

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.

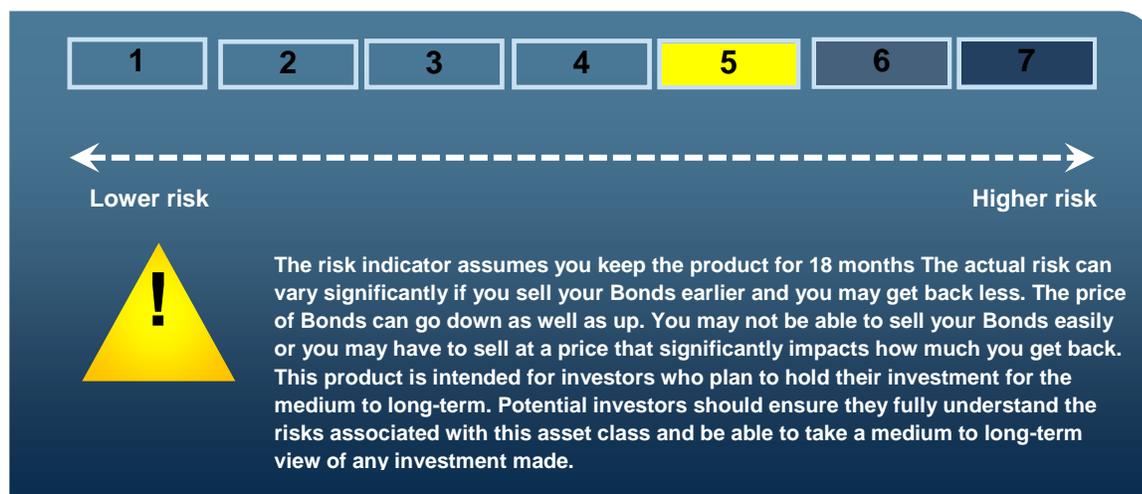
Product

PRIIP name and Unique Product Identifier:	PRIP name: £82,500,000 4.25 % Guaranteed Convertible Bonds due 2019 ISIN: XS10679505615
PRIP manufacturer:	PHP Finance (Jersey) Limited (the "Company")
Contact number for PRIIP manufacturer:	020 7104 5599
Competent Authority:	Financial Conduct Authority/The International Stock Exchange Authority Limited
Date:	The date of this Key Information Document is 31 December 2017.

What is this product?

Type:	Fixed interest convertible bond ("Bond") listed on the International Stock Exchange which is in the Channel Islands and convertible after 20 June 2017 into preference shares in the Company, which on issue are automatically converted into ordinary shares of 12.5 pence ("Ordinary Shares") each in Primary Health Properties PLC (ISIN: GB00BYRJ5J14) ("PHP") listed on the main market of the London Stock Exchange plc. Save for payments of coupons or other returns (e.g. on a winding-up), the Company is not expecting to pay you and you are expected to generate returns through selling your Bonds through a bank or stockbroker.
Objective:	Providing a fixed income stream from capital that will be either repaid at par when debt matures (20 May 2019) or converted, as described above, unless PHP elects to pay a cash alternative amount in sterling in accordance with the terms of issue of the Bond. The Bonds may be redeemed by the Company in whole but not in part at any time after 20 June 2017 if on each of at least 20 dealings days in any period of 30 consecutive days, the value of the Ordinary Shares shall have exceeded £1.30, or if 85% or more in principal amount of the Bonds originally issued shall have converted. The holders of Bonds may at their option redeem the Bonds held by them for its principal amount, together with any accrued and unpaid principal, if there is a change in control of PHP.
Investor types	In making any decision to purchase the Bonds, an investor will be deemed to have such business and financial experience as is required to give it the capacity to protect its own interests in connection with the purchase of the Bonds and to have made its own investment decision regarding the Bonds based on their own knowledge, investigation and assessment of the manufacturer and guarantor and to have consulted its own independent advisers or otherwise have satisfied itself concerning, without limitation, accounting, regulatory, tax or other consequences in the light of its particular situation under the laws of all relevant jurisdictions generally.
Intended retail investor	An investment in the Bonds includes a significant degree of risk. The Bonds are only suitable for sale and purchase by market professional and institutional investors, though retail investors are not expressly excluded from the sale and purchase of the same.

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



Risk indicator: 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 5 out of 7. This classification is based on the Company's investment strategy as well as the risks to investors such as loss of capital.

Certain key risks in relation to the Company include: 1) The Company has no material assets other than its obligation to repay the Bonds; 2) The ability of PHP to fund payments in respect of the Bonds is dependent on receipt by it of distributions from its subsidiaries and is therefore dependent on receipt by it of distributions from such subsidiaries; 3) PHP and its subsidiaries receive rental income as landlords of primary healthcare assets principally in the UK and a change in UK government policy and funding for primary healthcare could materially and adversely affect continued profitability; and 4) Property market uncertainty in the event of the UK's exit from the European Union. Further details of the risk factors associated with this investment are shown on pages 13 to 23 of the Listing Particulars issued on 14 August 2014 and which can be viewed at www.phpgroup.co.uk.

Performance scenarios: This table shows the money you could get back over the next 18 months, under different scenarios, assuming that you invest £100,000. 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, and are not exact indicators. They assume you sell your Bonds at the end of the relevant period through a bank or stockbroker. What you will get will vary depending on how the market performs and how long you keep the investment/product. The stress scenario shows what you might get back in extreme market circumstances.

The figures shown include all the costs of the product itself (being, in this case, the Bonds), but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Investment scenarios		1 year	1.3 years
Stress scenario	What you might get back after costs	64.45%	69.91%
	Average return each year	-35.55%	-24.23%
Unfavourable scenario	What you might get back after costs	80.99%	78.04%
	Average return each year	-19.01%	-17.49%
Moderate scenario	What you might get back after costs	97.65%	97.42%
	Average return each year	-2.35%	-2.01%
Favourable scenario	What you might get back after costs	118.81%	122.74%
	Average return each year	18.81%	17.21%

What happens if PHP Finance (Jersey) is unable to pay out?

As a Bondholder of the Company, you would not be able to make a claim to the Financial Services Compensation Scheme in the event that the Company is unable to pay any interest or to repay capital when the Bond matures, or if it were unable to pay any amounts due to you on a winding-up. The Bonds are guaranteed by Primary Health Properties PLC ("PHP") and you would have a right under the terms of the trust deed dated 20 May 2014 between the Company, PHP and US Bank Trustees Limited (the "Trustee") to seek performance of the Company's obligations through the Trustee under the guarantee.

In the event that having being called upon to do so, PHP does not fulfill the obligations of the Company in the event of default by the Company you may lose all your capital.

If you sell your Bonds on the International Stock Exchange, your bank or stockbroker will receive cash on delivery of your Bonds and should pass that to you.

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 cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £100,000. 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 that all costs will have on your investment over time.

Investment: £100,000			
Scenarios	If you cash in after 1 year	If you cash in on 20 May 2019 (maturity date)	If you cash in at the end of the

			recommended holding period
Total costs	£0	£0	£0
Impact on return (RIY) per year	0%	0%	0%

Composition of costs:

“Cashing-in” in this context refers to a sale of your Bonds on the market.

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;
- the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry Costs	0%	The impact of the costs you pay when entering your investment.
	Exit costs	0%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Transaction costs	0%	There are no ongoing transaction costs.
	Other ongoing costs	0%	The impact of the costs that we take each year for managing your investment
Incidental costs	Performance fees	N/A	There are no performance fees.

“Matures” in this context refers to a sale of your Bonds on the market or upon conversion.

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

Recommended holding period: the earlier of the Bond maturity date, being of 20 May 2019, or the date the investor exercises their option to convert to equity. Bond holders have the option to convert to equity after 20 June 2017 into preference shares in the Company, which on issue are automatically converted into ordinary shares of 12.5 pence (“Ordinary Shares”) each in Primary Health Properties PLC (ISIN: GB00BYRJ5J14) (“PHP”) listed on the main market of the London Stock Exchange plc.

The Bonds are capable of being traded and they can be sold to others subject to there being willing buyers.

How can I complain?

If you have any complaints about the Company, or the person advising on or selling the Company’s Bonds, you may lodge your complaint by doing the following:

- you can contact our complaints hotline on 020 7104 5599 who will log your complaint and explain what to do;
- you may log your complaint by contacting us via our website: www.phpgroup.co.uk
- you may send your complaint in writing to: 5th Floor, Greener House, 66-68 Haymarket, London SW1Y 4RF
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Other relevant information

We are required to provide the Trustee with certain information, such as the Company’s latest annual and semi-annual reports