

EP Global Opportunities Trust plc

Annual Report and Financial Statements

31 December 2010

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Form of Proxy	Enclosed separately

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.

Registered in Scotland No. 259207

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

COMPANY SUMMARY

Commencement	The Company was incorporated on 13 November 2003. It commenced operations on the admission of its shares to listing on the London Stock Exchange on 15 December 2003.
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 policy	<p>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, in other listed investment companies (including investment trusts) and in debt instruments, cash or short-term deposits where the Investment Manager believes it is appropriate in the prevailing market or economic conditions. No investment may exceed 15 per cent of the Company's total assets at the time of investment.</p> <p>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.</p> <p>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 Edinburgh Partners considers to be undervalued on an absolute basis.</p> <p>The complete investment policy is set out in the Directors' Report on pages 11 and 12.</p>
Shareholders' funds	£51,620,000 at 31 December 2010.
Market capitalisation	£51,226,000 at 31 December 2010.
Capital structure	At 31 December 2010, the Company had 32,654,180 ordinary shares of 1p each (including 5,223,700 own shares held in treasury) in issue, resulting in the total number of shares in circulation being 27,430,480 ordinary shares. As at the date of this report, the Company had 64,509,642 ordinary shares (including 5,017,700 own shares held in treasury) in issue, resulting in the total number of shares in circulation being 59,491,942 ordinary shares.
Savings plans	The Company's ordinary shares are fully eligible for inclusion in ISAs and SIPPs. Savings plans and ISAs are available through the BNP Paribas – Edinburgh Partners Savings Scheme, both for lump sum investments and regular contributions. Details may be obtained from Edinburgh Partners, as detailed on page 47 or through the Company's website www.epgot.com .
AIC	The Company is a member of the Association of Investment Companies.
Investment Manager	<p>Edinburgh Partners Limited</p> <p>Edinburgh Partners Limited ("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. The Edinburgh Partners investment team includes experienced investment professionals with strong investment performance records who believe rigorous fundamental research allied to patience is the basis of long-term investment success. Each of the investment professionals has specific responsibilities for sector and regional research in addition to their fund management role.</p> <p>Edinburgh Partners is committed to investment trusts as flexible, long-term savings vehicles and intends that they should form an important component of its business offering.</p>

FINANCIAL SUMMARY

	31 December 2010	31 December 2009	Change
Results for year			
Shareholders' funds	£51,620,000	£50,712,000	1.8%
Net asset value per ordinary share ("NAV")	188.2p	175.9p	7.0%
Share price	186.8p	172.0p	8.6%
Share price discount to NAV	0.7%	2.2%	
Revenue return per ordinary share*	3.2p	2.7p	18.5%
Dividend per ordinary share**	2.8p	2.4p	16.7%

* Based on the weighted average number of shares in issue during the year excluding own shares held in treasury.

** Declared dividend for the year.

	Ordinary share	Ordinary share
Year's high/low		
Share price – high	186.8p	173.0p
– low	159.5p	113.0p
NAV – high	193.1p	177.3p
– low	162.0p	116.8p
Share price premium/(discount) to NAV		
– high	0.5%	0.4%
– low	(6.6)%	(13.5)%

Cost of running the Company

Total expense ratio*	1.3%	1.0%**
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* Based on total expenses for the year and average monthly net asset value.

** Total expense ratio 1.3% in 2009 excluding VAT refund.

Performance record	Shareholders' funds	Net asset value per ordinary share	Share price per ordinary share	Share price discount to net asset value	Revenue return per ordinary share	Dividend per ordinary share
Year ended 31 December						
2004*	£26.1m	116.4p	110.5p	5.1%	0.6p	0.4p
2005	£52.2m	156.2p	154.5p	1.1%	1.1p	0.8p
2006	£58.8m	172.8p	170.0p	1.6%	2.1p	1.8p
2007	£57.7m	177.2p	160.0p	9.7%	2.7p	2.3p
2008	£46.4m	150.4p	132.5p	11.9%	3.9p	3.1p
2009	£50.7m	175.9p	172.0p	2.2%	2.7p	2.4p
2010	£51.6m	188.2p	186.8p	0.7%	3.2p	2.8p**

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

** Declared dividend for the year.

CHAIRMAN'S STATEMENT

Results

At 31 December 2010 our net asset value per share was 188.2p, giving a total return for the twelve months of 8.3 per cent. This follows the total return of 19.4 per cent in 2009, as share prices continued to recover from the 2008 bear market.

We do not have a benchmark against which we monitor the performance of the net asset value. However, your Board does take note of the investment performance of your Company compared to the major stock market indices. Relative to the FTSE All-World Index, our performance is ahead of the Index since the launch of the Company in late 2003. However, in 2010 we gave back some of that outperformance, with the FTSE All-World Index achieving a total return of 16.7 per cent. The total return for the FTSE All-Share Index was 14.5 per cent.

The share price closed the year at 186.8p, an increase of 8.6 per cent over the share price at the end of 2009. At the year end, this represented a discount of 0.7 per cent to the net asset value per share. We continued our policy of buying in shares with a view to maintaining the share price at close to the net asset value per share. During 2010, we bought back 1,393,700 shares into treasury. A further 244,000 shares have been bought back into treasury since the year end and this has been more than offset by the sale from treasury of 450,000 shares.

Stock market and investment performance

World stock markets started 2010 on a firm note. A brief setback in January was quickly reversed and most markets enjoyed a positive first quarter. The second quarter was a very different story. Share prices fell back sharply, with declines in the second quarter of typically 10 to 15 per cent in the main regional indices causing all the first quarter gains to be surrendered.

Concerns about the financial stability of some individual countries within the euro-zone and worries that the US recovery was beginning to falter led some commentators to predict that the recovery from recession would be short-lived. In particular, concerns about the budget deficits and the ability of governments in some southern European countries to finance their debts unnerved financial markets. While Greece was the first country to suffer a sharp rise in interest rates, contagion soon spread to Ireland and threatened both Portugal and Spain. In June, the European finance ministers finalised the creation of the European Financial Stability Facility, a fund to make loans to countries within the euro-zone which are in financial distress.

Share prices bottomed out in early July as markets began to anticipate that the Federal Reserve, the US central bank, would commence another round of "quantitative easing", i.e. buying US government debt and printing the money to do so. Share prices recovered strongly as worries of an economic double dip evaporated.

The main trends in equity markets that had developed in 2009 continued through 2010, with investors focusing on the growth potential of Asia and the increasing demand for commodities. The best performing region was the Far East, where the FTSE All-World Asia ex-Japan Index achieved a total return of 23.9 per cent in sterling terms. Once again currency fluctuations played a significant part in the relative performance of markets. The Japanese yen was particularly strong. As a result, while the Japanese Topix Index ended the year fractionally below its level at the start of the year, there was a total return of 19.5 per cent when adjusted into sterling. The euro was the weakest of the major currencies and the FTSE All-World European Index was the poorest performer in sterling terms of the major regional indices with a gain of only 6.6 per cent. The S&P composite index in the US was up 18.7 per cent in sterling terms.

Our performance was held back by having our largest geographical weighting in Europe (excluding the UK) for most of the year and by holding relatively little in the regional markets in Asia. We continue to find poor value in the emerging Asian markets. On the other hand, the one country where share prices appear to offer significant value is Japan. We added steadily to our investments in Japan throughout 2010 and, by the year end, 24.9 per cent of our assets were invested in Japanese equities, making it our largest geographical area of investment.

Holding in Edinburgh Partners

Funds managed by our Investment Manager, Edinburgh Partners, have continued to grow, helped by the rise in equity markets. We have increased the valuation of our equity stake in Edinburgh Partners by £300,000 to £1.5 million.

Gearing

Since the end of the year, in January 2011, we announced an agreement to borrow £5 million from Scotiabank Europe PLC in the form of a secured multicurrency revolving loan. The interest rate payable on the loan is 1.2 per cent over LIBOR, the London interbank lending rate. One of the long-term advantages of the investment trust structure is the ability to borrow money and hence to introduce an element of gearing to the performance of the net assets. At the time of the agreement, the £5 million amounted to gearing of approximately 10 per cent of our net assets. To date, the equivalent of £4.5 million in Japanese yen and US dollars has been drawn down and is being invested.

Anglo & Overseas

In February 2011, we announced that we had reached agreement in principle with the board of Anglo & Overseas Plc in respect of a merger with your Company through a scheme of reconstruction and voluntary winding up of Anglo & Overseas. Details of the proposals were posted to Shareholders in February, with Shareholder meetings taking place in March. Your Board recommended the proposals as we believed an increase in the size of your Company should improve the marketability of the shares and reduce the annual running costs as a percentage of the total assets.

The proposals have now received the approval of the Shareholders of both companies. One member of the Anglo & Overseas Board, Giles Weaver, joined our Board on 10 March 2011 and a total of 31,855,462 new shares in EP Global Opportunities Trust have been issued to Anglo & Overseas Shareholders who elected to roll over their investment, increasing the net assets of the Company by £59 million to £110 million.

Anglo & Overseas was also managed by Edinburgh Partners and had the same value-based investment philosophy as your Company. The prime difference between the two trusts is that Anglo & Overseas operated a progressive dividend policy, whereas our dividend is dependent on where our Investment Manager perceives the best value to be. We would rather reduce our dividend than compromise this investment philosophy. We believe that our approach will produce superior returns over the longer term. This will continue to be our policy.

Revenue account and dividend

Our revenue per share increased by 18.5 per cent to 3.2p. In 2009 we reduced the dividend as revenue declined due to changes in the shares held in the portfolio. In 2010, the reverse was the case and the Board has been able to declare an interim dividend of 2.8p per share, a 16.7 per cent increase over the dividend declared for 2009. As in the past, only one dividend will be paid for the year. The dividend was announced in February 2011, prior to the issue of new shares in the Company to Anglo & Overseas Shareholders, and is payable on 18 March 2011.

Outlook

As 2010 closed, rising commodity prices were causing an increase in inflationary pressures. This was particularly true in developing countries where food is a relatively high percentage of consumption. China had already raised interest rates a number of times and no doubt will continue to do so until the pricing pressure has been reduced. This is likely to moderate the rate of economic growth and it would not be surprising to see it dampen the enthusiasm for Asian equities, at least for a while. More recently, unrest in a number of Middle Eastern countries and the effect on the price of oil has increased the level of concern.

While China is becoming an increasingly important engine of growth for the world economy, the USA remains by far the largest economy. The US is still focusing on stimulative policies, both fiscal and monetary, to maintain the momentum of the economic recovery. The US monetary policy of "quantitative easing", continues to be a positive for the economy and hence for share prices. Europe, by contrast, is pursuing a policy of monetary easing, while tightening fiscally, raising taxes and cutting spending.

The variety of policy strategies being applied around the world will no doubt cause moments of doubts about the pace of economic growth in 2011, just as there were such moments in 2010. At the year end, we remained fully invested, as our Investment Manager was still able to find shares that represent good value even as some shares in more fashionable areas were looking increasingly fully valued. It is not possible to gauge the short-term effect on financial markets of the nuclear risk in Japan following the tragic earthquake but we are hopeful that the negative effect will indeed be only short-term.

Teddy Tulloch

Chairman

18 March 2011

MANAGER'S REPORT AND PORTFOLIO ANALYSIS

In 2010 the Company's net asset value total return per share was 8.3 per cent. In real terms this was a positive, but set against the backdrop of returns from global equities it was less than inspiring. Although we do not invest by reference to the composition of indices, we nevertheless are cognisant of the returns earned by indices. During the calendar year the FTSE All-World Index total return was 16.7 per cent. This begs the question of whether there were opportunities we missed.

As our Shareholders know, we seek to identify companies where the long-term profit potential is not being valued correctly by the market. The key lies in the analysis of this profit potential and to this end we have an extremely experienced team which operates within a robust and tested analytical process. This approach has been sound over the long term and we believe will continue to be so. However, that does not mean that there will not be periods where we misjudge future events meaning that we do not participate in some share price advances. Equally, there will be periods when stocks that are expensive go up and during that period our performance will lag. The critical question for 2010 was whether it was the former or the latter. Putting this another way, Benjamin Graham, the famous investor and author whose teachings are often quoted by Warren Buffet, described the market as a voting machine in the short-run and a weighing machine in the long-run.

In our view, many of the stocks which performed best in 2010 were the product of 'votes' or sentiment rather than of underlying value. Two principal categories of stocks performed particularly well during 2010. The first were those which were deemed to be beneficiaries of consumption growth, in particular in Asia, with Chinese stocks the most prominent. We subscribe to the widely held view that there are better economic growth conditions in emerging markets. Our difficulty is that for many of our holdings in this area we found that even with a generous allowance for this higher growth many of the stocks were becoming expensive. As a consequence, for 2010 our direct exposure to these types of stocks was relatively low. During the period, the stock market 'voting' was directly opposed to this, to the detriment of our performance. We have spent considerable time reviewing our forecasts and have seen little that would change our view. We remain positive on economic prospects in the emerging markets and will invest in companies domiciled there when valuations come back into range.

The second category of stocks which performed well in 2010 were companies that might loosely be termed as beneficiaries of global monetary easing. Asian asset plays and commodities were the two most obvious groupings. Again, we have not seen anything which alters our views on their valuations.

On a more positive note, there are many companies within the portfolio which did not perform well during 2010, but where we are convinced there is outstanding value. In the technology area, Cisco Systems, Intel and Applied Materials delivered very solid financial results but to a greater or lesser extent were penalised for cautious outlook statements. In our view these statements were appropriate and did not detract from the longer term prospects. We expect to see strong returns from these holdings.

Other stocks where we see sentiment having unduly impacted share prices are a number of our bank holdings, including Bank of America, Mizuho and Intesa Sanpaolo. It is not that we see a recovery in these companies fuelled by future growth. Neither do we see them as being free from a range of risk factors. Rather it is simply that we believe many of the risks to be discounted and that a level of exposure to the potential returns is appropriate for the portfolio.

The major change in the structure of the portfolio has been the continued increase in the number of Japanese holdings. The simple reason for this is that as the year progressed more companies fell into our valuation range. Additions to the portfolio included Bridgestone, the tyre company, which has been able to raise prices consistently, Omron, the control equipment and automation supplier, and Panasonic, the consumer electronics company formerly known as Matsushita Electric Industries. Although these holdings did not provide much by way of return during the year, their valuation suggests that we can expect strong returns at some point in the future.

Japan has been a stock market where investors have been disappointed for some considerable time. However, earnings growth has been strong for the past ten years and the market valuation has now deflated to such a level that (on Thomson Reuters Datastream numbers) it has a lower PE and higher yield than that of the US. International investors can continue to ignore the potential value in Japan for a while, but eventually the 'weighing machine' will kick in.

The realisation of value in Japan may well be postponed by the recent earthquake and subsequent tsunami. It is very early days but it appears that the damage to the fabric of the economy was at the margin and there does not yet appear any reason to significantly alter our long-term profits growth expectations. The main concerns seem to revolve around nuclear power generation and the potential for energy shortages and price rises in combination with the Middle East tension. We will monitor these aspects very closely.

Major sales from the portfolio during 2010 included Swedbank and Franklin Resources. Their share prices had appreciated strongly since purchase and we considered both stocks to be fully valued.

We continue to believe that future returns will be lower than historic norms but substantially ahead of what can be earned from bonds and cash. Again, it is entirely likely that we will also see periodic setbacks which will create opportunities for Shareholders. Finally, we have now in place a small amount of gearing which we believe will enhance returns in the long-run.

Dr Sandy Nairn
Edinburgh Partners Limited

18 March 2011

INVESTMENT MANAGER

Edinburgh Partners Limited

Edinburgh Partners Limited ("Edinburgh Partners") was founded in 2003 as a specialist investment management firm. It manages over £9 billion from institutional clients, including two investment trusts.

The investment partner of Edinburgh Partners with responsibility for managing the portfolio of EP Global Opportunities Trust is Dr Sandy Nairn.

Sandy Nairn BSc, PhD, ASIP, CFA

Sandy is one of the founders, an Investment Partner and Chief Executive of Edinburgh Partners. He is responsible for researching the global telecommunications sector and manages international and global equity portfolios. Previously he was chief investment officer of Scottish Widows Investment Partnership and spent ten years with Templeton Investment Management, latterly as director of global equity research.

PORTFOLIO OF INVESTMENTS

as at 31 December 2010

Company	Sector	Country	Valuation £'000	% of Net Assets
Equity investments				
20 largest equity investments				
Vodafone	Telecommunications	United Kingdom	1,907	3.7
Gazprom	Oil & Gas	Russia	1,820	3.5
Samsung Electronics	Technology	South Korea	1,694	3.3
Yamaha Motor Company	Consumer Goods	Japan	1,673	3.2
Cisco Systems	Technology	United States	1,559	3.0
Applied Materials	Technology	United States	1,543	3.0
Sony	Consumer Goods	Japan	1,512	2.9
Edinburgh Partners Limited	Financials (unlisted)	United Kingdom	1,500	2.9
Fujitsu	Technology	Japan	1,499	2.9
Royal Dutch Shell	Oil & Gas	United Kingdom	1,472	2.9
Mitsubishi	Industrials	Japan	1,471	2.9
Nokia	Technology	Finland	1,458	2.8
Time Warner Cable	Media	United States	1,434	2.8
Taisei	Industrials	Japan	1,408	2.7
Mizuho	Financials	Japan	1,388	2.7
D.R. Horton	Consumer Goods	United States	1,379	2.7
Singapore Telecommunications	Telecommunications	Singapore	1,359	2.6
Omron	Industrials	Japan	1,351	2.6
Deutsche Post	Industrials	Germany	1,345	2.6
Bridgestone	Consumer Goods	Japan	1,313	2.5
Total – 20 largest equity investments			30,085	58.2
Other equity investments				
Tesco	Consumer Services	United Kingdom	1,312	2.5
ENI	Oil & Gas	Italy	1,297	2.5
Petrobras	Oil & Gas	Brazil	1,286	2.5
Novartis	Health Care	Switzerland	1,284	2.5
GlaxoSmithKline	Health Care	United Kingdom	1,278	2.5
Sanofi-aventis	Health Care	France	1,275	2.5
Panasonic	Consumer Goods	Japan	1,275	2.5
Aviva	Financials	United Kingdom	1,250	2.4
HSBC	Financials	United Kingdom	1,224	2.4
Bank of America	Financials	United States	1,201	2.3
Yara International	Basic Materials	Norway	1,150	2.2
SK Telecom	Telecommunications	South Korea	1,129	2.2
China Mobile	Telecommunications	China	1,127	2.2
Telecom Italia	Telecommunications	Italy	1,126	2.2
UBS	Financials	Switzerland	1,098	2.1
Intesa Sanpaolo	Financials	Italy	975	1.9
Symantec	Technology	United States	973	1.9
Intel	Technology	United States	967	1.9
Total – 38 equity investments			51,312	99.4
Cash and other net assets			308	0.6
Net assets			51,620	100.0

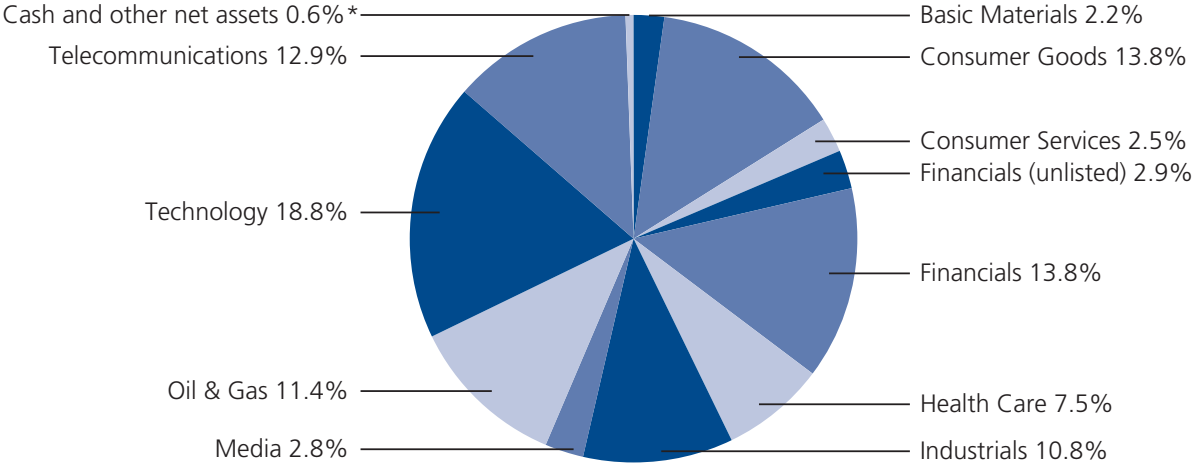
The geographic distribution is based on each investment's principal stock exchange listing, except in instances where this would not give a proper indication of where its activities predominate.

Of the ten largest portfolio investments as at 31 December 2010, the valuations at the previous year end, 31 December 2009, were Vodafone £1,653,000; Gazprom £1,784,000; Samsung Electronics £1,347,000; Yamaha Motor Company £1,246,000; Cisco Systems £2,046,000; Applied Materials £1,166,000; Sony £1,618,000; Edinburgh Partners Limited £1,200,000 and Fujitsu £1,334,000. Royal Dutch Shell was a new purchase during the year ended 31 December 2010.

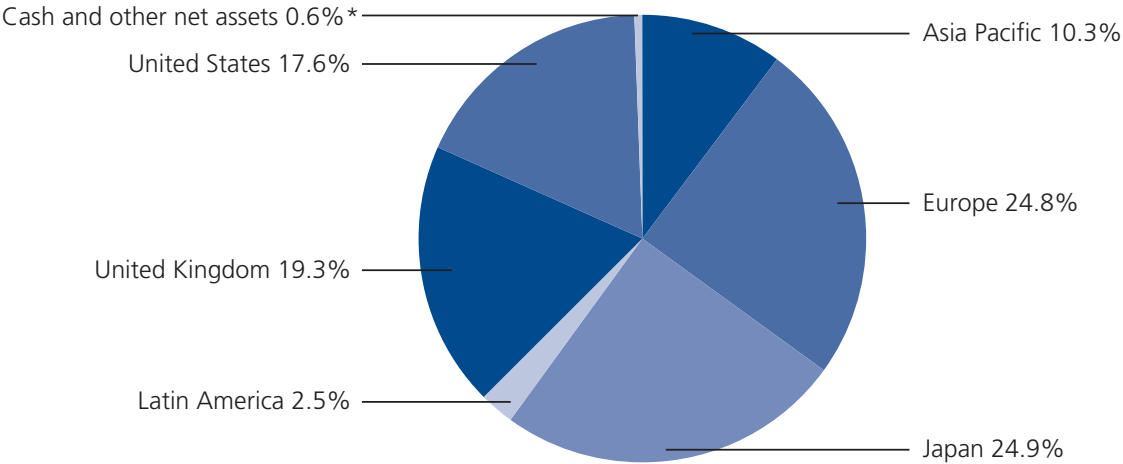
DISTRIBUTION OF INVESTMENTS

as at 31 December 2010 (% of net assets)

Sector distribution



Geographical distribution



* Cash and other net assets include foreign currency balances of £17,000 (0.03%).

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

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

DIRECTORS AND CORPORATE INFORMATION

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

Teddy Tulloch (Chairman)

Teddy Tulloch was with Hoare Govett stockbrokers from 1968 until 1970. In 1972 he joined Stewart Ivory & Company and became a director in 1977. He was investment manager of The Scottish American Investment Company plc from 1987 to 1999. He is chairman of Amoebics Limited.

Richard Burns

Richard Burns became a partner of Baillie Gifford & Co in 1977 and was joint senior partner from 1999 to 2006. He was the manager of Mid Wynd International Investment Trust PLC from the time of its listing in 1981 until 1989 and the manager of The Monks Investment Trust PLC from 1999 to 2006. He is a director of The Bankers Investment Trust PLC, JPMorgan Indian Investment Trust plc, Mid Wynd International Investment Trust PLC and Standard Life Equity Income Trust PLC.

David Hough

David Hough joined Laurence Keen in 1987, being a director from incorporation of Laurence Keen Holdings Limited in 1992 until 1999. He became a director of Rathbone Investment Management Limited on the acquisition of Laurence Keen by Rathbone Brothers in 1999.

Ian McBean

Ian McBean was an investment analyst with Wood, Mackenzie & Co. from 1967 to 1981 when he became deputy head of research. In 1986 he became head of research and in 1988, upon the sale of Wood, Mackenzie & Co. to National Westminster Bank, head of UK equity research for County NatWest Securities. He was an investment manager with Templeton Investment Management between 1990 and 1991 and an investment adviser with Torrie & Co. from 1992 to 1999. He has served as a director of Wood, Mackenzie & Co, Hill Samuel & Co. and County NatWest Limited.

Giles Weaver

Giles Weaver is chairman of Helical Bar plc, Charter European Trust plc and Tamar European Industrial Fund Ltd and a non-executive director of Aberdeen Asset Management plc as well as a number of other investment companies. He was formerly executive chairman of Murray Johnstone Limited and a director of Anglo & Overseas Plc.

Secretary and Registered Office

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DIRECTORS' REPORT

The Directors present their Annual Report and Financial Statements for the year to 31 December 2010.

Business review

Status of Company

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. Its shares are listed on the premium segment of the Official List of the UK Listing Authority and traded on the main market of the London Stock Exchange. The Company has received approval from HM Revenue & Customs as an authorised investment trust under section 842 of the Income and Corporation Taxes Act 1988 for the period from inception to 31 December 2009. This approval is subject to there being no subsequent enquiry under corporation tax self-assessment. In the opinion of the Directors, the Company has subsequently directed its affairs so as to enable it to continue to qualify for such approval and the Company will continue to seek approval each year. With effect from the year ended 31 December 2010, approval will be sought under sections 1158 and 1159 of the Corporation Tax Act 2010.

Activities

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

A review of the Company's activities during the year is given in the Chairman's Statement on pages 4 and 5 and in the Manager's Report and Portfolio Analysis on pages 6 and 7.

Net asset valuation

The net asset value per ordinary share ("NAV") at 31 December 2010 was 188.2p (2009: 175.9p).

Results

The results for the year are set out in the Income Statement on page 28 and the Reconciliation of Movements in Shareholders' Funds on page 30.

Dividends

The Directors have declared the payment of an interim dividend of 2.8p per ordinary share (2009: interim dividend of 2.4p). This dividend is payable on 18 March 2011 to Shareholders on the register at the close of business on 4 March 2011. The ex-dividend date was 2 March 2011. No final dividend has been recommended.

Objective

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

Investment policy

The Company invests in a focused portfolio of approximately 30 to 40 securities of issuers throughout the world, predominantly in quoted equities. The Company may also invest in unquoted securities, which are not anticipated to exceed 10 per cent of the Company's total assets at the time of investment (excluding shares held in Edinburgh Partners). No investment in the Company's portfolio may exceed 15 per cent of the Company's total assets at the time of investment (being the maximum amount permitted for an investment trust company in terms of Chapter 4 of Part 24 of the Corporation Tax Act 2010).

The Company has no present intention to invest in other investment companies or funds but retains the ability to 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.

DIRECTORS' REPORT – continued

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 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 process through which an equity must pass in order to be included in the portfolio is rigorous. Only a security where the Investment Manager believes that the price will be significantly higher in the future will pass the selection process. The key to successful stock selection is to identify the long-term value of a company's shares and to have the patience to hold the shares until that value is appreciated by other investors. Identifying long-term value involves detailed analysis of a company's earning prospects over a five year time horizon. Further details of the investment strategy can be found in the Chairman's Statement on pages 4 and 5 and the Manager's Report and Portfolio Analysis on pages 6 and 7.

The Company's Investment Manager is Edinburgh Partners which is an independent specialist investment manager focusing exclusively on achieving returns for investors based on global investment analysis of the highest quality. The Edinburgh Partners investment team includes experienced investment professionals with strong investment performance records who believe rigorous fundamental research allied to patience is the basis of long-term investment success. Each of the investment professionals has specific responsibilities for sector and regional research in addition to their fund management role. Details of the Investment Management Agreement are set out on page 15.

Principal risks

The Board considers that the following are the principal risks associated with investing in the Company: investment and strategy, discount volatility, market risk, liquidity risk, credit risk, interest rate risk, foreign currency risk, gearing, regulatory risk, operational risk and financial risk. An explanation of these risks and how they are managed and the policy and practice with regards to financial instruments are contained in note 18 on pages 41 to 44.

Key Performance Indicators

At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objective. The Key Performance Indicators used to measure progress and performance of the Company over time are established industry measures and are as follows:

- Net asset value per ordinary share.
- Share price.
- Share price discount/premium to net asset value per ordinary share.
- Revenue return per ordinary share.
- Total expense ratio.

The Financial Summary on page 3 provides information for the years ended 31 December 2010 and 31 December 2009 on the Key Performance Indicators noted above.

Current and future developments

A review of the main features of the year ended 31 December 2010 and the outlook for the coming year can be found in the Chairman's Statement on pages 4 and 5 and the Manager's Report and Portfolio Analysis on pages 6 and 7. The Board's main focus is on the investment return and approach. Attention is paid to the integrity and success of the investment approach and on factors which may have an impact on this approach. Due regard is paid to the promotion of the Company including communication with Shareholders and other external parties. The Board is regularly updated on wider investment trust industry issues. Detailed papers are presented to the Board which lead to extensive discussion on development and strategy.

On 10 March 2011 a merger of the assets of the Company and Anglo & Overseas was implemented following Shareholder approval. Further information regarding the merger can be found in the Chairman's Statement on page 5 and in note 21: Post balance sheet events on page 45.

Gearing

The Company did not have any gearing as at 31 December 2010. The Company entered into a £5,000,000 secured multicurrency revolving credit facility on 14 January 2011, as detailed in note 21.

The use of gearing can cause both gains and losses in the net asset value of the Company to be magnified, as explained more fully in note 18.

Social, environmental and ethical policy

EP Global Opportunities Trust plc seeks to invest in companies that are well managed, with high standards of corporate governance. The Directors believe this creates the proper conditions to enhance long-term value for Shareholders. In aiming to achieve a high level of corporate performance the Company adopts a positive approach to corporate governance and engagement with companies.

In pursuit of the above objective, the Directors believe 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, for which it has delegated responsibility to its Investment Manager. It is the policy of the Company to vote, as far as is practicable, 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, with the key issues on which the Investment Manager focuses being corporate governance, including disclosure and transparency, board composition and independence, control structures, remuneration and social and environmental issues.

The Company itself has no employees and all the Directors are non-executive. The day-to-day management of the Company's business has been delegated to the Company's Investment Manager, Edinburgh Partners, which has an Environmental, SRI and Corporate Governance ("ESG") policy in place, which can be found on their website at www.edinburghpartners.com.

Share capital

At the year end the Company's issued share capital comprised 32,654,180 ordinary shares of which 5,223,700 ordinary shares were held in treasury. At general meetings of the Company, one vote is attached to each ordinary share in issue. Own shares held in treasury do not carry voting rights. The total voting rights of the Company at 31 December 2010 were 27,430,480 ordinary shares. There are no restrictions on the transfer of the Company's ordinary shares or special rights attached to these shares regarding control.

During the year ended 31 December 2010 the Company purchased in the market 1,393,700 ordinary shares (with a nominal value of £13,937) for treasury, at a total cost of £2,419,000. This represented 4.27 per cent of the issued share capital at 31 December 2009.

The total number of own shares held in treasury as at 31 December 2010, including those shares bought back in prior accounting periods, totalled 5,223,700 ordinary 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 5,223,700 ordinary shares (with a nominal value of £52,237) representing 16.00 per cent of the issued share capital at the time they were held in treasury.

Subsequent to the year end and up to the date of this report, a further 244,000 ordinary shares (with a nominal value of £2,440) have been purchased for treasury representing 0.75 per cent of the issued share capital at 31 December 2010, at a total cost of £445,000.

On 17 March 2011, the Company sold 450,000 ordinary shares (with a nominal value of £4,500) from treasury, representing 1.38 per cent of the issued share capital at 31 December 2010, for a total consideration of £805,500. The shares were sold at a premium to the prevailing net asset value.

DIRECTORS' REPORT – continued

On 11 October 2005 the Company applied for a block listing of 1,300,000 ordinary shares. As at 31 December 2010 and at the date of this report a balance of 745,830 shares may be issued under this block listing.

The Company made no share issues during the year ended 31 December 2010. After the year end, on 10 March 2011, 31,855,462 new ordinary shares were allotted (with a nominal value of £318,555) to Shareholders in Anglo & Overseas who elected or were deemed to elect to roll over their shareholdings in Anglo & Overseas into shares in the Company under the scheme of reconstruction and voluntary winding up of Anglo & Overseas. The price at which these new ordinary shares are treated as being issued is 186.29p per share. The Company received assets comprising of investments in shares of publicly quoted companies worldwide and cash as consideration for the issue of the new ordinary shares.

Sale of shares from treasury

The Company will only sell shares from treasury at a price at or above the prevailing net asset value per share. Holding shares in treasury enables a company to issue shares cost effectively that might otherwise have been cancelled.

The Company made no sales from treasury during the year ended 31 December 2010. Subsequent to the year end, the Company sold 450,000 ordinary shares from treasury as detailed on page 13.

Cancellation of share premium

As part of the resolutions required to approve the merger with Anglo & Overseas, Shareholders approved the cancellation of the Company's share premium account. This requires the approval of the Court in order to take effect and once obtained will increase the Company's special reserve which can be used to fund purchases of the Company's own shares for treasury or for cancellation.

Directors

The Directors in office during the year and at the date of this Report are as shown below:

Teddy Tulloch (appointed on 19 November 2003)
Richard Burns (appointed on 19 November 2003)
David Hough (appointed on 19 November 2003)
Ian McBean (appointed on 19 November 2003)
Giles Weaver (appointed on 10 March 2011)

At the forthcoming Annual General Meeting, Messrs Hough and McBean will retire as Directors of the Company and will offer themselves for re-election. Mr Weaver will offer himself for election at the Annual General Meeting, being the first Annual General Meeting following his appointment.

Directors' interests

The interests of the Directors in the ordinary shares of the Company are set out below:

	31 December 2010 or date of appointment, if later	31 December 2009
	Beneficial	Beneficial
Ordinary shares:		
Teddy Tulloch	60,000	60,000
Richard Burns	852,000	852,000
David Hough	54,000*	40,000
Ian McBean	175,000	175,000
Giles Weaver	148,584**	N/A

* 9,000 of these ordinary shares belong to a connected person of Mr Hough.

** Mr Weaver's interest in ordinary shares is at the date of appointment, being 10 March 2011.

Subsequent to 31 December 2010, Mr Tulloch now has a connected interest in 18,573 ordinary shares and Mr McBean has increased his interest by 12,320 ordinary shares to 187,320 ordinary shares.

There have been no other changes to these holdings between 31 December 2010 or date of appointment, if later, and the date of this report.

Substantial share interests

At the date of this report, the Company has been informed of the following notifiable interests in the voting rights of the Company:

	No of shares	% of voting rights
Rathbone Brothers PLC	3,911,047	6.57
Brewin Dolphin Securities Limited	3,019,756	5.08
Noble Grossart Investments Limited	2,470,844	4.15
Rensburg Sheppards Investment Management Limited	2,342,304	3.94

Investment Management Agreement

The Company's investments are managed by Edinburgh Partners under an Investment Management Agreement dated 16 April 2008. The Investment Management Agreement has been amended pursuant to the terms of a letter agreement between the Company and Edinburgh Partners dated 3 February 2011 (further details of which are set out below). The Investment Manager receives a management fee of 0.75 per cent per annum (payable quarterly in arrears) of the average month-end market capitalisation of the issued ordinary shares (excluding treasury shares) during the relevant calendar quarter, plus an administration fee (£72,000 for the year ended 31 December 2010) payable quarterly in arrears and adjusted annually in line with changes in the Retail Price Index.

The Investment Management Agreement may be terminated by either party giving 12 months written notice. No additional compensation is payable to Edinburgh Partners on the termination of the Investment Management Agreement other than the fees payable during the 12 month notice period.

By letter agreement between the Company and Edinburgh Partners dated 3 February 2011, Edinburgh Partners has agreed, that following the merger with Anglo & Overseas, the investment management fee arrangements of the Company will be amended by (i) with effect from 1 April 2011, the reduction of the management fee payable by the Company (on a one-off basis) by an amount equal to the amount paid by Anglo & Overseas to Edinburgh Partners in compensation for the early termination of the investment management agreement between Anglo & Overseas and Edinburgh Partners; and (ii) with effect from 10 March 2011, the amendment of the terms of the Investment Management Agreement to provide for the reduction of the management fee payable to 0.65 per cent per annum (payable quarterly in arrears) on that part of the average month-end market capitalisation of the issued ordinary shares (excluding treasury shares) during the relevant calendar quarter which exceeds £100 million. The reduction of the management fee payable by the Company (on a one-off basis) will be £236,000.

Continuing appointment of the Investment Manager

The Board keeps the performance of the Investment Manager under continual review. The Audit and Management Engagement Committee has considered the performance of the Investment Manager and the terms of its engagement, including the changes to the Investment Management Agreement set out above. It is the opinion of the Directors that the continuing appointment of Edinburgh Partners on the terms agreed is in the interests of Shareholders as a whole. The reasons for this view are that the investment performance since the launch of the Company is satisfactory relative to that of the markets in which the Company invests and because the remuneration of the Investment Manager is reasonable both in absolute terms and compared to that of managers of comparable investment companies. The Directors believe that by paying the investment management fee calculated on a market capitalisation basis, rather than a percentage of assets basis, the interests of the Investment Manager are more closely aligned with those of Shareholders.

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 FSA Disclosure and Transparency Rules.

- The Company's capital structure and voting rights are summarised on pages 2, 13 and 14.
- Details of the substantial Shareholders in the Company are listed above.

DIRECTORS' REPORT – continued

- The giving of powers to issue or buy back the Company's shares require an appropriate resolution to be passed by Shareholders. Proposals for the renewal of the Board's current powers to issue and buy back shares are set out on pages 21 and 22.
- There are: no restrictions on voting rights; no agreements between holders of securities regarding their transfer known to the Company; and no agreements which the Company is party to that might affect its control following a successful takeover bid.

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 Business Review on pages 11 to 14. In addition, notes 18 and 19 to the financial statements include the Company's objectives, 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 market related and include market risk, liquidity risk, credit risk and foreign currency risk. The Company's assets consist principally of a diversified portfolio of listed equity shares, which in most circumstances are realisable within a short period of time and exceed its liabilities by a significant amount. After due consideration, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

Payment of suppliers

It is the Company's payment policy to obtain the best possible terms for all business and, therefore, there is no consistent policy as to terms used. The Company agrees with its suppliers the terms on which business will take place and it is the Company's policy to abide by those terms. There were no trade creditors outstanding at 31 December 2010.

Donations

The Company made no political or charitable donations during the year.

Auditors

Resolutions to re-appoint Ernst & Young LLP as Auditors to the Company and to authorise the Board to determine their remuneration will be put to Shareholders at the forthcoming Annual General Meeting to be held on 28 April 2011.

Corporate governance

Statement of compliance with the AIC Code of Corporate Governance and Guide ("the AIC Code")

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide") published in March 2009, both of which can be found on the AIC website www.theaic.co.uk. The AIC Code, as explained by the AIC Guide, addresses all the principles set out in Section 1 of the Combined Code as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company. The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the Combined Code), will provide better information to Shareholders. A copy of the Combined Code can be found at www.frc.org.uk.

The Board considers that it has managed its affairs in compliance with the AIC Code and the relevant provisions of the Combined Code throughout the year ended 31 December 2010, 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 Combined Code, the AIC Code specifies a "comply or explain" basis and the Board's report under this section explains any deviation from its recommendations. As set out in the AIC Guide accompanying the AIC Code, the Board considers that the Combined 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 Board has noted the publication during 2010 of the new UK Corporate Governance Code, which will replace the Combined Code, and the new AIC Code. These new Codes will be effective for the Company's next annual report.

Board of Directors

The Chairman and each of the Directors is independent of the Investment Manager. Each member of the Board is non-executive. The Board reviews the independence of the Directors on a regular basis. Mr Hough is considered to be independent, notwithstanding his connection with Rathbone Investment Management Limited, a subsidiary of Rathbone Brothers PLC, which is a substantial Shareholder of the Company.

The Chairman of the Company is Mr Tulloch. He does not have any significant other commitments that would affect his Chairmanship of the Company. 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. These letters of appointment are available for inspection on request to the Company Secretary.

The Company's Articles of Association require that each Director is to retire at the first Annual General Meeting following appointment and thereafter at the third Annual General Meeting after the Annual General Meeting at which he was last elected, which reflects the AIC Code requirement for all Directors to retire at least once every three years. At the forthcoming Annual General Meeting, Messrs Hough and McBean will offer themselves for re-election. The Board strongly recommends the re-election of Messrs Hough and McBean to Shareholders on the basis of their expertise and experience in investment matters and their continuing effectiveness and commitment to the Company.

Mr Weaver was appointed to the Board on 10 March 2011 following the merger of the Company with Anglo & Overseas and will stand for election at the Annual General Meeting in accordance with the Company's Articles of Association. The Board strongly recommends the election of Mr Weaver as he provides a wealth of experience in the investment management industry and insight into strategy and the decisions of the Investment Manager.

A process of performance evaluation has been undertaken by which the performance of the Chairman, each Director and the Board as a whole has been evaluated in respect of the year ended 31 December 2010. 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 was considered as part of the evaluation process. The performance of the Chairman was similarly evaluated by the other Directors. This process is carried out on an annual basis.

The Directors of the Company meet formally at least four times a year to review and receive reports from Edinburgh Partners on a full range of relevant matters, including investments, marketing, administration and risks. During the calendar year 2010, four such scheduled meetings were held. All Directors attended all four meetings. Additional meetings are held on an ad-hoc basis as required and the Board met on a number of occasions during the year in connection with the merger with Anglo & Overseas.

The Board does not consider it necessary for a senior independent director to be appointed, as all of the Directors are independent. Further, given the number of Directors, the Board does not consider it necessary for the Company to establish separate nomination and remuneration committees and all of the matters that can be delegated to such committees are considered by the Board as a whole. The Board has agreed terms of reference when considering issues that would normally be delegated to those committees, copies of which are available from the Company's registered office on request. 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.

DIRECTORS' REPORT – continued

During the year ended 31 December 2010, the Board established an Audit and Management Engagement Committee (the "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's registered office). The Committee normally will meet twice a year and consists of Mr Burns, who is chairman, Mr McBean and Mr Tulloch. The Board believes it is appropriate for the Chairman of the Company, Mr Tulloch, to be a member of the Audit and Management Engagement Committee because it does not believe that the provisions of the Combined Code relating to Audit Committees are relevant to an investment company with a small Board comprised wholly of independent, non-executive Directors. It believes that Mr Tulloch provides a valuable contribution to the Audit and Management Engagement Committee and that his membership enhances the operation of the Committee and its interaction with the Board. It is considered that there is a range of recent and relevant financial experience amongst the members of the Committee. During the calendar year 2010, two such scheduled meetings were held which were attended by all members of the Committee.

The primary responsibilities of the Committee are to review the integrity and contents of the Company's financial statements and accounting policies; to consider compliance with regulatory and financial reporting requirements; to review the Company's internal control and risk management systems; to review annually the need for the Company to have its own internal audit function; to consider the independence and objectivity of the Company's Auditors and the effectiveness of the audit; and to make recommendations to the Board in relation to the appointment and remuneration of the Auditors. The Committee has direct access to the Company's Auditors, who attend the relevant Committee meeting to report on the audit of the Company and its review of the Company's Annual Report and financial statements. The Committee has the opportunity to meet with the Company's Auditors without the Investment Manager being present.

The Committee has considered the independence and objectivity of the Auditors and has noted that no non-audit services were provided by the Auditors during the year. It is satisfied in these respects that Ernst & Young LLP has fulfilled its obligations to the Company and its Shareholders.

The Company's management functions are delegated to the Investment Manager, Edinburgh Partners. The Audit and Management Engagement Committee considers the performance of the Investment Manager, the terms of its engagement and, on an annual basis, makes a recommendation to the Board about the continued appointment of the Investment Manager.

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. 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, changes to the Company's objectives 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 portfolio to the Investment Manager. Representatives from the Investment Manager attend Board meetings and provide reports on investments, marketing, operational and administrative matters.

Conflicts of interest

On 1 October 2008 it became a statutory requirement that a Director must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly 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 conflict situation arising. He must request authorisation from the Board as soon as he 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 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.

The Directors must also comply with the statutory rules requiring company directors to declare any interest in an actual or proposed transaction or arrangement with the Company.

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. Save for 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 23 and 24.

Internal control review

The Directors acknowledge that they are responsible for the Company's systems of internal control and for reviewing their effectiveness.

An ongoing process, in accordance with the guidance of the Financial Reporting Council on internal controls, has been implemented for identifying, evaluating and managing risks faced by the Company. This process has been in place throughout the year ended 31 December 2010 and up to the date the financial statements were approved. Key procedures established with a view to providing effective financial control have also been in place for the year ended 31 December 2010 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 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 in the context of the Company's overall investment objective. The review covers the key business, operational, compliance and financial risks facing the Company. 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 threat 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.

DIRECTORS' REPORT – continued

Against this background, the Board has split the review of risk and associated controls 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 Edinburgh Partners) to provide administrative services to the Company. In performing its functions, Edinburgh Partners delegates certain administrative tasks to third parties. The Company has obtained from Edinburgh Partners 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; and
- details of the "whistle blowing" policies in place.

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

- 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 Edinburgh Partners. Kenneth J Greig, a director of Edinburgh Partners, is the Company Secretary and Capita Sinclair Henderson Limited provides certain accounting, administrative and secretarial support services to Edinburgh Partners and the Company;
- custody of assets is undertaken by The Bank of New York Mellon;
- the duties 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 their 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; the Board monitors their ongoing performance and contractual arrangements;
- mandates for authorisation of investment transactions and expense payments are set by the Board; and
- the Board reviews financial information provided by Edinburgh Partners and Capita Sinclair Henderson Limited in detail on a regular basis.

The Company does not have an internal audit function. All of the Company's management functions are performed by third parties whose internal controls are reviewed by the Board or on its behalf by Edinburgh Partners. It is therefore felt that there is no need for the Company to have an internal audit function. However, this need is reviewed annually.

In accordance with guidance issued to directors of listed companies, 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 2010, as set out above.

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.

Relations with Shareholders

Communication with Shareholders is given a high priority by both the Board and the Investment Manager. The Directors have a policy of maintaining regular contact with major Shareholders and are always available to enter into dialogue with Shareholders. All Shareholders are encouraged to attend and vote at the Annual General Meeting during which the Board and 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.

Copies of the Half-yearly and Annual Reports are dispatched to Shareholders by mail and are also available for downloading from the Company's website www.epgot.com.

Special business at the Annual General Meeting

At the General Meeting held on 3 March 2011 the Company was granted authority to purchase up to 14.99 per cent of the Company's ordinary shares in issue (excluding treasury shares) following the listing of the new shares issued as a result of the merger with Anglo & Overseas, amounting to 8,850,387 ordinary shares. This replaced the authority granted at the Annual General Meeting held on 28 April 2010 to buy back up to 4,237,530 ordinary shares. Details of shares bought back during the year can be found on page 13. As at the date of this report, the Company may purchase up to 8,850,387 ordinary shares under the existing authority.

Resolution 8 (a Special Resolution), as set out in the notice of meeting, if passed, will renew the Directors' authority to purchase (either for cancellation or to hold in treasury) up to 8,917,842 ordinary shares (being 14.99 per cent of the issued share capital (excluding treasury shares) as at the date of this report), or if less, 14.99 per cent of the issued share capital (excluding treasury shares) immediately following the passing of the resolution. In accordance with the Listing Rules of the FSA, the price paid for shares will be not less than 1p per ordinary share, and not more than the higher of (i) 5 per cent above the average mid-market prices 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 amount stipulated by Article 5(1) of the Buy-Back and Stabilisation Regulations 2003 (being a price higher than 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 net asset value of the shares. The authority will be used when supply exceeds demand 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 2012).

Resolution 9 (an Ordinary Resolution), as set out in the notice of meeting, if passed, will renew the Directors' authority to issue up to an aggregate nominal value of £198,306 representing 19,830,600 ordinary shares (being approximately one-third of the issued share capital (excluding treasury shares) as at the date of this report) in accordance with statutory pre-emption rights. In addition, in accordance with the guidance from the Association of British Insurers on the expectations of institutional investors in relation to the authority of directors to allot shares, paragraph (b) of Resolution 9 will authorise the Directors to allot additional ordinary shares up to a maximum nominal amount of £198,306 which is approximately a further one-third of the issued share capital (excluding treasury shares) as at the date of this report. However, the Directors will only be able to allot those shares for the purpose of a rights issue in which the new shares are offered to Shareholders in proportion to their then shareholdings. In the event that the Directors utilise the authority in paragraph (b) of Resolution 9, the Directors will each offer themselves for re-election at the next Annual General Meeting of the Company.

As at the date of this report, the Company holds 5,017,700 ordinary shares in treasury, representing 7.78 per cent of the issued share capital. 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 2012). The authority will be used where Directors consider it to be in the best interests of Shareholders. The Directors will only issue new ordinary shares at a price at or above the prevailing net asset value per share.

DIRECTORS' REPORT – continued

Resolution 10 (a Special Resolution), as set out in the notice of meeting, if passed, will renew the Directors' authority to issue shares (i) by way of a rights issue (subject to certain exclusions), (ii) 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 (iii) to persons other than existing Shareholders up to an aggregate nominal value of £59,491, representing 5,949,100 ordinary shares (being approximately 10 per cent of the issued share capital (excluding treasury shares) as at the date of this report) 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 2012). The authority will be used where Directors consider it to be in the best interests of Shareholders. The Directors will only issue new ordinary shares at a price at or above the prevailing net asset value per share. The passing of Resolution 10 is subject to the passing of Resolution 9.

Resolution 11 (a Special Resolution), as set out in the notice of meeting, if passed, will renew the approval to convene all 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 them, as they intend to do so in respect of their own beneficial shareholdings.

By order of the Board

Kenneth J Greig

Secretary

18 March 2011

DIRECTORS' REMUNERATION REPORT

The Directors submit this Report in accordance with the requirements of Schedule 8 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. An Ordinary Resolution will be put to the Shareholders to approve this report at the forthcoming Annual General Meeting.

The law requires your Company's Auditors to audit certain disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on pages 26 and 27.

Remuneration Committee

The Board consists entirely of independent non-executive Directors and it is therefore not considered appropriate for the Company to establish a separate remuneration committee.

Policy on Directors' fees

The Company follows the recommendation of the AIC Code that Directors' remuneration should reflect their duties and responsibilities and the value of their time spent. The Board's policy is that the remuneration of the Directors should reflect the value of their contribution and the experience of the Board as a whole, and is determined with reference to comparable investment trusts. It is intended that this policy will continue for the year ending 31 December 2011 and for subsequent financial years.

The fees of the Directors are determined within the limits set out in the Company's Articles of Association. There are no performance conditions attaching to the remuneration of the Directors and they 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.

Directors' service contracts

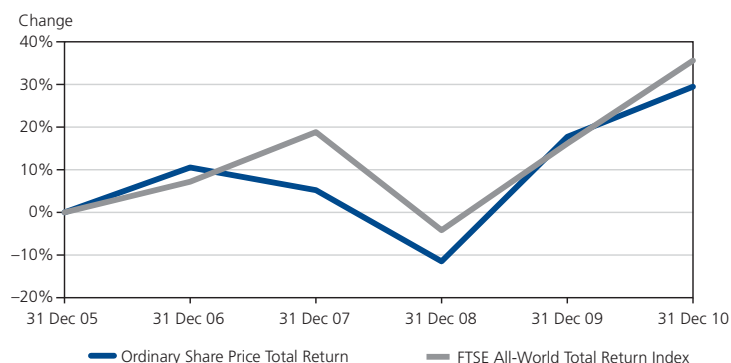
The Company does not enter into service contracts with its Directors. Instead, the Company has a policy of entering into a letter of appointment with each of its Directors. The Company's policy when determining the duration of notice periods and termination payments under such letters of appointment is to follow prevailing best practice guidelines. The terms of their appointment provide that a Director shall retire and be subject to election at the first Annual General Meeting after his appointment and re-election at least every three years thereafter.

There is no notice period and no provision for compensation upon early termination of appointment.

Your Company's performance

The graph below compares the total return (assuming all dividends are reinvested) to Shareholders, compared to the return of the FTSE All-World Total Return Index. Although the Company has no formal benchmark, this 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 adequately compared.

5 year performance



Source: Edinburgh Partners

DIRECTORS' REMUNERATION REPORT – continued

Directors' emoluments for the year (audited)

The Directors who served in the year received the following emoluments in the form of fees:

	1 January 2010 to 31 December 2010	1 January 2009 to 31 December 2009
	£	£
Teddy Tulloch (Chairman)	17,000	17,000
Richard Burns	13,000	13,000
David Hough	13,000	13,000
Ian McBean	13,000	13,000
	<hr/>	<hr/>
	56,000	56,000

Fees in respect of the services of David Hough are paid to his principal employer, Rathbone Brothers plc.

Approval

The Directors' Remuneration Report was approved by the Board on 18 March 2011 and signed on its behalf by:

Teddy Tulloch

Chairman

MANAGEMENT REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

Management report

Listed companies are required by the FSA's Disclosure and Transparency Rules (the "Rules") to include a management report within their annual report and financial statements.

The information required to be included in the management report for the purpose of these Rules is included in the Chairman's Statement on pages 4 and 5, the Manager's Report and Portfolio Analysis on pages 6 and 7 and the Business Review contained in the Directors' Report on pages 11 to 14. Therefore no separate management report has been included.

Statement of Directors' responsibilities in relation to the Annual Report and Financial Statements

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.

The financial statements are required by law to 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; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 of the Company; and
- the Chairman's Statement, the Manager's Report and Portfolio Analysis 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 Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditors are 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 Auditors are aware of that information.

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 Companies Act 2006 and include the information required by the Listing Rules of the FSA. 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 Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's 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

Teddy Tulloch

Chairman

18 March 2011

INDEPENDENT AUDITOR'S REPORT

to the members of EP Global Opportunities Trust plc
for the year ended 31 December 2010

We have audited the financial statements of EP Global Opportunities Trust plc for the year ended 31 December 2010 which comprise the Income Statement, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds, the Cash Flow Statement and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 25, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2010 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.

Opinion 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; and
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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.

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 16, in relation to going concern;
- the part of the Corporate Governance Statement relating to the Company's compliance with the nine provisions of the June 2008 Combined Code specified for our review; and
- certain elements of the report to the Shareholders by the Board on Directors' remuneration.

Susan Dawe (Senior Statutory Auditor)
for and on behalf of
Ernst & Young LLP, Statutory Auditor
Edinburgh

18 March 2011

INCOME STATEMENT

for the year ended 31 December 2010

	Note	2010			2009		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments at fair value	8	–	3,149	3,149	–	7,616	7,616
Foreign exchange losses on capital items		–	(35)	(35)	–	(226)	(226)
Income	2	1,635	–	1,635	1,382	–	1,382
Investment management fee	3	(365)	–	(365)	(323)	–	(323)
Refund of VAT paid on investment management and administration fees		–	–	–	126	–	126
Other expenses	4	(276)	–	(276)	(248)	–	(248)
Net return before finance costs and taxation		994	3,114	4,108	937	7,390	8,327
Finance costs							
Interest payable and similar charges		–	–	–	(1)	–	(1)
Net return before taxation		994	3,114	4,108	936	7,390	8,326
Taxation	5	(100)	–	(100)	(131)	–	(131)
Net return after taxation		894	3,114	4,008	805	7,390	8,195
Return per ordinary share	7	pence 3.2	pence 11.0	pence 14.2	pence 2.7	pence 24.7	pence 27.4

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 return columns are prepared under guidance published by the Association of Investment Companies ("AIC").

A separate Statement of Total Recognised Gains and Losses has not been prepared as all such gains and losses are included in the Income Statement.

Dividend information

An interim dividend, instead of a final dividend, for the year of 2.8p per ordinary share (2009: 2.4p) has been declared. This dividend is payable on 18 March 2011 to Shareholders on the register at the close of business on 4 March 2011. The ex-dividend date was 2 March 2011. Based on 27,186,480 ordinary shares, being the number of ordinary shares in issue (excluding shares held in treasury) on 2 March 2011, the total dividend payment will amount to £761,000. In accordance with FRS 21, dividends are accounted for in the period in which they are paid. Further information on dividend distributions can be found in note 6 on page 35.

The notes on pages 32 to 45 form part of these financial statements.

BALANCE SHEET

as at 31 December 2010

	Note	2010 £'000	2009 £'000
Fixed asset investments:			
Investments at fair value through profit or loss	8	51,312	49,254
Current assets:			
Debtors	10	193	1,340
Cash at bank and short-term deposits		350	1,186
		543	2,526
Creditors: amounts falling due within one year	11	235	1,068
Net current assets		308	1,458
Net assets		51,620	50,712
Capital and reserves:			
Called-up share capital	12	327	327
Capital redemption reserve		14	14
Share premium account		17,991	17,991
Special reserve		10,486	12,905
Capital reserve		21,205	18,091
Revenue reserve		1,597	1,384
Total Shareholders' funds		51,620	50,712
Net asset value per ordinary share	14	pence 188.2	pence 175.9

These financial statements were approved and authorised for issue by the Board of Directors on 18 March 2011 and were signed on its behalf by:

Teddy Tulloch
Chairman

Registered in Scotland No. 259207

The notes on pages 32 to 45 form part of these financial statements.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

for the year ended 31 December 2010

	Share capital £'000	Capital redemption reserve £'000	Share premium account £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Year ended 31 December 2010							
At 31 December 2009	327	14	17,991	12,905	18,091	1,384	50,712
Net return after taxation for the year	-	-	-	-	3,114	894	4,008
Dividends paid	-	-	-	-	-	(681)	(681)
Share purchases for treasury	-	-	-	(2,419)	-	-	(2,419)
At 31 December 2010	327	14	17,991	10,486	21,205	1,597	51,620
Year ended 31 December 2009							
At 31 December 2008	340	1	17,991	15,795	10,701	1,525	46,353
Net return after taxation for the year	-	-	-	-	7,390	805	8,195
Dividends paid	-	-	-	-	-	(946)	(946)
Share purchases for cancellation	(13)	13	-	(1,667)	-	-	(1,667)
Share purchases for treasury	-	-	-	(1,223)	-	-	(1,223)
At 31 December 2009	327	14	17,991	12,905	18,091	1,384	50,712

The notes on pages 32 to 45 form part of these financial statements.

CASH FLOW STATEMENT

for the year ended 31 December 2010

	Note	2010 £'000	2009 £'000
Operating activities:			
Investment income received		1,601	1,388
Bank deposit interest received		–	1
Refund of VAT, including interest, on investment management and administration fees		138	–
Investment management fees paid		(361)	(307)
Secretarial fees paid		(71)	(70)
Other cash payments		(125)	(199)
Net cash inflow from operating activities	15	1,182	813
Servicing of finance		–	(1)
Taxation		(70)	(188)
Capital expenditure and financial investment:			
Purchases of investments		(12,957)	(18,371)
Sales of investments		14,126	20,349
Exchange losses on settlement		(40)	(100)
Net cash inflow from investing activities		1,129	1,878
Net cash inflow before equity dividend and financing		2,241	2,502
Equity dividend paid	6	(681)	(946)
Financing:			
Ordinary shares purchased and held in treasury		(2,419)	(1,223)
Ordinary shares purchased and cancelled		–	(1,667)
Net cash outflow from financing		(2,419)	(2,890)
Decrease in cash	16	(859)	(1,334)

The notes on pages 32 to 45 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2010

1 Accounting policies

Accounting convention

The financial statements are prepared on a going concern basis, under the historical cost convention (modified to include fixed asset investments at fair value), in accordance with the Companies Act 2006, UK Generally Accepted Accounting Practice ("UK GAAP") and with the AIC Statement of Recommended Practice issued in January 2009 relating to the Financial Statements of Investment Trust Companies and Venture Capital Trusts. All of the Company's activities are continuing.

Income recognition

Dividend and other investment income is included as revenue on the ex-dividend date. Deposit interest and underwriting commission receivable is included on an accruals basis.

Dividends are accounted for in accordance with Financial Reporting Standard No. 16: Current Taxation on the basis of income actually receivable, without adjustment for the tax credit attaching to the dividends. Dividends from overseas companies are shown gross of withholding tax.

Management expenses and finance costs

All expenses are accounted for on an accruals basis. All operating expenses are charged through the revenue account in the Income Statement except costs that are incidental to the acquisition or disposal of investments, which are charged to the capital account in the Income Statement. Transaction costs are included within the gains and losses on investment sales, as disclosed in the Income Statement.

Investments

All investments held by the Company are classified as 'fair value through profit or loss'. 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 and impairment 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. Unlisted investments will be valued by the Directors at fair value, using the guidelines on valuation published by the International Private Equity and Venture Capital Association. 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. This does not assume that the underlying business is saleable at the reporting date or that its current shareholders have any intention to sell their holding in the near future.

Foreign currency

The functional and reporting currency of the Company is sterling because that 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. Monetary 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 capital reserve or the revenue account depending on whether the gain or loss is of a capital or revenue nature.

1 Accounting policies – continued

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 that have arisen but not been reversed by the Balance Sheet date, unless such provision is not permitted by Financial Reporting Standard No. 19: "Deferred Tax". This is subject to deferred tax assets only being 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.

Dividends payable to Shareholders

Under Financial Reporting Standard No. 21: "Events after the Balance Sheet Date", final dividends are recognised as a liability in the period in which they have been approved by shareholders in a general meeting. Interim dividends are recognised as a liability in the period in which they have been declared and paid.

2 Income	2010	2009
	£'000	£'000
Income from investments:		
UK net dividend income	486	322
Overseas dividends	1,147	1,041
Interest on liquidity funds	2	7
	1,635	1,370
Other income:		
Interest on VAT refund on investment management and administration fees	–	12
	1,635	1,382
Total income comprises:		
Dividends	1,635	1,370
Interest	–	12
	1,635	1,382
3 Investment management fee	2010	2009
	£'000	£'000
Investment management fee	365	323

The investment management fee is paid quarterly in arrears, at the rate of 0.75 per cent per annum of the market capitalisation of the issued ordinary shares (excluding treasury shares) of the Company. At 31 December 2010 there was £93,000 outstanding (2009: £89,000).

In addition, the Investment Manager received an administration fee of £72,000 as detailed in note 4 (2009: £70,000). At 31 December 2010 there was £18,000 outstanding (2009: £17,000).

NOTES TO THE FINANCIAL STATEMENTS – continued

at 31 December 2010

4 Other expenses	2010	2009
	£'000	£'000
Administration and secretarial fees	72	70
Auditors' remuneration for:		
Audit	18	18
Directors' remuneration	56	56
Other	130	104
	<u>276</u>	<u>248</u>

5 Taxation

a) Analysis of charge in year

	2010			2009		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Current tax:						
UK Corporation Tax	–	–	–	108	–	108
Overseas tax suffered	100	–	100	118	–	118
Double taxation relief	–	–	–	(95)	–	(95)
	<u>100</u>	<u>–</u>	<u>100</u>	<u>131</u>	<u>–</u>	<u>131</u>

b) The current taxation charge for the year ended 31 December 2010 is lower than the standard rate of Corporation Tax in the UK of 28 per cent (2009: 28 per cent). The differences are explained below:

	2010			2009		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net return before taxation	994	3,114	4,108	936	7,390	8,326
Theoretical tax at UK Corporation Tax rate of 28% (2009: 28%)	278	872	1,150	262	2,069	2,331
Effects of:						
– UK dividends that are not taxable	(136)	–	(136)	(90)	–	(90)
– Foreign dividends that are not taxable	(257)	–	(257)	(70)	–	(70)
– Accrued income taxable on receipt	–	–	–	11	–	11
– Accrued income exempt on receipt	(7)	–	(7)	–	–	–
– Non-taxable investment gains	–	(872)	(872)	–	(2,069)	(2,069)
– Unrelieved excess expenses	122	–	122	–	–	–
– Marginal relief adjustment	–	–	–	(3)	–	(3)
– Overseas tax suffered	100	–	100	118	–	118
– Overcharge relating to prior period	–	–	–	(2)	–	(2)
– Double taxation relief	–	–	–	(95)	–	(95)
	<u>100</u>	<u>–</u>	<u>100</u>	<u>131</u>	<u>–</u>	<u>131</u>

5 Taxation – continued

At 31 December 2010 the Company had unrelieved management expenses of £435,000 (31 December 2009: £nil). It is unlikely that the Company will generate sufficient taxable income in the future to use these expenses to reduce future tax charges and therefore no deferred tax asset has been recognised.

In addition due to the Company's status as an investment trust and the intention to continue meeting the conditions required to obtain approval as an investment trust in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

6 Dividends	2010	2009
Declared and paid	£'000	£'000
2009 interim dividend of 2.4p per ordinary share paid in March 2010 (2008: final dividend of 3.1p paid in May 2009)	681	946
	681	946
Net revenue return after taxation	894	805
Declared		
2010 interim dividend of 2.8p (2009: interim dividend of 2.4p) per ordinary share	761	681
	761	681

An interim dividend, instead of a final dividend, for the year of 2.8p per ordinary share (2009: interim dividend of 2.4p) has been declared. This dividend is payable on 18 March 2011 to Shareholders on the register at the close of business on 4 March 2011. The ex-dividend date was 2 March 2011. Based on 27,186,480 ordinary shares, being the number of ordinary shares in issue (excluding shares held in treasury) at 2 March 2011, the total dividend payment will amount to £761,000.

7 Return per ordinary share	2010			2009		
	Net return	Ordinary shares*	Per share	Net return	Ordinary shares*	Per share
	£'000		pence	£'000		pence
Revenue return after taxation	894	28,149,994	3.2	805	29,872,821	2.7
Capital return after taxation	3,114	28,149,994	11.0	7,390	29,872,821	24.7
Total return	4,008	28,149,994	14.2	8,195	29,872,821	27.4

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

NOTES TO THE FINANCIAL STATEMENTS – continued

at 31 December 2010

8 Investments

	2010	2009
	£'000	£'000
Listed investments	49,812	48,054
Unlisted investments	1,500	1,200
	51,312	49,254

	Unlisted	Listed	2010	2009
	£'000	£'000	Total	Total
			£'000	£'000
<i>Analysis of investment portfolio movements</i>				
Opening book cost	214	46,035	46,249	50,777
Opening investment holding gains/(losses)	986	2,019	3,005	(6,842)
Opening valuation	1,200	48,054	49,254	43,935
Movements in the year:				
Purchases at cost	–	12,056	12,056	19,045
Sales – proceeds	–	(13,147)	(13,147)	(21,342)
– realised gains/(losses) on sales	–	2,805	2,805	(2,231)
Increase in investment holding gains	300	44	344	9,847
Closing valuation	1,500	49,812	51,312	49,254
Closing book cost	214	47,749	47,963	46,249
Closing investment holding gains	1,286	2,063	3,349	3,005
Closing valuation	1,500	49,812	51,312	49,254

	Unlisted	Listed	2010	2009
	£'000	£'000	Total	Total
			£'000	£'000
<i>Analysis of capital gains and losses</i>				
Realised gains/(losses) on sales	–	2,805	2,805	(2,231)
Increase in investment holding gains	300	44	344	9,847
Gains on investments	300	2,849	3,149	7,616

The unlisted investment is the 71,294 shares in Edinburgh Partners as disclosed in the Chairman's Statement on page 4.

Fair value hierarchy

In accordance with Financial Reporting Standard No. 29: "Financial Instruments: Disclosures", the Company must disclose the fair value hierarchy of financial instruments.

All of the Company's financial instruments fall into level 1, being valued at quoted prices in active markets, except its investment in Edinburgh Partners which falls into level 3 and is valued using an unquoted price that is derived from inputs that are not based on observable market data. A reconciliation of the fair value movements of level 3 investments is shown in the unlisted column of the table above.

8 Investments – continued

Transaction costs

During the year the Company incurred transaction costs of £28,000 (2009: £35,000) and £16,000 (2009: £36,000) 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 28.

9 Significant holdings

The Company had no holdings of 3 per cent or more of the share capital of any portfolio companies.

10 Debtors

	2010	2009
	£'000	£'000
Due from brokers	–	997
Dividends receivable	104	71
Prepayments and accrued income	10	21
Taxation recoverable	79	125
VAT refund on investment management and administration fees	–	126
	<u>193</u>	<u>1,340</u>

11 Creditors: amounts falling due within one year

	2010	2009
	£'000	£'000
Due to brokers	–	901
Other creditors and accruals	235	152
Corporation Tax	–	15
	<u>235</u>	<u>1,068</u>

12 Share capital

	2010	2009
	£'000	£'000
<i>Allotted, called up and fully paid:</i>		
32,654,180 (2009: 32,654,180) ordinary shares of 1p each (includes 5,223,700 (2009: 3,830,000) shares held in treasury. See notes 13 and 14)	<u>327</u>	<u>327</u>

Duration of the Company

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

NOTES TO THE FINANCIAL STATEMENTS – continued

at 31 December 2010

13 Own shares held in treasury

As set out in the Directors' Report on page 13, from time to time the Company buys back shares and holds them in treasury for re-issue at a later date. In accordance with Financial Reporting Standard No. 25, the consideration paid for these shares held in treasury is presented as a deduction in Shareholders' funds and, in accordance with the AIC Statement of Recommended Practice issued in January 2009, has been allocated to the special reserve. Details of own shares held in treasury and the total cost deducted from Shareholders' funds are shown below:

	Number of shares	2010 £'000	Number of shares	2009 £'000
At 1 January	3,830,000	5,934	3,174,000	4,711
Shares purchased for treasury	1,393,700	2,419	782,000	1,223
Shares cancelled from treasury	–	–	(126,000)	–
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December	5,223,700	8,353	3,830,000	5,934
	<hr/>	<hr/>	<hr/>	<hr/>
Nominal value of own shares held in treasury		52		38
		<hr/>		<hr/>

14 Net asset value per share

The net asset value per share, calculated in accordance with the Articles of Association, is as follows:

	2010 pence	2009 pence
Ordinary share	188.2	175.9
	<hr/>	<hr/>

The net asset value per ordinary share is based on net assets of £51,620,000 (2009: £50,712,000) and on 27,430,480 (2009: 28,824,180) ordinary shares, being the number of ordinary shares, excluding shares held in treasury, in issue at the year end.

15 Reconciliation of net return before finance costs and taxation to net cash inflow from operating activities

	2010 £'000	2009 £'000
Net return before finance costs and taxation	4,108	8,327
Net gains on capital items	(3,114)	(7,390)
Increase/(decrease) in creditors	83	(2)
Decrease/(increase) in debtors and accrued income	105	(122)
	<hr/>	<hr/>
Net cash inflow from operating activities	1,182	813
	<hr/>	<hr/>

16 Reconciliation of net cash flow to movement in net funds

	2010	2009
	£'000	£'000
Decrease in cash for the year	(859)	(1,334)
Realised exchange gains/(losses)	23	(130)
	(836)	(1,464)
Net funds at 1 January	1,186	2,650
Net funds at 31 December	350	1,186

	At 1 January 2010	Cash Flows	Exchange Gains	At 31 December 2010
	£'000	£'000	£'000	£'000
Cash at bank	1,186	(859)	23	350
	1,186	(859)	23	350

	At 1 January 2009	Cash Flows	Exchange Losses	At 31 December 2009
	£'000	£'000	£'000	£'000
Cash at bank	2,734	(1,418)	(130)	1,186
Bank overdraft	(84)	84	–	–
	2,650	(1,334)	(130)	1,186

NOTES TO THE FINANCIAL STATEMENTS – continued

at 31 December 2010

17 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:

	2010			2009		
	Total	No interest rate exposure	Cash flow interest rate risk exposure	Total	No interest rate exposure	Cash flow interest rate risk exposure
	£'000	£'000	£'000	£'000	£'000	£'000
Equity shares						
US dollar	13,291	13,291	–	16,015	16,015	–
Japanese yen	12,890	12,890	–	6,441	6,441	–
Sterling	11,240	11,240	–	6,963	6,963	–
Euro	6,179	6,179	–	10,880	10,880	–
Swiss franc	2,382	2,382	–	2,423	2,423	–
South Korean won	1,694	1,694	–	1,347	1,347	–
Singapore dollar	1,359	1,359	–	–	–	–
Norwegian krone	1,150	1,150	–	1,499	1,499	–
Hong Kong dollar	1,127	1,127	–	1,035	1,035	–
Swedish krona	–	–	–	1,532	1,532	–
Danish krone	–	–	–	1,119	1,119	–
Cash at bank and short-term deposits						
Sterling	333	–	333	792	–	792
US dollar	17	–	17	76	–	76
Japanese yen	–	–	–	318	–	318
Debtors						
Sterling	69	69	–	203	203	–
Euro	46	46	–	38	38	–
Singapore dollar	30	30	–	–	–	–
Swiss franc	29	29	–	40	40	–
Japanese yen	8	8	–	–	–	–
US dollar	7	7	–	57	57	–
Norwegian krone	4	4	–	–	–	–
Hong Kong dollar	–	–	–	997	997	–
Danish krone	–	–	–	5	5	–
Short-term creditors						
Sterling	(235)	(235)	–	(167)	(167)	–
Japanese yen	–	–	–	(901)	(901)	–
	51,620	51,270	350	50,712	49,526	1,186

At 31 December 2010 the Company had no financial liabilities other than short-term creditors (2009: £nil). All financial assets and liabilities of the Company are held at fair value.

18 Risk analysis

Risks

The principal risks the Company faces are:

- Investment and strategy
- Discount volatility
- Market price risk
- Liquidity risk
- Credit risk
- Interest rate risk
- Foreign currency risk
- Gearing
- Regulatory risk
- Operational risk
- Financial risk

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 but has not done so to date. A description of the principal risks the Company faces is detailed below.

Investment and strategy

There can be no guarantee that the objective of the Company 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.

Discount volatility

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 ordinary shares with a view to maintaining the middle market price at which the shares trade at close to the net asset value most recently published by the Company (taking into account the effect on the net asset value per share of any rights to which the shares are trading ex-dividend).

The Board's commitment to allot or repurchase ordinary 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.

During the year ended 31 December 2010 the Company bought back 1,393,700 (2009: 782,000) ordinary shares into treasury, and nil (2009: 1,218,000) ordinary shares were bought back for cancellation. In addition nil (2009: 126,000) ordinary shares previously held in treasury were cancelled.

During the year ended 31 December 2010 the Company issued nil (2009: nil) ordinary shares and sold nil (2009: nil) ordinary shares from treasury.

Market price risk

The Company is exposed to market price risk due to fluctuations in the market prices of its investments. Market 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.

NOTES TO THE FINANCIAL STATEMENTS – continued

at 31 December 2010

18 Risk analysis – continued

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

Details of the Company's investment portfolio as at 31 December 2010 are disclosed on page 8 of these financial statements.

If the investment portfolio valuation fell by 1 per cent from the amount detailed in the financial statements as at 31 December 2010 it would have the effect, with all other variables held constant, of reducing the net capital return before taxation by £513,000 (2009: £493,000). An increase of 1 per cent in the investment portfolio valuation would have an equal and opposite effect on the net capital return before taxation.

Liquidity risk

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

The Company's assets comprise mainly of readily realisable securities which 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 2010. 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.

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. The Company's listed investments are held on its behalf by The Bank of New York Mellon acting as the Company's custodian. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to securities held by the custodian to be delayed. The Board monitors the Company's risk by reviewing the custodian's internal controls reports.

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 money market funds that have been identified by the Board as reputable and of high credit quality.

The maximum exposure to credit risk as at 31 December 2010 was £51,855,000 (2009: £51,780,000). The calculation is based on the Company's credit risk exposure as at 31 December 2010 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 interest securities.

Details of the Company's interest rate exposure as at 31 December 2010 are disclosed in note 17 on page 40 of these financial statements.

18 Risk analysis – continued

The majority of the Company's assets were non-interest bearing as at 31 December 2010. There was limited exposure to interest bearing liabilities during the year ended 31 December 2010. Surplus cash is invested in liquidity funds.

If interest rates had reduced by 0.25 per cent (2009: 0.25 per cent) from those obtained as at 31 December 2010 it would have the effect, with all other variables held constant, of reducing the net revenue return before taxation on an annualised basis by £1,000 (2009: £3,000). If there had been an increase in interest rates of 0.25 per cent (2009: 0.25 per cent) there would have been an equal and opposite effect in the net revenue return before taxation. The calculations are based on cash at bank and short-term deposits as at 31 December 2010 and these may not be representative of the year as a whole.

Foreign currency risk

The base 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 2010 are disclosed in note 17 on page 40 of these financial statements.

If sterling had strengthened by 1 per cent against all other currencies on 31 December 2010, with all other variables held constant, it would have the effect of reducing the net capital return before taxation by £402,000 (2009: £438,000). If sterling had weakened by 1 per cent against all other currencies there would have been an equal and opposite effect on the net capital return before taxation.

Gearing

Gearing is 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 per cent of total assets. The Company did not have any gearing as at 31 December 2010.

On 14 January 2011 the Company entered into a £5,000,000 secured multicurrency revolving credit facility as detailed in note 21. The Company will pay interest on any amounts drawn down under this facility and as such is exposed to interest rate risk due to fluctuations in the prevailing market rates. The principal financial covenants of the facility are that the adjusted asset coverage shall not be less than 4:1 and net assets shall not fall below £25 million.

The use of gearing is likely to lead to volatility in the net asset value per share, 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 net asset value per share. The greater the level of gearing, the greater the level of risk and likely fluctuation in the share price.

Regulatory risk

Failure to qualify under the terms of Sections 1158 and 1159 of the Corporation Tax Act 2010 (formerly Section 842 of the Income and Corporation Taxes Act 1988) may lead to EP Global Opportunities Trust plc being subject to capital gains tax. A breach of the rules of the London Stock Exchange may result in censure by the Financial Services Authority ("FSA") and/or the Company's suspension from listing.

The Board has agreed service levels with the Secretary and Investment Manager which include active and regular review of compliance with these requirements. These checks are reviewed at each Board meeting.

NOTES TO THE FINANCIAL STATEMENTS – continued

at 31 December 2010

18 Risk analysis – continued

Operational risk

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

The Board regularly receives and reviews management information on third parties which the Secretary compiles. In addition, each of the third parties provides a copy of its report on internal controls (SAS 70 or equivalent) to the Board each year.

Financial risk

Inappropriate accounting policies or failure to comply with current or new accounting standards may lead to a breach of regulations.

The Investment Manager employs independent administrators to prepare all financial statements and meets with the independent auditors 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 intended to promote investment trusts which also develops best practice for all of its members.

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.

19 Capital management policies

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 comparison 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 buyback 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 comprises:

	2010	2009
	£'000	£'000
Called-up share capital	327	327
Capital redemption reserve	14	14
Share premium account	17,991	17,991
Special reserve	10,486	12,905
Capital reserve	21,205	18,091
Revenue reserve	1,597	1,384
	<hr/>	<hr/>
Total Shareholders' funds	51,620	50,712

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

20 Transactions with the Investment Manager

Information with respect to transactions with the Investment Manager is provided in note 3 on page 33 of these financial statements and on page 15 in the Directors' Report.

21 Post balance sheet events

On 14 January 2011 the Company entered into a £5,000,000 secured multicurrency revolving credit facility with Scotiabank Europe PLC. The facility is available for one year and interest will be payable on amounts drawn down at the rate of 1.20 per cent above the British Bankers' Association Interest Settlement Rate at the time of draw down (LIBOR). At the date of this report the equivalent of £4,500,000 in Japanese yen and US dollars has been drawn down under this facility.

On 4 February 2011 the Company announced that the Board had reached agreement with Anglo & Overseas in respect of a merger between the two companies. Details of the proposed merger were posted to Shareholders in February, with Shareholder meetings taking place in March and approval was recommended by the Board.

The merger has now received the approval of the Shareholders of both companies. One member of the Anglo & Overseas Board, Mr Weaver, was appointed to the Board on 10 March 2011 and a total of 31,855,462 new shares in EP Global Opportunities Trust have been issued to Anglo & Overseas Shareholders who elected to roll over their investment into the Company, increasing the net assets of the Company by £59 million to £110 million.

Edinburgh Partners has agreed that, following the merger with Anglo & Overseas, the investment management fee will be amended with effect from 1 April 2011 by a one-off reduction of £236,000 paid by Anglo & Overseas and with effect from 10 March 2011 will be reduced from 0.75 per cent to 0.65 per cent per annum on fees chargeable where the average market capitalisation exceeds £100 million. Further details are contained in the Directors' Report on page 15.

GLOSSARY OF INVESTMENT TRUST TECHNICAL TERMS

Discount

If the share price of an investment trust is lower than the net asset value ("NAV") per share, 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 per share and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share, the shares are said to be trading at a premium.

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 ordinary shares due to the presence of borrowings.

ISAs and SIPPs

Individual Savings Accounts and Self-Invested Personal Pensions.

Net asset value per share

The NAV 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).

Total assets

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

Total expense ratio

The total operating expenses incurred by a company, including any charged to capital (excluding interest costs) as a percentage of average monthly net assets.

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 trust at the time the shares go ex-dividend (the share price total return) or in the assets of the investment trust at its NAV per share (the NAV total return). Total return per share statistics are calculated on the basis of the weighted average number of shares in issue.

Treasury shares

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

SHAREHOLDER INFORMATION

Investing in the Company

The Company's ordinary shares are traded on the London Stock Exchange. You can buy or sell shares through your stockbroker, bank or other professional investment adviser. Shares in the Company may also be bought and held in an ISA or Share Plan through the BNP Paribas – Edinburgh Partners Savings Scheme and ISA. The Savings Scheme plan manager was changed from Halifax Share Dealing Limited to BNP Paribas Services during the year. Further information is available on the Company's website www.epgot.com or on the Edinburgh Partners' website www.edinburghpartners.com or by telephone on 0845 358 1100.

Frequency of NAV publication

The Company's ordinary share net asset value is released daily to the London Stock Exchange and published on the Company's website www.epgot.com and on the Edinburgh Partners' website www.edinburghpartners.com.

Sources of further information

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

Share register enquiries

The register for the ordinary shares is maintained by Computershare Investor Services PLC. In the event of queries regarding your holding, please contact the Registrar on 0870 889 4069 or email: web.queries@computershare.co.uk. Changes of name and/or address must be notified in writing to the Registrar, at the address shown on page 10. You can check your shareholding and find practical help on transferring shares or updating your details at www.investorcentre.co.uk

Key dates for 2011

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

The dividend is usually paid in May, however this has been brought forward to March in 2010 and 2011.

Interim Management Statements

In accordance with the Disclosure and Transparency Rules, the Company will be releasing Interim Management Statements ("IMS") for the quarters ending 31 March 2011 and 30 September 2011. These will be released to the London Stock Exchange and may be viewed at the Company's website www.epgot.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 no guarantee of 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.

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 Thursday 28 April 2011, at 12:00 noon to transact the business set out in the resolutions below.

	Resolution on Form of Proxy
Ordinary business	
To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:	
1 To receive and, if thought fit, to accept the Reports of the Directors and Auditors and the audited financial statements for the year ended 31 December 2010.	Resolution 1
2 To receive and approve the Directors' Remuneration Report for the year ended 31 December 2010.	Resolution 2
3 To reappoint Ernst & Young LLP as Auditors to the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.	Resolution 3
4 To authorise the Directors to determine the remuneration of the Auditors of the Company.	Resolution 4
5 To re-elect Mr Hough as a Director of the Company.	Resolution 5
6 To re-elect Mr McBean as a Director of the Company.	Resolution 6
7 To elect Mr Weaver as a Director of the Company.	Resolution 7
Special business	
8 To consider and, if thought fit, pass the following resolution as a Special Resolution:	Resolution 8
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 ordinary shares of 1p each in the capital of the Company ("ordinary shares") 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 ordinary shares hereby authorised to be purchased shall be 8,917,842 (or, if less, 14.99 per cent of the number of ordinary 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 an ordinary share shall be 1p;	
(iii) the maximum price (exclusive of expenses) which may be paid by the Company for an ordinary share shall be no more than the higher of (a) 105 per cent of the average of the closing mid-market price 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 amount stipulated by Article 5(1) of the Buy-Back and Stabilisation Regulations 2003;	

- (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 2012), 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 ordinary 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 ordinary shares pursuant to any such contract or contracts.

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

Resolution 9

THAT, in substitution for any existing authority, 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 ("Rights"):

- (a) up to an aggregate nominal amount of £198,306 (being approximately one-third of the issued share capital (excluding treasury shares) as at 17 March 2011); and
- (b) comprising equity securities (within the meaning of section 560 of the Act) up to a further aggregate nominal amount of £198,306 in connection with an offer by way of a rights issue:
 - (i) to holders of ordinary 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 the Directors otherwise consider necessary,

and so that Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with 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),

provided that the authorities conferred on the Directors by paragraph (a) and (b) above 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 2012), save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted or Rights to be granted after such expiry and so the Directors of the Company may allot shares or grant Rights in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

NOTICE OF ANNUAL GENERAL MEETING – continued

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

Resolution 10

THAT, subject to the passing of Resolution 9 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 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 9 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 (but in the case of the authority granted under paragraph (b) of Resolution 9, by way of a rights issue only):

- (i) to holder of ordinary 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 £59,491 (being approximately 10 per cent of the issued share capital (excluding treasury shares) as at 17 March 2011)

and 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 2012), 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.

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

Resolution 11

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 2012).

By order of the Board:

Kenneth J Greig,

Secretary

EP Global Opportunities Trust plc

Registered Office: 12 Charlotte Square, Edinburgh EH2 4DJ

18 March 2011

Note 1: Pursuant to section 324 of the Companies Act 2006, a member 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 member 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 together with any power of attorney (if any) under which it is signed (or a certified copy thereof) not later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment thereof. The appointment of a proxy will not prevent a member from attending the meeting and voting in person if he/she so wishes. A member present in person or by proxy shall have one vote on a show of hands (save where a proxy has been appointed by two members and instructed to vote in different ways by those members, in which case he/she may vote twice) and on a poll every member present in person or by proxy shall have one vote for every ordinary 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 proxies.

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 member 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 appears 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. Shareholders are advised that CREST is the only method by which completed proxies can be submitted electronically as required by section 333A of the Companies Act 2006.

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 in Note 1 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.

NOTICE OF ANNUAL GENERAL MEETING – continued

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 Companies Act 2006 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. 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 members in relation to the appointment of proxies in Note 1 above do not apply to a Nominated Person. The rights described in this Note can only be exercised by registered members of the Company.
- Note 5: As at 17 March 2011 (the business day prior to the publication of this notice) the Company’s issued share capital amounted to 64,509,642 ordinary shares carrying one vote each. After deducting 5,017,700 ordinary shares held in treasury, which do not have voting rights, the total voting rights in the Company as at 17 March 2011 were 59,491,942 votes.
- Note 6: Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, as amended and/or the purposes of section 360B of the Companies Act 2006, the Company specifies that only those Shareholders registered on the Register of Members of the Company as at 6.00 pm on 26 April 2011 (or, in the event that the meeting is adjourned, only those Shareholders registered on the Register of Members of the Company as at 6.00 pm 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 Companies Act 2006, the Company must cause any question relating to the business being dealt with at the meeting put by a member 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 member of the Company (provided, in the case of multiple corporate representatives of the same corporate Shareholder, they are appointed in respect of different shares owned by the corporate Shareholder or, if they are appointed in respect of those same shares, they vote those shares in the same way). 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. On a vote on a resolution on a show of hands, each authorised person has the same voting rights to which the corporation would be entitled. 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; and
 - b) if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.
- Note 9: Members should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the Companies Act 2006, 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 Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, 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 Companies Act 2006 to publish on a website.
- Note 10: Any person holding 3 per cent 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 and Transparency Rules.
- Note 11: A copy of this notice of Annual General Meeting is available on the Company's website at www.epgot.com.
- Note 12: The letters of appointment of the Directors of the Company will be available for inspection on the day 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.
- Note 13: This notice, together with information about the total number of shares in the Company in respect of which members are entitled to exercise voting rights at the meeting as at 17 March 2011 (the business day prior to the publication of this Notice) and, if applicable, any members' statements, members' resolutions or members' 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.

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