chairman

11 March 2022

Past performance is not a guide to future performance.

DIRECTORS' REPORT

The Directors present their Annual Report and Financial Statements for the year ended 31 December 2021. In accordance with the Act (as amended), the Listing Rules and the Disclosure Guidance and Transparency Rules, the Corporate Governance Statement, Directors' Remuneration Report, Report from the Audit and Management Engagement Committee and the Statement of Directors' Responsibilities should be read in conjunction with one another, and the Strategic Report. As permitted by legislation, some of the matters normally included in the Directors' Report have instead been included in the Strategic Report, as the Board considers them to be of strategic importance.

Directors
The Directors in office at the date of this report are as shown on page 8.

Dividend
Details of the final dividend recommended by the Board are set out in the Strategic Report on page 20.

Corporate governance
The Company's corporate governance statement is set out on pages 37 to 43 and forms part of this report.

Share capital
At 31 December 2021, the Company's issued share capital comprised 64,509,642 ordinary shares of one pence each, of which 27,981,917 shares were held in treasury.

At general meetings of the Company, on a show of hands every Shareholder who is present in person or by proxy shall have one vote and on a poll every Shareholder present in person shall have one vote for every share held. Shares held in treasury do not carry voting rights. The total voting rights of the Company at 31 December 2021 were 36,527,725.

Issue of shares
On 11 October 2005, the Company applied for a block listing of 1,300,000 ordinary shares on the main market of the London Stock Exchange. As at 31 December 2021, and at the date of signing this report, a balance of 745,830 shares may be issued under this block listing.

No shares were issued during the year or since the year end.

Purchase of shares
During the year ended 31 December 2021, the Company purchased in the stock market 2,095,000 shares (with a nominal value of £20,950) to be held in treasury, at a total cost of £5,984,000. This represented 3.2% of the issued share capital at 31 December 2020. During the year ended 31 December 2021, no shares were purchased for cancellation. The share purchases were made with a view to reducing discount volatility.

Subsequent to the year end of 31 December 2021, the Company undertook a tender offer to buy back up to 20% of the Company's shares in circulation, the details of which are contained in the Tender Offer section of this Directors' Report.

Sale of shares from treasury
No shares were sold from treasury during the year ended 31 December 2021 or since the year end.

Shares held in treasury
Holding shares in treasury enables a company to cost-effectively issue shares that might otherwise have been cancelled. The total number of own shares held in treasury as at 31 December 2021, including those shares bought back in prior accounting periods, was 27,981,917 shares. The Board has not set a limit on the number of shares that can be held in treasury at any one time. The maximum number of own shares held in treasury during the year was 27,981,917 shares (with a nominal value of £279,819.17) representing 43.4% of the issued share capital at the time they were held in treasury.

Tender Offer

As disclosed in the Chairman's Statement on page 12 and note 20 on page 76, following the approval by Shareholders at the General Meeting of the Company held on 17 December 2021, a Circular was issued to Shareholders on 26 January 2022 with details of the tender offer proposing to buy back up to 20% of the Company's shares in circulation as at 24 February 2022. Following completion of the tender offer, the Company bought back 7,305,545 shares into treasury at a total cost of £23,231,000.

Substantial share interests

The Company has been informed by Shareholders of the following notifiable interests in the voting rights of the Company as at 31 December 2021 and 11 March 2022, the date of signing this report:

	31 December 2021		11 March 2022	
	Number of shares	% of voting rights	Number of shares	% of voting rights
1607 Capital Partners LLC	5,472,909	14.98	2,505,866	8.58
Dr Sandy Nairn	3,805,615	10.42	3,805,615	13.02
Noble Grossart Investments Limited	2,510,844	6.87	2,008,676	6.87
D.C. Thomson & Company Limited	1,525,821	4.18	1,525,821	5.22

Remuneration and Related parties

Details in respect of the Directors' remuneration are set out in the Directors' Remuneration Report on pages 33 to 36. Information in relation to transactions with the AIFM and the Investment Manager is detailed in the Strategic Report on page 22 and in note 3 on pages 61 and 62 of the Financial Statements. There were no other transactions with related parties in the year ended 31 December 2021.

Information about securities carrying voting rights

The following information is disclosed in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and DTR 7.2.6 of the FCA's Disclosure Guidance and Transparency Rules.

- The Company's capital structure and voting rights are summarised on pages 2 and 26.
- Details of the substantial Shareholders of the Company are detailed above.
- Giving of powers to issue or buy back the Company's shares requires an appropriate resolution to be passed by Shareholders. Proposals to grant powers to the Board to issue and buy back shares are set out on pages 30 to 32.
- There are no restrictions concerning the transfer of securities in the Company; no restrictions on voting rights; no special rights with regard to control attached to securities; no agreements between holders of securities that may restrict their transfer or voting rights, as known to the Company; and no agreements which the Company is party to that might affect its control following a successful takeover bid.

Requirements of the Listing Rules

Listing Rule 9.8.4 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross-reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report on pages 5 to 25. In addition, notes 16 and 17 on pages 70 to 75 of the Financial Statements include the Company's objective, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its risk exposure. The Company's principal risks are set out in the Strategic Report on page 23. The Company's assets consist principally of a diversified portfolio of listed equity shares, private market investments and fixed income securities, which, with the exception of private market investments, in most circumstances are realisable within a short period of time and exceed its liabilities by a significant amount.

After due consideration of the above factors, the principal and emerging risks facing the Company, consideration of the implications of the COVID-19 pandemic as detailed in note 1 on page 58 of the Financial Statements and, where appropriate, action taken by the Company's service providers, and the information detailed in the long-term viability statement below, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of this Annual Report and Financial Statements. For this reason, they have adopted the going concern basis in preparing the Financial Statements.

Long-term viability statement

The Directors have assessed the prospects of the Company over a period longer than one year. The Board considers that, for a company with an investment objective to provide Shareholders with an attractive real long-term return by investing globally in undervalued asset classes, a period of five years is an appropriate period to consider for the purpose of the long-term viability statement.

In making its assessment, the Board considered a number of factors, including those detailed below:

- the Company's current financial position;
- the principal and emerging risks the Company faces, as detailed in note 16 on pages 70 to 75 of the Financial Statements;
- that the portfolio comprises principally of investments traded on major global stock markets, private markets, fixed income markets, and cash, and that there is a satisfactory spread of investments. The maximum investment in private markets shall not, in total, exceed 30% of the Company's total assets;
- that the expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments foreseen which would alter that position;
- that the Company has no employees. All of the Directors are non-executive and consequently do not have any employment-related liabilities or responsibilities; and
- that, should performance be less than the Board considers to be acceptable, it has appropriate powers to replace the AIFM.

The Board has also considered the recent change to the Company's investment objective and investment policy, the tender offer in February 2022 and the proposed change to the Company's management arrangements by becoming a self-managed investment trust. As part of this change, which is expected to occur in the second calendar quarter of 2022, it is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will stand for election as a Director at the Annual General Meeting to be held on 27 April 2022 and will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company. The current arrangements with the existing AIFM and Investment Manager will cease and the sub-advisory investment management agreement with the Franklin Templeton group will be entered into.

The Board's assessment was based on the following assumptions:

- that investors will still wish to have an exposure globally to undervalued asset classes;
- that there will continue to be a demand for closed-ended investment trusts from investors; and
- that regulation will not increase to a level that makes the running of the Company uneconomical in comparison to other competitive products.

The Board considers that, following its assessment, there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five-year period of its assessment.

Auditor
The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that ought to have been taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Resolutions to re-appoint Johnston Carmichael LLP as Auditor to the Company and to authorise the Audit and Management Engagement Committee to determine its remuneration will be put to Shareholders at the forthcoming Annual General Meeting of the Company to be held on 27 April 2022.

Financial risk management
Information about the Company's financial risk management objectives and policies is set out in note 16 on pages 70 to 75 of the Financial Statements.

Independent professional advice, insurance and indemnity
Details regarding independent professional advice, insurance and indemnity are set out in the Corporate Governance Statement on page 40.

Global greenhouse gas emissions
The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emission-producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Post Balance Sheet events
Details of the post Balance Sheet events are set out in note 20 on page 76 of the Financial Statements.

Annual General Meeting 2021 Update
At the Annual General Meeting of the Company held on 21 April 2021 two resolutions were passed with a majority of less than 80% of the votes cast. The first of these was to re-elect the Chairman, Mr Teddy Tulloch, as a Director, and the second to renew the authority of the Company to sell ordinary shares held in treasury at a discount to the prevailing net asset value per ordinary share.

In accordance with the provisions of the AIC Code of Corporate Governance, the Board is required to consult and engage with the relevant Shareholders to understand and discuss their concerns with respect to these resolutions. The Board, having consulted with the relevant Shareholders, provided Shareholders with the following update in October 2021:

"The Board is grateful for the support it received from the sizeable majority of Shareholders to all the resolutions at the Annual General Meeting. The Board noted that three Shareholders (all of which are institutional investors) who voted against the two resolutions detailed above accounted for the overwhelming majority of the votes against both resolutions. The Company engaged with these Shareholders to better understand their concerns.

It is the Board's understanding that the votes against the resolution to re-elect Mr Tulloch were primarily driven by his having been in office for over nine years and due to the lack of female representation on the Board. As had been detailed in the Company's Annual Report and Financial Statements for the year ended 31 December 2020 the Board acknowledged the need to refresh its composition, including recruiting a new Chairman and addressing gender diversification. Two new Directors, including the new Chairman, were appointed to the Board on 18 May 2021 and subsequently Mr Tulloch retired as a Director and Chairman on 9 June 2021. The Board now consists of four Directors each of whom has been in office for less than nine years, and the Board now has female representation of 25%.

It is also the Board's understanding that the Shareholder vote against the resolution to allow the Company to sell ordinary shares held in treasury at a discount to the prevailing net asset value per ordinary share was principally due to the voting policy of certain institutional Shareholders."

The Board has considered whether it remains appropriate for the Company to request such authority from Shareholders and believes it is in the best interests of the Company to do so. The Board would like to thank those Shareholders who responded to the Board for their engagement and confirms that it remains committed to maintaining a positive dialogue with all Shareholders.

Annual General Meeting 2022
The Notice of the Annual General Meeting of the Company to be held on 27 April 2022 is set out on pages 83 to 88. Shareholders are being asked to vote on various items of ordinary business, as listed below:

Resolution 1 – the receipt and adoption of the Strategic Report, Directors' Report, Auditor's Report and the audited Financial Statements for the year ended 31 December 2021;

Resolution 2 – the receipt and approval of the Directors' Remuneration Report;

Resolution 3 – the receipt and approval of the Directors' Remuneration Policy

Resolution 4 – the declaration of a final dividend of 5.0p per share for the year ended 31 December 2021;

Resolution 5 – the re-appointment of Johnston Carmichael LLP as Auditor;

Resolution 6 – the authorisation of the Audit and Management Engagement Committee to determine the remuneration of the Auditor; and

Resolutions 7 to 10 – the election/re-election of Directors.

In addition, there are a number of items of special business, which are detailed below.

Special business at the Annual General Meeting
At the Annual General Meeting held on 21 April 2021, the Company was granted authority to purchase up to 14.99% of the Company's shares in issue (excluding treasury shares) amounting to 5,556,451 shares. Details of shares bought back during the year ended 31 December 2021, and since the year end, can be found on pages 26 and 27. As at 11 March 2022, the Company may purchase up to 5,016,451 shares under the existing authority.

Resolution 11 (a Special Resolution), as set out in the Notice of Annual General Meeting to be held on 27 April 2022, if passed, will renew the Directors' authority to purchase (either for cancellation or to hold in treasury) up to 4,380,404 shares (being 14.99% of the issued share capital (excluding treasury shares) as at 11 March 2022), or if less, 14.99% of the issued share capital (excluding treasury shares) immediately following the passing of the resolution. In accordance with the Listing Rules of the FCA, the price paid for shares will be not less than 1p per share, and not more than the higher of:

(i) 5% above the average market value of those shares as derived from the Daily Official List of the London Stock Exchange for the five business days before the shares are purchased; and

(ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out.

It is the Board's policy that purchases of shares will only be made through the market for cash at prices below the prevailing NAV of the shares. The authority may be used when supply exceeds demand with a view to reducing discount volatility and where the Directors consider it to be in the best interests of Shareholders and the Company. Shares purchased will be cancelled or placed into treasury at the determination of the Directors. The authority, if given, will lapse at the conclusion of the Company's next Annual General Meeting after the passing of this resolution (which must be held no later than 30 June 2023).

Resolution 12 (an Ordinary Resolution), as set out in the Notice of Annual General Meeting to be held on 27 April 2022, if passed, will renew the Directors' authority to issue up to an aggregate nominal value of £97,407, representing 9,740,700 shares (being approximately one-third of the issued share capital (excluding treasury shares) as at 11 March 2022), in accordance with statutory pre-emption rights.

The authority, if given, will lapse at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (which must be held no later than 30 June 2023. The authority will be used where Directors consider it to be in the best interests of Shareholders. The Directors have no present intention of exercising such authority, however, it will provide them with flexibility should appropriate opportunities arise. The Directors will only issue new shares at a price at or above the prevailing NAV per share.

Resolution 13 (a Special Resolution), as set out in the Notice of Annual General Meeting to be held on 27 April 2022, if passed, will renew the Directors' authority to issue shares:

(i) by way of an open offer or other offer of securities (not being a rights issue) in favour of existing Shareholders in proportion to their shareholdings (subject to certain exclusions); and

(ii) to persons other than existing Shareholders up to an aggregate nominal value of £14,611, representing 1,461,100 shares (being approximately 5% of the issued share capital (excluding treasury shares) as at 11 March 2022) without first having to offer such shares to existing Shareholders.

This authority relates to either issues of new shares or sales of own shares held in treasury. The authority, if given, will lapse at the conclusion of the Company's next Annual General Meeting after the passing of this resolution (which must be held no later than 30 June 2023. The authority will be used where Directors consider it to be in the best interests of Shareholders. The Directors will only issue new shares at a price at or above the prevailing NAV per share. The passing of Resolution 13 is subject to the passing of Resolution 12.

As at 11 March 2022, the Company holds 35,287,462 shares in treasury, representing 54.7% of the issued share capital.

Resolution 14 (an Ordinary Resolution), as set out in the Notice of Annual General Meeting to be held on 27 April 2022, if passed, will give the Directors a general authority to sell shares held in treasury, under the authority given in Resolution 13, at a discount to the prevailing NAV per share provided:

(i) that the discount at which the shares are sold is narrower than the weighted average discount of the shares held in treasury;

(ii) that the discount at which the shares are sold is no greater than a 2% discount to the prevailing NAV per share;

(iii) that, if the prevailing market price of a share is less than the NAV per share, the price at which the shares are sold shall not be less than the prevailing market price;

(iv) that the weighted average discount be calculated by accounting for acquisitions, sales and cancellations from treasury on an average cost and average NAV basis; and

(v) that the sale will not result in a dilution of the Company's NAV per share (as at the date of the sale) of greater than 0.2%, when taken together with all other such sales since the date of the Annual General Meeting at which this resolution was passed.

The passing of Resolution 14 is subject to the passing of Resolution 13. The Board believes that having the ability to sell shares from treasury at a small discount to NAV should help improve the liquidity of the Company's shares. It will only permit the Company to sell shares held in treasury at a weighted average discount of not more than 2% to the prevailing NAV. In addition, the resolution will provide that any sale of treasury shares would not result in a dilution greater than 0.2% in aggregate in the period between annual general meetings.

Any decisions regarding purchasing shares for treasury, or selling shares from treasury, will be taken by the Directors.

Resolution 15 (a Special Resolution), as set out in the Notice of Annual General Meeting to be held on 27 April 2022, if passed, will renew the approval to convene general meetings of the Company, other than annual general meetings, on a minimum of 14 clear days' notice. The notice period for annual general meetings will remain at 21 clear days. The approval will be effective until the Company's next Annual General Meeting, when it is intended that renewal will be sought. The Directors will only call general meetings on 14 clear days' notice where they consider it in the best interests of Shareholders to do so and the relevant matter requires to be dealt with expediently.

Directors' recommendation
The Directors consider each resolution being proposed at the Annual General Meeting to be in the best interests of Shareholders as a whole and they unanimously recommend that all Shareholders vote in favour of each of them, as they intend to do in respect of their own beneficial shareholdings.

By order of the Board
Kenneth J Greig
Company Secretary

11 March 2022

DIRECTORS' REMUNERATION REPORT (INCLUDING DIRECTORS' REMUNERATION POLICY)

Directors' Remuneration Report

Statement from the Chairman

I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2021.

As the Board consists entirely of independent non-executive Directors, it is not considered appropriate for the Company to establish a separate remuneration committee and the remuneration of the Directors is therefore dealt with by the Board as a whole. No Director is responsible for determining their own, individual remuneration.

During the year ended 31 December 2021, the fees were paid at the rate of £29,500 for the Chairman and £21,500 for the other Directors, with an additional payment of £3,500 to the Chairman of the Audit and Management Engagement Committee. During the year under review, the Board met to consider the level of Director fees for the year ended 31 December 2021 and concluded that the level of Directors' fees remained appropriate and no changes to Director remuneration were therefore made. Directors' fees were last increased from 1 January 2020. The fees payable to the Directors in respect of subsequent financial periods will be determined following an annual review, as detailed in the Directors' Remuneration Policy on page 36.

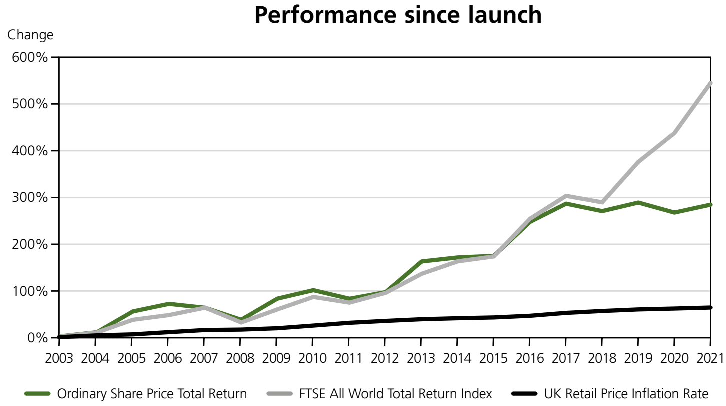
The Company is required to obtain formal approval from Shareholders of the Directors' Remuneration Policy once every three years and in any year if there are any changes proposed to the policy. Shareholders are requested to approve the Directors' Remuneration Report on an annual basis. The vote on the Directors' Remuneration Policy is subject to a binding vote, while the vote on the Directors' Remuneration Report is an advisory vote.

Ordinary Resolutions will be put to Shareholders at the forthcoming Annual General Meeting of the Company to be held on 27 April 2022 to receive and approve the Directors' Remuneration Report (other than the Directors' Remuneration Policy), and to approve the Directors' Remuneration Policy. No significant changes are proposed to the way in which its current Directors' Remuneration Policy will be implemented during the course of the next financial year.

Your Company's performance

The graph below compares the total return (assuming all dividends are reinvested) to Shareholders, to the UK Retail Price Inflation rate and the total return of the FTSE All-World Index. The UK Retail Price Inflation rate has been selected as the objective of the Company is to provide Shareholders with an attractive real long-term total return by investing globally in asset classes. Although the Company has no formal benchmark, the FTSE All-World Index has been selected as it is considered to represent a broad equity market index against which the performance of the Company's assets may be compared.

Performance since launch



Period: 15 December 2003 to 31 December 2021

Source: Edinburgh Partners.

Past performance is not a guide to future performance.

Directors' remuneration for the year ended 31 December 2021 (audited)
The Directors who served in the year received the following remuneration:

	Fees Paid*		Taxable benefits		Total	
	2021	2020	**2021**	2020	**2021**	2020
	£	£	£	£	£	£
Charles (Cahal) Dowds (Chairman)[1]	**17,858**	–	**–**	–	**17,858**	–
Teddy Tulloch[2]	**13,086**	29,500	**–**	–	**13,086**	29,500
Hazel Cameron[3]	**13,369**	–	**–**	–	**13,369**	–
David Hough[4]	**3,831**	21,500	**–**	–	**3,831**	21,500
David Ross	**25,000**	25,000	**–**	–	**25,000**	25,000
Tom Walker	**21,500**	21,500	**–**	–	**21,500**	21,500
	94,644	97,500	**–**	–	**94,644**	97,500

* Excluding Employer's National Insurance Contributions.
1 Appointed as a Director on 18 May 2021 and Chairman on 9 June 2021.
2 Retired as a Director and Chairman on 9 June 2021.
3 Appointed as a Director on 18 May 2021.
4 Retired as a Director on 3 March 2021.

No taxable benefits were paid to the Directors during the year. There are no variable elements in the remuneration payable to the Directors.

At 31 December 2021, £nil (2020: £nil) was outstanding to be paid to the Directors.

Relative importance of spend on pay
The table below sets out, in respect of the financial year ended 31 December 2021 and the preceding financial year:

a) the remuneration paid to the Directors;
b) the distributions made to Shareholders by way of dividend; and
c) in relation to buy backs, shares purchased for treasury.

	Year ended 31 December 2021	Year ended 31 December 2020	Change
	£	£	%
Total remuneration	**94,644**	97,500	(2.9)
Dividend	**2,223,000**[1]	3,025,000[2]	(26.5)
Shares purchased for treasury	**5,984,000**	7,020,000	(14.8)

1 Final dividend of 6.0p per share, relating to the year ended 31 December 2020, paid on 28 May 2021.
2 Final dividend of 6.0p per share and a special dividend of 1.5p per share, a total of 7.5p per share, relating to the year ended 31 December 2019, paid on 26 May 2020.

Directors' interests (audited)
There is no requirement under the Company's Articles of Association, or the terms of their appointment, for Directors to hold shares in the Company.

The interests of the Directors and any connected persons in the shares of the Company are set out below:

	31 December 2021 Beneficial	31 December 2020 Beneficial
Charles (Cahal) Dowds (Chairman)	**–**	–
Teddy Tulloch[1]	**n/a**	78,573
Hazel Cameron	**–**	–
David Hough[2]	**n/a**	95,000
David Ross	**25,000**	25,000
Tom Walker	**7,000**	7,000

1 Retired as a Director and Chairman on 9 June 2021

2 Retired as a Director on 3 March 2021.

There have been no changes to these interests between 31 December 2021 and the date of signing this report.

None of the Directors or any persons connected with them had a material interest in the Company's transactions, arrangements or agreements during the year.

Voting
The Directors' Remuneration Report for the year ended 31 December 2020 and the Directors' Remuneration Policy were approved by Shareholders at the Annual General Meetings held on 21 April 2021 and 24 April 2019 respectively. The votes cast by proxy were as follows:

	Directors' Remuneration Report		**Directors' Remuneration Policy**	
	Number of votes	**% of votes cast**	**Number of votes**	**% of votes cast**
For	12,254,119	82.89	9,225,856	99.44
Against	2,525,205	17.08	11,662	0.13
At Chairman's discretion	5,050	0.03	39,871	0.43
Total votes cast	**14,784,374**	**100.00**	**9,277,389**	**100.00**
Number of votes withheld	223,614		60,055	

Directors' Remuneration Policy
The Company follows the recommendation of the AIC Code of Corporate Governance that Directors' remuneration should reflect their duties, responsibilities and the value of their time spent on the Company's affairs. The Board's policy is that the remuneration of the Directors should reflect the experience of the Board as a whole and be determined with reference to comparable organisations and appointments.

The Board has set three levels of fees: one for the Chairman, one for other Directors, and an additional fee that is paid to the Director who chairs the Audit and Management Engagement Committee. Fees are reviewed annually in accordance with the policy. The fee for any new Director appointed will be determined on the same basis.

The basic and additional fees payable to Directors in respect of the year ended 31 December 2021 and the proposed fees payable in respect of the year ending 31 December 2022 are set out in the table below. The fees payable to the Directors in respect of subsequent financial periods will be determined following an annual review, as detailed above. The total aggregate annual fees payable to the Directors in respect of any financial period shall not exceed £150,000, as set out in the Company's Articles of Association.

	Expected fees for year to 31 December 2022	Fees for year to 31 December 2021
	£	£
Chairman basic fee	**29,500**	29,500
Non-executive Director basic fee	**21,500**	21,500
Additional fee for Chairman of the Audit and Management Engagement Committee	**3,500**	3,500
Current total aggregate annual fees that can be paid to the Directors in any year under the Directors' Remuneration Policy, as set out in the Company's Articles of Association	**150,000**	150,000

Any views expressed by Shareholders on the fees being paid to Directors would be taken into consideration by the Board when reviewing the Directors' Remuneration Policy and in the annual review of Directors' fees.

The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits, as the Board does not consider such arrangements or benefits necessary or appropriate for non-executive Directors.

Under the Articles of Association, Directors are entitled to be paid all reasonable travelling, hotel and incidental expenses incurred in or about the performance of their duties as Directors, including expenses incurred in attending Board or Shareholder meetings.

The Company does not enter into service contracts with its Directors. Instead, the Company has a policy of entering into a letter of appointment with each of its Directors, copies of which are available on request from the Company Secretary. It is intended that the Company's policy when determining the duration of notice periods and termination payments under the Directors' letters of appointment will be based on prevailing best practice guidelines. Under the Directors' letters of appointment, there is a notice period of one month and no compensation is payable to a Director on leaving office. No compensation is payable in the event of a takeover bid.

Approval
The Directors' Remuneration Report was approved by the Board and signed on its behalf by:

Cahal Dowds
Chairman

11 March 2022

CORPORATE GOVERNANCE

Statement of compliance with the AIC Code of Corporate Governance and Guide
As a member of the AIC, the Board complies with the AIC Code of Corporate Governance (the "AIC Code"), published in February 2019, which sets out principles and provisions regarding matters including stakeholder management and culture of companies. The Board has considered the principles and recommendations of the AIC Code, which can be found on the AIC website at www.theaic.co.uk. The AIC Code addresses all the principles set out in the 2018 UK Corporate Governance Code (the "UK Code") as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment trust. The Board considers that reporting on the principles and recommendations of the AIC Code (which incorporates the UK Code), will provide better information to Shareholders. A copy of the UK Code can be found at www.frc.org.uk.

The FRC, the UK's independent regulator for corporate reporting and governance and responsible for the UK Code, has endorsed the AIC Code. The terms of the FRC's endorsement mean that AIC members who report against the AIC Code meet fully their obligations under the UK Code and the related disclosure requirements contained in the Listing Rules.

The Board considers that it has managed its affairs in compliance with the AIC Code and the relevant provisions of the UK Code throughout the year ended 31 December 2021, except where it has concluded that adherence or compliance with any particular principle or recommendation of either of the Codes would not have been appropriate to the Company's circumstances. Similar to the UK Code, the AIC Code specifies a "comply or explain" basis and the Board's report in this section explains any deviation from its recommendations. The Board considers that the UK Code's recommendations with respect to the role of the chief executive and executive directors' remuneration (there are no executive directors) are not relevant to the Company's circumstances as an externally managed investment trust. The Company has therefore not reported further in respect of these provisions.

Board of Directors
Under the leadership of the Chairman, the Board of Directors is collectively responsible for the long-term sustainable success of the Company, generating value for Shareholders and contributing to wider society. It establishes the purpose, values and strategic aims of the Company and satisfies itself that these and its culture are aligned. The Board ensures that the necessary resources are in place for the Company to meet its objectives and fulfil its obligations to Shareholders within a framework of high standards of corporate governance and effective internal controls. The Directors are responsible for the determination of the Company's investment policy and strategy and have the overall responsibility for the Company's activities, including the review of investment activity and performance, and the control and supervision of the AIFM and the Investment Manager.

The Board seeks to ensure that it has an appropriate balance of skills and experience, and considers that, collectively, it has substantial recent and relevant experience of investment trusts and financial and public company management. The Chairman, Mr Dowds, is deemed by his fellow independent Board members to be independent and to have no conflicting relationships. He does not have any other significant commitments that would affect his Chairmanship of the Company and the time he can commit to the Company's affairs. The role and responsibilities of the Chairman are clearly defined and set out in writing, a copy of which is available on the Company's website.

As at 31 December 2021 the Board consisted of four non-executive Directors. Mr Hough retired as a Director on 3 March 2021 and Mr Tulloch retired on 9 June 2021. Mr Dowds and Ms Cameron were appointed to the Board on 18 May 2021. Mr Dowds replaced Mr Tulloch as the Chairman of the Company following Mr Tulloch's retirement from the Board of Directors on 9 June 2021.

Other than their letters of appointment as Directors, none of the Directors has a contract of service with the Company nor has there been any other contract or arrangement between the Company and any Director at any time during the year.

Given the size of the Board, the Board does not consider it necessary for a senior independent director to be appointed.

The Board has agreed a procedure for the induction and training of new Board appointees and training requirements are dealt with as required.

Culture
The Chairman leads the Board and is responsible for its overall effectiveness in directing the Company. He demonstrates objective judgement, promotes a culture of openness and debate, and facilitates effective contributions by all Directors. In liaison with the Company Secretary, he ensures that the Directors receive accurate, timely and clear information. The Directors are required to act with integrity, lead by example and promote this culture within the Company.

The Board seeks to ensure the alignment of the Company's purpose, values and strategy with the culture of openness, debate and integrity through ongoing dialogue, and engagement with the AIFM, the Investment Manager and the Company's other service providers. The culture of the Board is considered as part of the annual performance evaluation process which is undertaken by each Director. The culture of the Company's service providers is also considered by the Board during the annual review of their performance and while considering their continuing appointment.

Performance evaluation
A process of performance evaluation has been undertaken by which the performance of the Chairman, each Director, the Audit and Management Engagement Committee (the "Committee") and the Board as a whole has been evaluated in respect of the year ended 31 December 2021. This process consisted of a series of appraisal meetings and discussions between the Chairman and each of the other Directors. The independence of the Directors and their ability to commit sufficient time to the Company's activities was considered as part of the evaluation process. The ability of Directors to provide constructive challenge, strategic guidance, to offer specialist guidance and to hold third parties to account is also evaluated during the evaluation process. The performance of the Chairman was similarly evaluated by the other Directors, led by the Chairman of the Committee. The composition and performance of the Committee was also assessed as part of the evaluation process. As a result of the evaluation, the Board considers that all the current Directors are independent, contribute effectively, have the skills and experience relevant to the leadership and direction of the Company and can commit sufficient time to the Company's activities. This process is carried out on an annual basis and the Board does not consider the use of external consultants to conduct this evaluation as likely to provide any meaningful advantage over the process that has been adopted. However, the option of doing so will be regularly reviewed.

Diversity policy
The Board regularly reviews its composition and effectiveness. As part of its review, it considers succession planning; identification of the skills and experience required to meet future opportunities; the challenges facing the Company; and those individuals who might best provide them. The Board has agreed that while the benefits of diversity, including gender and ethnicity, will be taken into account for any new Director appointments, the priority would be appointment on merit. Therefore, no measurable targets in relation to Board diversity have been set.

Directors' independence
Each member of the Board is non-executive. The independence of the Directors is reviewed on an annual basis and each Director is considered to be independent in character and judgement and entirely independent of the AIFM and the Investment Manager. None of the Directors have had any previous commercial relationship with the AIFM or the Investment Manager prior to their appointment and none of the Directors sits on the boards of any of the other companies managed by the AIFM or the Investment Manager.

The Board considers that length of service does not necessarily compromise the independence or contribution of the directors of investment trust companies where experience and continuity can be a significant strength. As all Directors stand for annual re-election, no limit has been imposed on the length of service of any Director, including the Chairman. The Board consists of an appropriate combination of Directors and no one individual or small group of individuals dominates the Board's decision making.

Election/Re-election of Directors
Under the Company's Articles of Association, Directors are subject to election by Shareholders at the first Annual General Meeting after their appointment. Thereafter, at each Annual General Meeting, any Director who has not stood for appointment or re-election at either of the two preceding Annual General Meetings shall be required to retire from office, and may offer himself for re-election.

Notwithstanding the requirements under the Articles of Association and in accordance with the AIC Code, the Board has adopted the policy of requiring each Director to retire and stand for re-election on an annual basis to allow Shareholders to decide on the appropriateness of the composition of the Board.

As detailed on page 38, following the performance evaluation, it is considered that each current Director has the necessary skills and experience, and continues to contribute effectively to the management of the Company. In addition, it is believed that the Board has the relevant expertise and sufficient time to provide the appropriate leadership and direction for the Company.

In accordance with the Board's policy, Mr Dowds, Ms Cameron and Dr Nairn will stand for election and Mr Ross will stand for re-election at the forthcoming Annual General Meeting of the Company to be held on 27 April 2022. Mr Walker will not be standing for re-election.

The Board strongly recommends the election and re-election of each of the independent Directors, Mr Dowds, Ms Cameron and Mr Ross, to Shareholders on the basis of their expertise and experience in investment matters, their independence and their continuing effectiveness and commitment to the Company. The Board strongly recommends the election of Dr Nairn as a Director of the Company on the basis of his experience in investment matters and his continuing effectiveness and commitment to the Company.

Board operation
The Directors have adopted a formal schedule of matters reserved for the Board that cannot be delegated to a committee or to any other party. A copy of this schedule is available on the Company's website. These reserved matters include: approval of annual and half-yearly reports and financial statements, circulars and other Shareholder communications; appointment and removal of Board members and officers of the Company; performance monitoring and review; changes to the Company's objective, investment policy and accounting policies; and the use of gearing and derivative instruments for investment purposes.

The Board delegates decisions regarding the day-to-day investment of the Company's investment portfolio to the AIFM, which has delegated this responsibility to the Investment Manager. Representatives of the AIFM and the Investment Manager attend Board meetings and provide reports on investments, performance, marketing, operational and administrative matters.

Board committees
Given the structure and size of the Board, the Board does not consider it necessary for the Company to establish separate nomination and remuneration committees. The roles and responsibilities normally reserved for these committees are considered by the Board as a whole. The Board considers that the combined knowledge and experience of its members enables it to successfully fulfil the role of the nomination and remuneration committees.

The Board has established an Audit and Management Engagement Committee to assist with its operations. The terms of the delegated responsibilities are clearly defined in formal terms of reference, copies of which are available on request from the Company Secretary and on the Company's website. The Committee meets formally at least three times a year and consists of Mr Ross, who is chairman, Mr Dowds, Ms Cameron and Mr Walker, all of whom are considered to be independent. The Board believes it is appropriate for the Chairman of the Company, Mr Dowds, to be a member of the Committee as he provides a valuable contribution to its operations and its interaction with the Board. It is considered that there is an appropriate range of recent and relevant financial experience amongst the members of the Committee, with all four members having formally-recognised accounting qualifications. The Committee, as a whole, has competence relevant to the investment trust sector.

The report from the Committee is set out on pages 44 to 46.

Meeting attendance

The Directors of the Company meet formally at least four times a year to receive and review reports from the AIFM and the Investment Manager on a full range of relevant matters, including investments, marketing, administration, risks and regulatory updates. Additional meetings are held on an ad-hoc basis as required. During the year ended 31 December 2021, four scheduled Board meetings were held and each Director's attendance is set out in the table below.

	Board meetings		Committee meetings	
	Number entitled to attend	Number attended	Number entitled to attend	Number attended
Cahal Dowds[1]	2	2	2	2
Teddy Tulloch[2]	2	2	1	1
Hazel Cameron[3]	2	2	2	2
David Hough[4]	1	1	n/a	n/a
David Ross	4	4	3	3
Tom Walker	4	4	3	3

1 Appointed as a Director on 18 May 2021 and as Chairman on 9 June 2021.
2 Retired as a Director and Chairman on 9 June 2021.
3 Appointed as a Director on 18 May 2021.
4 Retired as a Director on 3 March 2021.

Conflicts of interest

A Director must avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or may conflict, with the Company's interests (a "situational conflict"). The Company's Articles of Association give the Directors authority to approve such situations, where appropriate. It is the responsibility of each individual Director to avoid an unauthorised situational conflict arising. He or she must request authorisation from the Board as soon as he or she becomes aware of the possibility of a situational conflict arising.

The Board is responsible for considering Directors' requests for authorisation of situational conflicts and for deciding whether or not the situational conflict should be authorised. The factors considered include whether the situational conflict could prevent the Director from properly performing his/her duties, whether it has, or could have, any impact on the Company and whether it could be regarded as likely to affect the judgement and/or actions of the Director in question. When the Board is deciding whether to authorise a conflict or potential conflict, only Directors who have no interest in the matter being considered are able to take the relevant decision, and in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate in the circumstances.

A register of conflicts is maintained by the Company Secretary and is reviewed at Board meetings, to ensure that any authorised conflicts remain appropriate. Directors are required to confirm at these meetings whether there has been any change to their position.

Independent professional advice, insurance and indemnity

The Board has formalised arrangements under which the Directors, in the furtherance of their duties, may seek independent professional advice at the expense of the Company. The Company also maintains directors' and officers' liability insurance, which includes cover of defence expenses.

The Company's Articles of Association provide the Directors of the Company, subject to the provisions of UK legislation, with an indemnity in respect of liabilities which they may sustain or incur in connection with their appointment. Apart from this, there are no qualifying third party indemnity provisions in force.

Directors' remuneration

All Directors act in a non-executive capacity and the fees for their services are approved by the whole Board. Full details of Directors' remuneration are given in the Directors' Remuneration Report on pages 33 to 36. If required, the Chairman will engage with Shareholders on issues relating to Directors' remuneration.

Risk management and internal control review
The Directors acknowledge that they have overall responsibility for the Company's risk management and internal control systems and for reviewing their effectiveness.

An ongoing process, in accordance with the FRC Guidance on Risk Management, Internal Control and Related Financial and Business Reporting, has been implemented for identifying, evaluating and managing the principal and emerging risks faced by the Company. This process has been in place throughout the year ended 31 December 2021 and up to the date the Financial Statements were approved and is regularly reviewed by the Board, through the Committee. Key procedures established with a view to providing effective financial control have also been in place for the year ended 31 December 2021 and up to the date the Financial Statements were approved.

The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Company's investment objective. It should be recognised that such systems can only provide reasonable, not absolute, assurance against material misstatement or loss.

Internal control assessment process
Risk assessment and the review of internal controls are undertaken by the Board, through delegation to the Committee, in the context of the Company's overall investment objective. The review covers the key business, operational, compliance and financial risks facing the Company. The Company's principal and other risks are set out in note 16 on pages 70 to 75 of the Financial Statements. In arriving at its judgement of what risks the Company faces, the Board has considered the Company's operations in the light of the following factors:

- the nature and extent of risks which it regards as acceptable for the Company to bear within its overall business objective;
- the likelihood of such risks becoming a reality;
- the Company's ability to reduce the incidence and impact of risk on its performance; and
- the cost to the Company and benefits related to the Company and third parties operating the relevant controls.

Against this background, the Board has split the review of risk and associated controls, within the Company's risk assessment matrix, into four sections reflecting the nature of the risks being addressed. These sections are as follows:

- corporate strategy;
- published information, compliance with laws and regulations;
- relationship with service providers; and
- investment and business activities.

The Company has appointed agents (including the AIFM) to provide administrative services to the Company. In performing its functions, the AIFM has appointed third parties to perform certain administrative tasks, including the following:

- investment management is provided by Edinburgh Partners. The Board is responsible for setting the overall investment policy and monitors the actions of the Investment Manager at regular Board meetings;
- administration and company secretarial duties for the Company are performed by or on behalf of the AIFM. Kenneth J Greig, a director of the Investment Manager, is the Company Secretary. The Administrator provides certain accounting, administrative and company secretarial services to the AIFM; and
- depositary services are provided by Northern Trust Investor Services Limited and custody of assets is undertaken by The Northern Trust Company.

Following the review of the strategic direction of the Company, it is intended to change the Company's management arrangements by becoming a self-managed investment trust. The Board will assume overall control of the Company's investment policy and have overall responsibility for the Company's activities. It is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will stand for election as a Director of the Annual General Meeting to be held on 27 April 2022 and will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company.

The change in management structure is subject to the Company being approved by the FCA as a small registered alternative investment fund manager. This is expected to occur in the second calendar quarter of 2022. Once the Company has been approved to act as its own alternative investment fund manager, the current arrangements with the existing AIFM and Investment Manager will cease and the sub-advisory investment management agreement with the Franklin Templeton group will be entered into. New administration arrangements will also be put in place at this point. The Company will also, by resolution of the Board, change its name to Global Opportunities Trust plc.

The key procedures which have been established to provide internal financial controls are as follows:

- the roles of investment management, accounting and the custody of assets are segregated. The procedures of the individual parties are designed to complement one another;
- the Board clearly defines the duties and responsibilities of its agents and advisers. The appointment of agents and advisers to the Company is conducted by the Board after consideration of the quality of the parties involved and the Board monitors their ongoing performance and contractual arrangements;
- mandates for authorisation of investment transactions and expense payments are set by the Board;
- the Board reviews financial information provided by the AIFM and the Administrator in detail on a regular basis; and
- the Directors receive regular reports from the AIFM's Compliance Department.

As all the Company's management functions are performed by third parties, their internal controls are reviewed annually by the Board and regularly on its behalf by the AIFM. The Company has obtained from the AIFM and the other service providers assurances and information relating to their internal systems and controls to enable the Board to make an appropriate risk and control assessment, including the following:

- details of the control environment in operation;
- identification and evaluation of risks and control objectives;
- assessment of communication procedures;
- assessment of the control procedures;
- details of the "whistle blowing" policies in place;
- assurances that appropriate anti-bribery and anti-corruption policies are in place to ensure compliance with the Bribery Act 2010;
- assurances that appropriate steps have been taken to prevent the facilitation of tax evasion; and
- assurances that appropriate steps have been taken to comply with the General Data Protection Regulation ("GDPR").

The Company Secretary
The Board has direct access to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures are followed and that the applicable regulations are complied with. The Company Secretary is also responsible to the Board for ensuring timely delivery of information and reports and also for compliance with the statutory obligations of the Company.

The Depositary
As detailed on page 24, the Company's Depositary is Northern Trust Investor Services Limited. The Depositary is responsible for the safekeeping of all custodial assets of the Company, for verifying ownership and maintaining a record of all other assets of the Company and for the collection of income that arises from those assets. It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the FCA's Investment Funds Sourcebook ("FUND") and the Company's Articles of Association.

Relations with Shareholders
Details regarding the Company's engagement with its Shareholders are set out within the Strategic Report on pages 18 and 20.

By order of the Board
Kenneth J Greig
Company Secretary

11 March 2022

REPORT FROM THE AUDIT AND MANAGEMENT ENGAGEMENT COMMITTEE

The Report from the Audit and Management Engagement Committee (the "Committee") for the year ended 31 December 2021 is set out below.

Role of the Audit and Management Engagement Committee
The primary responsibilities of the Committee are:

- to review the integrity and contents of the Company's half-yearly reports, annual reports and financial statements and accounting policies, and to consider compliance with regulatory and financial reporting requirements;
- to advise the Board, where requested, on whether the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for Shareholders to assess the Company's position, performance, business model and strategy;
- to assess the principal and emerging risks facing the Company that would threaten its business model, future performance, solvency or liquidity, and to review the adequacy and effectiveness of the Company's risk management and internal controls systems;
- to assess the prospects of the Company for the next twelve months and to consider its longer-term viability;
- to conduct the selection process of possible new appointees as external auditor and to make recommendations to the Board in relation to the appointment of the Auditor;
- to review the adequacy and scope of the external audit;
- to consider the independence, objectivity and effectiveness of the Auditor and the effectiveness of the audit;
- to approve the remuneration of the Auditor;
- to approve any non-audit services to be provided by the Auditor and the fees paid for such services; and
- to review annually the performance of the AIFM, the Investment Manager and other third party service providers.

Composition of the Committee
As detailed on page 39, the Committee comprises Mr Ross, who is chairman, Mr Dowds, Ms Cameron and Mr Walker. All Committee members consider that, individually and collectively, they are appropriately experienced to fulfill their role on the Committee. All members of the Committee are qualified accountants. Each member contributes recent financial experience gained from senior positions in the finance sector.

Matters considered during the year
During the year ended 31 December 2021, the Committee met three times and each Director's attendance at these meetings is set out in the table on page 40. The Committee has:

- reviewed the internal controls and risk management systems of the Company and its third party service providers;
- reviewed the performance of the AIFM, the Investment Manager and other services providers of the Company and made recommendations to the Board regarding their continuing appointment. The appointment of the AIFM and Investment Manager will cease on the Company becoming a self-managed investment trust;
- reviewed the Company's Annual Report and Financial Statements for the year ended 31 December 2020 and the Half-Yearly Report for the period ended 30 June 2021 and advised the Board accordingly;
- approved the transfer of the Company's depositary services to Northern Trust Investor Services Limited from Northern Trust Global Services SE;
- received and discussed with the Auditor, Johnston Carmichael LLP their report on the results of the audit for the year ended 31 December 2020;

- recommended the re-appointment of the Auditor, Johnston Carmichael LLP, to the Board for approval and for the approval of Shareholders at the 2021 Annual General Meeting; and
- agreed the audit plan with the Auditor, including the principal areas of focus, and the fees in respect of the audit.

The Committee has direct access to the Auditor, Johnston Carmichael LLP, who attends the relevant Committee meeting to report on the audit of the Company and its review of the Annual Report and Financial Statements. The Committee has the opportunity to meet with the Auditor without the AIFM and the Investment Manager being present.

The significant issues considered by the Committee in relation to the Annual Report and Financial Statements were:

(a) Investments

During the year, the Committee reviewed with the AIFM and the Investment Manager the valuation process of the Company's investments and the systems in place to ensure the existence of investments and the accuracy of these valuations, particularly in view of the fact that investments represent the principal element of the net asset value.

(b) Revenue and expenses

Incomplete or inaccurate revenue, expense or taxation recognition could have a material impact on the Company's net asset value. Therefore, the Committee considered the accuracy and completeness of dividend income (including the accounting treatment of special dividends), management fees, other expenses and taxation charges recognised in the Financial Statements by reviewing the systems in place and information provided by the AIFM, Investment Manager and other third party service providers.

(c) Internal controls

During the year, the Committee reviewed and updated, where appropriate, the Company's risk assessment. This is done on an ongoing basis. For information on how this review was undertaken, see pages 41 and 42.

The Company does not have an internal audit function as most of its day-to-day operations are delegated to third parties, all of whom have their own internal control procedures. The Committee discussed whether it would be appropriate to establish an internal audit function, and agreed that the existing system of monitoring and reporting by third parties remains appropriate and sufficient.

(d) Going concern and long-term viability

In line with the AIC Code, the Committee considered the Company's financial requirements and viability for the forthcoming year and over a longer period. As a result of this assessment, the Committee concluded that the Company had adequate resources to continue in operation and meet its liabilities as they fall due both for the forthcoming year and over the next five years. Related disclosures are set out on pages 27 and 28.

Following the consideration of the above issues and its detailed review, the Committee was of the opinion that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for Shareholders to assess the Company's position and performance, business model and strategy and advised the Board accordingly.

Continuing appointments of service providers

The Company's management functions are delegated to the AIFM, who has delegated the management of the Company's investment portfolio to the Investment Manager. The Committee has considered the performance of the AIFM, the terms of its engagement, including ensuring the management fee remains competitive, and the continued appointment of the AIFM and made recommendations to the Board. The Committee also reviewed the performance of the Investment Manager during the year. For information on how the Committee considered the performance of the AIFM, see page 22. The Board reviews the performance of its other service providers, at least on an annual basis, to ensure they continue to have the necessary expertise and resources to provide a high-class service. The appointment of the AIFM and Investment Manager will cease on the Company becoming a self-managed investment trust.

Audit fees and non-audit services
An audit fee of £28,745 (net of VAT) has been agreed in respect of the audit for the year ended 31 December 2021 (2020: £25,745). Details of the fees paid to the Auditor are set out in note 4 on page 62 of the Financial Statements.

The Board's policy is that non-audit services may be carried out by the Company's Auditor unless there is a conflict of interest. All non-audit services proposed to be carried out by the Auditor must be approved by the Committee in advance to ensure that Auditor objectivity and independence is safeguarded, and the Auditor may be excluded from carrying out certain types of non-audit work.

No non-audit services were provided in respect of the year ended 31 December 2021 (2020: nil).

Effectiveness of the external audit
The Committee reviews the effectiveness of the external audit carried out by the Auditor on an annual basis, taking into consideration relevant UK professional and regulatory requirements. The Chairman of the Committee maintained regular contact with the Company's audit partner throughout the year and also met with him prior to the finalisation of the audit of the Annual Report and Financial Statements for the year ended 31 December 2021, without the Investment Manager being present, to discuss how the external audit was carried out, the findings from such audit and whether any issues had arisen from the Auditor's interaction with the Company's various service providers.

Independence and objectivity of the Auditor
Johnston Carmichael LLP was appointed as auditor of the Company on 22 April 2020. David Holmes was the Audit Partner for the year ended 31 December 2021. Rotation of the audit partner will take place every five years in accordance with the Financial Reporting Council's Revised Ethical Standard 2016. In accordance with the legislation in respect of the mandatory rotation of audit firms, the Company is required to retender following the audit of the 2029 financial statements and rotate the Auditor following the audit of the 2039 financial statements.

There are no contractual obligations that would restrict the Committee in selecting an alternative external auditor. The Committee reviews the re-appointment of the Auditor every year in order to ensure that the external audit remains effective and independent. Accordingly, a resolution for the re-appointment of Johnston Carmichael LLP is recommended to Shareholders for approval at the Annual General Meeting on 27 April 2022.

David Ross
Chairman of the Audit and Management Engagement Committee

11 March 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare Financial Statements for each financial period. Under that law, they have elected to prepare the Financial Statements in accordance with UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law, 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 Company and of the profit or loss of the Company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its Financial Statements comply with the Act and include the information required by the Listing Rules of the FCA. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations.

The Directors, to the best of their knowledge, state that:

- the Financial Statements, prepared in accordance with UK Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Strategic Report and the Directors' Report include a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces.

The Annual Report and Financial Statements, taken as a whole, are considered by the Board to be fair, balanced and understandable and provide the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. The work carried out by the Auditor does not include consideration of these matters and, accordingly, the Auditor accepts no responsibility for any changes that may have occurred to the Financial Statements since they were initially presented on the website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board
Cahal Dowds
Chairman

11 March 2022

INDEPENDENT AUDITOR'S REPORT
to the members of EP Global Opportunities Trust plc

Opinion
We have audited the financial statements of EP Global Opportunities Trust plc ("the Company"), for the year ended 31 December 2021, which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit
We planned our audit by first obtaining an understanding of the Company and its environment, including its key activities delegated by the Board to relevant approved third-party service providers and the controls over provision of those services.

We conducted our audit using information maintained and provided by Link Alternative Fund Administrators Limited ("the Administrator") to whom Franklin Templeton Investment Trust Management Limited ("the AIFM") has, with the consent of the Directors, delegated the provision of certain administrative functions and The Northern Trust Company ("the Custodian"), who were delegated the provision of custodian functions.

We tailored the scope of our audit to reflect our risk assessment, taking into account such factors as the types of investments within the Company, the involvement of the Administrator, the accounting processes and controls, and the industry in which the Company operates.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in the evaluation of the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We summarise below the key audit matters in arriving at our audit opinion above, together with how our audit addressed these matters and the results of our audit work in relation to these matters.

Key audit matter	*How our audit addressed the key audit matter and our conclusions*
Valuation and ownership of investments (as described on page 45 in the Audit and Management Engagement Committee Report and as per the accounting policy stated on page 59) The investment portfolio comprised of quoted and unquoted investments. The valuation of the portfolio at 31 December 2021 was £83.9m (31 December 2020: £103.7m), equating to 72.3% (31 December 2020: 87.0%) of net assets. At 31 December 2021 £78.4m (93.4%) (31 December 2020: £103.7m (100%)) of investments held had quoted prices and £5.5m (6.6%) (31 December 2020: £0.0m (0.0%)) were level 3. As this is the largest component of the Company's Balance Sheet, a key driver of the Company's net assets and total return, and management are required to estimate the valuation of the level 3 investment, this has been designated as a key audit matter, being one of the most significant assessed risks of material misstatement due to fraud or error. There is a further risk that the investments held at fair value may not be actively traded and the listed prices may not therefore be reflective of fair value (valuation). Additionally, there is a risk that the Company does not have proper legal title to the investments recorded as held at year end. (ownership).	We performed a walkthrough of the valuation process by obtaining controls reports provided by the Administrator and the Custodian and walkthrough with the Investment Manager to gain an understanding of the design and implementation of key controls. We compared market prices and exchange rates applied to all investments with quoted prices held at 31 December 2021 to an independent third-party source and recalculated the investment valuations. We tested how management made their estimate of the fair value of the level 3 investment, which is an interest in a private equity fund, by agreeing the inputs to management's estimate to supporting evidence. These inputs included the net asset value of the fund at its latest available measurement date closest to the Company's year end and movements in the fund between the fund's latest measurement date and the Company's year-end, as confirmed by correspondence with the fund manager. We also assessed the evidence obtained by management with regard to the appropriateness of the fund manager's approach to the fair value measurement of the underlying investments in the fund. We obtained average trading volumes from an independent third-party source for all listed investments held at year end and assessed their liquidity. We agreed the level 3 investment holding to a direct confirmation and all other investments held at year end to an independently received custodian report. From our completion of these procedures, we identified no material misstatements in relation to the valuation and ownership of the investments.
Revenue recognition, including allocation of special dividends as revenue or capital returns (as described on page 45 in the Audit and Management Engagement Committee Report and as per the accounting policy stated on page 59) Investment income recognised in the year was £3.5m (31 December 2020: £3.4m) of which £0.8m was allocated to capital (31 December 2020: £nil), consisting primarily of dividend income from quoted investments. Revenue-based performance metrics are often one of the key performance indicators for stakeholders. The investment income recognised by the Company during the year directly impacts these metrics and the minimum dividend required to be paid by the Company. There is a risk that revenue is incomplete or inaccurate through failure to recognise income entitlements or failure to appropriately account for their treatment. It has therefore been designated as a key audit matter being one of the most significant assessed risks of material misstatement due to fraud or error.	We performed a walkthrough of the revenue recognition process (including the process for allocating special dividends as revenue or capital returns) by obtaining controls reports provided by the Administrator and a walkthrough with the Investment Manager to gain an understanding of the design and implementation of key controls. We confirmed that income was recognised and disclosed in accordance with the AIC SORP by assessing the accounting policies. We recalculated 100% of dividends due to the Company based on investment holdings throughout the year and announcements made by investee companies. We agreed a sample of dividends received to bank statements.

Key audit matter	*How our audit addressed the key audit matter and our conclusions*
Additionally, judgement is required in determining the allocation of special dividends as revenue or capital returns in the Income Statement.	We assessed the completeness of the special dividend population and determined whether special dividends recognised were revenue or capital in nature with reference to the underlying circumstances of the investee companies' dividend payments. From our completion of these procedures, we identified no material misstatements with revenue recognition, including allocation of special dividends as revenue or capital returns.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature and extent of our work and in evaluating the results of that work.

Materiality measure	*Value*
Materiality for the financial statements as a whole – we have set materiality as 1% of net assets as we believe that net assets is the primary performance measure used by investors and is the key driver of Shareholder value. It is also the standard industry benchmark for materiality for investment trusts and we determined the measurement percentage to be commensurate with the risk and complexity of the audit and the Company's listed status.	£1,161,000 (2020: £1,191,000)
Performance materiality – performance materiality represents amounts set by the auditor at less than materiality for the financial statements as a whole, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In setting this we consider the Company's overall control environment, our past experience of the audit that indicates a lower risk of material misstatements. Based on our judgement of these factors, we have set performance materiality at 75% of our overall financial statement materiality.	£870,800 (2020: £893,250)
Specific materiality – recognising that there are transactions and balances of a lesser amount which could influence the understanding of users of the financial statements we calculate a lower level of materiality for testing such areas. Specifically, given the importance of the distinction between revenue and capital for the Company, we also applied a separate testing threshold for the revenue column of the Income Statement set as 5% of the net return before taxation. We have also set a specific materiality in respect of related party transactions and Directors' remuneration. We used our judgement in setting these thresholds and considered our past experience of the audit, the history of misstatements and industry benchmarks for specific materiality.	£96,000 We did not apply a specific materiality in the prior year.
Audit Committee reporting threshold – we agreed with the Audit Committee that we would report to them all differences in excess of 5% of overall materiality in addition to other identified misstatements that warranted reporting on qualitative grounds, in our view. For example, an immaterial misstatement as a result of fraud.	£58,000 (2020: £59,550)

During the course of the audit, we reassessed initial materiality and found no reason to alter the basis of calculation used at year-end.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating management's method of assessing going concern, including consideration of market conditions and uncertainties such as COVID-19;
- Assessing and challenging the forecast cashflows and associated sensitivity modelling used by the Directors in support of their going concern assessment;
- Obtaining and recalculating management's assessment of the Company's ongoing maintenance of investment trust status;
- Evaluating management's assessment of the business continuity plans of the Company's main service providers; and
- Assessing the adequacy of the Company's going concern disclosures included in the Annual Report.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- Certain disclosures of Directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- A corporate governance statement has not been prepared by the Company.

Corporate governance statement
We have reviewed the Directors' Statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the entity's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 27 and 28;
- The Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 28;
- The Directors' statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 28;
- The Directors' statement on fair, balanced and understandable set out on page 47;
- The Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 23;
- The section of the annual report that describes the review of the effectiveness of risk management and internal control systems set out on pages 41 and 42; and
- The section describing the work of the Audit and Management Engagement Committee set out on pages 44 to 46.

Responsibilities of Directors
As explained more fully in the Statement of Directors' Responsibilities set out on page 47, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- Companies Act 2006;
- FCA listing and DTR rules;
- The principles of the UK Corporate Governance Code applied by the AIC Code of Corporate Governance (the "AIC Code");
- Industry practice represented by the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("the SORP") issued in November 2014, and updated in April 2021 with consequential amendments;
- Financial Reporting Standard 102; and
- The Company's qualification as an investment trust under section 1158 of the Corporation Tax Act 2010.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of relevant correspondence with regulatory bodies and board meeting minutes.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. We identified a heightened fraud risk in relation to the allocation of special dividends as revenue or capital returns. Audit procedures performed in response to these risks are set out in the section on key audit matters above.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006 and the Listing Rules;
- Testing of accounting journals and other adjustments for appropriateness;
- Assessing judgements and estimates made by management for bias; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Other matters which we are required to address
Following the recommendation of the Audit and Management Engagement Committee, we were appointed by the Board on 22 April 2020 to audit the financial statements for the year ended 31 December 2020 and subsequent financial periods. The period of our total uninterrupted engagement is two years, covering the years ended 31 December 2020 to 31 December 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit and Management Engagement Committee.

Use of our report
This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Holmes (Senior Statutory Auditor)
For and behalf of Johnston Carmichael LLP
Statutory Auditor
Edinburgh, United Kingdom

11 March 2022

INCOME STATEMENT

for the year ended 31 December 2021

		2021			2020		
		Revenue	**Capital**	**Total**	Revenue	Capital	Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Gains/(losses) on investments at fair value	8	**–**	**3,878**	**3,878**	–	(5,456)	(5,456)
Foreign exchange (losses)/gains on capital items		**–**	**(557)**	**(557)**	–	629	629
Income	2	**2,741**	**802**	**3,543**	3,415	–	3,415
Management fee	3	**(229)**	**(533)**	**(762)**	(766)	–	(766)
Other expenses	4	**(520)**	**–**	**(520)**	(411)	–	(411)
Net return before finance costs and taxation		**1,992**	**3,590**	**5,582**	2,238	(4,827)	(2,589)
Finance costs							
Interest payable and related charges		**(77)**	**–**	**(77)**	(76)	–	(76)
Net return before taxation		**1,915**	**3,590**	**5,505**	2,162	(4,827)	(2,665)
Taxation	5	**(270)**	**–**	**(270)**	(204)	–	(204)
Net return after taxation		**1,645**	**3,590**	**5,235**	1,958	(4,827)	(2,869)
		pence	pence	pence	pence	pence	pence
Return per share	7	**4.4**	**9.7**	**14.1**	4.9	(12.1)	(7.2)

All revenue and capital items in the above statement derive from continuing operations.

The total column of this statement is the profit and loss account of the Company. The revenue and capital columns are prepared under guidance published by the AIC.

There were no items of other comprehensive income in the year and therefore the return for the year is also the total comprehensive income for the year.

Dividend information

A final dividend for the year ended 31 December 2021 of 5.0p per share (2020: final dividend of 6.0p per share paid on 28 May 2021) has been recommended by the Board. Subject to Shareholders' approval, the final dividend will be payable on 25 May 2022 to Shareholders on the register at the close of business on 6 May 2022. The ex-dividend date will be 5 May 2022. Based on 29,222,180 shares, being the number of shares in issue (excluding shares held in treasury) on 11 March 2022, the date of signing this report, the total dividend payment will amount to £1,461,000. Dividends are accounted for in the period when they become a liability of the Company. Further information on dividend distributions can be found in note 6.

The notes on pages 58 to 76 form part of these Financial Statements.

BALANCE SHEET
as at 31 December 2021

	Note	2021 £'000	2020 £'000
Fixed asset investments			
Investments at fair value through profit or loss	8	**83,922**	103,650
Current assets			
Debtors	10	**493**	508
Cash at bank and short-term deposits		**32,017**	15,227
		32,510	15,735
Current liabilities			
Creditors	11	**309**	290
		309	290
Net current assets		**32,201**	15,445
Net assets		**116,123**	119,095
Capital and reserves			
Called-up share capital	12	**645**	645
Share premium		**1,597**	1,597
Capital redemption reserve		**14**	14
Special reserve		**32,961**	38,945
Capital reserve		**77,026**	73,436
Revenue reserve		**3,880**	4,458
Total Shareholders' funds		**116,123**	119,095
		pence	pence
Net asset value per share	14	**317.9**	308.4

These Financial Statements were approved and authorised for issue by the Board of Directors of EP Global Opportunities Trust plc and were signed on its behalf by:

Cahal Dowds
Chairman

11 March 2022

Registered in Scotland No. 259207

The notes on pages 58 to 76 form part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2021

	Note	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special reserve[1] £'000	Capital reserve[1]* £'000	Revenue reserve[1] £'000	Total £'000
Year ended 31 December 2021								
At 31 December 2020		**645**	**1,597**	**14**	**38,945**	**73,436**	**4,458**	**119,095**
Net return after taxation		**–**	**–**	**–**	**–**	**3,590**	**1,645**	**5,235**
Dividends paid	6	**–**	**–**	**–**	**–**	**–**	**(2,223)**	**(2,223)**
Share purchases for treasury	13	**–**	**–**	**–**	**(5,984)**	**–**	**–**	**(5,984)**
At 31 December 2021		**645**	**1,597**	**14**	**32,961**	**77,026**	**3,880**	**116,123**
Year ended 31 December 2020								
At 31 December 2019		645	1,597	14	45,965	78,263	5,525	132,009
Net return after taxation		–	–	–	–	(4,827)	1,958	(2,869)
Dividends paid	6	–	–	–	–	–	(3,025)	(3,025)
Share purchases for treasury	13	–	–	–	(7,020)	–	–	(7,020)
At 31 December 2020		645	1,597	14	38,945	73,436	4,458	119,095

[1] The distributable reserves consist of £113,867,000 (2020: £116,839,000). The capital reserve of £77,026,000 (2020: £73,436,000), consists of realised gains of £77,686,000 (2020: £70,372,000) and unrealised losses of £660,000 (2020: unrealised gains of £3,064,000).

The notes on pages 58 to 76 form part of these Financial Statements.

1 Accounting policies

Statement of compliance

EP Global Opportunities Trust plc is a company incorporated in Scotland. The Company is registered as a public limited company and is an investment company within the terms of section 833 of the Act. The registered office is detailed on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 5 to 25.

The Company's Financial Statements have been prepared under FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and in accordance with the Act and with the Statement of Recommended Practice issued by the AIC (the "AIC SORP"). The Company meets the requirements of section 7.1A of FRS 102 and therefore has elected not to present the Statement of Cash Flows for the year ended 31 December 2021.

The comparative figures for the Financial Statements are for the year ended 31 December 2020.

Going concern

The financial statements have been prepared on a going concern basis and on the basis that approval as an investment trust company will continue to be met.

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date when these financial statements were approved.

In making this assessment, the Directors have considered, in particular, the continuing economic impact of the COVID-19 pandemic on the Company's operations and the investment portfolio.

The Directors have noted that the Company, holding a portfolio consisting principally of liquid listed investments, fixed income investments and cash balances is able to meet the obligations of the Company as they fall due, any future funding requirements and finance future additional investments. The Company is a closed end fund, where assets are not required to be liquidated to meet day-to-day redemptions.

The Board has completed stress tests assessing the impact of changes and scenario analysis prepared by the Investment Manager to assist them in determination of going concern. In making this assessment, the Investment Manager has considered plausible downside scenarios that have been financially modelled. These tests included the possible further effects of the continuation of the COVID-19 pandemic but, as an arithmetic exercise, apply equally to any other set of circumstances in which asset value and income are significantly impaired. The conclusion was that in a plausible downside scenario, the Company could continue to meet its liabilities. Whilst the economic future is uncertain, and the Directors believe that it is possible the Company could experience further reductions in income and/or market value, the opinion of the Directors is that this should not be to a level which would threaten the Company's ability to continue as a going concern.

The Directors, the Investment Manager and other service providers have put in place contingency plans to minimise disruption. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern, having taken into account the liquidity of the Company's investment portfolio and the Company's financial position in respect of its cash flows, borrowing facilities and investment commitments. Therefore, the financial statements have been prepared on the going concern basis.

Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business. The Company primarily invests in listed companies.

1 Accounting policies – continued

Income recognition
Dividend and other investment income is included as revenue on the ex-dividend date, the date the Company's right to receive payment is established. Dividends from overseas companies are shown gross of withholding tax. Where the Company has elected to receive scrip dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised as income. Any excess or shortfall compared to the cash dividend is recognised as capital. Special dividends are reviewed on an individual basis to determine whether they should be accounted for as revenue or capital. Income from private equity holdings is recognised upon notification of irrevocable income distribution by the general partner. Deposit and fixed income receivable is included on an accruals basis.

Expenses and finance costs
All management expenses and finance costs are accounted for on an accruals basis. Finance costs are accounted for using the effective interest rate method. From 1 January 2021 the Company charges 30% of management fees and finance costs related to borrowings to revenue in the Income Statement and 70% to capital in the Income Statement. Until 31 December 2020 all management fees and finance costs related to borrowings were charged to revenue in the Income Statement. All other operating expenses and finance costs are charged to revenue in the Income Statement, except costs that are incidental to the acquisition or disposal of investments, which are charged to capital in the Income Statement. Transaction costs are included within the gains and losses on investments, as disclosed in the Income Statement.

Investments
In accordance with FRS 102, Sections 11 and 12, all investments held by the Company are designated as held at fair value upon initial recognition and are measured at fair value through profit or loss in subsequent accounting periods. Investments are initially recognised at cost, being the fair value of the consideration given.

After initial recognition, investments are measured at fair value, with changes in the fair value of investments recognised in the Income Statement and allocated to capital. Realised gains and losses on investments sold are calculated as the difference between sales proceeds and cost.

For investments actively traded in organised financial markets, fair value is generally determined by reference to Stock Exchange quoted market bid prices at the close of business on the Balance Sheet date, without adjustment for transaction costs necessary to realise the asset. Unquoted investments are valued by the Directors at fair value, using the guidelines on valuation published by the International Private Equity and Venture Capital Association ("IPEV"). This represents the Directors' view of the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Additional information on the valuation of unquoted investments is detailed in note 8.

Foreign currency
The Financial Statements have been prepared in sterling, rounded to the nearest £'000, which is the functional and reporting currency of the Company. Sterling is the currency of the primary economic environment in which the Company operates.

Transactions denominated in foreign currencies are converted to sterling at the actual exchange rate as at the date of the transaction. Assets and liabilities denominated in foreign currencies at the year end are reported at the rate of exchange at the Balance Sheet date. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the Income Statement, in the capital or the revenue column, depending on whether the gain or loss is of a capital or revenue nature.

Taxation
The charge for taxation is based on the net revenue for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences between taxable profits and total comprehensive income that have arisen but not been reversed by the Balance Sheet date, unless such provision is not permitted by FRS 102. Deferred tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the Financial Statements which are capable of reversal in one or more subsequent periods.

1 Accounting policies – continued

Cash at bank and short-term deposits
Cash at bank and short-term deposits comprise cash at bank and short-term deposits with an original maturity date of three months or less.

Short-term debtors and creditors
Debtors and creditors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Income Statement in other operating expenses.

Dividends payable to Shareholders
Dividends payable are accounted for when they become a liability of the Company. Final dividends are recognised in the period in which they have been approved by Shareholders in a general meeting. Interim dividends are recognised in the period in which they have been declared and paid.

Own shares held in treasury
From time to time, the Company buys back shares and holds them in treasury for potential sale at a later date or for cancellation. The consideration paid and received for these shares is accounted for in Shareholders' funds and, in accordance with the AIC SORP, the cost has been allocated to the Company's special reserve. The cost of shares sold from treasury is calculated by taking the average cost of shares held in treasury at the time of sale. Any difference between the proceeds from shares sold from treasury and above average cost is taken to share premium.

Judgements and key sources of estimation uncertainty
The preparation of the Financial Statements requires the Company to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. 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 judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The areas requiring judgement and estimation in the preparation of the financial statements are: the valuation of unquoted investments; and recognising and classifying unusual or special dividends received as either revenue or capital in nature. The policy for the valuation of unquoted investments is detailed in the investments section of note 1 and additional information is detailed in note 8.

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 period if the revision affects both current and future periods.

Reserves

Share premium
The share premium account represents the accumulated premium paid for shares issued in previous periods above their nominal value less issue expenses.

This is a reserve forming part of the non-distributable reserves.

The following items are taken to this reserve:

- costs associated with the issue of equity; and
- premium on the issue of shares.

Capital redemption reserve
The capital redemption reserve represents non-distributable reserves that arise from the purchase and cancellation of shares.

1 Accounting policies – continued

Special reserve

The Special Reserve was created by a reduction in the share premium account by order of the High Court. The costs of share buy backs, including shares acquired through the tender offer, and any related stamp duty and transaction costs, if applicable, are charged to the Special Reserve. The Special Reserve is distributable.

Capital reserve

The following are taken to the capital reserve through the capital column in the Income Statement:

Capital reserve – other, forming part of the distributable reserves:

- gains and losses on the realisation of investments;
- realised exchange differences of a capital nature;
- from 1 January 2021, 70% of management fees and finance costs related to borrowings; and
- expenses, together with related taxation effect, charged to this account in accordance with the above policies.

Capital reserve – investment holding gains, not distributable:

- net movement arising from changes in the fair value of investments.

Revenue reserve

The revenue reserve represents the surplus of accumulated profits and is distributable.

2 Income

	2021			2020		
	Revenue	**Capital**	**Total**	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Income from investments						
UK net dividend income	**622**	**802**	**1,424**	652	–	652
Overseas dividend income	**2,089**	**–**	**2,089**	2,711	–	2,711
Fixed income	**13**	**–**	**13**	4	–	4
Income from investments	**2,724**	**802**	**3,526**	3,367	–	3,367
Total income comprises						
Dividend income	**2,711**	**802**	**3,513**	3,363	–	3,363
Rebate income[1]	**17**	**–**	**17**	–	–	–
Bank interest	**–**	**–**	**–**	48	–	48
Fixed income	**13**	**–**	**13**	4	–	4
	2,741	**802**	**3,543**	3,415	–	3,415

[1] Rebate of management fee from managed investment fund held in the investment portfolio.

3 Management fee

	2021			2020		
	Revenue	**Capital**	**Total**	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Management fee	**229**	**533**	**762**	766	–	766
	229	**533**	**762**	766	–	766

With effect from 16 July 2014, the Company appointed Franklin Templeton Investment Trust Management Limited (previously named, until 6 July 2021, Edinburgh Partners AIFM Limited) as the Company's AIFM. Under the Management Agreement, the AIFM is entitled to a fee paid monthly in arrears at the rate of 0.75% per annum of the equity market capitalisation of the Company to £100,000,000 and at a rate of 0.65% per annum of the equity market capitalisation which exceeds this amount. The equity market capitalisation is based on shares in circulation which excludes shares held in treasury. No performance fee will be paid.

3 Management fee – continued

During the year the Company invested in the Templeton European Long-Short Equity SIF, a Luxembourg Specialised Investment Fund managed by an affiliate of the AIFM and the Investment Manager, Franklin Templeton International Services S.a r.l. ("FTIS") The Company benefits from a management fee rebate payable by FTIS in respect of the Company's investment in the SIF and to avoid any double charging in respect of the remaining management fees payable to FTIS, the value of the Company's investment in the SIF is also deducted from the market capitalisation of the Company prior to calculation of the management fees payable by the Company to the AIFM. During the year the Company invested in the Volunteer Park Capital Fund SCSp and the Company's investment in the Fund is deducted from the market capitalisation of the Company prior to the calculation of the management fees payable by the Company to the AIFM.

During the year ended 31 December 2021, the management fees payable to the AIFM totalled £762,000 (2020: £766,000). At 31 December 2021, there was £124,000 outstanding payable to the AIFM (2020: £135,000) in relation to management fees.

During the year ended 31 December 2021, the administration fees payable to the AIFM, as detailed in note 4, totalled £144,000 (2020: £142,000). At 31 December 2021, there was £24,000 outstanding payable to the AIFM (2020: £23,000) in relation to administration fees.

During the year ended 31 December 2021, the Company paid Edinburgh Partners £25,000 (2020: £25,000) for marketing-related services. At 31 December 2021, there was £6,000 outstanding to Edinburgh Partners (2020: £6,000) in relation to marketing-related services. The fees for marketing-related services are included within marketing and website costs as detailed in note 4.

4 Other expenses	**2021** £'000	2020 £'000
Audit fees and expenses (net of VAT) for:		
Audit	**29**	26
Directors' remuneration	**95**	97
Directors' national insurance	**4**	5
Administration fee	**144**	142
Legal and professional fees	**119**	7
Marketing and website costs	**29**	39
Depositary and custodian fees	**27**	30
London Stock Exchange and FCA fees	**16**	16
Registrar fees	**12**	12
AIC membership fee	**8**	10
Other expenses	**37**	27
	520	411

Directors' remuneration and outstanding amounts are detailed in the Directors' Remuneration Report.

5 Taxation

a) Analysis of charge in year

	2021 Revenue £'000	2021 Capital £'000	2021 Total £'000	2020 Revenue £'000	2020 Capital £'000	2020 Total £'000
Current tax						
Overseas tax suffered	**270**	–	**270**	204	–	204
	270	–	**270**	204	–	204

b) The current taxation charge for the year is higher than the standard rate of Corporation Tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 Revenue £'000	2021 Capital £'000	2021 Total £'000	2020 Revenue £'000	2020 Capital £'000	2020 Total £'000
Net return before taxation	**1,915**	**3,590**	**5,505**	2,162	(4,827)	(2,665)
Theoretical tax at UK corporation tax rate of 19% (2020: 19%)	**364**	**682**	**1,046**	411	(917)	(506)
Effects of:						
– UK dividends that are not taxable	**(118)**	**(152)**	**(270)**	(124)	–	(124)
– Foreign dividends that are not taxable	**(397)**	**–**	**(397)**	(515)	–	(515)
– Non-taxable investment gains	**–**	**(631)**	**(631)**	–	917	917
– Unrelieved excess expenses	**151**	**101**	**252**	228	–	228
– Overseas tax suffered	**270**	**–**	**270**	204	–	204
	270	**–**	**270**	204	–	204

At 31 December 2021, the Company had no unprovided deferred tax liabilities (2020: £nil). At that date, based on current estimates and including the accumulation of net allowable losses, the Company had unrelieved losses of £12,520,000 (2020: £11,191,000) that are available to offset future taxable revenue. A deferred tax asset of £3,130,075 (2020: £2,126,000) based on the effective rate of 25% (2020: 19%), which is effective from 1 April 2023, has not been recognised because the Company is not expected to generate sufficient taxable income in future periods in excess of the available deductible expenses and accordingly, the Company is unlikely to be able to reduce future tax liabilities through the use of existing surplus losses.

Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the Company meets (and intends to continue for the foreseeable future to meet) the conditions for approval as an investment trust company, pursuant to sections 1158 and 1159 of the CTA.

6 Dividends

	2021 £'000	2020 £'000
Declared and paid		
Amounts recognised as distributions to Ordinary Shareholders in the year.		
2020 final dividend of 6.0p per share paid on 28 May 2021 (2020: year ended 31 December 2019 final dividend of 6.0p and a special dividend of 1.5p per share, a total of 7.5p per share, paid on 26 May 2020).	**2,223**	3,025
	2,223	3,025

	2021 £'000	2020 £'000
Proposed		
Detailed below is the proposed final dividend per share in respect of the year ended 31 December 2021, which is the basis on which the requirements of section 1159 of the Corporation Act 2010 are considered.		
2021 final dividend of 5.0p per share (2020 final dividend of 6.0p per share paid on 28 May 2021)	**1,461**	2,223

The Directors recommend a final dividend of 5.0p per share for the year ended 31 December 2021 (2020: final dividend of 6.0p per share, paid on 28 May 2021). Subject to Shareholder approval at the Annual General Meeting to be held on 27 April 2022, the dividend will be payable on 25 May 2022 to Shareholders on the register at the close of business on 6 May 2022. The ex-dividend date will be 5 May 2022. Based on 29,222,180 shares, being the number of shares in issue (excluding shares held in treasury) at 11 March 2022, the date of signing this report, the total dividend payment will amount to £1,461,000. The proposed dividend will be paid from the revenue reserve.

7 Return per share

	2021			2020		
	Net return £'000	**Number of shares**[1]	**Per share** pence	Net return £'000	Number of shares[1]	Per share pence
Revenue return after taxation	**1,645**	**37,096,274**	**4.4**	1,958	39,875,049	4.9
Capital return after taxation	**3,590**	**37,096,274**	**9.7**	(4,827)	39,875,049	(12.1)
Total return after taxation	**5,235**	**37,096,274**	**14.1**	(2,869)	39,875,049	(7.2)

[1] Weighted average number of ordinary shares, excluding shares held in treasury, in issue during the year.

8 Investments

	2021	2020
	£'000	£'000
Equity investments	**78,142**	92,858
Fixed income investments	**5,780**	10,792
	83,922	103,650

	2021	2020
	£'000	£'000
Analysis of investment portfolio movements		
Opening book cost	**100,586**	113,587
Changes in fair value of investments	**3,064**	7,209
Opening fair value	**103,650**	120,796
Movements in the year:		
Purchases at cost	**25,681**	43,350
Sales – proceeds	**(49,287)**	(55,040)
– realised gains/(losses) on sales	**7,602**	(1,311)
Changes in fair value of investments	**(3,724)**	(4,145)
Closing fair value	**83,922**	103,650

	2021	2020
	£'000	£'000
Closing book cost	**84,582**	100,586
Changes in fair value of investments	**(660)**	3,064
Closing fair value	**83,922**	103,650

The Company sold investments in the year ended 31 December 2021 for a total of £49,287,000 (2020: £55,040,000). The book cost of these investments when purchased was £41,680,000 (2020: £56,351,000). These investments have been revalued over time and until they were sold any unrealised gains or losses were included in the fair value of investments.

Within the equity investments detailed above, there is included the Company's investment in the Templeton European Long-Short Equity SIF, a Luxembourg Specialised Investment Fund, a sub-fund of Franklin Templeton Specialised Funds, a Luxembourg investment company with variable capital – specialised investment fund, as detailed in note 9, which was valued at £8,838,000 at 31 December 2021 (2020: £nil). As at 31 March 2021, the most recent year end of the Templeton European Long-Short Equity SIF, the aggregate amount of capital and reserves was US$5,026,000. For the year to 31 March 2021 the profit for the year after tax and distributions was US$26,000.

Within the equity investments detailed above, there is an unquoted investment in the Volunteer Park Capital Fund SCSp, a Luxembourg Special Limited Partnership, as detailed in note 9, which was valued at £5,515,000 at 31 December 2021 (2020: £nil). As at 31 December 2020, the most recent year end of the Volunteer Park Capital Fund SCSp, the aggregate amount of capital and reserves was US$6,349,000. For the year to 31 December 2020 the loss for the year after tax and distributions was US$796,000. Please see note 19 for additional information on this investment.

8 Investments – continued

	2021 Total £'000	2020 Total £'000
Analysis of capital gains and losses		
Realised gains on sales	**7,602**	(1,311)
Changes in fair value of investments	**(3,724)**	(4,145)
	3,878	(5,456)

Transaction costs

During the year, the Company incurred transaction costs of £41,000 (2020: £52,000) and £48,000 (2020: £61,000) on purchases and sales of investments respectively. These amounts are included in gains on investments at fair value, as disclosed in the Income Statement on page 55 of these Financial Statements.

Fair value hierarchy

In accordance with FRS 102, the Company must disclose the fair value hierarchy of financial instruments.

The different levels of the fair value hierarchy are as follows:

1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

2 Inputs other than quoted prices included within level 1 that are observable (developed using market data) for the asset or liability, either directly or indirectly.

3 Inputs are unobservable (for which market data is unavailable) for the asset or liability.

The fair value measurement of financial instruments as at 31 December 2021, by the level in the fair value hierarchy into which the fair value measurement is categorised is detailed below.

Financial assets at fair value through profit or loss at 31 December 2021	**Level 1** £'000	**Level 2** £'000	**Level 3** £'000	**Total** £'000
Investments	**69,569**	**8,838**	**5,515**	**83,922**
	69,569	**8,838**	**5,515**	**83,922**

Financial assets at fair value through profit or loss at 31 December 2020	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	103,650	–	–	103,650
	103,650	–	–	103,650

The Company's level 2 investment is its investment in the Templeton European Long-Short Equity SIF.

8 Investments – continued

Fair value of Level 3 investments

	31 December 2021 £'000	31 December 2020 £'000
Opening fair value of investments	–	–
Purchases	**6,534**	–
Changes in fair value of investments	**(1,019)**	–
Closing fair value of investments	**5,515**	–

The Company's level 3 investment is its investment in Volunteer Park Capital Fund SCSp.

The fair value of the Company's investments in private equity funds is based on its share of the total net asset value of the fund calculated on a quarterly basis, being the measurement date. The fair value of the private equity funds is derived from the value of its underlying investments using a methodology which is consistent with the IPEV guidelines. The Company reviews the fair valuation methodology adopted for the underlying investments of the private equity funds on a quarterly basis and will adjust where it does not believe the valuations represent fair value. Where formal valuations are not completed as at the Balance Sheet date, the last available valuation is adjusted to reflect any changes in circumstances from the last formal valuation date to arrive at the estimate of fair value.

9 Significant holdings

As detailed in note 8, as at 31 December 2021, the Company owned 67.4% (2020: nil) of the net assets of the Templeton European Long-Short Equity SIF, a Luxembourg Specialised Investment Fund, a sub-fund of Franklin Templeton Specialised Funds, a Luxembourg investment company with variable capital – specialised investment fund. The registered office of Franklin Templeton Specialised Funds is 8A, rue Albert Borschette, L-1246 Luxembourg, Grand Duchy of Luxembourg.

As detailed in note 8, as at 31 December 2021, the Company owned 25% (2020: nil) of the net assets of the Volunteer Park Capital Fund SCSp, a Luxembourg Special Limited Partnership. The registered office of Volunteer Park Capital Fund SCSp is 412F, route d'Esch, L-1471 Luxembourg, Grand Duchy of Luxembourg.

The Company had no other holdings of 3.0% or more of the share capital of any portfolio companies.

10 Debtors

	2021 £'000	2020 £'000
Accrued fixed interest income	**3**	7
Dividend income receivable	**153**	274
Prepayments and accrued income	**23**	16
Rebate income receivable	**11**	–
Taxation recoverable	**303**	211
	493	508

11 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Due to brokers on shares purchased for treasury	**–**	57
Other creditors and accruals	**309**	233
	309	290

12 Share capital

	Number of shares Ordinary 1p	**2021** £'000	Number of shares Ordinary 1p	2020 £'000
Allotted, called-up and fully paid:				
At 1 January	**64,509,642**	**645**	64,509,642	645
At 31 December	**64,509,642**	**645**	64,509,642	645

The voting rights attached to the Company's shares are detailed in the Directors' Report on page 35.

Duration of the Company
The Company does not have a termination date or the requirement for any periodic continuation vote.

13 Own shares held in treasury

Details of own shares purchased for and sold from treasury are shown below:

	2021 Number of shares	2020 Number of shares
At 1 January	**25,886,917**	23,361,917
Shares purchased for treasury	**2,095,000**	2,525,000
At 31 December	**27,981,917**	25,886,917

During the year ended 31 December 2021, 2,095,000 shares (2020: 2,525,000) were purchased for treasury at a cost of £5,984,000 (2020: £7,020,000) and no shares were sold from treasury (2020: none). Please see the Chairman's Statement on pages 10 to 14 for details of share buy backs.

14 Net asset value per share

The NAV, calculated in accordance with the Articles of Association, is as follows:

	2021 pence	2020 pence
Share	**317.9**	308.4

The NAV is based on net assets of £116,123,000 (2020: £119,095,000) and on 36,527,725 (2020: 38,622,725) shares, being the number of shares, excluding shares held in treasury, in issue at the year end.

15 Analysis of financial assets and liabilities

Interest rate and currency profile

The interest rate and currency profile of the Company's financial assets and liabilities were:

	2021			2020		
	No interest rate exposure £'000	**Cash flow interest rate risk exposure £'000**	**Total £'000**	No interest rate exposure £'000	Cash flow interest rate risk exposure £'000	Total £'000
Equity shares						
US dollar	**16,726**	**–**	**16,726**	8,726	–	8,726
Euro	**21,410**	**–**	**21,410**	22,563	–	22,563
Sterling	**15,305**	**–**	**15,305**	15,616	–	15,616
Japanese yen	**14,620**	**–**	**14,620**	26,288	–	26,288
Swiss franc	**5,050**	**–**	**5,050**	5,477	–	5,477
South Korean Won	**2,584**	**–**	**2,584**	6,776	–	6,776
Singapore dollar	**2,447**	**–**	**2,447**	2,461	–	2,461
Hong Kong dollar	**–**	**–**	**–**	4,951	–	4,951
Fixed income investment						
US dollar	**–**	**5,780**	**5,780**	–	10,792	10,792
Cash at bank and short-term deposits						
US dollar	**–**	**22,228**	**22,228**	–	4,580	4,580
Japanese yen	**–**	**7,972**	**7,972**	–	8,808	8,808
Swiss franc	**–**	**1,800**	**1,800**	–	1,838	1,838
Sterling	**–**	**17**	**17**	–	1	1
Debtors						
Swiss franc	**145**	**–**	**145**	107	–	107
Euro	**145**	**–**	**145**	78	–	78
Sterling	**140**	**3**	**143**	130	7	137
Singapore dollar	**48**	**–**	**48**	54	–	54
South Korean Won	**12**	**–**	**12**	22	–	22
Japanese yen	**–**	**–**	**–**	78	–	78
Norwegian Krone	**–**	**–**	**–**	21	–	21
US dollar	**–**	**–**	**–**	12	–	12
Creditors						
Sterling	**(309)**	**–**	**(309)**	(290)	–	(290)
	78,323	**37,800**	**116,123**	93,070	26,026	119,096

At 31 December 2021, the Company had no financial liabilities other than the short-term creditors as stated above. The carrying amount on the Balance Sheet approximates the fair value of all financial assets and liabilities.

At 31 December 2021 the Company has undrawn financial commitments relating to its investment in Volunteer Park Capital Fund SCSp of USD1,743,000, equivalent to £1,291,000.

15 Analysis of financial assets and liabilities – continued

The following exchange rates were used to convert investments, assets and liabilities to the functional currency of the Company which is sterling.

Foreign Exchange rates against sterling	2021	2020	Change
Japanese yen	**155.96**	141.16	10%
Euro	**1.19**	1.12	7%
US dollar	**1.35**	1.37	(1)%
South Korean Won	**1,610.30**	1,486.55	8%
Swiss franc	**1.23**	1.21	2%
Hong Kong dollar	**10.56**	10.60	–
Singapore dollar	**1.83**	1.81	1%

16 Risk analysis

Principal risks
The principal risks the Company faces are:

- Investment and strategy risk
- Key manager risk
- Discount volatility risk
- Price risk
- Foreign currency risk
- Liquidity risk
- Regulatory risk

The Board undertakes an annual assessment and review of all the risks stated above together with a review of any new risks which may have arisen during the year. These risks are formalised within the Company's risk assessment matrix.

The Investment Manager monitors the financial risks affecting the Company on an ongoing basis within the policies and guidelines determined by the Board. The Directors receive financial information, which is used to identify and monitor risk, quarterly. The Company may enter into derivative contracts to manage risk. A description of the principal risks the Company faces is set out below.

Investment and strategy risk
There can be no guarantee that the investment objective of the Company, to provide Shareholders with an attractive real long-term total return by investing globally in asset classes, will be achieved.

The Investment Manager meets regularly with the Board to discuss the portfolio performance and strategy. The Board receives quarterly reports from the Investment Manager detailing all portfolio transactions and any other significant changes in the market or stock outlooks.

Key manager risk
A change in key investment management personnel who are involved in the management of the Company's portfolio could impact on future performance and the Company's ability to deliver on its investment strategy.

The Investment Manager frequently considers succession planning. The Board is in regular contact with the Investment Manager and would be informed of any proposed change in the lead manager.

16 Risk analysis – continued

Under the proposals to change the Company's management arrangements by becoming a self-managed investment trust, it is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will stand for election as a Director at the Annual General Meeting to be held on 27 April 2022 and will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company. The Company' ability to deliver its investment strategy will be dependent on Dr Nairn.

Discount volatility risk
The Board recognises that it is in the long-term interests of Shareholders to reduce discount volatility and believes that the prime driver of discounts over the longer term is investment performance. The Company is permitted to employ gearing, a process whereby funds are borrowed principally for the purpose of purchasing securities, should the Board feel that it is appropriate to do so. The use of gearing can magnify discount volatility.

The Board actively monitors the discount at which the Company's shares trade, and is committed to using its powers to allot or repurchase the Company's shares. The Board may use share buybacks, when appropriate, to narrow the discount to NAV at which the shares trade. This will be done in conjunction with creating new demand and being aware of the liquidity of the shares.

The Board's commitment to allot or repurchase shares is subject to it being satisfied that any offer to allot or purchase shares is in the best interests of Shareholders of the Company as a whole, the Board having the requisite authority pursuant to the Articles of Association and relevant legislation to allot or purchase shares, and all other applicable legislative and regulatory provisions.

Details of the shares purchased into treasury during the year are set out in note 13.

Price risk
The Company is exposed to market risk due to fluctuations in the price risk of its investments. Price risk arises mainly from uncertainty about future prices of financial instruments used in the Company's business. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The Investment Manager monitors the prices of financial instruments held by the Company on an ongoing basis.

The Investment Manager actively monitors market and economic data and reports to the Board, which considers investment policy on a regular basis. The NAV of the Company is issued daily to the London Stock Exchange and is also available on the Company's website at www.epgot.com.

Details of the Company's investment portfolio as at 31 December 2021 are disclosed in the Portfolio of Investments on page 6.

If the investment portfolio valuation fell by 5.0% from the amount detailed in the Financial Statements as at 31 December 2021, it would have the effect, with all other variables held constant, of reducing the total return before taxation and therefore net assets by £4,196,000 (2020: £5,182,000). An increase of 5.0% in the investment portfolio valuation would have an equal and opposite effect on the total return before taxation and net assets.

Foreign currency risk
The functional currency of the Company is sterling. The international nature of the Company's investment activities gives rise to a currency risk which is inherent in the performance of its overseas investments. The Company's overseas income is also subject to currency fluctuations.

It is not the Company's policy to hedge this risk on a continuous basis.

Details of the Company's foreign currency risk exposure as at 31 December 2021 are disclosed in note 15.

If sterling had strengthened by 1.0% against all other currencies on 31 December 2021, with all other variables held constant, it would have the effect of reducing the total return before taxation and net assets by £1,010,000 (2020: £1,036,000). If sterling had weakened by 1.0% against all other currencies, there would have been an equal and opposite effect on the total return before taxation and net assets.

16 Risk analysis – continued

Liquidity risk

The Company's policy with regard to liquidity is to ensure continuity of funding. Short-term flexibility is achieved through cash management.

Investments in private markets are more difficult to value than those in public markets. The valuations of the Company's interests in private markets used to calculate the NAV (which is calculated and published on a daily basis) will be based on the Company's 'fair values' of those interests, applying valuation techniques which are consistent with the International Private Equity and Venture Capital Valuation Guidelines. Such estimates, and any NAV published by the Company, may vary (in some cases materially) from realised or realisable values. Such private market investments are likely to be formally valued on a quarterly basis but this will depend on the nature of the specific investments.

Investments in private markets are less liquid than those in public markets. There may not be a secondary market for interests in private market investments. Such illiquidity may affect the Company's ability to vary its portfolio or dispose of or liquidate part of its portfolio, in a timely fashion (or at all) and at satisfactory prices in response to changes in economic or other conditions. If the Company were required to dispose of or liquidate an investment on unsatisfactory terms, it may realise less than the value at which the investment was previously recorded, which could result in a decrease in NAV.

There may be restrictions on the transfer of interests in private markets investments that mean that the Company will not be able to freely transfer its interests. For instance, the sale or transfer of interests in private market investments may be subject to the consent or approval of the issuer or (other) holders of the relevant interests, and obtaining such consent or approval cannot be guaranteed. Contractual restrictions on transfer may exist in shareholder agreements or the issuer's constitutional documents. Accordingly, if the Company were to seek to exit from any of its investments in private market investments, the sale or transfer of interest may be subject to delays or additional costs, or may not be possible at all.

Investments in illiquid assets may impact on the Company's ability to buy back its shares.

The Company's assets comprise mainly of readily realisable securities which, it is believed, can be sold freely to meet funding requirements if necessary. Securities listed on a recognised stock exchange have been valued at bid prices and exchange rates ruling at the close of business on 31 December 2021. In certain circumstances, the market prices at which investments are valued may not represent the realisable value of those investments, taking into account both the size of the Company's holding and the frequency with which such investments are traded.

The maturity profile of the Company's financial liabilities, including creditors, is as follows:

	As at 31 December 2021 £'000	As at 31 December 2020 £'000
In one year or less	**309**	290
	309	290

16 Risk analysis – continued

Regulatory risk

The Company operates in an evolving regulatory environment and faces a number of regulatory risks.

Relevant legislation and regulations which apply to the Company include, but are not limited to, the Act, the CTA, the Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA, the AIFMD, the GDPR, the Foreign Account Tax Compliance Act and the Common Reporting Standard.

Failure to qualify under the terms of sections 1158 and 1159 of the CTA may lead to the Company being subject to capital gains tax. A breach of the Listing Rules may result in censure by the FCA and/or the suspension of the Company's shares from listing.

The Directors note the corporate offence of failure to prevent tax evasion and believe all necessary steps have been taken to prevent facilitation of tax evasion.

The implementation of GDPR provides for greater data privacy. While the risk to the Company is deemed to be low, the impact of fines should they occur could be significant. The Directors are satisfied that all necessary steps have been taken to prevent any breach of GDPR, including ensuring that all third party service providers have appropriate GDPR policies in place.

If all price sensitive issues are not disclosed in a timely manner, this could create a misleading market in the Company’s shares. The Directors are aware of their responsibilities relating to price sensitive information and would consult with their advisers if any potential issues arose. This includes ensuring compliance with the Market Abuse Regulation. The AIFM would notify the Board immediately if it became aware of any disclosure issues.

The Investment Manager has a comprehensive market abuse policy and any potential breaches of this policy would be promptly reported to the Board.

Although not considered to be a principal risk for the Company, the Board continues to monitor developments around the UK’s departure from the European Union. Many of the Company’s holdings, particularly those in European and UK equities, will be impacted by the new agreement between the UK and the European Union which became effective on 1 January 2021. We believe that overall the Company’s portfolio has a relatively modest exposure to the UK economy, but the Board and Investment Manager remain alert to developments at both macro-economic level and a stock-specific level.

The Board has agreed service levels with the Company Secretary and Investment Manager which include active and regular review of compliance with these requirements.

Other risks

Other risks the Company faces are:

- Credit risk
- Interest rate risk
- Gearing risk
- Operational risk

A description of these other risks is set out below.

16 Risk analysis – continued

Credit risk
Credit risk is the risk of financial loss to the Company if the contractual party to a financial instrument fails to meet its contractual obligations.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the Balance Sheet date.

Investment transactions are carried out with a large number of brokers whose creditworthiness is reviewed by the Investment Manager. Transactions are ordinarily undertaken on a delivery versus payment basis whereby the Company's custodian bank ensures that the counterparty to any transaction entered into by the Company has delivered on its obligations before any transfer of cash or securities away from the Company is completed.

Cash is only held at banks and in liquidity funds that have been identified by the Board as reputable and of high credit quality. As at 31 December 2021, The Northern Trust Company London Branch had a long-term rating from Standard and Poors of AA-.

The maximum exposure to credit risk as at 31 December 2021 was £38,290,000 (2020: £26,528,000). The calculation is based on the Company's credit risk exposure, being fixed income investments, cash at bank and short-term deposits and debtors, as at 31 December 2021 and this may not be representative of the year as a whole.

None of the Company's assets are past due or impaired.

Interest rate risk
The Company's assets and liabilities, excluding short-term debtors and creditors, may comprise financial instruments which include investments in fixed income securities.

Details of the Company's interest rate exposure as at 31 December 2021 are disclosed in note 15.

Surplus cash is invested in liquidity funds.

If interest rates had reduced by 0.25% (2020: 0.25%) from those obtained as at 31 December 2021 it would have the effect, with all other variables held constant, of decreasing the total return before taxation and therefore net assets on an annualised basis by £80,000 (2020: £65,000). If there had been an increase in interest rates of 0.25% (2020: 0.25%) there would have been an equal and opposite effect in the total return before taxation and net assets. The calculations are based on cash at bank and short-term deposits as at 31 December 2021 and these may not be representative of the year as a whole.

Gearing risk
Gearing can be used to enhance long-term returns to Shareholders. The Company is permitted to employ gearing should the Board feel it appropriate to do so up to a maximum of 25% of total assets.

The use of gearing is likely to lead to volatility in the NAV, meaning that a relatively small movement either down or up in the value of the Company's total investments may result in a magnified movement in the same direction of the NAV. The greater the level of gearing, the greater the level of risk and likely fluctuation in the share price.

At the year end, the Company had no gearing (2020: nil).

16 Risk analysis – continued

Operational risk

There are a number of operational risks associated with the fact that third parties undertake the Company's administration, depositary and custody functions. The main risk is that third parties may fail to ensure that statutory requirements, such as compliance with the Act and the FCA requirements, are met.

The Board regularly receives and reviews management information on third parties which the Company Secretary compiles. In addition, each of the third parties, where available, provides a copy of its report on internal controls (ISAE 3402, SSAE 16 or equivalent) to the Board each year.

The AIFM employs the Administrator to prepare all financial statements of the Company and meets with the Auditor at least once a year to discuss all financial matters including appropriate accounting policies.

The Company is a member of the AIC, a trade body which promotes investment trusts and also develops best practice for its members.

The Investment Manager and the Company's third party suppliers have contingency plans to ensure the continued operation of the business in the event of disruption, such as the impact of COVID-19. The Board monitor the risks associated with COVID-19 and its impact on the operation of the business.

17 Capital management policies

The Company's investment objective is to provide Shareholders with an attractive real long-term total return by investing globally in asset classes. The portfolio is managed without reference to the composition of any stock market index. In pursuing this objective, the Board has a responsibility for ensuring the Company's ability to continue as a going concern. This involves the ability to: issue and buy back share capital within limits set by the Shareholders in general meeting; borrow monies in the short and long term; and pay dividends to Shareholders out of current year revenue earnings as well as out of brought-forward revenue reserves.

The Company's capital is set out in the Balance Sheet on page 56.

The Company's objectives for managing capital are the same as the previous year and have been complied with throughout the year.

18 Transactions with the AIFM and the Investment Manager

Information with respect to transactions with the AIFM and the Investment Manager is detailed in note 3 and in the Strategic Report on page 22.

19 Related party transactions

Details in respect of the Directors' remuneration are set out in note 4 and in the Directors' Remuneration Report on page 34.

Under the AIC SORP, an investment manager is not considered to be a related party of the Company.

Dr Sandy Nairn is the lead investment manager of the Company and is a substantial Shareholder. Under the current proposals relating to the future strategy he will also become a Director of the Company. The Company has invested in Volunteer Park Capital Fund SCSp ("VPC"). The Alternative Investment Fund Manager of VPC is Goodhart Partners LLP ("Goodhart"). Goodhart Partners S.a.r.l. is the general partner to VPC and is 100% owned by Goodhart. Dr Nairn is the sole controller of a company which holds a significant shareholding in Goodhart and will be a beneficiary of the management fees and carried interest payable to Goodhart related companies. Under the Class Tests Rules of the UK Listing Rules the transaction was a small transaction and was therefore not classified as a related party transaction requiring Shareholder approval. Prior to the investment in VPC, the Directors undertook appropriate due diligence to confirm that they considered the investment to be in the best interests of Shareholders.

20 Post Balance Sheet events

As disclosed in the Chairman's Statement on page 12 and the Directors' Report on page 27, following the approval by Shareholders at the General Meeting of the Company held on 17 December 2021, a Circular was issued to Shareholders on 26 January 2022 with details of the tender offer proposing to buy back up to 20% of the Company's shares in circulation as at 24 February 2022. Following completion of the tender offer, the Company bought back 7,305,545 shares into treasury at a total cost of £23,231,000.

Following the review of the strategic direction of the Company, it is intended to change the Company's management arrangements by becoming a self-managed investment trust. The Board will assume overall control of the Company's investment policy and have overall responsibility for the Company's activities. It is proposed that the Company's present portfolio manager, Dr Sandy Nairn, will stand for election as a Director at the Annual General Meeting to be held on 27 April 2022 and will become an executive Director of the Company and will have day-to-day responsibility for investment management of the Company.

The change in management structure is subject to the Company being approved by the FCA as a small registered alternative investment fund manager. This is expected to occur in the second calendar quarter of 2022. Once the Company has been approved to act as its own alternative investment fund manager, the current arrangements with the existing AIFM and Investment Manager will cease and the sub-advisory investment management agreement with the Franklin Templeton group will be entered into. As part of the interim arrangements to facilitate this change the Board has agreed that the Company's investment management responsibilities be transferred from Edinburgh Partners Limited to Franklin Templeton Investment Management Limited in the second calendar quarter of 2022. When the Company becomes a self-managed investment trust, new administration arrangements will be put in place. The Company will also, by resolution of the Board, change its name to Global Opportunities Trust plc.

PERFORMANCE RECORD

Year ended 31 December	Shareholders' funds	Net asset value per share	Share price per share	Share price discount to net asset value	Revenue return per share	Dividend per share	Ongoing charges ratio[5]
2004[1]	£26.1m	116.4p	110.5p	5.1%	0.6p	0.4p	1.7%[6]
2005	£52.2m	156.2p	154.5p	1.1%	1.1p	0.8p	1.5%[6]
2006	£58.8m	172.8p	170.0p	1.6%	2.1p	1.8p	1.2%[6]
2007	£57.7m	177.2p	160.0p	9.7%	2.7p	2.3p	1.1%[6]
2008	£46.4m	150.4p	132.5p	11.9%	3.9p	3.1p	1.1%[6]
2009	£50.7m	175.9p	172.0p	2.2%	2.7p	2.4p	1.0%[6,7]
2010	£51.6m	188.2p	186.8p	0.7%	3.2p	2.8p	1.3%[6]
2011	£95.1m	169.9p	167.0p	1.7%	5.0p	4.2p	0.8%[8]
2012	£91.8m	183.1p	175.5p	4.2%	3.9p	3.9p	1.1%
2013	£112.6m	233.6p	230.0p	1.5%	2.7p	2.7p	1.1%
2014	£112.1m	236.0p	234.6p	0.6%	3.7p	3.3p	1.1%
2015	£118.4m	239.8p	234.5p	2.2%	3.1p	3.1p	1.0%
2016	£143.8m	300.2p	293.0p	2.4%	5.3p	5.3p[2]	1.0%
2017	£148.8m	337.7p	320.0p	5.2%	5.3p	5.3p	0.9%
2018	£131.8m	308.8p	301.5p	2.3%	6.9p	6.5p[2]	0.9%
2019	£132.0m	320.8p	310.0p	3.4%	8.1p	7.5p[3]	1.0%
2020	£119.1m	308.4p	284.0p	7.9%	4.9p	6.0p	1.0%
2021	£116.1m	317.9p	291.0p	8.5%	4.4p	5.0p[4]	1.1%[9]

1 Period 13 November 2003 to 31 December 2004. The Company commenced operations on the admission of its shares to trading on the London Stock Exchange on 15 December 2003.

2 Includes a special dividend of 1.0p.

3 Includes a special dividend of 1.5p.

4 Proposed dividend for the year.

5 Ongoing charges ratio based on total expenses, excluding finance costs, transaction costs and certain non-recurring items for the year as a percentage of the average monthly net asset value.

6 Total expense ratio based on total expenses for the year as a percentage of the average monthly net asset value.

7 Total expense ratio 1.3% excluding VAT refund.

8 The total expense ratio would have been 1.0% if investment management fees of £236,000 had not been waived as a consequence of the merger with Anglo & Overseas Plc.

9 The ongoing charges ratio includes look-through costs of 0.1% relating to the investments in the Templeton European Long-Short Equity SIF and the Volunteer Park Capital Fund SCSp.

Past performance is not a guide to future performance.

ALTERNATIVE PERFORMANCE MEASURES

Alternative Performance Measures are used to determine the performance of the Company over time. They are comparable with those reported by other investment trusts and are:

- NAV total return
- Ongoing charges
- Share price discount/premium to NAV
- Share price total return

The calculations of the Alternative Performance Measures are detailed below.

NAV Total Return

NAV total return is calculated by assuming that dividends paid out are re-invested into the NAV on the ex-dividend date. This is accounted for in "Benefit from reinvesting dividends".

NAV total return in year	Page	**31 December 2021**	31 December 2020	Formula
Closing NAV (p)	5	**317.9**	308.4	a
Dividends paid out (p)	5	**6.0**	7.5	b
Benefit from reinvesting dividends (p)		**0.1**	0.7	c
Adjusted NAV (p)		**324.0**	316.6	d = a+b+c
Opening NAV (p)	5	**308.4**	320.8	e
NAV total return in year (%)		**5.1%**	(1.3)%	= (d/e)-1

NAV total return since launch on 15 December 2003 (annualised)	Page		Formula
Closing NAV (p)	5	**317.9**	a
Dividends paid out (p)	77	**61.4**	b
Benefit from reinvesting dividends (p)		**33.3**	c
Adjusted NAV (p)		**412.6**	d = a+b+c
Opening NAV (p) – 15 December 2003 (after launch costs)		**97.0**	e
Annualised NAV total return since launch (%)		**8.4%**	((d/e) ^ (24/433))-1

Ongoing charges

As recommended by the AIC in its guidance, ongoing charges are the Company's annualised revenue and capitalised expenses (excluding finance costs and non-recurring items) expressed as a percentage of the average monthly net assets of the Company during the year.

Ongoing charges	Page	**31 December 2021**	31 December 2020	Formula
Management fee (£'000)	55	**762**	766	
Other expenses (£'000)	55	**520**	411	
		1,282	1,177	
Deduct non-recurring items (£'000)		**(136)**	(2)	
		1,146	1,175	a
Average monthly net assets during year (£'000)		**116,187**	116,346	b
Ongoing charges (excluding look-through costs) (%)		**1.0%**	1.0%	c = a/b
Look-through costs (%)[1]		**0.1%**	0.0%	d
Ongoing charges (including look-through costs) (%)[1]		**1.1%**	1.0%	= c+d

[1] Costs associated with the two funds in which the Company is invested. As at 31 December 2021 the Company was invested in two funds, the Templeton European Long-Short Equity SIF, 7.6% of net assets, and the Volunteer Park Capital Fund SCSp, 4.7% of net assets, a total of 12.3% of net assets.

Share price discount/premium to NAV

If the share price of an investment trust is lower than the NAV, the shares are said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV and is usually expressed as a percentage of the NAV. If the share price is higher than the NAV, the shares are said to be trading at a premium.

Share price discount to NAV	Page	**31 December 2021**	31 December 2020	Formula
NAV (p)	5	**317.9**	308.4	a
Share price (p)	5	**291.0**	284.0	b
Share price discount to NAV (%)		**8.5%**	7.9%	= (a-b)/a

Past performance is not a guide to future performance.

Share Price Total Return

Share price total return is calculated by assuming that dividends paid out are re-invested into new shares on the ex-dividend date. This is accounted for in "Benefit from reinvesting dividends".

Share price total return in year	Page	**31 December 2021**	31 December 2020	Formula
Closing share price (p)	5	**291.0**	284.0	a
Dividends paid out (p)	5	**6.0**	7.5	b
Benefit from reinvesting dividends (p)		**0.1**	1.2	c
Adjusted share price (p)		**297.1**	292.7	d = a+b+c
Opening share price (p)	5	**284.0**	310.0	e
Share price total return in year (%)		**4.6%**	(5.6)%	= (d/e)-1

Share price total return since launch on 15 December 2003 (annualised)	Page		Formula
Closing share price (p)	5	**291.0**	a
Dividends paid out (p)	77	**61.4**	b
Benefits from re-investing dividends (p)		**31.7**	c
Adjusted share price (p)		**384.1**	d = a+b+c
Opening share price (p) – 15 December 2003		**100.0**	e
Annualised share price total return since launch (%)		**7.7%**	((d/e) ^ (24/433))-1

Past performance is not a guide to future performance.

GLOSSARY OF INVESTMENT TRUST TECHNICAL TERMS

Alternative performance measure
An alternative performance measure is a numerical measure of the Company's current, historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial framework.

Capital return per share
The capital return per share is the total capital gain or loss of a company divided by the weighted average number of shares in issue during the year, excluding own shares held in treasury.

Gearing
Gearing is the process whereby changes in the total assets of a company have an exaggerated effect on the net assets of that company's shares due to the presence of borrowings.

ISAs and SIPPs
Individual Savings Accounts and Self-Invested Personal Pensions.

Leverage
Leverage is defined in the AIFMD as any method by which an AIFM increases the exposure of an Alternative Investment Fund it manages, whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.

Net asset value per share ("NAV")
The net asset value per share is Shareholders' funds expressed as an amount per individual share. Shareholders' funds are the total value of a company's assets, at current market value, having deducted all prior charges at their par value (or at their market value).

Ongoing charges
As recommended by the AIC in its guidance, ongoing charges are the company's annualised revenue and capitalised expenses (excluding finance costs and certain non-recurring items) expressed as a percentage of the average monthly net assets of the company during the year.

Revenue return per share
The revenue return per share is the total revenue of the company, divided by the weighted average number of shares in issue during the year, excluding own shares held in treasury.

Share price discount/premium to NAV
If the share price of an investment trust is lower than the NAV, the shares are said to be trading at a discount. The size of the discount is calculated by subtracting the share price from the NAV and is usually expressed as a percentage of the NAV. If the share price is higher than the NAV, the shares are said to be trading at a premium.

Total assets
Total assets less current liabilities before deducting prior charges. Prior charges include all loans used for investment purposes.

Total return
The combined effect of any dividends paid, together with the rise or fall in the share price or NAV. Total return statistics enable the investor to make performance comparisons between investment trusts with different dividend policies. Any dividends (after tax) received by a shareholder are assumed to have been reinvested in either additional shares of the investment trust at the time the shares go ex-dividend (the share price total return) or in the assets of the investment trust at its net asset value per share (the net asset value total return). Total return per share statistics are calculated on the basis of the weighted average number of shares in issue, excluding shares held in treasury.

Treasury shares
Shares previously issued by a company that have been bought back from shareholders to be held by a company for potential sale at a later date or cancellation.

SHAREHOLDER INFORMATION

Investing in the Company
The Company's shares are traded on the London Stock Exchange and can be bought or sold through a stockbroker or financial adviser. The shares are eligible for inclusion in Individual Savings Accounts ("ISAs") and Self-Invested Personal Pensions ("SIPPs"). The Company's shares are also available on various share trade trading platforms.

Dividends payable directly into bank accounts of Shareholders
Shareholders may choose to receive dividend payments directly into their bank accounts instead of by cheque. Shareholders wishing to do so should sign-in or register at www.investorcentre.co.uk, where they can add their bank details to receive dividends directly into their bank accounts. Alternatively, Shareholders can contact the Registrar, Computershare Investor Services PLC, whose contact details are shown below in share register enquiries and on page 1.

Frequency of NAV publication
The Company's NAV is released daily to the London Stock Exchange and published on the Company's website at www.epgot.com and on the Edinburgh Partners' website at www.edinburghpartners.com.

Share price and sources of further information
The Company's share price is quoted daily in the Financial Times under "Investment Companies". Previous day closing price, daily NAV and other portfolio information is published on the Company's website at www.epgot.com and on the Edinburgh Partners' website at www.edinburghpartners.com. Other useful information on investment trusts, such as prices, NAVs and company announcements, can be found on the websites of the London Stock Exchange at www.londonstockexchange.com, and the AIC at www.theaic.co.uk.

Share register enquiries
The register for the shares is maintained by Computershare Investor Services PLC. In the event of queries regarding your holding, please contact the Registrar on 0370 889 4069 or email: web.queries@computershare.co.uk. Changes of address can be made online by signing-in or registering at www.investorcentre.co.uk or by contacting the Registrar by telephone. Alternatively, you can notify changes in name and/or address in writing to the Registrar, supported by appropriate documentation, at the address shown on page 1. You can check your shareholding and find practical help on transferring shares or updating your details at www.investorcentre.co.uk.

Key dates

Company's year end	31 December
Annual results announced	March
Annual General Meeting	April
Dividend paid	May
Company's half-year end	30 June
Half-yearly results announced	August

Portfolio updates
The Company's portfolio holdings report, detailing a list of all investments, including sectoral and geographical analyses, is released on a monthly basis to the London Stock Exchange. It is also published on the Company's website at www.epgot.com and on the website of Edinburgh Partners at www.edinburghpartners.com.

Risk warning
This document is not a recommendation, offer or invitation to buy, sell or hold shares of the Company. If you wish to deal in shares of the Company, you may wish to contact an authorised professional investment adviser. The value of the Company's shares may fluctuate and investors may not get back the full value of their investment. Past performance is not a guide to future performance. The Company invests in overseas securities; changes in the rates of exchange may also cause the value of your investment (and any income received) to go down or up.

This document is important and requires your immediate attention. If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares in EP Global Opportunities Trust plc, please forward this document as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of the Company will be held at The Bonham Hotel, 35 Drumsheugh Gardens, Edinburgh EH3 7RN on Wednesday, 27 April 2022 at 12.00 noon to transact the business set out in the resolutions below.

Ordinary business

To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

1 To receive and adopt the Strategic Report, Directors' Report, Auditor's Report and the audited Financial Statements for the year ended 31 December 2021.

2 To receive and approve the Directors' Remuneration Report for the year ended 31 December 2021.

3 To receive and approve the Directors' Remuneration Policy

4 To declare a final dividend of 5.0p per share for the year ended 31 December 2021.

5 To re-appoint Johnston Carmichael LLP as Auditor to the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next meeting at which Financial Statements are laid before the Company.

6 To authorise the Audit and Management Engagement Committee to determine the remuneration of the Auditor of the Company.

7 To elect Mr Dowds as a Director of the Company.

8 To elect Ms Cameron as a Director of the Company.

9 To elect Dr Nairn as a Director of the Company.

10 To re-elect Mr Ross as a Director of the Company

Special business

11 To consider and, if thought fit, pass the following resolution as a Special Resolution:

THAT, in substitution for any existing authority, the Company be and is hereby generally and unconditionally authorised, pursuant to and in accordance with section 701 of the Companies Act 2006 (the "Act"), to make one or more market purchases (within the meaning of section 693(4) of the Act) of shares of 1p each in the capital of the Company on such terms and in such manner as the Directors of the Company shall from time to time determine, provided that:

(i) the maximum aggregate number of shares hereby authorised to be purchased shall be 4,380,404, (or, if less, 14.99% of the number of shares in issue (excluding treasury shares) immediately following the passing of this resolution);

(ii) the minimum price (exclusive of expenses) which may be paid by the Company for a share shall be 1p;

(iii) the maximum price (exclusive of expenses) which may be paid by the Company for a share shall be no more than the higher of (a) 105% of the average of the closing market value of such shares (as derived from the Daily Official List of the London Stock Exchange) for the five business days prior to the date of the purchase; and (b) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out;

(iv) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (which must be held no later than 30 June 2023), unless previously renewed, varied or revoked by the Company in general meeting; and

(v) the Company may at any time make a contract or contracts to purchase shares under the authority hereby conferred prior to the expiry of such authority which will or might be executed wholly or partly after the expiration of such authority and may make a purchase of shares pursuant to any such contract or contracts.

12 To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

THAT, the Directors of the Company be and they are hereby generally and unconditionally authorised (in substitution for all subsisting authorities to the extent unused), pursuant to and in accordance with section 551 of the Companies Act 2006 (the "Act"), to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £97,407 (being approximately one-third of the issued share capital (excluding treasury shares) as at 11 March 2022) provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (which must be held no later than 30 June 2023), save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or rights to subscribe for, or to convert any security into shares, to be granted after such expiry and so the Directors of the Company may allot shares or grant rights to subscribe for, or to convert any security into shares in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

13 To consider and, if thought fit, pass the following resolution as a Special Resolution:

THAT, subject to the passing of Resolution 12 above (and in substitution for all subsisting authorities to the extent unused but without prejudice to the exercise of any such power prior to the date hereof), the Directors of the Company be and are hereby empowered pursuant to section 570 and section 573 of the Companies Act 2006 (the "Act") to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolution 10 or by way of a sale of treasury shares (within the meaning of section 560(3) of the Act) as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

(a) in connection with an offer of equity securities:

(i) to holders of shares in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to holders of other equity securities (if any) as required by the rights of those securities or as Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange or any other matter (including any such problems arising by virtue of equity securities being represented by depositary receipts); and

(b) otherwise than pursuant to sub-paragraph (a) above, up to an aggregate nominal amount of £14,611 (being approximately 5% of the issued share capital (excluding treasury shares) as at 11 March 2022)

and shall, unless renewed, varied or revoked by the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution (which must be held no later than 30 June 2022), save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

14 To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

THAT, subject to the passing of Resolution 13 above, the Directors of the Company be and are hereby empowered, until the conclusion of the next Annual General Meeting of the Company (which must be held no later than 30 June 2023), to sell shares held as treasury shares at a discount to the prevailing net asset value per share provided:

(i) that the discount at which the shares are sold is narrower than the weighted average discount of the shares held in treasury;

(ii) that the discount at which the shares are sold is no greater than a 2% discount to the prevailing net asset value per share;

(iii) that, if the prevailing market price of a share is less than the net asset value per share, the price at which the shares are sold shall not be less than the prevailing market price;

(iv) that the weighted average discount be calculated by accounting for acquisitions, sales and cancellations from treasury on an average cost and average net asset value basis; and

(v) that the sale will not result in a dilution of the Company's net asset value per share (as at the date of the sale) of greater than 0.2%, when taken together with all other such sales since the date of the Annual General Meeting at which this resolution was passed.

15 To consider and, if thought fit, pass the following resolution as a Special Resolution:

THAT, the Company be and is hereby generally and unconditionally authorised to hold general meetings (other than annual general meetings) on 14 clear days' notice, such authority to expire at the conclusion of the next Annual General Meeting of the Company (which must be held no later than 30 June 2023).

By order of the Board
Kenneth J Greig
Company Secretary

Registered Office: 27-31 Melville Street, Edinburgh EH3 7JF

11 March 2022

Note 1: Pursuant to section 324 of the Companies Act 2006 (the "Act"), a Shareholder entitled to attend and vote at this meeting may appoint one or more persons as his/her proxy or proxies to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a Shareholder of the Company. If multiple proxies are appointed, they must not be appointed in respect of the same shares.

To be effective, the enclosed form of proxy, together with any power of attorney or other authority under which it is signed or a notarially certified copy thereof, should be lodged at the office of the Company's Registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment thereof. In usual circumstances, the appointment of a proxy will not prevent a Shareholder from attending the meeting and voting in person if he/she so wishes. All votes will be taken on a poll and, as a result, every Shareholder present in person or by proxy shall have one vote for every share of which he/she is the holder. The termination of the authority of a person to act as proxy must be notified to the Company in writing. Amended instructions must be received by the Company's Registrar by the deadline for receipt of proxy appointments.

To appoint more than one proxy, Shareholders will need to complete a separate proxy form in relation to each appointment (you may photocopy the proxy form), stating clearly on each proxy form the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares to which each proxy appointment relates or specifying an aggregate number of shares in excess of those held by the Shareholder will result in the proxy appointment being invalid. Please indicate if the proxy instruction is one of multiple instructions being given. All proxy forms must be signed and should be returned together in the same envelope if possible.

In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holders (the first named being the most senior).

Note 2: The "vote withheld" option on the proxy form is provided to enable a Shareholder to abstain on any particular resolution. It should be noted that an abstention is not a vote in law and will not be counted in the calculations of the proportion of votes "for" or "against" a particular resolution.

Note 3: Shareholders who hold their shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's Registrar not later than 48 hours (excluding non-working days) before the start of the meeting or any adjournment thereof. Instructions on how to vote through CREST can be found by accessing the following website: www.euroclear.com/CREST.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this meeting and any adjournment thereof by following the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/crest). The message, in order to be valid, must be transmitted so as to be received by the Company's agent (ID 3RA50) by the latest time for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Note 4: A person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting (however, please note the restrictions on attendance at the Annual General Meeting and the impact this will have on the ability of any such proxy to attend and vote at the Annual General Meeting). If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights. The statements of the rights of Shareholders in relation to the appointment of proxies in Note 1 above do not apply to a Nominated Person. The rights described in that Note can only be exercised by registered Shareholders of the Company.

Note 5: As at 11 March 2022 (the latest practicable date prior to the publication of this notice), the Company's issued share capital amounted to 64,509,642 shares carrying one vote each. After deducting 35,287,462 shares held in treasury, which do not have voting rights, the total voting rights in the Company as at 11 March 2022 were 29,222,180.

Note 6: Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, as amended and/or the purposes of section 360B of the Act, the Company specifies that only those Shareholders registered on the Register of Members of the Company as at close of business on Monday, 25 April 2022 (or, in the event that the meeting is adjourned, only those Shareholders registered on the Register of Members of the Company as at close of business on the day which is two days (excluding non-working days) prior to the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the Annual General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Note 7: In accordance with section 319A of the Act, the Company must cause any question relating to the business being dealt with at the meeting put by a Shareholder attending the meeting to be answered. No such answer need be given if:

a) to do so would:
   (i) interfere unduly with the preparation for the meeting, or
   (ii) involve the disclosure of confidential information;

b) the answer has already been given on a website in the form of an answer to a question; or

c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Note 8: A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual Shareholder of the Company. On a vote on a resolution on a poll, if more than one authorised person purports to exercise a power in respect of the same shares:

a) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way;

b) if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.

To be able to attend and vote at the meeting, corporate representatives will be required to produce prior to their entry to the meeting evidence satisfactory to the Company of their appointment. Corporate Shareholders can also appoint one or more proxies in accordance with Note 1.

Note 9: Shareholders should note that it is possible that, pursuant to requests made by Shareholders of the Company under section 527 of the Act, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstances connected with an Auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

Note 10: Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the chairman of the meeting as his/her proxy is to ensure that both he/she and his/her proxy comply with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.

Note 11: The following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this notice until the conclusion of the Annual General Meeting and on the date of the Annual General Meeting at The Bonham Hotel, 35 Drumsheugh Gardens, Edinburgh EH3 7RN from 11.45 am until the conclusion of the meeting:

a) letters of appointment of the Directors of the Company; and

b) Articles of Association of the Company;

Note 12: The Annual Report incorporating this Notice of Annual General Meeting and, if applicable, any Shareholders' statements, Shareholders' resolutions or Shareholders' matters of business received by the Company after the date of this Notice, will be available on the Company's website at www.epgot.com.

Note 13: Members may not use any electronic address provided either in the Notice of Annual General Meeting or any related documents (including the form of proxy) to communicate with the Company for any purpose other than those expressly stated.

Shareholder warning

Many companies are aware that their Shareholders have received unsolicited phone calls or correspondence concerning investment matters. These calls typically come from fraudsters operating in 'boiler rooms' offering investors shares that often turn out to be worthless or non-existent, or an inflated price for shares they own. While high profits are promised, those who buy or sell shares in this way usually lose their money. These fraudsters can be very persistent and extremely persuasive. Shareholders are therefore advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

It is very unlikely that either the Company or the Company's Registrar would make unsolicited telephone calls to Shareholders and that any such calls would relate only to official documentation already circulated to Shareholders and never in respect of investment 'advice'.

If you have been contacted by an unauthorised firm regarding your shares, you can report this using the FCA helpline on 0800 111 6768 or by using the share fraud reporting form at www.fca.org.uk/consumers/scams.

Edinburgh Partners

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