

This document is issued by Dunedin Enterprise Investment Trust PLC (the "Company" and "DENT") and is made available by Dunedin LLP (the "AIFM") solely in order to make certain particular information available to investors in the Company before they invest, in accordance with the requirements of the FCA rules implementing the EU Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (the "AIFM Directive") in the United Kingdom. It is made available to investors in the Company by being made available at www.dunedinenterprise.com (the "DENT Website").

Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

DUNEDIN ENTERPRISE INVESTMENT TRUST PLC

INVESTOR DISCLOSURE DOCUMENT

IMPORTANT INFORMATION

Limited purpose of this document

This document is not being issued for any purpose other than to make certain required regulatory disclosures to investors and, to the fullest extent permitted under applicable law and regulations, neither the Company and its directors nor the AIFM will be responsible to persons other than the Company's shareholders for their use of this document, nor will they be responsible to any person (including the Company's shareholders) for any use which they may make of this document other than to inform a decision to invest in shares in the Company.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to buy or sell, or otherwise undertake investment activity in relation to, the Company's shares.

This document is not a prospectus and it is not intended to be an invitation or inducement to any person to engage in any investment activity. This document may not include (and it is not intended to include) all the information which investors and their professional advisers may require for the purpose of making an informed decision in relation to an investment in the Company and its shares.

No advice

Neither the Company and its directors nor the AIFM are advising any person in relation to any investment or other transaction involving shares in the Company. Recipients must not treat the contents of this document or any subsequent communications from the Company or the AIFM, or any of their respective affiliates, officers, directors, partners, employees or agents, as advice relating to financial, investment, taxation, accounting, legal, regulatory or any other matters. Prospective investors must rely on their own professional advisers, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment in shares.

Potential investors in the Company's shares should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser before investing in the Company.

Overseas investors

The distribution of this document in certain jurisdictions may be restricted and accordingly persons into whose possession this document comes are required to inform themselves about and to observe such restrictions. The shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or under any of the relevant securities laws of Canada, Australia or Japan. Accordingly, the shares may not (unless an exemption from such Act or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the USA, Canada, Australia or Japan. The Company is not registered under the United States Investment Company Act of 1940 (as amended) and investors are not entitled to the benefits of such Act.

Prospective investors must inform themselves as to (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of shares.

THE COMPANY

The Company

The Company is an 'alternative investment fund' ("AIF") for the purposes of the AIFM Directive and is incorporated as a public limited company in Scotland with registered number SC52844.

The Company is private equity investment trust which invests both directly in unquoted companies and in private equity funds. The majority of investments have a UK focus. Additionally, the Company holds investments in two European buyout funds. In May 2016 shareholders approved an orderly realisation of the Company's assets in a manner that seeks to achieve a balance between maximising the value of the Company's investments and progressively returning cash to Shareholders. Full details of the Company's investment policy are set out in the section entitled "Investment Policy" below.

The Company's shares are listed on the Official List of the UK Listing Authority and are admitted to trading on the main market of the London Stock Exchange. Shares in the Company are not redeemable. The applicable laws which govern the activities of the Company include the Listing Rules, the Disclosure and Transparency Rules, the UK corporate governance code and the Companies Act 2006.

The Company's Articles of Association are binding on the Company and its shareholders and set out the respective rights and restrictions attaching to the Company's shares. These rights and restrictions apply equally to all shareholders. All shareholders are entitled to the benefit of, and are bound by the Company's Articles of Association. The Company's Articles of Association are governed by the law of Scotland.

Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the "Brussels Regulation") sets out a system for the allocation of jurisdiction and for the reciprocal enforcement of judgments between Member States of the European Union. Subject to the Brussels Regulation and the circumstances of a particular claim, shareholders residing outside of the UK may be able to bring a claim before their local court and have that judgment enforced in the UK.

Investment objective

The investment objective of the Company is to conduct an orderly realisation of its assets, to be effected in a manner that seeks to achieve a balance between maximising the value of the Company's investments and progressively returning cash to Shareholders.

Investment Policy

The Company's investment policy is to invest primarily in private equity investments, either through private equity funds managed by Dunedin or directly.

The Company may not make any new investments save that:

- (i) investment may be made to honour commitments to funds under existing contractual arrangements;
- (ii) further investment may be made into the Company's direct investments in order to preserve the value of such investments; and
- (iii) realised cash may be invested in liquid cash-equivalent securities, including short-dated corporate bonds, government bonds, cash funds or bank cash deposits pending its return to Shareholders in accordance with the Company's investment objective.

No more than 10 per cent. of the Company's total assets may be invested in any single cash equivalent instrument or placed on deposit with any single institution, except that this limit does not apply to investment in government bonds, which shall be unconstrained.

The use of gearing shall be limited to the investment of up to £20 million of borrowed funds or, if less, 20 per cent. of the Company's NAV (measured at the time of drawdown).

The Company will not invest in other listed closed-end investment funds.

The Company will continue to comply with the requirements of UK investment trust legislation and the restrictions imposed on closed-ended investment funds by the Listing Rules in force from time to time.

In common with most investment companies, the Company may borrow to finance further investment. Although the Company is permitted by its Articles of Association to borrow an amount equal to the amount paid up on the issued share capital and the total amounts standing to the credit of the capital and revenue reserves of the Company, the Board's policy is that financial gearing will not exceed 40 per cent. of gross asset value.

Benchmark

The Board has concluded, after careful consideration, that the FTSE Small Cap-Index is the most appropriate index to act as the benchmark for the Company.

Borrowings

The Company's maximum borrowing capacity is defined in its Articles of Association and, unless otherwise sanctioned by an ordinary resolution of the Company, is an amount equal to the aggregate of the amount paid up on the issued share capital of the Company and the amount standing to the credit of the capital and reserves of the Company.

The Board's policy of borrowing however is set by the Company's investment policy which is limited to the investment of up to £20million of borrowed funds or if less, 20 per cent. of the Company's NAV.

Other investment restrictions

In conducting its activities, the Company complies with the requirements of the Listing Rules. In particular, the Listing Rules require the Company not to conduct any trading activity which is significant in the context of the Company as a whole and at all times to invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy.

As an investment trust, the Company aims to comply with section 1158 of the Corporation Tax Act 2010, which imposes on the Company an obligation to spread investment risk.

Leverage

The AIFM is required by the AIFM Directive to set a maximum level of leverage which it may employ on behalf of the Company.

The AIFM Directive defines "leverage" as "any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means". Leverage is expressed as the ratio of the AIF's "exposure" to its net asset value. For these purposes, the "exposure" of an AIF is calculated by a "gross" and a "commitment" method. Under each method, "exposure" is calculated by aggregating the values of all positions of the AIF. However, whereas the exposure of an AIF calculated in accordance with the "gross" method is the sum of the absolute value of all positions, the "commitment" method allows certain investment positions to be excluded from the calculation if these aim at offsetting some risk such as 'netting' and 'hedging' arrangements.

The maximum level of leverage which may be employed by the AIFM on behalf of the Company, where exposure is calculated in accordance with the gross method, is 1.20:1.00.

The maximum level of leverage which may be employed by the AIFM on behalf of the Company, where exposure is calculated in accordance with the commitment method, is 1.20:1.00.

The Company may use leverage in the form of borrowings.

In addition to the restrictions on the use of borrowings under the Company's Articles of Association and investment policy (see above under "Investment policy – Borrowings"), the use of borrowings by the Company is restricted by the terms which it agrees with its lenders.

The Company has an £20 million facility provided by Lloyds Bank (the “Facility”). Borrowings under the Facility may only be used by the Company for the purpose of making investments and paying fees, expenses, taxation and dividends of the Company.

Outstanding calls on the Company’s limited partnership investments are not treated as exposure under the AIFM Directive and so are not included in the calculation of the Company’s leverage. Therefore, the Company’s undrawn commitments to limited partnership funds does not of itself give rise to leverage for the purposes of the AIFM Directive, although borrowings made by the Company in implementing that strategy will do so.

Any changes to the maximum level of leverage that the AIFM may employ on behalf of the Company, and the total amount of leverage of the Company, will be disclosed at least annually in the Company’s annual report and financial statements or more frequently on the DENT Website as required.

Changes to the Company’s investment policy

As a closed-ended alternative investment fund whose shares are admitted to the Official List under Chapter 15 of the Listing Rules, the Company is required to obtain the prior approval of its shareholders and the Financial Conduct Authority to any material change to its published investment policy. Accordingly, the Company will not make any material change to its published investment policy without the approval of its shareholders by ordinary resolution and the Financial Conduct Authority. The Company will announce any such change through a Regulatory Information Service. The Company’s published investment policy is set out in the section entitled 'Investment policy' above.

Any change in investment strategy or investment policy which does not amount to a material change to its published investment policy may be made by the Company without shareholder approval.

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

General

The Company has appointed a number of third party service providers. Each of these appointments is governed by a contract between the Company and the relevant service provider, the terms of which are enforceable by the Company.

The Company incurs various management, administrative and other fees and expenses, including investment management fees, depositary, audit fees, directors’ fees, regulatory fees and directors’ and officers’ liability insurance premiums. The levels of fees and expenses incurred by the Company in each financial year are disclosed to shareholders in the Company’s annual report and financial statements.

The AIFM

The ‘alternative investment fund manager’ of the Company is Dunedin LLP.

The AIFM is responsible for the portfolio management and risk management in relation to the Company. The AIFM has not delegated any of its functions as AIFM of the Company.

The Company pays the AIFM the management fees set out below.

Investment	Fee
Fund of funds limited partnership	1.5% per annum on the value of investments plus 0.5% per annum on undrawn commitments to third party funds.
Direct investments in individual companies	1.5% per annum on the value of the investments
Dunedin managed funds	Same fees as paid by third party investors in such Funds.
Third party managed funds	1.5% per annum on the value of the investments

Listed private equity funds	1.5% per annum on the value of the investments
Cash	0.5% per annum on cash balances not committed to funds through the Fund of funds limited partnership

The fee payable on all investments made via other Dunedin managed funds is borne by the Company in the same manner as that borne by third party investors in such funds.

The fee is payable quarterly and is calculated on the value of investments at the end of each quarter.

Further details of the terms on which the AIFM has been appointed are set out in the Company's annual report and financial statements.

Shareholders have no personal right to directly enforce any rights or obligations under the terms of the agreement appointing the AIFM.

The Depositary

The Company's depositary is Augentius Depositary Company Limited.

The principal duties of the Depositary are to provide independent oversight of the operation of the Company, ensure the safekeeping and administration of the Company's assets and monitor the Company's cash flows.

The Depositary does not currently delegate its safe-keeping function in relation to the Company's assets but may do so in the future. The Company will notify shareholders of any such delegation.

The Depositary has not entered into any arrangement contractually to discharge itself of liability in accordance with Article 21(13) of the AIFM Directive. The Company will notify shareholders of any changes with respect to the discharge by the Depositary of its liability in accordance with Article 21(13) through a Regulatory Information Service.

The terms appointing the Depositary do not permit transfer or reuse of assets of the Company.

The following fees are paid to the Depositary:

Type	Fee
Annual depositary fee	£30,000
Annual depositary fee per investment	£1,500
Fee per investment / disposal (excluding follow-on investments)	£1,800

A one-off implementation fee was also paid to the Depositary when it was first appointed. If the Depositary delegates its safe-keeping function in the future other fees and charges would be payable to the custodian.

Shareholders have no personal right to directly enforce any rights or obligations under the terms of the agreement appointing the depositary.

The Auditor

The auditor of the Company is Johnston Carmichael LLP. The auditor is responsible for auditing and expressing an opinion in relation to the Company's accounts on at least an annual basis (or in certain other circumstances when requested to do so).

Shareholders have no personal right to directly enforce any rights or obligations under the terms appointing the auditor.

The Registrar

The Company's registrar is Equiniti Limited. The duties of the registrar include the maintenance of the Company's shareholder register and the processing of share transfers.

Shareholders have no personal right to directly enforce any rights or obligation under the terms appointing the Registrar.

The Company Secretary

The Company Secretary is Dunedin LLP. The Company Secretary holds an executive position within the Company and has an important role in its governance and administration. As an officer of the Company the Company Secretary has numerous statutory requirements under the Companies Act 2006.

Shareholders have no personal right to directly enforce any rights or obligations under the terms appointing the Company Secretary.

Prime Brokerage Firm

The Company's prime brokerage firm is Cantor Fitzgerald Europe ("Cantor Fitzgerald"). The Company has agreed to Cantor Fitzgerald's standard terms of business which are governed by the laws of England. The terms limit the liability of Cantor Fitzgerald to loss suffered that is a reasonably foreseeable consequence or is caused directly from their (or their affiliate's) gross negligence, wilful default or fraud.

From time to time conflicts of interest may arise from the arrangement with Cantor Fitzgerald. For example, Cantor Fitzgerald may provide services or advice to other clients whose interest may conflict with the services they provide the Company. Cantor Fitzgerald are required to manage any such conflict having regard to the FCA Rules and the terms of their appointment.

SHAREHOLDER INFORMATION

Annual Reports and Financial Statements

Copies of the Company's latest annual and interim reports may be accessed at the DENT Website.

Publication of net asset values

The latest net asset value of the Company is made available quarterly through a Regulatory Information Service.

Valuation Policy

Unquoted investments are valued at an estimate of fair value and follow the recommendations of the European and British Venture Capital Associations (the "EVCA" and "BVCA", respectively). The estimate of fair value is normally the latest valuation placed on a portfolio fund by its manager as at the balance sheet date. The valuation policies used by the manager in undertaking that valuation will generally be in line with the joint publication by the EVCA and the BVCA, 'International Private Equity and Venture Capital Valuation guidelines'. Where formal valuations are not completed as at the balance sheet date, the last available valuation from the fund manager is adjusted for any subsequent cash flows occurring between the valuation date and the balance sheet date. The AIFM may further adjust such valuations to reflect any changes in circumstances since the last manager's formal valuation date, in order to arrive at the estimate of fair value.

Historical performance of the Company

Details of the Company's historical financial performance are provided in the Company's annual reports and financial statements and quarterly RNS announcements, which are available at the DENT Website.

Investors should note that past performance of the Company and its investments is not necessarily indicative of future performance. Investors may not get back the amount invested.

Purchases and sales of shares by investors

The Company's shares are admitted to the Official List of the UKLA and to trading on the main market of the London Stock Exchange. Accordingly, the Company's shares may be purchased and sold on the main market of the London Stock Exchange.

New shares may not currently be issued by the Company. The Company's shares are not redeemable. While the Company will typically have shareholder authority to buy back shares, shareholders do not have the right to have their shares purchased by the Company.

Periodic Disclosures

The annual report of the Company will include certain disclosures of information, such as any changes to the maximum level of leverage in relation to the Company, where the AIFM is required to provide to shareholders on a periodic basis under 3.2.5 R and 3.2.6 R of the Investment Funds Sourcebook of the FCA Rules.

Fair treatment of investors

The legal and regulatory regime to which the Company and its directors are subject ensures the fair treatment of investors. The Listing Rules require that the Company treats all shareholders of the same class of shares equally.

In particular, as directors of a company incorporated in the United Kingdom, the directors of the Company have certain statutory duties under the Companies Act 2006 with which they must comply. These include a duty upon each director to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.

The Company's ordinary shares rank equally in all respects.

RISK FACTORS

The following risks are those considered by the Company and the AIFM to be the material risks arising from the Company's investing activities but they are not the only risks relating to the Company or its shares. There may also be additional risks that the Company and the AIFM do not currently consider to be material or which are not presently known to them. Before investing in shares, potential investors should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.

Market risk: The Company is at risk of the economic cycle impacting the listed financial markets and hence potentially affecting the pricing of new underlying investments, the valuation of existing underlying investments and the price and timing of exits.

Currency risk: The Company makes fund commitments in currencies other than sterling and, accordingly, a proportion of its investments and cash balances are in currencies other than sterling. Therefore, the Company's statement of financial position is sensitive to movements in foreign exchange rates.

Liquidity risk: The Company has significant investments in unquoted investments which are relatively illiquid. As a result, the Company may not be able to liquidate quickly its investments in these funds at

an amount close to their fair value in order to meet its liquidity requirements, including the need to meet outstanding undrawn commitments.

Credit risk: Credit risk is the exposure to loss from failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments or to repay deposits. The Company places funds with authorised deposit takers from time to time and, therefore, is potentially at risk from the failure of any such institution.

Interest rate risk: The Company will be affected by interest rate changes as it holds some interest bearing financial assets and liabilities. However, the majority of its financial assets are investments in private equity funds which are non-interest bearing. Interest rate movements may affect the level of income receivable on money market funds, cash deposits and interest payable on the Company's variable rate borrowings. Derivative contracts are not used to hedge against any exposure to interest rate risk.

Leverage risk: The Company employs leverage that will magnify gains and losses and result in greater volatility in the value of the Company's assets as a result of market movements.

Brexit: the profitability of the Company's investments may be adversely impacted by an adverse economic impact on the UK economy from Brexit and restricted access to European markets.

Coronavirus: the profitability of the Company's investments may be adversely impacted due to an adverse economic impact on the UK and world economy from the Coronavirus.

Details of the Company's key risks are also set out in the Company's annual report and financial statements, which may be accessed at the DENT Website.

RISK MANAGEMENT

Risk profile

The Company's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Company is exposed are those highlighted in the section entitled "Risk Factors" above: namely, market risk, currency risk, liquidity risk, credit risk and interest rate risk.

The AIFM assesses the sensitivity of the Company's portfolio to the most relevant risks to which the Company is or could be exposed on an ongoing basis.

The current risk profile of the Company will be disclosed periodically to investors by disclosure in the Company's annual report and financial statements or more frequently at the AIFM's discretion.

Risk and liquidity management systems

The Company's key risks are monitored by the AIFM on an ongoing basis and by the Board on a regular basis. The AIFM's investment review and monitoring process is used to identify and, where possible, reduce risk of loss of value in the Company's investments and to ensure that the Company has sufficient liquidity taking into account its investment objectives.

The risk management systems which the AFIM employs to manage the risks which are most relevant to the Company will be disclosed periodically to investors by disclosure in the Company's annual report and financial statements or more frequently at the AIFM's discretion.

Professional negligence liability risks

The AIFM maintains an appropriate level of "own funds" and professional indemnity insurance in accordance with Article 14 of Commission Delegated Regulation (EU) No. 231/2013 (the "Level 2 Regulation") in order to cover the professional liability risks detailed under the Level 2 Regulation, including risks such as loss of documents evidencing title to assets of the Company or acts, errors or omissions resulting in a breach of the law or the AIFM's fiduciary duties.