

KEY INVESTOR INFORMATION SHEET (KIIS)

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

ZADURE/ZERO CPNBD 20271231 UNSEC/UNGTD (the "Notes") Date: 3 July 2023
Issuer: Zadure Investments Ltd ISIN: CY0240342218 LEI: 254900GM6S51BC6C1603
Contact details: Patroklou 4, Larnaca, 6013, Cyprus
Website: not applicable Email: assistant@zadureltd.com Tel: +357 99 620678

What is this product?

Type

This product is an unrated investment product in Note form, which is linked to the performance of underlying assets - Performance Linked Notes ("PLNs" or the "Notes") of Zadure Investments Ltd (the Company), a Cyprus based private company that does not intend to list the Notes on any recognized stock exchange. The only way to subscribe to the Notes is either directly with the Issuer or by purchasing the bonds via the custodian of the Notes, Eurivex Ltd (the Custodian).

PLNs are similar to corporate bonds but differ in that they don't pay a fixed interest rate and the performance of the underlying assets are for the benefit or loss of the investors, after the deduction of administration and success fees from the performance income.

Zadure Investments Ltd intends to invest in a diversified portfolio of real estate projects described below as the Underlying Assets.

Objectives

Zadure Investments Ltd, was incorporated in Cyprus on 28 July 2022, with registration number HE436920 as a private limited liability company. Its registered office is at Patroklou 4, Larnaca, **6013**, Cyprus

The Issuer is organized as a Holding Real Estate Investment Company. The Issuer was established to raise capital by the issue of debt securities and to use an amount equal to the proceeds of each such issuance to invest in different projects.

The Company is a Special Purpose Vehicle which can acquire, encumber, dispose of and manage real estate in the country and abroad. It can also carry out financing at its own or at third-party expense and enter into guarantees and sureties for subsidiaries and third parties.

The Issuer is managed by its Board of Directors - Vasilios Hadjivassiliou. Vasilios Hadjivassiliou is the ultimate beneficial owner of the company.

Description of Underlying Assets

The Issuer will be investing in different real estate projects to achieve a diversified portfolio of assets for the benefit of the Noteholders.

Hamilton Court

Apartments / HAMILTON Court - investment size EUR 2 758 000. Seven apartments in the large residential complex by PRIME PROPERTY GROUP. And the following sale, management, and rental of flats.

Located in a quiet residential neighbourhood in the heart of Limassol and includes a compound consisting of 23 luxury apartments and penthouses with private roof terraces and pools.

For more information, please visit https://www.prime-property.com/en/Development/Hamilton_Court/

Regal Tower

OFFICES / Regal Tower - investment size EUR 4 998 000. Second and third floors in the construction phase of office centre in Limassol with delivery date 31 March 2024. Project by UDS Architects. Subsequent sale, management and leasing of the office space.

The Regal Tower is a new Modern Luxury Office building offering a pleasant working environment. It is strategically situated on the Limassol motorway to Paphos, Larnaca and Nicosia with easy access from either direction.

For more information, please visit <https://theregaltower.com/>

Symbol Residence

Apartments / Symbol Residence - investment size EUR 5 414 500. Two apartments in the exclusive residential complex and the following sale, management and rental of flats. Symbol Residence is a new modern luxury residential complex with panoramic sea views, located on the beachfront in Agios Tychon area.

For more information, please visit <http://symbolresidence.com/home>

Use of Issue proceeds

The use of proceeds from the issue will be as follows:

The Issuer issued the Notes for the sole purpose of funding the various projects as follows:

1. Apartments / HAMILTON Court €2,758,000
2. OFFICES / Regal Tower €4,998,000
3. Apartments / Symbol Residence €5,414,500

Total of commitments: €13,170,500

The remaining amount of €4,829,500 from the total intended €18 mln fundraise will be used for Working Capital, Business Development, Market Research, and down payment for new projects of similar nature.

Method of calculation of NAV

The Issuer will combine the performance of all underlying assets into one ledger resulting in one unified Net Asset Value (NAV) for the Company. The NAV will be based on the quarterly revaluation of the properties every quarter. Rental income or proceeds of sale of properties are considered as income which will be considered in the calculation of the NAV, while expenses will include the Administration fees, any success fees, property, and other taxes.

It will be impossible to separate the performance of different underlying assets from others, which means, there is no possibility for investors to follow the performance of different underlying assets separately. They will have to rely on the reporting and calculations made by the Issuer. Past performance is not indicative of future performance.

When the performance of the underlying asset is positive, the NAV increases, when there are losses, the NAV declines with the investor sharing the benefit or the loss through the NAV change. Investors follow the performance by visiting the web site of the Issuer (if applicable) to follow the monthly NAV performance or will be notified by email at least once annually.

The Issuer intends to charge 3% p.a. monthly but not less than €42,000 monthly as Administration fee. This will be a direct expense of the Issuer and will be deducted from the NAV.

The NAV change will be calculated on an annualized basis on a high-water mark level, which means the high-water mark is the highest peak in value that the NAV has reached. The high-water mark ensures the Company does not get paid large sums for poor performance. If the Company loses money over a period, the Directors must get the NAV above the high-water mark before receiving a performance bonus from the assets under management (AUM).

Terms and Conditions

The PLN issue has the following characteristics:

Type: Performance Linked Notes (the “Notes”)

Date of Issue: 7 November 2022

Maturity Date: 31 December 2027

Issue Price: 100% at par

Currency: EUR

Denomination: €125,000

Min Subscription: €125,000

Total issue size: 144 Bonds of €125,000

Total value of issue: €18,000,000

Current issue size: €4,000,000

Interest & Interest payment dates: Not applicable

Issue price: The issue price is EUR 125.000 per bond.

Redemption Terms at the option of Issuer: Redemption or partial redemption may take place, to the extent permitted by law, at the Issuer’s request following a Board of Directors’ decision, but not sooner than 2 June 2024.

The Issuer may from time to time, to the extent permitted by applicable law, purchase Notes on the open market or by tender or by a private agreement at any price.

Redemption Terms at the option of Noteholders: Noteholders are permitted to redeem their Notes prior to maturity at any time after 2 June 2024.

Notes Guarantee: The PLNs are not guaranteed

Security: There is no security provided by the Issuer on the PLNs

Listing and Admission to Trading: The PLNs are not listed and there is no intention by the Issuer to list the Notes on any stock exchange

Registry: The Registry is with Eurivex Ltd or directly with the Issuer.

Collateral: The PLNs are not secured and not guaranteed.

Method of payment: The Issuer has received or will receive full payment for the Notes issued.

Investor Target and Rights: The PLNs are offered only to professional and well-informed investors via private placement. Investors will have no rights of ownership, including, without limitation, any voting rights or any rights to receive dividends or other distributions. There is equal treatment of the investors of the same issue in relation to all rights and obligations.

Failure to make timely payment: In the event of failure to timely payment, the Notes will be in default.

Event of Default: If Event of Default occurs and continues unremedied in relation to any Note, then a Bondholder may declare by notice to the Issuer that each Note held by it is to be redeemed at its Redemption value in which case those amounts become immediately due and payable. There is always the risk that the redemption value may be less than the original amount invested.

Selling restrictions: The PLNs have not been and will not be registered under the Securities Act and will not be offered or sold within the United States of America.

The Notes will be sold in all jurisdictions (including the European Economic Area) only in compliance with applicable laws and regulations but excluding the United States, Canada, Australia, South Africa and Japan.

Marketing and Promotion: The Notes will be issued only to well-informed and professional investors via private placement and will never be offered to retail clients. No public channels will be used.

Custodian: The Notes will be held in safe custody by Eurivex Ltd, an EU investment firm, regulated by the Cyprus Securities & Exchange Commission (CySEC), number 114/10.

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

Risks

Lower risk Higher risk

1 2 3 4 5 **6** 7

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. You may have to pay significant extra costs to cash in early. The value of investments and the income from them can vary, and you may get back less than you invested.

We have classified this product as 6 out of 7, which is the second highest risk class. 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 Issuer is unable to repay your investment.

Performance scenarios

Scenario		5 years (Mandatory Holding Period)
Nominal investment amount of €125,000		
Stress Scenario	What you might get after costs Average return/loss over nominal amount	€0 -100%
Unfavourable Scenario	What you might get after costs Average return/loss over nominal amount	-€20,000 -3.43%
Moderate Scenario	What you might get after costs Average return/loss over nominal amount	€50,500 7.02%
Favourable Scenario	What you might get after costs Average return/loss over nominal amount	€124,500 14.82%

This table shows the money you could get over the minimum period of investment, under different scenarios, assuming you invest €125,000. 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 at the end of the 5 year minimum mandatory holding period.

The scenarios are based on the projections of the first 5 years and assuming a steady growth factor and a risk adjusted required return for such products.

In the Unfavourable scenario it is assumed that the Issuer achieves 50% of the targeted performance.

The Stress scenario assumes that all projects fail and the Issuer is unable to make any payments to the Noteholders.

The Moderate and Favorable scenarios are based on the 5 year projected figures stated above but with different growth factors for the profits.

The risk indicator assumes you keep the product for 5 years, which is the minimum holding period. The actual risk can vary significantly if you cash in at an early stage and you may get back less. Market developments in the future cannot be accurately predicted. The scenarios shown below are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

Be aware of currency risk. The price of the underlying assets may be in a different currency, so the final return you will get depends on the exchangerate between multiple currencies. This risk is not considered in the risk chart indicator.

The Company is exposed to certain risks and uncertainties which could cause the Company's actual results to differ materially from any forward looking statements. These risks and uncertainties include, but are not limited to: (i) the economic circumstances surrounding the Company's business; (ii) competitive pressures; (iii) applicable laws and regulations; (iv) the success or failure of product development; (v) decisions of regulatory authorities and the timing thereof; (vi) changes in exchange rates; (vii) claims or concerns regarding the safety or efficacy of marketed products or product candidates; (viii) integration activities with acquired companies.

Even though Noteholders may redeem part or all the Notes at their NAV value after 2 June 2024 - subject to Issuer's Board approval and availability of funds - you are warned that this product cannot be terminated in the event that the Issuer has no available funds to repay your investment in case you change your mind.

This means it is difficult to estimate how much you will get if you cash out before the maturity of the Notes. You will either be unable to exit, or you will have to pay high costs or exit at a loss if you decide to do so.

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 above assumptions are made on the basis that well-informed investors will send their contributions directly to the Issuer's bank account without additional costs.

Your maximum loss would be that you will lose all your investment, assuming all three projects fail.

The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Zadure is unable to pay out?

In the event of payment failure on maturity, the Notes will be in default. If such a case occurs and continues unremedied in relation to any Note, then a Noteholder may declare by notice only to the Issuer that each Note held by it is to be redeemed at its Redemption value, which is calculated by the Issuer. In such a case those amounts become immediately due and payable. There is always the risk that the redemption value may be less than the original amount invested.

The Custodian of the Notes is not in a position to help investors in case of default and will not be able to refund your investment since all the monies are transferred to the Issuer when an investment is made and only the Notes are held in custody.

What are the costs?

Composition of costs

The table below shows the impact each year of the different types of costs on the performance of the product 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%	The Issuer will not apply any entry costs.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures. The Issuer will not apply any exit fees.
	Brokerage costs in Secondary Market	1.00%	There are no brokerage fees for primary subscription, but fees of up to 1% apply for successful trades made in the Secondary market.
On-going costs	Other ongoing costs	0.05%	The Investment firms or Custodians will apply custody fees for holding custody of the bonds. The custody fees are payable annually and can range from 5 to 35 bps.
Incidental costs	Performance fees	0.00%	The impact of costs which are variable to the performance. The Issuer will not apply any performance fees.
	Carried interest	0.00%	The Issuer will not apply any carried interests.

Costs over time

The total costs take into account one-off, ongoing, and incidental costs.

The amounts shown here are the cumulative costs of the product itself. The figures assume you invest 125,000 EUR. 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 should provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Nominal amount of €125,000	5 years (Recommended Holding Period)
Total Costs*	€0
Impact on Return (RIY) per year	0%

- It is assumed that Investors subscribe directly to the Issuer or in the primary issuance of the Notes and we have not calculated the custody fees, which will be paid by the Issuer. Since brokerage fees apply only for successful trades made in the Secondary market, such costs have not been taken into consideration.

How long should I hold the investment?

This product is designed to be held until maturity; you should be prepared to stay invested for the full 5 years. As Noteholder you may not receive the money that you invested if the performance of the underlying assets is not adequate.

How can I complain?

If you need to complain about the service you have received, please contact the Issuer directly through the following:

Email: assistant@zadureltd.com Tel: +357 99 620678.

Other relevant information

This Key Information Document has been produced by the Management of the Issuer. You can get other information relating to this Product, including the offering document, from the Issuer, Zadure Investments Ltd o Patroklou 4, Larnaca, **6013**, Cyprus