

## FUND RULES:

### GAINBRIDGE NOVUS NORDIC

**Adopted by the Board of Directors:** 19

February 2021

**Approved by FI:** 1 July 2021

## § 1 NAME AND LEGAL STATUS OF THE FUND

The fund's name is Gainbridge Novus Nordic. The fund is a special fund pursuant to the Swedish Act (2013:561) on Managers of Alternative Investment Funds ("LAIF").

The fund's assets are jointly owned by the fund unit holders, and the units in a share class carry an equal right to the assets included in the fund. The fund may not acquire rights or assume obligations. The Company specified in § 2 represents the unit holders in matters concerning the fund, decides on the assets included in the fund and exercises the rights deriving from the fund. The fund is aimed at the general public; see also § 17.

Operations are conducted in accordance with these fund rules, the articles of association of the Fund Management Company, LAIF, and other applicable statutes.

The fund has the following share classes:

Share class	Currency	Minimum initial subscription amount	Performance-based fee	Maximum fixed fee
A	SEK	100,000	20%	2.5%
B	EUR	10,000	20%	2.5%
C	SEK	10,000,000	20%	2%
D	EUR	1,000,000	20%	2%
E	SEK	10,000	20%	2.5%

The content of the fund rules is common to all share classes unless otherwise stated. The fund consists of share classes, which means that the value of one unit in one class will differ from the value of one unit in another class.

The share classes differ in terms of their investment currency, minimum initial subscription amount and fees. The minimum initial subscription amount refers only to the first subscription amount. The share classes are not dividend-paying. The units within each share class are equal and carry equal rights to the assets included in the fund.

## § 2 FUND MANAGER

The fund is managed by AIFM Capital AB, org. no. 556737-5562, hereinafter referred to as "the Company".

## § 3 THE DEPOSITARY AND ITS TASKS

The Depositary is Skandinaviska Enskilda Banken AB (publ) 503032-9081, hereinafter referred to as "the Depositary". The Depositary executes the Company's decisions regarding the fund and receives and stores the fund's assets.

In addition, the Depositary verifies that the decisions relating to the fund taken by the Company, regarding, for example, valuation, redemption and sale of fund units, are made in accordance with laws, regulations and these fund rules.

## § 4 CHARACTER OF THE FUND

The fund is an actively managed mixed fund that makes investments in debt instruments, equities, and equity-related transferable securities with a focus on Nordic companies. The focus of the fund is on investments in growth companies that are listed or are about to be listed on a regulated market or MTF market. Investments are made primarily in companies that carry out some form of capital raising but also directly in secondary markets. Investments are usually held over the medium to long term while the company takes its next steps in its growth journey. Furthermore, the companies must live up to the ESG criteria and have liquidity that is sufficiently good to enable deposits to be made to and withdrawals to be made from the fund.

The fact that the fund is actively managed means that the fund does not follow any index; instead investments are based on the Company's analyses.

The aim is for the fund to exceed its benchmark index over a rolling five-year period. The fund's benchmark index is OMRX T-BILL plus 5 percent per year.

## § 5 THE FUND'S INVESTMENT POLICY

### § 5.1 General

The fund's assets may be invested in transferable securities, derivative instruments, money market instruments, fund units, and in an account with a credit institution.

Underlying assets of derivative instruments must consist of or relate to assets in accordance with Ch. 5, § 12, first paragraph of the LVF.

The fund must invest at least 20% of its assets in equities and equity-related transferable securities.

The fund's exposure to equities and equity-related transferable securities shall primarily (more than 50%) be from Nordic growth companies whose products and/or services are characterised by a high level of innovation and companies whose operations include a significant proportion of research and development. In each instance, 90% of the fund's exposure shall consist of Nordic funds, issuers, credit institutions, and financial instruments issued by issuers domiciled or principally operating in the Nordic region, denominated in a Nordic currency, or admitted for trading in Nordic marketplaces.

The industries in which the above-mentioned companies operate include:

- information technology
- telecommunications
- software
- pharmaceuticals/medical technology
- biotech
- renewable energy
- environmental technology
- industrial technology
- digital brands/services

The industries and instruments mentioned above are examples and are thus not exclusive.

The fund may invest a maximum of 40% of its assets in units of other funds or UCITs.

#### **§ 5.2 The fund's deviations from what applies to mutual funds**

The fund may invest in transferable securities and money market instruments as referenced in Ch. 5, § 5 of the Swedish Act (2004:46) on Mutual Funds (LVF) and these investments may not exceed 20% of the fund's value. The fund has been granted an exemption from Ch. 5, § 5 of the LVF.

The fund has been granted an exemption from Ch. 5, § 11 and Ch. 5, §§ 21-22 of the LVF in such a way that the fund may invest a maximum of 40% of its value in an account with one and the same credit institution that is a bank and a maximum of 30% of its value in one and the same credit institution that is not a bank.

#### **§ 6 MARKETPLACES**

The fund's trading in financial instruments shall take place on a regulated market or equivalent market outside of the EEA. Trading may also take place in another market within or outside of the EEA that is regulated and open to the general public. The fund's trading may take place on an MTF (Multilateral Trading Platform).

#### **§ 7 SPECIAL INVESTMENT FOCUS**

The fund's assets may be invested in such transferable securities and money market instruments as referenced in Ch. 5, § 5 of the LVF.

The fund may invest in derivative instruments as part of its investment policy. The fund may invest in such derivative instruments as referenced in Ch. 5, § 12, second paragraph of the LVF, known as OTC derivatives. The fund may invest a significant proportion of its assets in other funds and fund management companies.

#### **§ 8 VALUATION AND TRADING DAY**

##### **§ 8.1 Valuation**

The value of a fund unit is each share class's part of the fund's total value divided by the number of outstanding fund units for each share class. The value of the fund units is calculated each trading day (see § 8.2 below for the definition of "trading day"). The value of the fund is calculated by deducting the liabilities relating to the fund from the assets. The fund's assets are valued at current market value. The current market value can be determined by different methods, which are applied in the following order:

1. If financial instruments are traded on a market as specified in Ch. 5, § 3 of the LVF, the latest price paid shall be used or, if such does not exist, the latest purchase price.
2. If the price according to method 1 does not exist or is clearly misleading, the current market value shall be derived on the basis of information about a current transaction in a corresponding instrument between independent parties.
3. If methods 1 and 2 cannot be applied, or according to the Company become misleading, the current market value shall be determined by applying a principle applicable to the financial instrument in

question on the market, where applicable, if not misleading, through an established valuation model.

For such transferable securities as are referred to in Ch. 5, § 5 of the LVF, a determination of the market value is made on objective grounds according to a special valuation based on information on the most recent payment price or indicative purchase price from the market maker if such is designated for the issuer.

If such information does not exist or if the information is considered by the Company to be unreliable, the market value is determined by, for example, obtaining information from independent brokers or other external independent sources. Such information may, for example, be an issue price or knowledge that trading has been carried out at a certain price in the relevant security.

OTC derivatives usually lack public information on the latest price paid as well as the latest purchase and sale prices. The market value of OTC derivatives is therefore normally determined on the basis of generally accepted valuation models, such as Black & Scholes, or a valuation provided by independent third parties.

To determine the value of fund units, the Company uses the most recently reported unit value.

### **§ 8.2 Trading day**

The value of a fund unit shall be calculated on the last banking day of each month (“trading day”). In connection with this, the fund has been granted an

exemption in accordance with Ch. 4, § 10, fifth paragraph of the LVF.

“Banking day” in Sweden is any day that is not a Sunday, public holiday, or day that is equated with a public holiday (such as Saturdays, Midsummer’s Eve, Christmas Eve, and New Year’s Eve).

Under § 10, the manager has the option of temporarily postponing the time for calculation and publication of the fund unit value.

## **§ 9 SUBSCRIPTION AND REDEMPTION OF FUND UNITS**

### **§ 9.1 Subscription and redemption**

Subscription (unit holder’s subscription) and redemption (unit holder’s redemption) can take place on each trading day (see § 8.2 above for a definition of “trading day”) with such an amount as stated by the manager. If a maximum amount is stated, the manager will provide information on this and, in the event of oversubscription, will allocate fund units pro rata.

When subscribing for fund units, the subscription payment must be posted to an account belonging to the fund by 15:00 on the trading day if the trading day is a full banking day and by 11:00 if the trading day is a half banking day. Applications for the redemption of fund units must be received by the manager by 15:00 at least 60 days before the trading day. Notification of subscription or redemption must be made on the specific form provided by the manager or as otherwise specified by the manager at any given time. The unit holder is responsible for

ensuring that the notification is duly signed – physically or electronically – that other documents required by the manager at any time have been submitted to the manager or the party appointed by the manager, and, when subscribing for units, that payment for the fund units has been made to the fund’s bank account or bank giro account.

The following minimum initial subscription amounts apply to each share class:

A Minimum initial subscription amount SEK 100,000, with a minimum deposit of SEK 10,000 thereafter.

B Minimum initial subscription amount EUR 100,000, with a minimum deposit of EUR 1,000 thereafter.

C Minimum initial subscription amount SEK 10,000,000, with a minimum deposit of SEK 1,000,000 thereafter.

D Minimum initial subscription amount EUR 1,000,000, with a minimum deposit of EUR 100,000 thereafter.

E Minimum initial subscription amount SEK 10,000, with a minimum deposit of SEK 1,000 thereafter.

Notification of subscription or redemption cannot be limited or revoked unless the manager or the party appointed by the manager so allows.

Fund units must be redeemed if funds are available in the fund. If not, funds must be raised through the sale of the fund’s financial instruments and redemption must be effected as soon as possible. If funds for redemption have to be raised through the sale of the fund’s financial instruments, such a sale

must take place and redemption be effected as soon as possible.

Should such a sale significantly harm the interests of other unit holders, the manager may, after notifying Finansinspektionen, delay the sale of financial instruments in accordance with what is stated in § 10. Under § 10, the manager also has the option of temporarily postponing the trading day upon redemption.

### **§ 9.2 Subscription and redemption price**

The subscription and redemption price is the fund unit value for the fund calculated in accordance with § 8 on the trading day. The subscription and redemption price is not known when the request for subscription or redemption is submitted to the manager. The unit holder is informed of the number of fund units that the subscribed amount resulted in and the respective funds that the redemption of fund units resulted in once the value of the units has been determined.

Under § 10, the manager has the option of temporarily postponing the calculation of the subscription and redemption price.

### **§ 9.3 Closure of the fund to new subscriptions**

The manager may close the fund to new subscriptions if, in the manager’s opinion, the fund’s value exceeds the optimal level. The current optimal level is stated in the information brochure. The manager may close the fund only if it is announced on the website that is provided in the information brochure at least one month before the subscription date that the manager intends to close the fund.

Alternatively, the manager may state no later than such a date that the net subscription (subscription less redemption) may take place with a specific maximum total amount.

Once the fund has been closed to new subscriptions under the first paragraph, the manager may decide to reopen the fund to new subscriptions. Such a decision must be published on the website provided in the information brochure.

In the event of an oversubscription, new subscriptions will be made pro rata, with preference being given to existing unit holders. In the event of an oversubscription by existing unit holders, new subscriptions will be made pro rata based on previously subscribed amounts. Upon full subscription by existing unit holders, allocations are then made to new unit holders pro rata based on the subscribed amounts.

#### **§ 9.4 Other**

The fund unit value is published monthly on the manager's website but may also be published via other media.

#### **§ 10 CLOSURE OF THE FUND IN EXTRAORDINARY CIRCUMSTANCES**

The fund may be closed for sale and redemption in the event that such extraordinary circumstances have arisen that mean that a valuation of the fund's assets cannot be carried out in a way that ensures the equal rights of the fund unit holders.

#### **§ 11 FEES AND COMPENSATION**

From the fund's assets, a fee shall be paid to the Company for its management of the fund. The fee includes costs for depositaries – see § 3 – as well as for Finansinspektionen's supervision and for auditors. The fixed fee is made up of an amount corresponding to a maximum of 2.5% per year of the fund's value for share classes A, B, and E and 2% for share classes C and D. The fee is calculated monthly at 1/12th of the fixed management fee and is based on the fund's value as at the trading day (before subscription and redemption are executed). The value of the fund units is calculated after deduction of the fixed fee.

In addition to the above fee, a collectively calculated performance-based fee is paid to the Company. The performance-based fee corresponds to a maximum of 20% of the excess return provided by the fund when compared to the yield of the OMRX T-BILL plus 5 percent per year (“**reference rate**”).

The performance-based fee, which is calculated and capitalised monthly, is charged only when the relative value development of the fund has exceeded the development of the reference rate in the period in question. In order for the performance-based fee to be charged, the unit price must also exceed the unit price on the date the performance-based fee was last charged, the so-called high-water mark. The high-water mark cannot be restored.

In the case of redeeming fund units after a period when the fund has performed worse than the reference rate – i.e. when the fund has an accumulated underperformance compared to the

development of the index – no compensation is paid to unit holders in the form of repayment of previously deducted performance-based fees.

The value of the fund units is calculated after deductions for fixed and performance-based fees. The performance-based fee is calculated after deducting the fixed fee. See the fund's prospectus for an indication of the maximum fixed and performance-based fees that may be charged for the management of the mutual or special funds in whose fund units the funds are invested.

Brokerage and other transaction-based expenses for the fund's purchases and sales of financial instruments and tax are charged to the fund.

#### **§ 12 DIVIDEND**

The fund does not pay dividends to unit holders or anyone else.

#### **§ 13 FINANCIAL YEAR OF THE FUND**

The fund's financial year is the calendar year.

#### **§ 14 SEMI-ANNUAL AND ANNUAL REPORTS, AMENDMENT OF FUND RULES**

The Company shall submit an annual report for the fund within four months of the end of the financial year and a semi-annual report for the fund for the first six months of the financial year within two months of the end of the half-year.

The annual report and the semi-annual report must be available at the Company and the intermediary

institute and be sent free of charge to unit holders upon request.

Amendments to the fund rules shall be decided on by the Board of Directors and be submitted to Finansinspektionen for approval. After approval, the fund rules shall be kept available at the Company and the Depositary and, where applicable, be announced in the manner directed by Finansinspektionen.

#### **§ 15 PLEDGING AND TRANSFER**

Pledging takes place through written notification to the Company or intermediary institution. The notification must state the unit holders, pledgee, which units are covered by the pledge and any restrictions on the scope of the lien. The pledge is registered in the unit holder register. The Company must notify the unit holder in writing of such registration. Pledging ceases when the Company or intermediary institution has received notification from the pledgee that the pledge has ceased and deregistration in the unit holder register has taken place.

Unit holders may transfer their fund units to another party free of charge through written notification to the Company or intermediary institution. The notification of transfer must state the transferor, to whom the fund units are being transferred and the purpose of the transfer. A transfer is approved only if the acquirer takes over the transferor's acquisition value.

#### **§ 16 LIMITATION OF LIABILITY**

The Company and the Depositary are not responsible for damage due to Swedish or foreign legislation,

Swedish or foreign government action, war incidents, strikes, blockades, boycotts, lockouts or other similar circumstances.

The proviso in respect of strikes, blockades, boycotts and lockouts applies even if the Company or the Depositary itself is the subject of or takes such industrial action.

If the Company or the Depositary inflicts damage on unit holders by violating the LVF or these fund rules, the Company or the Depositary shall compensate such damage (Ch. 2, § 21 and Ch. 3, §§ 14-16 of the LVF).

Damage that has arisen in cases other than those referred to in the first paragraph above shall not be compensated by the Company or Depositary if they have taken normal care. The Company and the Depositary are not liable in any case for indirect damage, nor are they liable for damage caused by a custodian bank or other contractor hired by the Company or the Depositary with due care or for

damage that may arise due to a restriction that may be applied against the Company or the Depositary.

If there is any obstacle to the Company or the Depositary taking action due to a circumstance specified in the first paragraph above, the action may be postponed until the obstacle no longer exists.

#### **§ 17 ALLOWED INVESTORS**

The statement in § 1, that the fund is aimed at the general public, does not mean that it is aimed at such investors whose sale of units in the fund or whose participation in the fund otherwise conflicts with the provisions of Swedish or foreign laws or regulations. Nor is the fund aimed at such investors whose sale or holding of units in the fund means that the fund or Company becomes obliged to take a registration measure or other measure that the fund or Company would not otherwise be obliged to take. The Company has the right to refuse sales to such investors referred to above in this paragraph.



## CALCULATION EXAMPLE FOR GAINBRIDGE NOVUS NORDIC

Calculation example, performance-based fee, collective model. 20% fee on accumulated excess return, daily trading. The benchmark index is OMRX T-BILL plus 5 percent per year.

The example reflects events over five days. At the start the NAV price is 100, and the index for the OMRX T-Bill plus 5 percent starts at 3000.

	DAY 0	DAY 1	DAY 2	DAY 3	DAY 4	DAY 5
The fund's unit price, previous day		100	100.83333	101.46733	100	101
The fund's unit price before calculating variable fees but after deducting fixed fees		101.00	101.50	100.00	101.00	102.00
The fund's performance before calculating variable fees		1.00%	0.66%	-1.45%	1.00%	0.99%
Value of benchmark index	3000	3005	3020	3020	3030	3050
Index performance since the previous day		0.17%	0.50%	0.00%	0.33%	0.66%
The fund's high-water mark adjusted for the reference rate	100	100.17	101.34	101.47	101.80	102.48
The fund's excess return per unit		0.83	0.16	0.00	0.00	0.00
Performance-based fee per unit (20%)		0.17	0.03	0.00	0.00	0.00
Performance-based fee as a percentage		0.17%	0.03%	0.00%	0.00%	0.00%
The fund's unit price after calculating performance-based fees	100	100.83	101.47	100.00	101.00	102.00
The fund's performance after calculating performance-based fees		0.83%	0.63%	-1.45%	1.00%	0.99%

- Day 1: a performance-based fee is charged because the fund has performed better than the index for the reference rate. The price after the performance-based fee is therefore 100.83, as the excess return per unit equals 0.83. Twenty percent of this is charged as a performance-based fee, which is 0.17 per unit or 0.17%.
- Day 2: a performance-based fee is charged, again because the fund has performed better than the index for the reference rate. The excess return per unit amounts to 0.16, which means the performance-based fee amounts to 0.03 (20% of 0.16).
- Day 3: the value of the fund decreases, thus no performance-based fee is charged.
- Day 4: the unit value of the fund certainly increases and it increases more than the reference rate, but the unit value is lower than the fund's high-water mark adjusted for the accumulated rise in the reference rate.
- Day 5: the unit price of the fund increases again and the unit price is higher than before. However, as the fund underperformed compared with the reference rate, no performance-based fee is charged on this day.