



# Key Information Document

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

<b>Name of Product</b>	Ordinary shares of no par value in Eurocastle Investment Limited (the “Company”).
<b>Name of PRIIP manufacturer</b>	The Company is the PRIIP Manufacturer and is regulated as an authorised closed-ended investment fund by the Guernsey Financial Services Commission.  The Dutch Authority for the Financial Markets (AFM) is responsible for supervising the Company in relation to this Key Information Document.
<b>ISIN</b>	GB00B94QM994

[www.eurocastleinv.com](http://www.eurocastleinv.com)

Call +1 212-823-5563 for more information.

This Key Information Document is dated 30 December 2022 and has been prepared on the basis of data in respect of the period from 14 December 2017 to 14 December 2022.

**You are about to purchase a product that is not simple and may be difficult to understand.**

## What is this product?

<b>Type</b>	Ordinary shares in a Guernsey-incorporated closed-ended investment company limited by shares, listed on Euronext Amsterdam. Shares of the Company are bought and sold via markets. Typically, at any given time on any given day, the price at which an ordinary share can be bought will be higher than the price at which it can be sold, and brokers may additionally charge commissions
<b>Term</b>	The Company’s shares are bought and sold on Euronext Amsterdam. The Company has an indefinite life; however, the Board of Directors currently anticipates, pursuant to the Realisation Plan and not taking into account the Relaunch as the Company has not yet re-commenced investing, that the majority of the Company’s existing assets will be realised by the end of 2023.
<b>Objectives</b>	<p>Prior to 18 November 2019, the Company’s strategy was to focus primarily on investments in Italian performing and non-performing loans and other credit receivables, Italian loan servicing platforms, real estate related assets and other related businesses in Italy.</p> <p>On 18 November 2019, the Company announced a plan to realise the majority of its existing assets, which comprised portfolios of distressed loans and real estate investments, with the aim of accelerating the return of value to shareholders (the “Realisation Plan”). On 8 July 2022, the Company announced its intention to relaunch its investment activity and is currently in the early stages of pursuing its new strategy by initially focussing on opportunistic real estate in Greece (the “Relaunch”).</p> <p>Save for payments of dividends or other returns (e.g. on a winding up) paid by the Company, investors may expect returns through selling their shares through a bank or stockbroker. The risk and reward profile of the Company described in this Key Information Document assumes that you keep the product for the recommended holding period of 3 years. Investments for the Company are made on a discretionary basis and the Company is not managed by reference to a benchmark.</p>
<b>Intended retail investor</b>	Shares in the Company are suitable only for sophisticated investors who understand and are willing to assume the risks involved in investing in the Company. Prospective investors should not invest unless they are prepared to bear losses (which may equal the whole amount invested) that may result from such an investment.

The required statements in this Key Information Document on the Company paying you money are misleading. Investors will likely receive some dividends from the Company, but the majority of an investor’s return will come from the sale of their shares when they sell.

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

### Risk Indicator

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 we are not able to pay you.

We have classified this product as 6 out of 7, which is the second highest risk class. This rates the potential losses from future performance at a high level, and poor market conditions will very likely impact our capacity to pay you. Historically, the shares in the Company have traded at a discount to the Company’s net asset value per share, the size of the discount varying depending on a range of factors.



The risk indicator assumes you keep the product for 3 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. The whole amount of your invested capital in the Company is at risk and there can be no guarantee that you will get back any or all of the amount invested on a sale of shares in the Company.

**Be aware of currency risk. You may receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.**

Other risks materially relevant to the PRIIP not included in the summary risk indicator are set out in the Prospectus. This product does not include any protection from future market performance so you could lose some or all of your investment.

### Performance Scenarios

The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor, distributor or broker. The figures do not take into account your personal tax situation, which may also affect how much you get back. What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The scenarios shown are illustrations based on results from the past and on certain assumptions. Markets could develop very differently in the future. The unfavourable, moderate and favourable scenarios shown are illustrations using the worst, average, and best performance of the Company over the last 5 years. The scenarios shown are illustrations based on results from the past and on certain assumptions. Given the Relaunch, these scenarios might not be indicative of returns that the Company might generate going forward. The main factors likely to affect returns following the Relaunch will be the ability of the Manager to identify and invest in appropriate investment opportunities, the performance of the assets, and market conditions. Other factors which could have a material impact on performance of the Company, with respect to the Relaunch, are set out in the tender offer circular published in July 2022.

The stress scenario shows what you might get back in extreme market circumstances.

Recommended holding period		3 years	
EUR 10 000		If you cash in after 1 year	If you cash in after 3 years (Recommended holding period)
Scenarios			
<b>Minimum</b>	There is no minimum guaranteed return. You could lose some or all of your investment.		
<b>Stress scenario</b>	What you might get back after costs	<b>306 EUR</b>	<b>894 EUR</b>
	Average return each year	-96.94%	-55.28%
<b>Unfavourable scenario</b>	What you might get back after costs	<b>5,615 EUR</b>	<b>3,470 EUR</b>
	Average return each year	-43.85%	-29.73%
<b>Moderate scenario</b>	What you might get back after costs	<b>9,579 EUR</b>	<b>8,743 EUR</b>
	Average return each year	-4.21%	-4.38%
<b>Favourable scenario</b>	What you might get back after costs	<b>16,202 EUR</b>	<b>21,843 EUR</b>
	Average return each year	62.02%	29.75%

The scenarios presented are an estimate of future performance based solely on evidence from the past of how the value of the Company varies and are not an exact indicator. What you will get will depend on how the market performs and how long you keep the investment.

### What happens if the Company is unable to pay out?

As a shareholder of Eurocastle Investment Limited you would not be able to make a claim to the Financial Services Compensation Scheme (or the Dutch equivalent) about the Company in the event that the Company were unable to pay any dividends or other returns it may elect to pay from time to time, or if it were unable to pay any amounts due to you on a winding up at the end of its life. If you sell your shares on Euronext Amsterdam, your bank or stockbroker will receive cash on delivery of your shares and should pass that to you.

### What are the costs?

The Company is required to include the information above and below without any changes. The law was drafted for investments which pay returns directly to investors, not those for which a return is expected to be delivered by the investor selling shares on a market. The performance scenarios above are shown based on share price returns together with returns for dividends or other distributions. They are entirely independent of the costs shown below, all of which are borne by the Company and have no direct impact on investment performance of the Company's shares.

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment. If you sell your shares, you would pay your bank's or stockbrokers' dealing charges and be selling at the then available market offer price. That is likely to be lower than the bid price at which others could buy shares at that time. Share prices in the media are typically the mid-price, being halfway between the offer price and the bid price.

## Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- in the first year you would get back the amount that you invested (0 % annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario
- EUR 10 000 is invested.

	If you cash in after 1 year	If you cash in after 3 years (Recommended holding period)
<b>Total Costs</b>	<b>800 EUR</b>	<b>2,383 EUR</b>
<b>Annual cost impact (*)</b>	8.00% each year	8.00% each year

(\*) This illustrates how costs reduce your return each year over the holding period. For example, it shows that if you exit at the recommended holding period your average return per year is projected to be 3.62% before costs and -4.38% after costs.

## Composition of costs

One-off costs* upon entry or exit		If you cash in after 1 year:
<b>Entry costs</b>	We do not charge you an entry fee.	0.00%
<b>Exit costs</b>	We do not charge you an entry fee.	0.00%
Ongoing costs taken each year		
<b>Management fees and other administrative or operating costs</b>	The impact of the costs that we take each year for managing your investments.	6.06%
<b>Transaction costs</b>	The impact of the costs of us buying and selling underlying investments for the product.	0.00%
Incidental costs taken under specific conditions		
<b>Performance fees and carried interest</b>	The impact of the performance fee and the impact of carried interests	1.94%

\*The daily bid-offer spread for the Company's shares has a median of 1.45% over the five year period ending 14 December 2022, this equates to an indirect entry and exit cost of 0.73% per share, for mid-bid and mid-offer spreads.

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

### Recommended Holding Period: 3 years

The Company is designed to be a medium to long term investment and the returns can be volatile during its life.

The recommended holding period is 3 years to take into account the Company's expectation that it will realise the majority of its existing assets by the end of 2023 and any subsequent distributions from reserves. As the Company's shares are listed on Euronext Amsterdam, you can expect to sell them at any time through your bank or stockbroker.

## How can I complain?

If you choose to invest in the Company and subsequently have a complaint about it, you may lodge your complaint:

- via our website [www.eurocastleinv.com](http://www.eurocastleinv.com)
- in writing to [investorrelations@eurocastle.com](mailto:investorrelations@eurocastle.com)
- by post to Eurocastle Investment Limited, Oak House, Hirzel Street, St Peter Port, Guernsey, GY1 2NP

## Other relevant information

The Company reminds prospective investors that past performance is not necessarily indicative of future results, and that this Key Information Document should be considered alongside the material published by the Company on [www.eurocastleinv.com](http://www.eurocastleinv.com). Specifically, projections based on historical data are of limited relevance given the proposal approved by the Company's shareholders on 2 December 2019 to realise the majority of the Company's assets along with the Relaunch of the Company's investment activity announced on 8 July 2022.

The Company's Distribution Policy, including the regular quarterly dividend, has not applied with effect from Q3 2019. Depending on how you buy these shares you may incur other costs, including broker commission, platform fees and Stamp Duty. Your adviser or distributor will provide you with additional documents where necessary. We are required to provide you with further documentation, such as the Company's latest prospectus, annual and semi-annual reports. These documents and other information relating to the Company are available online at [www.eurocastleinv.com](http://www.eurocastleinv.com).