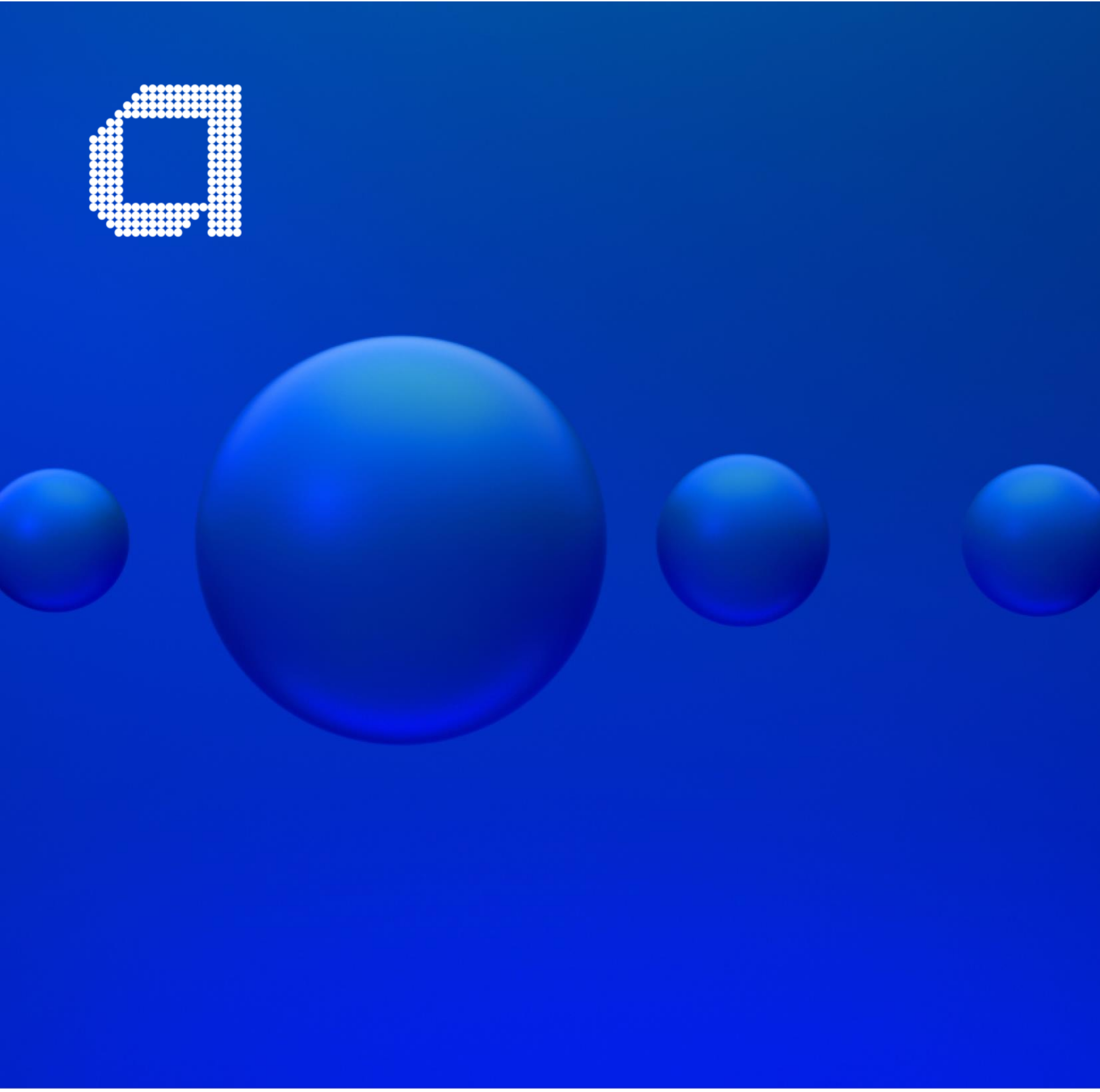

abrdn Property Income Trust Limited

Alternative Investment Fund Managers Directive
Pre-investment Disclosure Document

Article 23 AIFMD/Rule 3.2 FCA FUND Sourcebook

abrdn.com

30 April 2025

abrdn Property Income Trust Limited

This document is issued by abrdn Fund Managers Limited as the alternative investment fund manager of abrdn Property Income Trust Limited ("the Company"), in order to make certain information available to prospective investors prior to such investors' investment in the Company, in accordance with the requirements of the FCA FUND Sourcebook implementing the EU Alternative Fund Managers Directive (Directive 2011/61/EU) in the United Kingdom and is being made available on the Company's website: **www.abrdnpit.co.uk**.

Defined terms used in this pre-investment disclosure document can be found in section 20 below.

1. A Description of the Investment Strategy, Policy and Objective of the Company, Types of Assets the Company May Invest In, Investment Techniques and Investment Restrictions

Information about the Company's investment strategy, policy and objectives, the types of assets in which the Company may invest, the investment techniques and any investment restrictions are contained in the Annual Report which is available on the Company's website: **www.abrdnpit.co.uk**.

Investment Objective
To provide shareholders with an attractive level of income together with the prospect of income and capital growth.

Investment policy
The Directors intend to achieve the investment objective of the Company by investing in a diversified portfolio of UK real estate assets in the industrial, office, retail and 'other' sectors, where 'other' includes leisure, data centres, student housing, hotels (and apart-hotels) and healthcare.

Investment in property development and investment in co-investment vehicles where there is more than one investor is permitted up to a maximum of 10% of the Property Portfolio.

In order to manage risk in the Company, without compromising flexibility, the Directors apply the following restrictions to the Property Portfolio:

- No property will be greater by value than 15% of total assets.
- No tenant (with the exception of the Government) shall be responsible for more than 20% of the Company's rent roll.
- Gearing, calculated as borrowings as a percentage of the Company's gross assets, may not exceed 65%. The Board's current intention is that the Company's gearing will not exceed 45%.

All investment restrictions apply at the time of investment. The Company will not be required to dispose of an asset or assets as a result of a change in valuation.

Any material change to the investment policy of the Company may only be made with the prior approval of its Shareholders.

The above investment policy was approved by shareholders at the Annual General Meeting held on 15 June 2022.

2. Principal Risks and Uncertainties

The Board ensures that proper consideration of risk is undertaken in all aspects of the Company's business on a regular basis. Subsequent to completing the disposal of abrdn Property Holdings Limited (aPH) to GoldenTree the Board reassessed the Company's principal risks as summarised below:

Delays in the eventual liquidation of the Company.
The eventual liquidation of the Company is likely to be dependent on the timing of the sale of the Company's sole remaining asset, Far Ralia; the Board will provide an update to Shareholders if this position changes. The risk therefore is that any delays in the sales process will likely impact not just the timing of the liquidation but also potentially the scale of final distribution to shareholders (see below). The risk is mitigated by an active marketing process and risks include finalising Scottish Forestry consent required as part of the sales process which is progressing. Furthermore, the Board are in regular contact with the potential liquidators regarding the timing of when they could be appointed and the retention they would require.

The ultimate total distribution to shareholders is less than expected.
To mitigate this risk, the Board received regular updates from the Investment Manager during the negotiation period for the subsidiary sale and established a prudent buffer at the point of initial capital distribution to Shareholders during December 2024 (via the Redeemable Bonus Share issue). Estimates of what the ultimate total distribution to shareholders were communicated to shareholders when it was prudent to do so. The ultimate distribution to shareholders is highly dependent on the timing of the sale of Far Ralia and the resultant sales price achieved; the former is likely to impact ongoing running costs prior to liquidation (i.e. longer period to liquidation, higher running costs). This risk is mitigated through the regular review of forecast costs, scrutiny of the selling agent, and proactive discussions with the potential liquidator.

Environmental.
Extreme weather events both in the UK and globally are becoming a more regular occurrence due to climate change, the impact of the environment on property and on the wider UK economy is seen as an increasing risk. Environmental risk was historically considered as part of each purchase and monitored on an ongoing basis by the Investment Manager.

Please see the Sustainability Committee Report for further details on how the Company addresses environmental risk, including climate change.

Other Risks.
Other risks faced by the Company include the following:

- **Tax efficiency** – following the change in structure of the Group on 29 November 24, it can no longer qualify for REIT Tax status. As such, there is a clear risk that the Company can no longer be seen as a tax efficient investment vehicle for shareholders. In addition a future delisting may ultimately impact shareholders invested via tax efficient wrappers such as ISAs.

- **Regulatory** – breach of regulatory rules could lead to the suspension of the Group's Stock Exchange Listing, financial penalties or a qualified audit report.

- **Financial** – inadequate controls by the Investment Manager or third-party service providers could lead to misappropriation of assets. Inappropriate accounting policies or failure to comply with accounting standards could lead to misreporting or breaches of regulations.

- **Operational** – failure of the Investment Manager's accounting systems or disruption to the Investment Manager's business, or that of third-party service providers, could lead to an inability to provide accurate reporting and monitoring, leading to loss of shareholder confidence.

- **Business continuity** – risks to any of the Company's service providers or properties, following a catastrophic event e.g. terrorist attack, cyber-attack, power disruptions or civil unrest, leading to disruption of service, loss of data etc.

- **Cyber** – the risk of large-scale network disruption through various forms such as hacking, malware, phishing, DDOS, data breach or loss. In addition, Artificial Intelligence and it's potential use in cyber attacks

The Board seeks to mitigate and manage all risks through review, policy setting and enforcement of contractual obligations. It also regularly monitors the investment environment and where the Company's cash is invested.

Details of the Group's internal controls are described in more detail in the Corporate Governance Report within the Annual Report.

Emerging Risks
Emerging risks have been identified by the Board through a process of evaluating relatively new risks that have emerged and increased materially in the year, and subsequently, or through market intelligence are expected to grow significantly and impact the Company. Any such emerging risks are likely to cause disruption to the business model. If ignored, they could impact the Company's financial performance and prospects. Alternatively, if recognised, they could provide opportunities for transformation and improved performance.

- **Future of the Company**

In the Company's 2023 Annual Report & Financial Statements, several risks were noted associated with the size, speed and method of capital distributions back to shareholders, and maintenance of REIT status if shareholders voted in favour of the (then) proposed managed wind-down. Following the vote, the Board took steps to address these ultimately resulting in the disposal of the Group's subsidiaries to GoldenTree Asset Management LP. This helped to ensure that a sizeable proportion of capital was distributed quickly to shareholders. As noted above, there are still some risks regarding the timing and magnitude of the final distributions and these now form part of the key risks of the Company.

There now exists a clear risk around the liquidation process itself. Once in liquidation, the Company's shares will no longer be traded on a stock exchange and shareholders will not be able to realise their investments and will be dependent on the liquidator who will assume responsibilities over the operational management of the Company during the liquidation period. The length of the liquidation itself and timing of ultimate distributions relating to any residual cash due to shareholders would be at their discretion.

- **Economic and Geopolitical**
  The current economic and geopolitical environment is unpredictable, and changing rapidly, and this may affect real estate valuations and/or deter prospective buyers, increasing the risk relating to the quantum and timing of sale of Far Ralia.

- **Climate**
  A "greenlash" against climate policies is emerging following the Republicans win in the US elections in 2024. This could derail progress against global climate targets and dampen the demand for carbon offset assets.

- **Technology & Artificial Intelligence**
  Cyber-attacks are increasing in occurrence and target businesses' data, IT systems and even their physical infrastructure as buildings have become more reliant on smart technology for their daily operation. In addition, the rapid evolution of AI is potentially introducing risks that have not yet been identified or quantified.

3. Risk Management Systems

The directors of abrdn Fund Managers Limited collectively assume responsibility for the Manager's obligations under the AIFMD including monitoring the Company's risk profile during the year.

The Manager, as a fully integrated member of the Aberdeen group of companies, receives a variety of services and support in the conduct of its business activities from the resources of Aberdeen. The Manager conducts its risk oversight, including in the conduct of its risk oversight function, through the operation of Aberdeen's risk management processes and systems, further details of which are set out in the Appendix to this document.

4. Leverage

Leverage limits
The maximum leverage which the Manager is entitled to employ on behalf of the Company (expressed as a ratio to total assets) is:

Commitment Method	250%
Gross Method	400%

Types of leverage
Leverage is a common feature of most closed ended property funds (and particularly UK REITs) and would be utilised in order to provide enhanced returns for shareholders. The AIFM believes the maximum level of leverage supports the ability of the Company to acquire assets which help generate additional income returns for the Company, along with potential capital increases, compared to the cost of such leverage.

The Company's policy is not to restrict the type of borrowing it can enter into. This deliberately provides flexibility for the Company to establish over time a diversified borrowing strategy involving different sources (bank as well as other financial institutions) and staggered maturity profiles with varying term lengths. Whilst the use of leverage may enhance returns to investors, it may also have the effect of increasing losses.

The use of leverage will be subject to both the maximum leverage limit set out below plus the gearing limits approved by shareholders included in the Company's investment policy, namely:

The AIFM is required by the AIFM Directive to set a maximum level of leverage which it may employ on behalf of the Company and is calculated in a significantly different manner to that described above.

The AIFM Directive defines "leverage" as "any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means". Leverage is expressed as the ratio of the AIF's "exposure" to its net asset value. For these purposes, the "exposure" of an AIF is calculated by a "gross" and a "commitment" method. Under each method, "exposure" is calculated by aggregating the values of all positions of the AIF. However, whereas the exposure of an AIF calculated in accordance with the "gross" method is the sum of the absolute value of all positions, the "commitment" method allows certain investment positions to be excluded from the calculation if these aim at offsetting some risk such as 'netting' and 'hedging' arrangements. Under these methods of calculation, the gearing limit for Standard Life Investments Property Income Trust Limited has been set at 400% and 250% for the gross and commitment method respectively.

Disclosure of information in relation to leverage

The Company will disclose on its website at the same time as it makes its annual report and financial statements available to investors or more frequently at its discretion, the following:

- any changes to the maximum level of leverage that the AIFM may employ on behalf of the Company;
- any changes to the right of reuse of collateral or any guarantee granted under the leveraging arrangements; and
- the total amount of leverage employed by the Company.

5. Modification of Investment Policy

In accordance with the Financial Conduct Authority's ("FCA") listing rules, any material change to the Company's investment policy will require the FCA's prior approval as well as the approval of Shareholders. In considering what is a material change the Company must have regard to the cumulative effect of any changes since Shareholders last had the opportunity to vote.

6. Contractual Relationship Between the Company and Investors, Applicable Law and the Enforcement of Judgements

The Company is incorporated as a closed ended investment company under the provisions of the Companies (Guernsey) Law, 2008 (as amended) and its ordinary shares are listed on the premium segment of the Official List of the UK Listing Authority and traded on the London Stock Exchange.

Investors who acquire shares in the Company will do so subject to the Articles. The Articles are one of the Company's constitutional documents and contain the rights and restrictions attaching to the Company's shares. The Articles are governed by Guernsey law and may only be amended by way of a special resolution. A shareholder's liability to the Company will be limited to the value of the shares held by such shareholder.

As the Company is incorporated in Guernsey, it may not be possible for an investor located outside that jurisdiction to effect service of process upon the Company within the local jurisdiction in which that investor resides. All or a substantial portion of the assets of the Company may be located outside of the local jurisdiction in which an investor resides and, as a result, it may not be possible to satisfy a judgment against the Company in such local jurisdiction or to enforce a judgment obtained in the local jurisdiction's courts against the Company.

A number of legal instruments provide for the recognition and enforcement in Guernsey of judgments given in other states. Where no particular legal instrument applies, a judgment creditor may nevertheless have rights to seek to enforce a judgement under Guernsey law.

Details on how to invest in the Company are set out in the Annual Report.

7. Information on the AIFM, Depositary and Service Providers

AIFM/Manager

The Company has appointed abrdn Fund Managers Limited, which is a company limited by shares and incorporated in England & Wales, as its alternative investment fund manager. The Manager is a subsidiary of Aberdeen Group plc, a company incorporated in Scotland.

The Manager is authorised and regulated by the FCA as an alternative investment fund manager. Pursuant to the Management Agreement, the Manager provides investment management services (including portfolio management), risk management services and general administrative services to the Company.

The duties of the Manager also include (but are not limited to) the following:

- The proper valuation of the Company's assets and the calculation and publication of the Net Asset Value of the Company
- To review its delegation of the portfolio management function to the Investment Manager on an ongoing basis
- To ensure that appropriate and consistent procedures are established so that a proper and independent valuation of the assets of the Company can be performed
- To implement a risk management system to identify, measure and manage appropriately all risks relevant to the Company's investment strategies and to review this system on an annual basis
- To ensure that a single depositary is appointed to ensure, among other things, the proper monitoring of the Company's cash flows and the safe-keeping of the Company's assets that can be held in custody
- To employ an appropriate liquidity management system
- To adopt procedures enabling it to monitor the liquidity risk of the Company and ensure that the liquidity profile of the Company's investments complies with its underlying obligations
- To use adequate and appropriate human and technical resources necessary for the proper management of the Company
- To make available an annual report for the Company no later than four months following the end of its annual accounting period

The Management Agreement contains customary termination provisions and may be terminated on six months' written notice by either the Company or the Manager. The Company may also terminate the Management Agreement immediately inter alia if the Manager ceases to maintain its regulatory permission to act as AIFM and following a change of control of the Manager or if the Investment Manager ceases to maintain its regulatory permissions. In addition, either party may terminate the agreement immediately by notice upon the occurrence of certain events including the insolvency or winding up of the other party and a material breach of contract.

The Manager has delegated the portfolio management of the Company to abrdn Investments Limited. Further details of the delegation arrangements are set out in paragraph 9 below.

Depositary
The Company has appointed Citibank UK Limited to act as its depositary. Pursuant to the Depositary Agreement, the Depositary must carry out the duties specified in AIFMD, including:

- Safekeeping of the assets of the Company which are entrusted to it
- Cash monitoring and verifying the Company's cash flows
- Oversight of the Company and the Manager, including
    - Ensuring that the sale, issue, re-purchase, redemption, transfer, buy back and valuation of shares are carried out in accordance with the Company's constitutional documentation and applicable laws, rules and regulations
    - Ensuring that in transactions involving the Company's assets the consideration is remitted to the Company within the usual time limits
    - Ensuring that the Company's income is applied in accordance with the Company's constitutional documentation and applicable laws, rules and regulations
    - Carrying out instructions received from the Manager unless they conflict with the Company's constitutional documentation or any applicable law, rule or regulation, or the provisions of the Depositary Agreement

In carrying out such functions the Depositary must act honestly, fairly, professionally, independently and in the interests of Shareholders.

The Depositary is liable to the Company and/or Shareholders for the loss of a financial instrument held in custody by the Depositary or a delegate, unless the Depositary is permitted to discharge, and has discharged, such liability under AIFMD and the Depositary Agreement. The Manager will inform investors of any changes with respect to the Depositary's liability for the loss of a financial instrument held in its custody. The Depositary is also liable to the

Company and/or the shareholders for all other losses suffered by them as a result of the Depositary's negligent and/or intentional failure to properly fulfil its duties.

Under the Depositary Agreement, the Company has indemnified the Depositary and its delegates against certain liabilities and expenses resulting from the Depositary's performance of its obligations under the agreement or where the Depositary has acted in accordance with authorised instructions, except where (i) the Depositary is in material breach of contract, is negligent or has intentionally failed to carry out its obligations, is in wilful default or there is fraud; or (ii) any affiliate of the Depositary has been negligent, has failed to take reasonable care or has been fraudulent in connection with the services provided.

The Company, the Manager and the Depositary may terminate the Depositary Agreement at any time by giving 90 days' notice in writing. The Depositary may only be removed from office when a new depositary is appointed by the Company.

Auditor

Deloitte LLP has been appointed as the Company's auditor responsible for auditing the annual financial statements in accordance with auditing standards and, as appropriate, regulations, and for providing its report to the Company's shareholders in the annual report and financial statements. In addition, applicable law and regulation may require other reports to be prepared for the Company and, as the appointed auditor of the Company, the Auditor will undertake such work under the auditor service agreement between the Company and the Auditor.

Registrar

The registrar of the Company is Computershare Investor Services (Guernsey) Limited which is responsible for keeping the register of Shareholders, which may be inspected at the Registrar's office at 1St Floor, Tudor House, Le Bordage, St Peter Port, Guernsey, Channel Islands GY1 1DB during normal business hours.

Stockbroker

Winterflood Securities Limited has been appointed as the Company's stockbroker to provide the Company with corporate broking and associated financial advisory services.

Investors' rights against service providers will vary depending on a range of factors. If the relevant service provider is an authorised person under FSMA carrying out a regulated activity with respect to the Company, then a contravention by it of a Rule contained within the FCA Handbook may in certain circumstances give rise to a claim for breach of statutory duty against that service provider by an investor who suffers loss as a result of that contravention. Investors may also be afforded certain rights against service providers by the general law.

8. Protection from Professional Liability Risks

The Manager has effective internal operational risk management policies and procedures in order to appropriately identify measure, manage and monitor operational risks, including professional liability risks, to which it is or could reasonably be exposed. These policies and procedures are subject to regular review and the operational risk management activities are performed independently as part of the risk management policy.

The management of operational risk, through the risk and control self-assessment process, is aimed at identifying risks in existing processes and improving existing controls to reduce their likelihood of failure and the impact of losses. All risks and events are facilitated via the internal risk management system, which provides a platform to facilitate the convergence of governance, risk and compliance.

The Manager is required to cover professional liability risks, such as the risk of loss of documents evidencing title of assets to the Company, and complies with such requirement by maintaining an amount of its own funds in accordance with AIFMD.

9. Delegation Arrangements and Management of Conflicts

Delegation arrangements

From time to time, the AIFM may delegate certain management functions to its affiliated subsidiaries or third parties.

Portfolio Management

The Manager has delegated portfolio management to the Investment Manager, which is authorised and regulated by the Financial Conduct Authority. The Investment Manager is part of the Aberdeen group of companies of which the Manager is also part.

Pursuant to the Investment Management Agreement the Investment Manager will be responsible for managing the purchase and sale of investments within the categories allowed. The Investment Manager has discretion to take day to day investment decisions and to deal in investments in relation to the investment management of the Company, without prior reference to the Manager. The Manager is entitled to give further instructions to the Investment Manager. Notwithstanding the delegation of portfolio management to the Investment Manager, the Manager will at all times remain responsible for the portfolio management function and the Investment Manager has undertaken to abide by, and be subject to, the Manager's overall supervision, direction and control.

Company secretarial duties

The Manager has delegated the company secretarial duties to Northern Trust International Fund Administration Services (Guernsey) Limited. Pursuant to the CoSec Agreement, the Company Secretary provides company secretarial services including convening meetings of Directors and general meetings of the Company, keeping the statutory books and records of the Company, maintaining the Company's register, preparing and delivering company announcements and other company secretarial duties properly or reasonably performed by the secretary of a company or as the Manager may reasonably require.

Depositary delegation

The Depositary has given notice that it will delegate certain safekeeping functions entrusted to it by the Company to various formally appointed delegates and third parties including in countries outside the domicile of the Company or the Depositary (including central securities depositaries, securities settlement systems, clearing houses, book-entry securities system and similar depositaries, systems or facilities) in accordance with the provisions of AIFMD and the Depositary Agreement.

Conflicts of interests

The Manager and the Investment Manager are committed to treating clients and shareholders fairly and have implemented procedures and processes to ensure that this is the case. In particular, the Manager and the Investment Manager have approved and adopted the Aberden Group plc's Conflicts of Interests Policy.

The objective of the Conflicts of Interests Policy is to ensure the fair treatment of clients and shareholders in cases of conflicts of interests or potential conflicts of interests which may arise in the course of providing management, advisory or administrative services to the Company.

To achieve this objective, the Conflicts of Interests Policy seeks to ensure that the Company and its service providers and the Manager and its delegates have adequate organisational and structural measures in place:

- To identify circumstances which constitute or may give rise to a conflict of interests entailing a material risk of damage to the interests of the Company or its shareholders
- To provide procedures, mechanisms and systems to manage or resolve any such conflicts of interests; where such conflict cannot otherwise be avoided, ensuring that the Company, the Manager and the Investment Manager always act in the best interests of shareholders
- To maintain a proper record of any such conflict or potential conflict and to ensure proper reporting to affected shareholders

The following circumstances have been identified as constituting or potentially giving rise to conflicts of interests:

- The Depositary is responsible for the oversight of the Manager's discharge of its duties
- Directors of the Manager are senior executives of, and employed by, Aberdeen
- The Manager, the Investment Manager and the Company Secretary are affiliated entities of Aberdeen.
- The key terms of the Investment Management Agreement and the CoSec Agreement are similar to those which might be agreed between independent third parties
- The Investment Manager has discretion to enter into foreign exchange hedging transactions and borrowings on behalf of the Company. The Investment Manager may appoint an affiliate of any existing service provider or any other third party to act as a counterparty in the execution of foreign exchange transactions in connection with the currency hedging activities of the Company and/or to implement the currency hedging strategy
- Aberdeen and its affiliates may hold or trade in securities and instruments of the same type as the securities and instruments held or traded in by the Company; they may also utilise the same or similar strategies as those adopted by the Investment Manager on behalf of the Company In addition, the Company may make investments in other funds managed or advised by Aberdeen or its affiliates

In order to ensure that actual and potential conflicts of interests are appropriately identified, managed and monitored, Aberdeen has established a formal committee which operates under documented terms of reference and which meets regularly to maintain oversight of the Conflicts of Interests Policy and the management of live conflicts situations. Aberdeen maintains a documented matrix of known or inherent conflicts of interests, as well as a documented register of live actual or potential conflicts of interests arising in the carrying on of its business operations.

10. Valuation Procedures

The Company's accounting policies, including in relation to the valuation of investments, are set out in the Notes to the Financial Statements in the Annual Report.

The Company has delegated a number of its duties to the Manager including the proper valuation of the Company's assets, the calculation of the Net Asset Value of the Company and the publication of such Net Asset Value. Accordingly, the Manager has approved and adopted Aberdeen's Valuation Policy. The Manager considers that the Valuation Policy contains appropriate and consistent procedures to ensure that a proper and independent valuation of the assets of the Company can be performed.

Valuations of the properties in the Company's portfolio are performed by accredited external valuers with recognised and relevant professional qualifications and recent experience of the location and category of the investment properties being valued. The valuation models utilised comply with the Royal Institute of Chartered Surveyors ('RICS') requirements on disclosure for Regulated Purpose Valuations (RICS Valuation – Professional Standards January 2014 (revised April 2015) published by the Royal Institution of Chartered Surveyors). These valuation models are consistent with the principles in international financial reporting standard 13.

There is a Property Valuation Committee, comprising the full Board, which meets four times a year. The Committee is convened for the purpose of reviewing the quarterly independent property valuation reports prior to their submission to the Board. The Chairman of the Property Valuation Committee meets with the independent property valuer at least annually.

11. Liquidity Risk Management and Redemption Rights

The Manager has a Liquidity Policy in place. Shares in the Company are not redeemable and shareholders do not have the right to require their shares to be purchased by the Company. Accordingly, the Liquidity Policy ensures that the Company's investment portfolio is sufficiently liquid to meet the following principal obligations:

- the Company's operating and financing expenses: in practice, these expenses are typically covered by the rent received from the Company's investments; and

- the possible need to repay borrowings at short notice, which would require to be met by the sale of assets.

For closed ended funds such as the Company, due to the illiquid nature of the underlying assets and the risks to the Company of not being able to realise a sale or acquire a property quickly enough, this policy focuses, primarily, upon the potential issues with regard to the mis-pricing of illiquid securities and sets out primary and secondary controls, to monitor and manage liquidity in the Company. There are primary controls (diversified portfolio, appropriate prime / secondary emphasis to portfolio, risk limits on void and development exposure); and secondary controls (e.g. stress tested cash projections, solvency reports, covenant reporting). The Aberdeen Investments Valuation and Pricing Committee is responsible for the pricing of illiquid securities.

This policy involves an assessment by the AIFM of the values at which it expects to be able to liquidate its assets over varying hypothetical periods in varying market conditions, taking into account the sensitivity of particular assets to particular market risks and other relevant factors. None of the Company's assets are subject to special arrangements arising from their illiquid nature but a significant proportion of the Company's assets are, and are expected to be, invested in property assets which are not highly liquid.

The Liquidity Policy is reviewed and updated, as required, on at least an annual basis.

12. Fees, Charges and Expenses

Under the previous terms of the Investment Management Agreement in effect until 31 May 2024, the Investment Manager was entitled to an annual fee equal to 0.60% of gross asset value up to £500 million and 0.50% of gross asset value over £500 million.

With effect from 31 May 2024, the Investment Manager is entitled to an annual fee of 0.20% of total assets with a minimum fee of £50,000 payable per quarter. In addition, the Investment Manager is entitled to receive 0.40% of any Gross Disposal Proceeds received by the Company on disposals on or after 1 June 2024, while they receive £17,500 (excluding VAT) for ongoing marketing until the Company delists.

The Investment Manager was also entitled to receive an ‘Incentive Fee’ based on the cumulative Gross Disposal Fee relative to valuation of the portfolio as at 31 May 2024, with the fee only being triggered if this is greater than 90% of said valuation and if all assets are sold prior to 28 November 2025.

The Company also incurs annual fees, charges and expenses in connection with company secretarial and administration functions, directors’ fees, promotional activities, auditors’ fees, lawyers’ fees and depositary charges. The Company’s Ongoing Charges (which include the management fee), excluding direct property costs, amounted to 1.2%, as disclosed in the latest Annual Report.

13. Fair Treatment/Preferential Treatment of Investors

The Manager is subject to the FCA’s rules on treating customers fairly and has adopted a policy regarding treating customers fairly, the operation of which is overseen by a formal committee comprised of senior managers from Aberdeen’s various business units and from its risk division. The role of the Conduct Risk Committee, which meets regularly and operates under documented terms of reference, is to ensure, among other matters, that the Conduct Risk Policy is implemented and maintained and to consider any actual or potential Conduct Risk Policy issues arising in connection with Aberdeen carrying on its business operations. General awareness training on the Conduct Risk Policy and what it means to Aberdeen and its customers is delivered to all Aberdeen staff.

No investor in the Company obtains preferential treatment or the right to obtain preferential treatment.

14. Availability of the AIF’s Latest Annual Report

The Company’s latest annual report is available on the Company’s website: **www.abrdnpit.co.uk**

15. Procedure and Conditions for the Issue and Sale of Shares

The issue of new shares by the Company, either by way of a fresh issue of shares or by way of the sale of shares from treasury, is subject to the requisite shareholder authorities being in place and all FCA listing rule requirements having been met. Shares in the Company can also be bought in the open market through a stockbroker. Shares qualify fully for inclusion within tax-efficient ISA wrappers. Further information about how shares in the Company may be purchased is set out in the section headed “Investor Information” in the Annual Report.

16. Latest NAV of the AIF

The Company’s NAV is published quarterly by way of an announcement on a regulatory information service.

For internet users, additional data on the Company, including the latest published NAV, the closing price of ordinary shares for the previous day of trading on the London Stock Exchange, performance information and a monthly factsheet, is available on the Company’s website: **www.abrdnpit.co.uk**.

17. AIF’s Historical Performance

The Company’s historical performance data, including copies of the Company’s current and previous annual report and financial statements, are available on the Company’s website: **www.abrdnpit.co.uk**.

18. Prime Brokerage

The Company has not appointed a prime broker.

19. Periodic Disclosures

The Manager will, at least as often as the annual report and financial statements are made available to Shareholders, make the following information available to shareholders:

- Any changes to (i) the maximum level of Leverage that the Manager may employ on behalf of the Company and (ii) any right of reuse of collateral or any guarantee granted under any leveraging arrangement

- The total amount of Leverage employed by the Company
- The percentage of the Company's investments which are subject to special arrangements resulting from their illiquid nature
- The current risk profile of the Company outlining (i) measures to assess the sensitivity of the Company to the most relevant risks to which the Company is or could be exposed and (ii) if risk limits set by the Manager have been or are likely to be exceeded and where these risk limits have been exceeded, a description of the circumstances and the remedial measures taken
- The risk management systems employed by the Manager outlining the main features of the risk management systems employed by the Manager to manage the risks to which the Company is or may be exposed. In the case of a change, information relating to the change and its anticipated impact on the Company and shareholders will be made available

The Manager will inform Shareholders as soon as practicable after making any material changes to its liquidity management system and procedures. Any material changes to the periodic disclosures will be provided to Shareholders by way of an announcement to a regulatory news service.

20. Defined Terms

The following defined terms are used in this pre-investment disclosure document:

Aberdeen or Aberdeen Group plc	Aberdeen Group plc, a company registered in Scotland, and its subsidiaries
AIFMD	European Union Directive 2011/61/EU, together with its implementing measures
AIFM or **Manager**	abrdn Fund Managers Limited
Annual Report	The Company's Annual Report and Financial Statements for the relevant financial year, the most recent year being the year ended 31 December 2024
Articles	The Company's articles of association, as amended from time to time
Auditor	Deloitte LLP
Brussels Regulation	Council Regulation (EC 44/2001) of 22 December 2000, concerning the recognition and enforcement in England and Wales of judgments given by the courts of most EU member states in civil and commercial matters
Commitment Method	The commitment method for calculating leverage as prescribed under Article 8 of the AIFMD, which excludes certain hedging instruments from the calculation
Company or **AIF**	abrdn Property Income Trust Limited
Company Secretary	Northern Trust Fund Administration Services (Guernsey) Limited
Conduct Risk Committee	Aberdeen's formal committee for overseeing, among other matters, the Conduct Risk Policy
Conduct Risk Policy	Aberdeen's documented policy regarding treating customers fairly
CoSec Agreement	the company secretarial agreement between the Company and the Company Secretary dated 4 December 2003
Conflicts of Interests Policy	Aberdeen's documented conflicts of interests policy
Depositary	Citibank UK Limited, a public limited company having its registered office at Canada Square, Canary Wharf, London, E14 5LB.
Depositary Agreement	Depositary agreement among the Company, Standard Life Investments (Corporate Funds) Limited and the Depositary dated 14 July 2014, and novated from Standard Life Investments (Corporate Funds) Limited to the Manager on 10 December 2018, as updated from time to time
ESG	Environmental, social and governance
FCA	The Financial Conduct Authority
FCA Handbook	The FCA's Handbook on rules and guidance
FSMA	Financial Services and Markets Act 2000, as amended
Gross Method	The gross notional method for calculating leverage as prescribed under Article 7 of the AIFMD, which includes certain hedging instruments within the calculation
Investment Manager	abrdn Investments Limited
Investment Management Agreement	Investment management agreement between the Manager and the Investment Manager dated 7 July 2014, and novated by Standard Life Investments (Corporate Funds) Limited to the Manager on 10 December 2018

Leverage	Any method by which the AIFM increases the exposure of the Company whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means
Liquidity Policy	Aberdeen's documented policy regarding liquidity risk management
Management Agreement	management agreement between the Company and Standard Life (Corporate Funds) Limited dated 7 July 2014 as novated to the Manager on 10 December 2018
Net Asset Value or NAV	The net asset value of the Company
Ongoing Charges	Ratio of expenses as a percentage of average daily shareholders' funds calculated as per the Association of Investment Companies' industry standard method
Registrar	Computershare Investor Services (Guernsey) Limited
Shareholders	Shareholders in the Company
Stockbroker	Winterflood Securities Limited
Valuation Policy	Aberdeen's documented valuation policy regarding the production and oversight of net assets values of collective funds in the Europe, Middle East and Africa region

Other important information:
Issued by abrdn Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom. Registered in England & Wales under company number 00740118. Registered Office at 280 Bishopsgate, London EC2M 4AG. An investment trust should be considered only as part of a balanced portfolio. Under no circumstances should this information be considered as an offer or solicitation to deal in investments.

Appendix to Pre-investment Disclosure Document

abrdn Fund Managers Limited: Risk management

Risk Management function

Aberdeen Group plc, and its subsidiaries (together “the Group”), is committed to building and continuously improving a sound and effective system of internal control and a risk management framework that is embedded within its operations; this is the Group’s first line of defence.

The Group’s Risk Division, as the second line of defence, exists to support management in the identification and mitigation of risks and provides independent monitoring of the business. The Division includes Conduct & Compliance, Operational Risk and investment risk Oversight. The team is headed by the Group’s CRO, who reports to the Chief Executive Officer of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using the Group’s operational risk management system (SHIELD).

The Group’s Internal Audit Department is independent of the Risk Division and reports directly to the Group CEO and to the chair of the Audit Committee of the Group’s Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the Group’s control environment; it is the Group’s third line of defence.

The Group’s corporate governance structure is supported by several committees that bring together Group’s subject matter experts from different departments, to assist the Boards of Directors of Aberdeen Group plc, its subsidiaries and the funds to fulfil their roles and responsibilities. The Group’s Risk Division is represented on all committees, with the exception of those that deal with investment recommendations to the Boards. The specific goals and guidelines on the functioning of these committees are described in their respective terms of reference.

Description of the process of identifying, assessing and managing risks

- **Market risk:** Is monitored through factor modelling used to calculate both absolute and relative ex ante quantities such as tracking error (TE) and Value at Risk (VaR). The VaR is computed on a NAV basis as the maximum loss that the portfolio should incur over 20 days, 99% of the time under normal market conditions. The fund’s portfolio risks are decomposed into intuitive components to pinpoint areas of unexpected market risk. The techniques are applied to all relevant asset classes. The market risk is further monitored through the computation of the level of leverage by both the gross and net approach. The leverage is calculated by converting each FDI into the equivalent position in the underlying assets of those derivatives, on a NAV basis. The market risk linked to the concentration risk is mitigated through investment restrictions set according to the basic principle of diversification.
- **Liquidity risk:** The Group has a Liquidity Risk Management Policy in place applicable to the funds and set out in accordance with its overall Risk Management Process, relative to the size, scope and complexity of the funds. Liquidity Risk is monitored on both the asset and liability sides. To measure and monitor asset liquidity risk the Group employs a number of methods specific to the underlying assets. In all cases, the approach is to reference the actual holdings of the sub-fund against a true measure of the market at both an aggregate and a position level. The Group has implemented a Group Pricing Policy which details the operational responsibilities for pricing assets, this policy is owned and overseen by the Group pricing Committee. On the liability side, investor transactions and, beyond this, investor behaviour are the main driver of liquidity within each sub-fund. In this context, the articles and prospectuses contain certain key provisions or limits which provide protection to the funds and ultimately investors, in situations where liquidity might become a concern. In addition, the fund receives and analyses periodic reports in respect of the shareholder concentration within each sub-fund. Any shareholder concentrations and transactional behaviour are identified at sub-fund level and any particular concerns noted are escalated to the relevant Group Committee and respective Boards, if material.
- **Credit and counterparty risk:** The credit and counterparty risks linked to derivatives transactions are managed through processes outlined in the Group’s Counterparty Credit Risk Policy. This Policy underpins on the following principles: Internal Credit assessments; credit limits; exposure calculation and oversight and Control. Credit research on counterparties is carried out by the Credit Investment Team. Research is conducted on the basis of qualitative and quantitative analysis and is presented for discussion at the Credit Committee on a monthly basis. Each counterparty is reviewed at least once per annum. Furthermore the Risk and Exposure Committee (REC) and/or credit Committee can impose house level restrictions on concentrations. Credit risk exposures are calculated net of collateral received. The methodology for calculating an amount for potential exposure arising from movements in mark to market is approved by the REC. Acceptable collateral and other commercial and credit terms for inclusion in the International Swap and Derivative Association (ISDA) documentation is defined in the Group Derivative Management Policy. Counterparty credit exposures are monitored against internal limits by an investment control team and monitored by the Group Credit Committee and Risk and Exposure Committee.
- **Legal risk:** All key contractual arrangements entered into by the funds are reviewed by the Legal Department and, where required, by external legal counsel. If these contracts refer to delegation arrangements, where

applicable, there is an operating memorandum defining information flows between the parties, frequency of services and deadlines, a clear attribution of rights and responsibilities of each party and, when applicable, the key performance indicators to measure performance. Any litigation issues are also handled by the Legal Department.

Each OTC derivatives are framed within the legal provisions of the ISDA Master agreement which defines the rights and obligations of parties engaging in derivatives trading. The ISDA master agreements are negotiated and signed between each umbrella/sub-fund and the counterparty. The Credit Support Annexe (CSA) is a legally binding document which is annexed to the ISDA agreement and details the Minimum Transfer Amount (MTA) or collateral required by AAML when engaging in OTC derivatives trading with counterparties. The Group Derivative Management Committee is responsible for approving the commercial terms associated to derivative documentation for the Group.

- **Tax risk:** The Group uses external tax consultants to advise on tax structuring, transactions and tax reporting.
- **Operational risk:** The Operational Risk Management Framework ensures that the operational risks taken and their contribution to the overall risk profile are accurately measured on the basis of sound and reliable data and that the risk measurement arrangements, processes and techniques are adequately documented. The identification, measurement, management and monitoring of operational risk within the Group are achieved through the use of the Group's Operational Risk Management Framework System, SHIELD. This system provides the following key Risk Management Modules:
  - *Event Management:* This module serves as a historical loss database, in which any operational failures, loss and damage experience (Events) will be recorded. The records include professional liability damages. The process for recording, investigation and mitigation of Events aims to ensure that they are not repeated.
  - *Issues and Actions Plan:* The issues and actions module provides a standardised mechanism for identifying, prioritising, classifying, escalating and reporting internal audit findings and other on-going / unresolved matters impacting the Group from a risk or regulatory perspective (Issues).
  - *Risk and Control Self Assessment (RCSA*): The RCSA process is to ensure key risks and key controls are identified and managed effectively in order to satisfy, at a Group level, Internal Capital Adequacy (ICAAP) requirements. The RCSA also provides a systematic and holistic means of identifying risk and control gaps that could impact business or process objectives which are agreed by senior management to complete.
  - *Business Continuity Plan (BCP):* Is in place and designed for invocation where there has been significant disruption to normal business functions at any Aberdeen Group plc office that is likely to last longer than 24 hours.

Measuring risk

Where appropriate the Group applies the following measurements for each fund:

- **Leverage:** Has the effect of gearing a fund's expected performance by allowing a fund to gain greater exposure to underlying investment opportunities (gains and losses). The higher the leverage the greater the risk (potential loss).
- **Volatility, Value-at-Risk (VaR) and Conditional VaR (CVaR):** Volatility measures the size of variation in returns that a fund is likely to expect. The higher the volatility the higher the risk. VaR measures with a degree of confidence the maximum the fund could expect to lose in any one given day, assuming a normal (Gaussian) distribution, this is a function of the volatility of the fund. The higher the volatility, the higher the VaR, the greater the risk. CVaR calculates the expected loss, under the assumption that the VaR has been reached.
- **Tracking error (TE):** Measures the expected magnitude of divergence of returns between the fund and benchmark over a given time.
- **Systematic and stock specific risk:** Systematic risk represents the proportion of a fund's risk that is attributable to market exposure; and specific risk represents the risk that is intrinsic to individual stocks (i.e. particular to a given stock's attributes).
- **Stress test and scenario analysis:** Captures how much the current portfolio will make or lose if certain market conditions occur.
- **Concentration risk:** By grouping the portfolio through various different exposures: country, sector, issuer, asset etc., to identify where concentration risk exists.

Escalation and reporting

The Group recognises timely and adequate reporting measures as well as escalation channels to be key components of the control process and management of risk.

The Risk team provide regular updates to the Board/senior management on the adequacy and effectiveness of the Risk Management Process indicating, where applicable, actual or anticipated deficiencies and the remedial measures.

In addition, all issues and events impacting any Group entity or the funds are logged in SHIELD, by the relevant area within the prescribed time limits.