

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 investing in this product and to help you compare it with other products.

**ELECTRA PRIVATE EQUITY PLC – ORDINARY SHARES (ISIN: GB0003085445)**

electraequity.com

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PRIIP manufacturer (for the purposes of this document only): Electra Private Equity PLC

Competent Authority: UK Financial Conduct Authority

Date: 31 October 2018

**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 Electra Private Equity PLC, a closed-ended investment company incorporated in England (the "Company" or "us"). The Company has an unlimited life and there is no maturity date for the ordinary shares. There is no recommended holding period for the ordinary shares. The Company may, but is under no obligation to, repurchase ordinary shares and investors should expect that the primary means of disposing of ordinary shares will be by sales on the secondary market. The price at which an investor may dispose of ordinary shares will depend on the prevailing secondary market price, which may, or may not, reflect the prevailing net asset value per ordinary share. 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 an ordinary share can be sold.

### Objectives

The Company's investment objective is to follow a realisation strategy which aims to crystallise value for shareholders, through balancing the timing of returning cash to shareholders with maximisation of value. The Company will not make any new investments but will continue to support its existing investments to the extent required in order to optimise returns. The Company will retain sufficient cash to meet its obligations and to support its portfolio assets, with cash from realisations being invested in AAA rated money market funds pending utilisation or return to shareholders.

### Intended retail investor

An investment in the Company's securities is only suitable for investors: (i) who understand the potential risk of capital loss and the fact that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Company's securities would be of a long-term nature constituting part of a diversified investment portfolio; and (iii) who fully understand and are willing to assume the risks involved in investing in the Company's securities.

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



← Lower risk Higher risk →



**The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.**

**The price of shares can go down as well as up. You may not be able to sell your shares easily or you may have to sell at a price that significantly impacts how much you get back.**

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. We have classified this product as 5 out of 7, which is a medium-high risk class.

This rates the potential losses from future performance at a medium-high level, and poor market conditions will likely impact the value of the ordinary shares. The price at which shares in the Company are sold in the market has not historically tracked the Company's net asset value per share.

Other risks materially relevant to the ordinary shares that are not included in the summary risk indicator include: Macroeconomic, Strategy Implementation, Investment, Portfolio Diversification, Cash Drag, Valuation, Operational, Gearing and Foreign Currency Risk. Past performance is not necessarily an indicator of future performance.

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

## Investment of £10,000

Scenarios		1 Year	3 Years	5 Years
<b>Stress scenario</b>	<b>What you might get back after costs</b>	£2,101	£4,355	£3,295
	<i>Average return each year</i>	-78.99%	-24.20%	-19.91%
<b>Unfavourable scenario</b>	<b>What you might get back after costs</b>	£9,187	£10,459	£12,571
	<i>Average return each year</i>	-8.13%	1.51%	4.68%
<b>Moderate scenario</b>	<b>What you might get back after costs</b>	£11,644	£15,789	£21,397
	<i>Average return each year</i>	16.44%	16.44%	16.43%
<b>Favourable scenario</b>	<b>What you might get back after costs</b>	£14,762	£23,841	£36,428
	<i>Average return each year</i>	47.62%	33.59%	29.51%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you make an initial investment of £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 on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how your underlying investment performs, how the overall 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 we are not able to pay you if liquidated.

The figures shown include all the costs of the product itself but do not include all the costs that you may 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.

### What happens if Electra Private Equity PLC is unable to pay out?

The Company is not required to make any payment to you in respect of your investment. If the Company were liquidated, you would be entitled to receive a distribution equal to your share of the Company's assets, after payment of all of its creditors. Neither the Company's investment manager nor any other service provider has an obligation to make any payment to you in respect of the ordinary shares. There is no compensation or guarantee scheme in place that applies to the Company and, if you invest in the Company, you should be prepared to assume 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. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

#### Costs over time

The person 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 £10,000

Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£261	£804	£1,376
Impact on return (RIY) per year	2.61%	2.61%	2.61%

### Composition of costs

The table below shows the impact each year of the different types of costs on the investment return that you might get at the end of the recommended holding period and the meaning of the different cost categories.

This table shows the impact on return per year.

One-off costs	Entry costs	0.00%	No entry costs are payable when you acquire ordinary shares. However, depending on how you buy these shares, you may incur other costs, including broker, commission, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary.
	Exit costs	0.00%	No exit costs are payable when you dispose of ordinary shares, although you may be required to pay brokerage fees or commissions.
Ongoing costs	Portfolio transaction costs	0.24%	The impact of the costs of us buying and selling underlying investments in the product.
	Other ongoing costs	1.95%	The impact of the Company's internal operational costs and expenditure on external service providers. See below.
Incidental costs	Performance fees	0.00%	The Company does not pay any performance fees.
	Carried interests	0.00%	In the past, the Company has paid carried interests to its previous Investment Manager.

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

Listed private equity funds are designed to be long term investments and the returns from them can be volatile during their life. With limited exceptions, a five year investment horizon is the minimum period recommended by LPEQ, the trade body for listed private equity funds. As the shares are listed on the London Stock Exchange, you can expect to sell them at any time through a bank, stockbroker or other channel. This product has no required minimum holding period.

### How can I complain?

As a shareholder of Electra Private Equity PLC, you do not have the right to complain to the UK Financial Ombudsman Service (FOS) about the management of the Company. Complaints about the Company or the Key Information Document should be sent in writing to Electra Private Equity PLC, 50 Grosvenor Hill, London W1K 3QT or by email to [ir@electraequity.com](mailto:ir@electraequity.com). If you have a complaint about a person who is advising on, or selling, the product you should pursue that complaint with the relevant person in the first instance.

### Other relevant information

On 4 October 2018, the Board announced the outcome of the third phase of its strategic review. The Board announced that it considered that each of the remaining corporate investments represented an opportunity for value creation within an acceptable timeframe, but had decided that the concentration of the portfolio and the structural inefficiency in reinvesting in a listed private equity vehicle with a significant market discount to NAV made it inappropriate to seek to do this within the existing investment objective and policy of the Company. The Board therefore concluded, and recommended, that it is in the best interests of shareholders to conduct a managed wind-down of the portfolio over a period of time, allowing optimisation of returns, the return of cash to shareholders, and ultimately the winding up of the Company.

The Board announced that implementation of the Board's recommendation to wind-down the Company would require shareholder approval of a new investment objective and policy. This can be viewed on our company website ([www.electraequity.com](http://www.electraequity.com)).

Further documentation, including the Company's annual and semi-annual reports, regulatory disclosures, results of phases of the strategic review and other announcements, is available on the Company's website at [www.electraequity.com](http://www.electraequity.com). This documentation is made available in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom Listing Authority and the Alternative Investment Fund Managers Directive (2011/61/EU). This key investor information is accurate as at 31 October 2018. The cost, performance and risk calculations included in this KID follow the methodology prescribed by the EU rules.