

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name: Ordinary shares in Dragon-Ukrainian Properties & Development plc
 ISIN: IM00B1XH2B90
 Manufacturer: Dragon-Ukrainian Properties & Development plc
 Competent Authority: United Kingdom - Financial Conduct Authority
 Contact Details: www.dragon-upd.com, or call +44 (0)1624 692930 for more information.

This key investor information is accurate as at 22 March 2018.

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

What is this Product?

Type	The " Product " refers to ordinary shares in Dragon-Ukrainian Properties & Development plc (the " Company "). The Company was incorporated and registered in the Isle of Man with registration number 119018C on 23 February 2007. Company was reregistered on 24 February 2014 under the provisions of the 2006 Companies Act with the registration number 010832V. The ordinary shares of the Company are traded on the AIM Market of the London Stock Exchange. The ISIN for the Company is IM00B1XH2B90.
Strategy	The Company was formed to invest in the development of new commercial properties and redevelopment of existing properties in Ukraine (the " Properties "). The strategy of the Company was approved by the resolution of shareholders at the extraordinary general meeting of shareholders held on 17 February 2014 and formalised in the Company's " Investing Policy ", which is available to investors on the Company's website (see "Other relevant information" section below). The Board will seek to realise the Company's Properties in an orderly manner, such realisations to be effected at such times, on such terms and in such manner as the Board (in its absolute discretion) may determine. The Company will not make any investments in new properties. However, this will not preclude in specific circumstances the Board (in its absolute discretion) from making additional investments into any existing Properties within its Property portfolio (as set out in the Company's Investing Policy).
Intended Investor	As well as being suitable for professional and institutional investors, an investment in the Company's shares is suitable only for those private individuals who are professionally advised and who understand: (i) the potential risk of capital loss and that there may be limited liquidity in the shares as well as the underlying Properties; (ii) the risks inherent in property investment in emerging jurisdictions; and (iii) that an investment in the shares should constitute part of a diversified investment portfolio.
Maturity	This Product has no set maturity date however at an extraordinary general meeting of shareholders held on 17 February 2014, the Board agreed to realise the Company's Properties in an orderly manner.

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

Risk Indicator



The risk indicator assumes you keep the Product for 2 years.

The Company has calculated the shaded Summary Risk Indicator (SRI) category, as shown above, using a method of calculation derived from EU rules.

We have classified this Product as 6 out of 7, which is the second second-highest risk class and rates the potential losses from future performance at a high level and poor market conditions are very likely to impact the capacity for you to receive a positive return on your investment. You may not be able to sell the product

The SRI 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.

The SRI also demonstrates where the shares of the Company rank in terms of their potential risk and reward. The higher the SRI ranking the greater the potential reward but the greater the risk of losing money. The SRI is based on past data and may change over time and may not be a reliable indicator of the future risk profile of the shares of the Company.

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

For further detail on the risks relevant to this Product, please refer to the "Other relevant information" section below that provides information about the Company's AIM admission document (the "**Admission Document**") and its Annual and Interim Reports, which each include risk disclosures about this Product.

easily which may mean that you have to sell at a price which impacts on how much you get back.

If the Company is not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Performance Scenarios		Investment £10,000	
Scenarios		1 year	2 years (assumed holding period)
Stress Scenario	What you might get back after costs	£2,994	£1,618
	Average return each year	-70.1%	-59.8%
Unfavourable Scenario	What you might get back after costs	£4,735	£3,166
	Average return each year	-52.7%	-43.7%
Moderate Scenario	What you might get back after costs	£8,533	£7,300
	Average return each year	-14.7%	-14.6%
Favourable Scenario	What you might get back after costs	£15,510	£16,979
	Average return each year	55.1%	30.3%

This table shows the money you could get back by way of total return, being share price movements and dividend income, over the next 2 years (assumed holding period), under different scenarios, assuming that you invest £10,000. 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 based on evidence from the past on how the value of this investment varies, and are not an exact indicator and is not guaranteed by the Board or the Manager. What you get will vary depending on how the market performs and how long you hold the shares. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account a scenario where the Company is in liquidation.

The figures shown include all the costs incurred by the Company itself, but does not include any costs you pay to any advisor or any commissions or other costs paid in addition to the price paid for the shares. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if the Company is unable to pay out?

The shares in the Company are currently listed on the AIM Market of the London Stock Exchange. You may suffer financial loss due to the default of the Company which could equal the amount of your investment. There is no compensation or guarantee scheme in place which may offset any or all of any such losses.

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 two different holding periods. They include potential exit penalties. The figures assume you invest £10,000. You should note that these estimated cost figures are based on recent actual costs incurred by the Company whereas the return that you may receive will depend on the Company's share price performance. There is no direct link between the Company's share prices and the costs that it incurs.

Table 1: Costs over time

The person selling to you or advising you about this Product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment Scenarios (£10,000)	If you cash in after half assumed period of 2 years (after 1 year)	If you cash in at the end of the assumed period of 2 years
Total costs	£809	£1,685
Impact on return (RIY) per year	8.09%	8.10%

Please note that the management fee under the Company's Management Agreement is a fixed amount whereas prior to July 2013 it was a fee of 1.5 per cent of Gross Asset Value. For further details on this please refer to the Company's most recent Annual Report and Financial Statements (see "Other relevant information" section below). The current arrangement for the management fee is valid until 31 December 2018, after which it will be reviewed and revised by the Board.

Table 2: 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 assumed holding period.
- The meaning of the different cost categories.

One-off costs	Entry costs	N/A	The impact of the costs you pay when entering your investment.
	Exit Costs	N/A	The impact of the costs of exiting your investment when it matures.
Recurring costs	Portfolio transaction costs	0.52%	The impact of the costs of us buying and selling underlying investments for the Product.
	Other ongoing costs	6.57%	The impact of the costs that we incur each year.
Incidental costs	Performance /other incidental fees	1.01%	A performance fee may be paid. No performance fee was paid over the period.

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

Assumed holding period: At least 2 years although there is no set holding period for this product

Prospective investors must rely upon their own financial, legal, accounting or other professional advisers as to investment, legal, tax or any other related matters concerning the Company and an investment in its shares. This Product has no required minimum holding period but is designed for long term investment; you should be prepared to stay invested for at least 2 years. The shares are listed on the AIM Market of the London Stock Exchange and purchases and sales of shares will be subject to prevailing market prices and available liquidity from time to time, neither of which is guaranteed.

How can I complain?

As a shareholder in the Company you do not have the right to complain to the UK Financial Ombudsman Service about the management of the Company. Complaints about the Company may be lodged either by phone or in writing in the following ways:

- you can call us on +44 (0)1624 692930 to log your complaint and we will explain what to do; or
- you may send your complaint in writing to: The Directors, Dragon-Ukrainian Properties & Development plc, 2nd floor, St Mary's Court, 20 Hill Street, Douglas IM1 1EU, Isle of Man.

If you have a complaint about the person who advised you about this Product, or who sold it to you please contact them for their complaints process.

Other relevant information

The cost performance and risk calculations used in this document follow the methodology prescribed by EU rules.

Additional information about the Product is available free of charge on the Company's website (www.dragon-upd.com), including the Company's Admission Document, its Annual and Interim Reports, which each provide risk disclosures and the Investing Policy.

Any capitalised terms not defined within this Key Information Document are as defined in the Admission Document.