

Key Information Document

Investor Class (ISIN: GG00BHXH0C87)

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

The product is ordinary shares (“Shares”) issued by Worsley Investors Limited (the “Company” or “Worsley Investors”). As a self-managed investment company Worsley Investors itself is the manufacturer.

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Please visit <https://www.worsleyinvestors.com/> for further information or contact the Company’s Investment Advisor, Worsley Associates LLP on +44 (0) 20 3873 2288 or by e-mail to investmentrelations@worsleyassociates.co.uk.

Worsley Associates LLP is regulated by the Financial Conduct Authority.

Release Date: 11 March 2024

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

WHAT IS THIS PRODUCT?

Type: Shares issued by the Company, which is a closed-ended, non-cellular limited by shares, self-managed investment company incorporated in Guernsey on 5 April 2005. The Shares are listed on the premium segment of the London Stock Exchange Main Market.

Objectives: The Company’s investment objective is to provide shareholders with an attractive level of absolute long-term return, principally through the capital appreciation and exit of undervalued securities.

In conjunction with the implementation of the strategy of investment in undervalued British quoted securities of smaller companies, the legacy real estate asset will be realised in an orderly manner, that is with a view to optimising its disposal value.

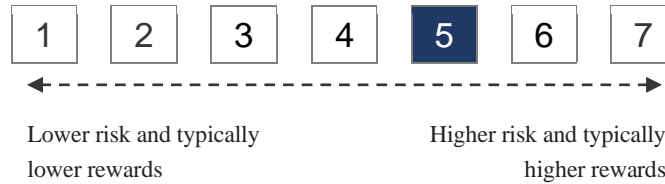
Bid-offer spread: Shares of the Company are bought and sold via markets. Typically, at any given time on any given day, the price you pay for a Share will be higher than the price at which you could sell it.

Intended retail investor: The Company is intended for sophisticated investors, investment professionals, high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts who wish to invest for the long term, have experience in investing in financial markets and collective investment undertakings, who understand the risks involved in investing in the Company (and/or those who have received advice from their fund manager, adviser or broker regarding investment in the Company and who can bear the economic risk of a substantial or entire loss of their investment and who can accept that there may be limited liquidity in the Shares). Investors should familiarise themselves with the risks involved and must evaluate the Company's objective and risks in terms of whether they are consistent with their own investment goals and risk tolerances. No investment in the Company is intended as a complete investment plan.

Maturity Date: The Company does not have a fixed life.

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 at an early stage and you may get back less. You may not be able to sell.

The summary risk indicator is a guide to the level of risk of the Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the market or because we are not able to pay you. We have classified this Product as 5 out of 7, which is the medium-high risk class. This rates the potential losses from future performance at a medium-high level, and poor market conditions are likely to impact our capacity to pay you. This Product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay what is owed, you could lose your entire investment.

PERFORMANCE INFORMATION

The main factors which will affect the performance of the Company, are: (i) the ability of the Investment Advisor to implement the investment strategy; (ii) the performance of the underlying portfolio of assets; and (iii) the macroeconomic conditions in which the Company will operate.

The proxy used for the Company is (i) the total return index for Worsley going back until 3 December 2019, when a change in strategy occurred, and (ii) beyond 3 December 2019 a proxy has been used to backfill the performance data, the back fill being the FTSE AIM All-Share index. The statistics in the narrative below have been calculated from this history and the backfill has a full daily performance history dating back to 1 January 1999.

We have used an ex-ante moderate performance scenario return of 1.5% for the recommended holding period of five years, on the proxy's performance over the last 10 years. This calculation aligns with the methodology prescribed by the (EU) 2021/2268 amendments to the regulatory technical standards of the Regulation (EU) 1286/2014. This return is used in our reduction in yield calculations in the 'What are the costs?' section below.

The proxy has had an average return over all rolling five-year windows since 1999 of 0.2% per annum. The Company pursues a value-based investment strategy, whereas the proxy includes the performance of both value and growth-based companies and in consequence may not necessarily reflect the Company's future performance.

The volatility of the Company's returns will vary. The average volatility observed over a rolling five-year period for the proxy was 13.6% per annum, however, during periods of stress the volatility rose to 40.8% per annum.

What could affect my return positively?

Specific factors which could affect returns of the Company positively would be good performance of the underlying portfolio of assets as well as the ability of the Company to implement its investment strategy efficiently. Another key factor will be the ability of the Investment Advisor to dispose of the legacy asset. General factors which could affect positive returns for the Company would include extended periods of financial stability and economic growth.

In terms of quantitative evidence, the proxy had a best one-year return of 250.2% and, over a rolling five-year period, had a best return of 20.2% per annum. Following the change in strategy, the NAV return of the non-legacy assets in the Company has been 89.4% over the 42 months from 30 June 2020 to 31 December 2023, equivalent to an annualised NAV return of 20.0%.

What could affect my return negatively?

Specific factors which affect returns of the Company negatively would be underperformance of the underlying portfolio of assets as well as the inability of the Company to dispose of the legacy asset on favourable terms. General factors which would negatively impact returns would be an extended period of economic recession over the recommended holding period, or an extended period of high inflation, impacting discount rates and leading to higher interest rates.

In terms of quantitative evidence, the proxy had a worst one-year return of -62.7% and, over a rolling five-year period, had a worst return of -16.2% per annum.

What could happen under severely adverse market conditions?

A severe experience could mirror the loss of 81.0% which occurred in the proxy from March 2000 to April 2003 during the dot-com crash: under severely adverse market conditions, there is a risk that the portfolio companies deteriorate and the capital value of an investment in the Company's shares could reduce significantly, potentially down to zero.

WHAT HAPPENS IF THE COMPANY 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 its creditors. The Investment Advisor has no obligation to make any payment to you. Investors do not have protection from an Investor compensation or guarantee scheme.

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 consider one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They would include potential early exit penalties, although not applicable with this product. The figures assume you invest £10,000. The figures are estimates and may change in the future.

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 which all costs will have on your investment over time.

Investment of \$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	£287	£904	£1,625
Reduction In Yield (RIY) per year	2.87%	2.88%	2.89%

Composition of costs

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
 The meaning of the different costs categories.

This table shows the impact on return per year			
One-off costs	Entry costs	N/A	No entry costs are payable when you acquire Shares, although you may be required to pay brokerage fees or commissions.
	Exit costs	N/A	No exit costs are payable when you dispose of Shares, although you may be required to pay brokerage fees or commissions.
Ongoing costs	Portfolio transaction costs	0.09%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing fees	2.81%	The impact of the costs which are incurred each year for managing your investment and ongoing costs.
Incidental costs	Performance fees	N/A	The product does not have a performance fee and there are no other incidental fees.
	Carried interests	N/A	No carried interest is payable.

HOW LONG SHOULD I HOLD IT, AND CAN I TAKE MONEY OUT EARLY?

Recommended Holding Period (RHP): 5 years.

The Company's investment is designed to be long term: you should be prepared to stay invested for at least 5 years. As the Shares are admitted to trading on the London Stock Exchange, you should be able to sell your Shares through your bank, stockbroker, or other similar adviser. If you choose to sell your Shares, you may be subject to dealing costs which your adviser charges for this service. The sale of Shares might be at a discount to the Company's net asset value.

HOW CAN I COMPLAIN?

As a shareholder of the Company, you do not have a right to complain to the Financial Ombudsman Service about the management of the Company. Complaints about the Company or the key information document can be made by post to the Company c/o Sanne Fund Services (Guernsey) Limited, 1 Royal Plaza, Royal Avenue, St. Peter Port, Guernsey GY1 2HL, by telephone on +44 203 5303600 or via e-mail to: worsleyinvestors@apexfs.group

OTHER RELEVANT INFORMATION

The disclosures in this KID, including the cost, performance and risk calculations follow the methodology prescribed by U.K. rules. More information is available at Worsley Investors's website, <https://www.worsleyinvestors.com/>.