



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

Name of Product

Ordinary shares of no par value in Eurocastle Investment Limited (the “Company”).

Name of PRIIP manufacturer

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 the competent authority of the Company in relation to this Key Information Document, with the UK Financial Conduct Authority, its home state regulator (due to its original previous listing on the London Stock Exchange

ISIN

GB00B94QM994

www.eurocastleinv.com

Call +1 212-479-3165 for more information.

This Key Information Document is dated 10 July 2020 and has been prepared on the basis of data in respect of the period from 23 June 2015 to 23 June 2020.

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

What is this product?

Type

Ordinary shares in a Guernsey-incorporated closed-ended investment company limited by shares, listed on Euronext Amsterdam. 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. 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.

Certain special purpose vehicles held by the Company have incurred non-recourse debt to purchase some of their assets. This will magnify any gains and losses made by the Company.

Objectives

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.

On 18 November 2019, the Company announced a plan to realise the majority of its existing assets with the aim of accelerating the return of value to shareholders. The Company will not currently seek material new investments from the proceeds of the realisation but will continue to support its existing investments to the extent required in order to optimise returns and distribute cash to shareholders when available (the “Realisation Plan”).

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, that the majority of the Company's existing assets will be realised by the end of 2023.

Intended retail investor

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 4 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.

Performance Scenarios

This table shows the money you could get back over the next 4 years under different scenarios, assuming that you invest EUR 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 solely on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where the Company is 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

(Investment EUR 10,000)				
Investment Scenarios		1 year	2 years	4 years (Recommended holding period)
Stress scenario	What you might get back after costs	€247	€943	€2,711
	Average return each year	-97.53%	-69.29%	-27.84%
Unfavourable scenario	What you might get back after costs	€6,477	€5,247	€3,785
	Average return each year	-35.23%	-27.56%	-21.56%
Moderate scenario	What you might get back after costs	€9,510	€9,045	€8,183
	Average return each year	-4.90%	-4.89%	-4.89%
Favourable scenario	What you might get back after costs	€13,972	€15,603	€17,706
	Average return each year	39.72%	24.91%	15.35%

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?

Presentation of 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 EUR 10,000. The figures are estimates and may change in the future.

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.

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 half way between the offer price and the bid price.

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 EUR 10,000)

	If you cash in after 1 year	If you cash in after 2 years	If you cash in after 4 years (recommended)
Total Costs	€642	€1,360	€2,330
Impact on return (RIY) per year	6.90%	6.90%	6.90%

Composition of costs

The table below shows (i) 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, and (ii) the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs*	Entry costs	0.00%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.48%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	3.12%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	The impact of the performance fee.
	Carried interests	3.30%	The impact of carried interests.

*The daily bid-offer spread for the Company's shares has a median of 1.16% over the five year period ending 23 June 2020, this equates to an indirect entry and exit cost of 0.58% 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: 4 years

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

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
- in writing to investorrelations@eurocastle.com

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. 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.

The Company's Distribution Policy, including the regular quarterly dividend, will not apply 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.