

Key Information Document

PICTON PROPERTY INCOME LIMITED

Ordinary shares of no par value

ISIN: GB00B0LCW208

Picton Property Income Limited is a non-cellular company limited by shares and incorporated in Guernsey under the Companies (Guernsey) Law 2008, as amended (Company number: 43673). Picton Property Income Limited is a closed ended investment company and is authorised and regulated by the Guernsey Financial Services Commission (Ref: 1029136). All Key Information Documents are maintained on www.picton.co.uk. For more information write to us at Picton Property Income Limited, PO Box 255, Trafalgar Court, Les Banques, St Peters Port, Guernsey or call us at 01481 745001. This document was created on 1 January 2018.

What is this product?

Type

Picton Property Income Limited ("the Company", "we" or "us") is a property investment company incorporated in Guernsey in the form of a limited liability company. You can invest in the Company by purchasing Ordinary Shares (the "Shares"). The Shares are admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

By purchasing the Shares, you will be exposed to the value of the underlying investments of the Company, as well as market volatility. If the value of the underlying investments increase, the value of your Shares may increase. Conversely, if the value of the underlying investments decrease, the value of your Shares may decrease, and you may lose part, or all, of your investment.

Objectives

The Company's objective is to invest in and proactively manage commercial property within the UK. The Company will invest in the principal commercial property sectors: office, retail, industrial and leisure. The Company will acquire and dispose of investments in line with its investment strategy. The Company may also invest in other property related assets in other markets should suitable opportunities arise.

The Company will target an above average income return to be achieved over the longer term via active management to enhance the value of existing investments, and by acquisition of further investments, the prudent use of gearing, and growing the Company with the aim of reducing the ongoing charges ratio of the Company.

Intended retail investor

The Shares are intended for sophisticated investors and private clients of wealth management firms, who are familiar with the risk of investment in commercial property, who understand and are willing to assume the potential risk of capital loss, and who understand that the property market may at times be illiquid. The Shares are intended for those investors for whom the Shares form part of a diversified investment programme.

What are the risks and what could I get in return?

Risk Indicator



The risk indicator assumes you keep the product for 5 years.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Company is not able to pay you.

We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

The Company invests in the commercial property market which is cyclical in nature and returns can be dependent on macro economic factors.

Performance Scenarios

| Investment GBP 10,000 | | 1 year | 3 years | 5 years (recommended holding period) |
|-----------------------|-------------------------------------|--------|---------|---|
| Stress scenario | What you might get back after costs | 1,471 | 4,430 | 3,377 |
| | Average return each year | -85.3% | -23.8% | -19.5% |
| Unfavourable scenario | What you might get back after costs | 9,592 | 11,721 | 15,080 |
| | Average return each year | -4.1% | 5.4% | 8.6% |
| Moderate scenario | What you might get back after costs | 12,023 | 17,323 | 24,958 |
| | Average return each year | 20.2% | 20.1% | 20.1% |
| Favourable scenario | What you might get back after costs | 14,988 | 25,460 | 41,079 |
| | Average return each year | 49.9% | 36.6% | 32.7% |

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest GBP 10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back. The performance calculations above follow the methodology prescribed by EU rules.

What happens if Picton is unable to pay out?

Picton aims to pay a quarterly dividend, however this is not guaranteed. As a shareholder of the Company you will not be able to make a claim under any investor compensation scheme in the event that the Company is unable to pay out. You should be prepared to take the risk that you could lose all of your investment.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest GBP 10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

| Investment | If you cash in after 1 year | If you cash in after 3 years | If you cash in after 5 years |
|---------------------------------|--------------------------------|---------------------------------|---------------------------------|
| Total costs | 124 | 463 | 988 |
| Impact on return (RIY) per year | 1.24% | 1.06% | 0.94% |

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- The meaning of the different cost categories.

| This table shows the impact on return per year | | | |
|--|--------------------------------------|-------|---|
| One-off costs | Entry costs | 0% | The impact of the costs already included in the price. This is the most you will pay, and you could pay less. |
| | Exit costs | 0% | The impact of the costs of exiting your investment when it matures. |
| Ongoing costs | Portfolio transaction costs per year | 0% | The impact of the costs of us buying and selling underlying investments for the product. |
| | Other ongoing costs | 1.24% | The impact of the costs that we take each year for managing your investments. |
| Incidental costs | Performance fees | 0% | Not applicable for this product. |
| | Carried interest | 0% | Not applicable for this product. |

How long should I hold it and can I take money out early?

Recommended Holding Period: 5 years

The Shares do not have a maturity date or expiry date and as such the recommended holding period is expected to be at least five years, but the Shares may be held for longer than this. Equally, you may sell the shares earlier than the recommended holding period of five years. There are no exit costs for selling the Shares, however you may have to pay brokerage fees, commissions and other related costs, payable to entities other than the Company, as a result of selling the Shares. The shares are traded on the London Stock Exchange so you may be able to sell your Shares at any time that the London market is open which is generally on any London business day between 8am and 4.30pm.

How can I complain?

Complaints about the Company or this Key Information Document should be sent to:

The Company Secretary
Picton Property Income Limited
PO Box 255
Trafalgar Court
Les Banques
St Peter Port
Guernsey
GY1 3QL

Email: team_picton@ntrs.com
Telephone: 01481 745001
Website: www.picton.co.uk

As a shareholder of the Company you do not have the right to complain to the UK's Financial Ombudsman Service (FOS).

Other relevant information

The cost, performance and risk calculations included in this document follow the methodology prescribed by EU rules.

Further information on the Company can be obtained from its website, www.picton.co.uk.