



FORMUE NORD MARKEDSNEUTRAL

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, costs, risks, and rewards of this product and to help you compare it with other products.

PRODUCT

Alternative investment fund manager: Formue Nord A/S
Østre Allé 102, 4. sal, 9000 Aalborg
info@formuenord.dk
CVR-nr.: 37 08 93 62

About the alternative investment fund: Formue Nord Markedsneutral A/S
CVR-nr.: 37 27 20 35
FT-nr.: 24 217 (Finanstilsynet)
ISIN: DK0061283355

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

WHAT IS THIS PRODUCT?

Formue Nord Markedsneutral A/S is an alternative investment fund (AIF). The fund aims to deliver attractive returns uncorrelated with the global equity market. The primary strategy is providing bespoke short-term financing solutions to listed companies in the micro- small and midcap space. The fund e.g., underwrites rights issues, provides short-term bridge loans, or directly partakes in rights issues by exercising subscription rights.

The alternative investment fund can use leverage to enhance the portfolio risk to be equal to or less than the global equity market. The alternative investment fund can hold financial instruments to assume or hedge specific risks. The fund accumulates returns and does not pay out dividends. Formue Nord Markedsneutral A/S is appropriate for long-term investors, who are seeking diversification beyond traditional investment products.

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

Return-/risk profile



The summary risk indicator is a guide to the level of risk of this product compared to other products. The indicator assumes a 5-year holding period. The product is categorized as 6 out of 7, which is a high-risk class. The primary risk is constituted by a significant part of the product's underlying investments being unlisted, making the risk less transparent. The product's risk may be significantly higher than what is indicated by the summary risk indicator.

The alternative investment fund's risk is intended to be lower than or equal to the global equity market, but the risk may vary over time since the portfolio composition varies.



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By investing an investor does not incur any financial obligation beyond the invested capital, but the investor may lose part of or the entirety of any invested capital.

Taxation in an investor's home country can impact the returns from any investment in the alternative investment fund. For more information hereon please contact your tax advisor.

Performance Scenarios Investment 1,000,000.00 DKK		1 year	3 years	5 years (Recommended holding period)
Stress scenario	Value of investment after costs	373.114 DKK	404.064 DKK	303.615 DKK
	Average return each year	-62,69%	-26,07%	-21,21%
Unfavourable scenario	Value of investment after costs	899.985 DKK	944.656 DKK	1.028.514 DKK
	Average return each year	-10,00%	-1,88%	0,56%
Moderate scenario	Value of investment after costs	1.080.881 DKK	1.292.486 DKK	1.552.701 DKK
	Average return each year	8,09%	8,93%	9,20%
Favourable scenario	Value of investment after costs	1.162.857 DKK	1.466.397 DKK	1.829.237 DKK
	Average return each year	16,29%	13,61%	12,84%

The table presents the potential return over the next 5 years, under differing scenarios, assuming you invest 1,000,000. DKK. The scenarios shown illustrate how your investment could perform. You can compare them with scenarios of other products. The scenarios presented are an estimate of future performance based on past performance. The stress-scenario shows potential returns under extreme circumstances. The estimates consider the product's costs aside from entry- and exit-costs.

WHAT HAPPENS IF FORMUE NORD A/S IS UNABLE TO PAY OUT?

There is no compensation or guarantee scheme in case of default of Formue Nord A/S, and the investor may suffer a loss if Formue Nord A/S should default. Formue Nord Markedsneutral A/S' assets are by law separated from Formue Nord A/S' assets and the assets of any other alternative investment fund managed by Formue Nord A/S. Formue Nord Markedsneutral A/S' assets are held with the fund's custodian, Danske Bank A/S, who also provides depositary services for the alternative investment fund's assets.

WHAT ARE THE COSTS?

Impact on return (RIY) shows the effect of the total costs you pay, for the return you may get from the investment. The total costs include one-off costs, recurring costs, and incidental costs. The presented monetary amounts are the product's cumulative costs for three differing holding periods. The monetary amounts are estimates and may change in the futures.

Holding period: Investment 1,000,000.00 DKK	Withdrawal after 1 year	Withdrawal after 3 years	Withdrawal after 5 years
Total costs	50.259 DKK	136.561 DKK	229.925 DKK
Impact on return (RIY) per year	5,03%	4,36%	4,23%

The table below presents how the return you may get by the end of the holding period, is impacted each year by the distinct types of costs. Here it is seen that the investment product's costs stems largely from the performance fee. The performance fee entails that you pay higher costs when the investment product yields high returns, and that you pay lower fees if the investment product yields low returns.



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One-off costs	Entry costs	0,50%	The impact of the costs you pay when entering your investment.
	Exit costs	0,50%	The impact of the costs when existing you investment.
Recurring costs	Portfolio transaction costs	-0,05%	The impact of the costs of us buing and selling underlying investments for the product.
	Other ongoing costs	1,19%	The impact of the costs that we take each year for managing your investments. The cost percentage includes 1% management fee.
Incidental costs	Performance fees	2,88%	The impact of the performance fee (5 year avg.). The fee is 20% of all returns above "High Water Mark". High Water Mark is the product's net asset value by the end of the year or net asset value at the time of entry if entry happens in an ongoing year.

The above presents a full picture of the costs associated with the alternative investment fund. The alternative investment fund does not carry additional third-party distribution costs.

The person who sells you this product, or who advises you hereon, may charge additional costs. If this is the case, the person will provide information detailing any additional costs and present how the total cumulative costs affect your investment over time.

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

Investors can redeem their investments partially or completely monthly at net asset value minus redemption brokerage. Notice of redemption should be given at the latest two weeks before month end for the investor to receive the proceeds on the first banking days of the next month. A long-term investment horizon is recommended but investors can freely redeem their investments as described in accordance with the alternative investment fund's articles of association.

HOW CAN I COMPLAIN?

If you wish to complain about Formue Nord Markedsneutral A/S, Formue Nord A/S or a seller of Formue Nord Markedsneutral A/S you can contact info@formuenord.dk or Finanstilsynet, Århusgade 110, 2100 København Ø, Telephone: +45 33 55 82 82

Finanstilsynet can be contacted online at: <https://www.finanstilsynet.dk/forbrugerinformation/her-kan-du-klage>

OTHER RELEVANT INFORMATION

Prior to subscription of shares in Formue Nord Markedsneutral A/S you will receive the following documents regarding the fund; the articles of association, the key information document, a factsheet, and an information document (§62 information). By signing the subscription form you will consent to being aware of the risks associated with the investment.

Minimum investment: DKK 1 million.

Formue Nord Markedsneutral A/S' custodian: Danske Bank A/S