

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

Ordinary shares in abrdn European Logistics Income plc

ISIN: GB00BD9PXH49

Telephone: 0808 500 0040

Website: www.eurologisticsincome.co.uk

Document published: 10/04/2024

This product is managed by abrdn Fund Managers Limited, a firm authorised and regulated by the Financial Conduct Authority in the United Kingdom.

What is this product?

Type

Ordinary Shares in abrdn European Logistics Income plc, an actively managed investment company registered in England and listed on the London Stock Exchange. Shares of abrdn European Logistics Income plc (the "Company") are bought and sold via markets. At any time, the price you would pay to acquire a share will normally be higher than the price at which you could sell it. The price may be at a premium or discount to the net asset value of the Company.

Term

The Company does not have a fixed life but shareholders have the opportunity to vote on the continuation of the Company in 2024 and then every 5 years thereafter. Further, in certain other circumstances the Company may be wound up subject to shareholder approval and compliance with relevant legal and regulatory requirements. abrdn Fund Managers Limited may not unilaterally terminate the Company.

Objectives

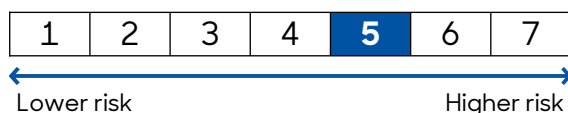
The Company's investment objective is to provide a regular and attractive level of income return together with the potential for long term income and capital growth from investing in high quality European logistics real estate. Currency hedging is employed to mitigate the potential volatility of income returns from the portfolio in Sterling terms and to provide greater certainty as to the level of Sterling distributions expected to be paid. The Company may borrow to purchase assets.


Intended Retail Investor

Investors with basic investment knowledge. Investors who understand the basics of buying and selling shares in stockmarket listed companies and the way these shares are valued. Investors who can accept large short term losses. Investors wanting a return (growth) over the longer term (5 years or more). The Company has specific and generic risks with a risk rating as per the risk indicator. The Company is intended for general sale to retail and professional investors through all distribution channels with or without professional advice.

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 actual risk can vary significantly if you sell it at an earlier stage. The value of investments and the income from them can go down as well as up, and you may get back less than you invested.

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 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 our capacity to pay you.

Further information on risks is detailed in the Company's annual report available in the literature library on www.eurologisticsincome.co.uk/en/literature-library.

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

The Company borrows/ may borrow in order to purchase assets, and this may magnify gains or losses. Shares in the Company may trade at a discount to their Net Asset Value, which may adversely affect the value of your investment, particularly when you come to sell your shares.

Investment performance information

The Company invests in European logistics real estate directly, through special purpose vehicles or other structures. The investments may be illiquid and difficult to dispose of. The Company seeks to improve returns through actively managing its assets. Any defects in an asset, a poor location or loss of a tenant may adversely impact income generated and future returns. In addition, investment styles may be in, or out of, favour. The functional currency of the Company is the Euro, so investor returns are subject to currency fluctuations on exchange into Sterling. The Company uses bank debt secured against assets to invest and this may magnify gains and losses. The share price will not always reflect the underlying net asset value (NAV) and variations in the relative movements in the share price relative to the NAV could affect returns. For more detail see the Annual Report's Principal Risks and Uncertainties section.

The Company has no benchmark. The objective of the Company is to provide a regular and attractive level of income return together with the potential for long-term income and capital growth from investing in high quality European logistics real estate. The Company is targeting, for an investor in the Company at launch in December 2017, a total NAV return of 7.5 per cent. per annum in € terms.

What could affect my return positively?

A well-judged investment strategy with strong asset management, regional allocation, use of gearing, timely deployment of capital and disposal of assets should improve returns. Leases may be indexed to annual consumer price inflation and may lead to increased rental income. Changes in political, geopolitical or market conditions may increase the appeal of particular markets and the value of investments. Whilst the Company reports in Euros, the net asset value ("NAV") is converted into Sterling ("GBP"), so the strengthening of the Euro relative to GBP could enhance the reported GBP NAV, which in turn could help narrow any discount relative to the GBP share price. The use of gearing using bank debt may enhance returns particularly if interest rates are low or falling. A narrowing of the discount of the share price to the NAV, or an increase in the premium of the share price to the NAV can enhance the share price return relative to the performance of the value of the Company.

What could affect my return negatively?

A poorly-judged investment strategy, regional allocation, use of gearing, inability to deploy capital and mis-timing of disposals could result in poor returns. Increased construction costs, defects, delays, contractor failure, lack of development permits, environmental and third party damage can all impact the resulting capital value and income from investments. Changes in political, geopolitical or market conditions may also cause the portfolio to underperform. While the Company reports in Euros, the net asset value ("NAV") is converted into Sterling ("GBP"), so the weakening of the Euro relative to GBP could negatively impact the NAV in GBP, which in turn could widen any discount. Gearing may also detract from returns particularly if interest rates are high or increasing. A widening of the discount of the share price to the NAV, or a decrease in the premium of the share price to the NAV can reduce the share price return relative to the performance of the value of the Company.

The Company is a listed Investment Company and is not subject to redemptions / subscriptions. However, in the event that the Company is wound up under severely adverse market conditions, the reported NAV may significantly overstate the realisable value of the portfolio's assets and the amounts distributed per share may be less than the reported NAV. The special purpose vehicles, limited partnerships and other structures through which the Company holds its assets may be illiquid and take time to unwind or be disposed. The liquidity profile of the portfolio may affect the degree of discount that would be applied. There is no guarantee that an asset's value as reported in the accounts will be achieved in an open market sale. The Company currently has borrowings which would need to be repaid prior to any distribution to shareholders. The repayment cost of any borrowings may be above the carrying value in the accounts and penalties may also be applied for early repayment.

What happens if the Company is unable to pay out?

As a shareholder in the Company, you would not be able to make a claim to the Financial Services Compensation Scheme about the Company in the event that the Company is unable to pay dividends to you or if it were unable to pay any amounts due to you on the winding up of the Company.

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 GBP. The figures are estimates and may change in the future. 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.

Costs over time

Investment 10,000.00 GBP			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at 5 years
Total costs	62.00 GBP	1,033.00 GBP	359.00 GBP
Impact on return (RIY) per year	0.62%	3.62%	0.64%

Composition of cost

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 and, what the different cost categories mean.

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	0.49%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2.81%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	The impact of a performance fee, where applicable.
	Carried interests	0.00%	The impact of a Carried interest, where applicable.

The other ongoing costs set out above represent the costs of the Company including property operating expenses, administration costs associated with the ongoing running of an investment trust and also the investment management fee. Financing costs of 1.08% are included in the costs set out above.

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

Recommended holding period: 5 years.

This product has no required minimum holding period but is designed for medium to long-term investment. Since the value of investments and the income from them can rise and fall over differing time periods, you should have an investment horizon of at least 5 years when buying an investment of this type.

As the shares are listed on the London Stock Exchange, you may buy or sell shares on any normal business day that the London Stock Exchange is open for business.

How can I complain?

If you have any complaints about the Company, the KID or the conduct of the manufacturer, you can refer to the 'Contact Us' section of the Manager's website www.invtrusts.co.uk or you may lodge your complaint by emailing us at complaints.trusts@abrdn.com. Complaints regarding the conduct of the person(s) advising on or selling the product should be addressed to the person(s) or to their organisation.

Other relevant information

The cost and risk calculations included in this KID are based on prescribed methodologies. The data used in these calculations and the specific methodology applied may change in the future. Depending on how you buy your shares, you may incur other costs including broker commission, platform fees and stamp duty. Please ask your broker or platform provider for additional information where necessary. Further information on the Company's investment policies, the types of assets in which the Company may invest, borrowing limits as well as details of its management, administration and depository arrangements can be found in its Annual Report and Pre-Investment Disclosure Document available on the Company's website: www.eurologisticsincome.co.uk. Copies of the Company's published net asset values will also be available on the website in due course and will be available in paper copy free of charge upon request.