

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.

SYNCONA LIMITED – ORDINARY SHARES

ISIN: GG00B8P59C08

PRIIP manufacturer (for the purposes of this document only): Syncona Limited

W: <http://www.synconaltd.com> / T: +44 (0) 20 3981 7909

This key information document was produced on 13 October 2023

ALERT: 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 Syncona Limited, a closed-ended investment company incorporated in Guernsey (the “Company”). The ordinary shares are traded in Sterling on the Main Market of the London Stock Exchange. The Company has an unlimited life and there is no maturity date for the ordinary shares. The ordinary shares share equally in the returns of the Company.
Objective	<p>The Company’s investment objective is to achieve superior long-term capital appreciation from its investments. The Company invests in life science businesses and single or multi-asset projects. The Company targets an annualised return per share across its investment portfolio of 15 per cent per annum over the long term.</p> <p>The Company also holds a portion of its assets as a capital pool to ensure it has capital available to make future life science investments. There is no limit on the size of the capital pool although it is intended that the Company should invest the significant majority of its assets in life science investments.</p> <p>The return to an investor will principally be determined by disposing of 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 be volatile in response to changes in demand and may not reflect the prevailing net asset value per ordinary share. 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. The Company has announced that it does not intend to pay an annual dividend.</p>
Intended retail investor	<p>The Company is not specifically intended for retail investors. Investors should be:</p> <ul style="list-style-type: none"> • Able to evaluate the merits and risks of an investment in the Company, including the underlying assets of the Company. • Able to bear the risk of loss of up to 100% of your investment, and to accept volatility in the price of the ordinary shares. • Able to hold for an extended period, as the Company’s investment objective is to achieve long-term capital appreciation and there may be limited liquidity in the ordinary shares.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?
Risk Indicator


The risk indicator assumes you hold ordinary shares for 5 years. The actual risk can vary significantly if you sell your ordinary shares earlier and you may get back less. You may not be able to sell your ordinary shares easily or you may have to sell at a price below the price that you paid or below the prevailing net asset value per ordinary share.

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 as high. There are significant uncertainties and risks of life science investments, including the risk of significant volatility in their values from clinical and commercial developments.

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

Investment Performance Information

The Company's return per share for the year ended 31 March 2023 was -7.4% and the annualised return per share for the past five years was -3.9% (in each case assuming any dividends were reinvested into shares at the prevailing market price). These returns should be benchmarked against the Company's stated return objectives, set out on page 1 of this document.

Future returns for an investor will be affected by:

- the valuation of the Company's investments, which is calculated in a number of different ways for private company investments depending on their clinical stage and which is based on the listed share price for public company investments;
- many of the Company's portfolio companies conducting scientific research and clinical trials where the outcome is inherently uncertain and there is significant risk of negative results or adverse events arising; in addition, many of the Company's portfolio companies have yet to commercialise a product and their ability to do so may be affected by operational, commercial and other risks;
- the timing of positive or negative outcomes which is uncertain and over shorter periods means that returns are likely to be volatile; and
- the ability of the Company to invest capital in new investments and achieve sales of portfolio companies.

Other factors that could impact performance include, but are not limited to, the reliance placed by the Company on a small investment team and the ability to retain those individuals and the regulatory landscape, including the ESG landscape, within which the Company and the portfolio companies operate.

Factors that could affect returns positively include the Company's ability to originate new investment ideas leading to the formation of new investments and the ability of the Company to manage the portfolio companies through the various pre-clinical and clinicals stages of their life. Good investment performance could also be impacted by wider positive market sentiment to biotech companies and a positive macro-economic environment.

Factors that could affect returns negatively include the Company's concentration of the portfolio on gene and cell therapy companies and poor investment decisions leading to a scientific thesis failure for a portfolio company. Negative investment performance could also be impacted by wider negative market sentiment to biotech companies and a negative macro-economic environment.

Under severely adverse market conditions, the value of the Company's shares could significantly reduce and potentially could reduce to zero value.

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 its creditors. No third party has any obligation to make any payment to you in respect of the ordinary shares and there is no compensation or guarantee scheme in place that applies to the Company. If you invest in the Company, you should be able to bear the risk of losing 100% 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. The figures assume you invest £10,000. The figures are estimates and may change in the future.

The costs are borne by the Company and are already taken into account in the performance figures above.

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 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	£176	£547	£943
Impact on return (RIY) per year	1.81%	1.81%	1.81%

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;
- the meaning of the different cost categories.

One-off costs	Entry costs	N/A	No entry costs are payable when you acquire ordinary 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 ordinary shares, although you may be required to pay brokerage fees or commissions.
Ongoing costs	Portfolio transaction costs	0.06%	The impact of the costs of buying and selling underlying investments for the product.
	Other ongoing costs	1.23%	The impact of the fee payable to the investment manager and the fees and expenses of the Company’s other service providers.
Incidental costs	Performance fees	0.45%	The impact of awards made under the Company’s long term incentive scheme which are based on the increase in the growth in value of the Company’s life science investments.

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

Recommended holding period: 5 years

This period is specified for the purposes of this document only and reflects that ordinary shares in the Company are a long-term product. This product has no required minimum holding period. Investors can sell their investment on the London Stock Exchange on any day which is a dealing day on the London Stock Exchange. The Company is not obliged to acquire any of the Company’s shares. No fees or penalties are payable to the Company on sale of your investment, but you may be required to pay fees or commissions to any person arranging the sale on your behalf.

HOW CAN I COMPLAIN?

If you have any complaints about the product or conduct of the product manufacturer, you may lodge your complaint with the Company’s investment manager, on +44 (0) 20 3981 7909, contact@synconaltd.com. This information is also available on the Company’s website at <http://www.synconaltd.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

Further documentation, including the Company’s annual and semi-annual reports and regulatory disclosures, is available on the Company’s website at <http://www.synconaltd.com>. This documentation is made available in accordance with the Listing Rules and the Disclosure Guidance and Transparency Rules of the United Kingdom Listing Authority and the Alternative Investment Fund Managers Directive (2011/61/EU).