

**Harvest Equity Kernel (the "Fund")**

**a sub-fund of**

**Sector Capital Funds plc**

**Supplement to the Prospectus dated 26 June 2018  
for Sector Capital Funds plc**

This Supplement contains specific information in relation to Harvest Equity Kernel (the "**Fund**"), a fund of Sector Capital Funds plc (the "**Company**") an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the "**Central Bank**"). The Company has two other sub-funds, namely, Sector Sigma Nordic Fund and Sector Healthcare Value Fund.

**This Supplement forms part of and should be read in conjunction with the Prospectus dated 26 June 2018.**

The Directors of the Company, whose names appear under the section entitled "**Directors of the Company**" in the Prospectus, accept responsibility for the information contained in the Prospectus and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

**Dated: 2 January 2020**

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## 1 DEFINITIONS

- "Class A Shares"** means Class A Shares, which are comprised of Class A EUR Shares, Class A USD Shares, Class A NOK Shares Hedged Shares, Class A NOK Unhedged Shares and Class A SEK Shares;
- "Class A EUR Shares"** means the Class A Shares in the capital of the Fund designated as Class A EUR Shares, which are denominated in Euro and which are charged the Class A Management Fee. The Net Asset Value per Class A EUR Share will be calculated in Euros and subscriptions and redemptions will be effected in that currency;
- "Class A NOK Shares"** means the Class A Shares in the capital of the Fund designated as Class A NOK Hedged Shares and Class A NOK Unhedged Shares, which are denominated in NOK and which are charged the Class A Management Fee. The Net Asset Value per Class A NOK Share will be calculated in NOK and subscriptions and redemptions will be effected in that currency;
- "Class A USD Shares"** means the Class A Shares in the capital of the Fund designated as Class A USD Shares, which are denominated in USD and which are charged the Class A Management Fee. The Net Asset Value per Class A USD Share will be calculated in USD and subscriptions and redemptions will be effected in that currency;
- "Class A SEK Shares"** means the Class A Shares in the capital of the Fund designated as Class A SEK Shares, which are denominated in SEK and which are charged the Class A Management Fee. The Net Asset Value per Class A SEK Share will be calculated in SEK and subscriptions and redemptions will be effected in that currency;
- "Class A Management Fee"** means the management fee in respect of the Class A Shares determined in accordance with the principles set out **Charges and Expenses** section below;
- "Class B Shares"** means Class B Shares, which are comprised of Class B EUR Shares, Class B USD Shares, Class B NOK Hedged Shares, Class B NOK Unhedged Shares and Class B SEK;
- "Class B EUR Shares"** means the Class B Shares in the capital of the Fund designated as Class B EUR Shares, which are denominated in Euro and which are charged the Class B Management Fee. The Net Asset Value per Class B EUR Share will be calculated in Euros and subscriptions and redemptions will be effected in that currency;
- "Class B NOK Shares"** means the Class B Shares in the capital of the Fund designated as Class B NOK Hedged Shares and Class B NOK Unhedged Shares, which are denominated in NOK and which are charged the Class B Management Fee. The Net Asset Value per Class B NOK Share will be calculated in NOK and subscriptions and redemptions will be effected in that currency;

"Class B SEK Shares"	means the Class B Shares in the capital of the Fund designated as Class B SEK Shares, which are denominated in SEK and which are charged the Class B Management Fee. The Net Asset Value per Class B SEK Share will be calculated in SEK and subscriptions and redemptions will be effected in that currency;
"Class B USD Shares"	means the Class B Shares in the capital of the Fund designated as Class B USD Shares, which are denominated in USD and which are charged the Class B Management Fee. The Net Asset Value per Class B USD Share will be calculated in USD and subscriptions and redemptions will be effected in that currency;
"Class B Management Fee"	means the management fee in respect of the Class B Shares determined in accordance with the principles set out <b>Charges and Expenses</b> section below;
"Class C Shares"	means Class C Shares, which are comprised of Class C EUR Shares, Class C USD Shares, Class C NOK Shares and Class C SEK Shares;
"Class C EUR Shares"	means the Class C Shares in the capital of the Fund designated as Class C EUR Shares, which are denominated in Euro and which are charged the Class C Management Fee. The Net Asset Value per Class C EUR Share will be calculated in Euros and subscriptions and redemptions will be effected in that currency;
"Class C NOK Shares"	means the Class C Shares in the capital of the Fund designated as Class C NOK Shares, which are denominated in NOK and which are charged the Class C Management Fee. The Net Asset Value per Class C NOK Share will be calculated in NOK and subscriptions and redemptions will be effected in that currency;
"Class C USD Shares"	means the Class C Shares in the capital of the Fund designated as Class C USD Shares, which are denominated in USD and which are charged the Class C Management Fee. The Net Asset Value per Class C USD Share will be calculated in USD and subscriptions and redemptions will be effected in that currency;
"Class C SEK Shares"	means the Class C Shares in the capital of the Fund designated as Class C SEK Shares, which are denominated in SEK and which are charged the Class C Management Fee. The Net Asset Value per Class C SEK Share will be calculated in SEK and subscriptions and redemptions will be effected in that currency;
"Class C Management Fee"	means the management fee in respect of the Class C Shares determined in accordance with the principles set out <b>Charges and Expenses</b> section below;
"Class P Shares"	means Class P Shares, which are comprised of Class P USD Shares, Class P NOK Hedged Shares and the Class P NOK Unhedged Shares;

"Class P USD Shares"	means the Class P Shares in the capital of the Fund designated as Class P USD Shares, which are denominated in USD and which are charged the Class P Management Fee. The Net Asset Value per Class P USD Share will be calculated in USD and subscriptions and redemptions will be effected in that currency;
"Class P NOK Shares"	means the Class P Shares in the capital of the Fund designated as Class P NOK Hedged Shares and Class P NOK Unhedged Shares, which are denominated in NOK and which are charged the Class P Management Fee. The Net Asset Value per Class P NOK Share will be calculated in NOK and subscriptions and redemptions will be effected in that currency;
"Class P Management Fee"	means the management fee in respect of the Class P Shares determined in accordance with the principles set out <b>Charges and Expenses</b> section below;
"Class L NOK Shares"	means the Class L Shares in the capital of the Fund designated as Class L NOK Shares, which are denominated in NOK;
"Class O NOK Shares"	means the Class O Shares in the capital of the Fund designated as Class O NOK Shares, which are denominated in NOK;
"Class O Management Fee"	means the management fee in respect of the Class O NOK Shares determined in accordance with the principles set out <b>Charges and Expenses</b> section below;
"Investment Manager"	means Harvest Funds AS or any successor thereto, duly appointed in accordance with the requirements of the Central Bank;
"Investment Management Agreement"	means the agreement between the Company and the Investment Manager as further described in the <b>Material Contracts</b> section below;
"Management Fee"	means the management fee in respect of the Class A Shares, Class B Shares, Class C Shares, Class P Shares or Class O NOK Shares, as applicable payable to the Investment Manager; and
"Minimum Initial Investment Amount"	means the minimum subscription amount detailed in the Key Information for Buying and Selling section below.

## **2 INVESTMENT OBJECTIVE, STRATEGY AND POLICIES**

### **INVESTMENT OBJECTIVE**

The investment objective of the Fund is to maximize long-term total return relative to MSCI ACWI Index (the "**Index**"). **There can be no guarantee that the investment objective of the Fund will be achieved.**

The Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI consists of 45 country indices comprising 24 developed and 21 emerging market country indices.

### **INVESTMENT POLICIES**

The Investment Manager intends to pursue the Fund's investment objective by investing in investment instruments listed below in accordance with the Investment Strategy. As a general rule, the Investment Manager will invest globally in a broad and diverse group of transferable securities, collective investment schemes ("**CIS**"), money market instruments and financial derivative instruments ("**FDI**") detailed below, which are expected to provide the Fund with a positive return. The investment universe will generally consist of listed companies which may or may not be constituents of the Index. The Fund will not have a geographic or sectoral focus. The Fund shall hold a minimum of 50 positions at any given time.

The Fund will invest in global equities and equity related securities (included but not limited to American Depositary Receipts ("**ADR**"), Global Depositary Receipts ("**GDR**"), European Depositary Receipts ("**EDR**") and other equity based derivatives, as detailed below which shall be listed or traded on any Market. A Depositary Receipts (i.e. ADR, GDR, EDR) is a negotiable certificate held in a bank of one country representing an ownership interest in a specific number of shares in a corporation of another country which is traded independently from the underlying shares on an exchange or otherwise. The Fund may but is not obliged to, invest in equities and/or FDI referencing the Index.

The Fund may invest up to but not exceeding 10% of its Net Asset Value in other collective investments schemes ("**CIS**"), including exchange traded funds ("**ETFs**") that are categorised as CIS. The investment in CIS will be subject to a maximum of 10% of its Net Asset Value in any one CIS. The Fund may invest in CIS to gain exposure to equities underlying subsector or regional exposure. In some markets, investment in a CIS can be more cost efficient than buying the underlying securities directly. The CIS may be authorized pursuant to the UCITS Regulations or may be non-UCITS which shall be domiciled in a member state of the EEA, the US, Jersey, Guernsey or the Isle of Man in accordance with the Central Bank Rules. The maximum annual management fees that will be charged by any CIS are estimated to be 2% of the Fund's Net Asset Value together with any performance based incentive fee.

The Fund may also invest in money market instruments and/or government bonds. The Fund will not have a substantial exposure to money market instruments or government bonds and its intended exposure in aggregate to money market instruments and government bonds shall be up to but not exceed 10% of the Fund's Net Asset Value. The money market instruments will include, but are not limited to, deposits with credit institutions, short term commercial paper, floating rate notes, medium term notes, securities issued or guaranteed by any OECD government, its agencies or instrumentalities or by any supra-national entity and shall be in accordance with the requirements of the Central Bank. The money market instruments and government bonds (which may be either fixed or floating) may not be rated. The Fund may also invest in deposits, provided that they are repayable on demand or have the right to be withdrawn and will mature in no more than 12 months, subject to the maximum investment of 20% of the Fund's Net Asset Value in deposits with the same credit institution, which shall include the Depository. The Investment Manager's use of cash deposits under normal market conditions is expected to be limited and will most likely not exceed 20% of the Fund's Net Asset Value, but in extreme market conditions the Investment Manager reserves the right to invest 100% of the Fund's Net Asset Value in deposits.

### **INVESTMENT STRATEGY**

The Investment Manager intends to apply multiple value and momentum based investment strategies to capture returns from inefficiencies in the prevailing stock pricing through a systematic approach.

The Investment Manager intends that the Fund will invest in companies that are in a strong financial condition and have a history of creating value for its shareholders. If a stock meets the above criteria and

is fairly valued, the Fund may invest in this stock. On the other hand, if a stock meets the above criteria but is significantly overvalued, the Fund would normally not invest in it. In addition the Fund will generally not invest in companies that violate fundamental humanitarian principles or that violate human rights on a serious or systematic way or other particularly serious violations of fundamental ethical norms.

In order to find potential stocks for the Fund, more than 10,000 companies globally are included in the Investment Manager's database and are each ranked on the criteria listed above. Generally the Fund will have a greater exposure to companies which the Investment Manager considers to be qualified value stocks and have a smaller exposure to companies with a large market capitalization.

In order to reduce risk and ensure sufficient breadth of investment opportunities, the Fund will diversify geographically as well as industry wise provided that the Fund will typically hold a diversified portfolio with a minimum of 50 positions. However, although it is the intention of the Investment Manager to follow a general policy of seeking to spread the Fund's assets among a number of investments which are deemed attractive, the Fund is a global stock picker and may at times have a significant exposure to countries or sectors relative to any capital weighted global price index.

### **Financial Derivative Instruments**

The Fund may, subject to the Investment Restrictions, also invest in FDI for both investment and efficient portfolio management purposes. The Fund shall enter into FDI with Eligible Counterparties on an over-the-counter ("**OTC**") basis, or shall invest in FDI listed or traded on a Market. The underlying instruments will be equity securities, equity indices (that meet the UCITS eligibility requirements) and currencies (currency swaps and forwards will be used for currency hedging purposes as described in the section, "**Currency Hedging**"). In accordance with the Central Bank's requirements, the Fund may be leveraged through its investment in FDI of up to 100% using the commitment approach, however the Investment Manager does not intend that the Fund will principally invest in FDI, rather it will only invest in a FDI as an alternative to direct investments in permitted equity securities (where it is more cost efficient and convenient for the Fund to do so). It is intended that any investment in FDI would replicate the market exposure and volatility expected from investing directly in the underlying instruments, accordingly the Investment Manager is of the opinion that the volatility from investment in FDI will be moderate.

The Investment Manager intends that the Fund will invest in the following FDI:-

#### (i) Swaps

Swaps are agreements between two parties to exchange future payments in one underlying asset for payments in another. Swaps must include an exchange of principal at maturity or at the inception of the contract. The Fund may also enter swaps in order to hedge existing long positions in a particular asset.

#### (ii) Total Return Swaps

Total return swaps ("**TRS**") may be used by the Investment Manager as an alternative to direct investments in the aforementioned global equities and equity related securities and/or equity indices. The assets that will be subject to the TRS are global equities and equity related securities and/or equity indices. TRS are agreements between two parties whereby the total economic performance of an underlying asset(s) is transferred from one party to the other in return for a stream of payments based on an agreed interest rate. The Fund may enter into TRS with Eligible Counterparties. For the avoidance of doubt, such counterparty shall not assume any discretion or approval control over the composition or management of the Fund's investment portfolio.

The use of TRS by the Fund shall be subject to the requirements of the SFT Regulations. The Fund may invest up to a maximum of 30% of its Net Asset Value in TRS, however the Investment Manager anticipates that the Fund's exposure to TRS on an ongoing basis shall be approximately 10% of its Net Asset Value.

#### (iii) Forwards

In forward contracts, the contract holders are obligated to buy or sell an underlying asset at a specified price, at a specified quantity and on a specified future date. Forward contracts may be cash settled between the parties. The Fund's use of forward foreign contracts may include, but is not limited to, altering

the exposure of securities held, hedging against exchange risks or increasing exposure to a particular asset.

(iv) Contract for Differences (CFD)

A CFD is a type of futures or forward contract on a financial instrument, a basket of financial instruments or an index whereby differences in settlement can be made only through payment in cash. In some markets, CFD might be used to avoid currency challenges related to restrictions on holding local currency balances. In other markets CFD can be more cost efficient than buying the underlying securities directly.

(v) Convertibles

A convertible entitles the holder to convert the note into shares in the issuing company, or into cash of equal value, at an agreed-upon price.

(vi) Rights

Rights are a note issued by a company which gives the holder the right to purchase shares from that company at a specific price, within a certain time frame.

(vii) Futures

Futures, which may be used for the purposes of efficient portfolio management, are contracts to buy or sell a standard quantity of a specific underlying asset (or currency in respect of FX futures) or equity index at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow the Fund to take advantage of rising or falling markets to gain exposure to the underlying asset or equity index. Since these contracts are marked-to-market daily, the Fund can, by closing out its position, exit from its obligation to buy or sell the underlying asset prior to the contract's delivery date. An equity index future is a cash-settled futures contract on the value of a particular equity index. In some markets index futures will be traded as a swap.

### **Currency Hedging**

The Fund is a multi class fund with classes of Shares denominated in USD, EUR, NOK and SEK. The Fund may (but shall not be obliged to) engage in currency hedging transactions (utilising different FDI including FX futures, FX forwards and FX swaps) in respect of Classes not denominated in the Base Currency to seek to hedge against declines in the values of one or more Share Classes of the Fund as a result of changes in currency exchange rates. The Fund may also however engage in currency hedging transactions for specific Classes. In this context, the Fund intends that for each of the Class A NOK Hedged Shares and Class P NOK Hedged Shares, exposure to cash, money market instruments, government bonds, global equity and equity related securities denominated in currencies other than NOK will be hedged to NOK. Such exposure will not be so hedged for any other Share Class. All hedging transactions will be clearly attributable to a specific Share Class and therefore currency exposures of different Share Classes shall not be combined or offset and currency exposures of assets of the Fund shall not be allocated to separate Share Classes. Therefore the costs, gains/losses of such hedging transactions will accrue solely to the relevant Class.

It is expected that the extent to which such currency exposure will be hedged will range from 95% to 105% of the Net Asset Value attributable to the relevant Share Class. Where the value of the hedges in place in respect of a given Share Class are less or more than 100% of the Net Asset Value attributable to that Share Class, the Investment Manager shall keep the situation under review and will ensure that over hedged positions do not exceed 105% of the Net Asset Value. The Investment Manager shall ensure that under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the Share Class which is to be hedged and keep any under-hedged under review to ensure under-hedged positions are not carried forward from month to month. In addition, positions materially in excess of 100% of the Net Asset Value will not be carried forward from month to month. While it is not the intention of the Fund, over-hedged or under-hedged positions may arise due to factors outside the control of the Fund.

The adoption of the strategy to engage in currency hedging transactions in respect of Classes not denominated in the Base Currency may substantially limit holders of respective Classes from benefiting if the NOK and/or the EUR and/or SEK (as the case may be) falls or rises against the Base Currency.



Furthermore, the adoption of the strategy to engage in currency hedging transactions in respect of the Class A NOK Hedged Shares and Class P NOK Hedged Shares may substantially limit holders of these Classes from benefiting if NOK falls or rises against currencies other than NOK which cash, money market instruments, government bonds, global equity and equity related securities are denominated in.

For the avoidance of doubt the Investment Manager shall not undertake any currency hedging in respect of Class A NOK Unhedged Shares, Class B NOK Unhedged Shares or Class P NOK Unhedged Shares.

#### General

The principal investment objective and policies of the Fund will be adhered to for at least three years from the date of admission of the Shares to the Official List and trading on the Main Securities Market of the Irish Stock Exchange, other than in exceptional circumstances and then only with the consent of a majority of Shareholders.

### **3 INVESTMENT RESTRICTIONS**

The general investment restrictions set out under the heading "**Investment Restrictions**" in the Prospectus shall apply.

### **4 BORROWING**

The Company may borrow up to 10% of the Fund's Net Asset Value on a temporary basis, at any time for the account of the Fund and the Depositary may charge the assets of such Fund as security for any such borrowing.

The Company may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classified as borrowing for the above mentioned 10% limit provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding.

### **5 PROFILE OF THE TYPICAL INVESTOR**

The Fund is suitable for investors seeking long term capital appreciation and who are prepared to accept volatility in line with the global equity markets.

### **6 LISTING**

The Class P USD Shares were admitted to listing on the Official List and trading on the Main Securities Market of the Irish Stock Exchange on or around 27 March 2014.

Save as disclosed in this Supplement, there has been no significant change and no significant new matter has arisen as of the date of the Prospectus. The Prospectus and this Supplement which includes all information required to be disclosed by the listing requirements of the Irish Stock Exchange, together constitute listing particulars for the purpose of the application. The Directors do not anticipate that an active secondary market will develop for the Shares.

An application may be made to the Irish Stock Exchange in respect of other Classes of the Fund to be admitted to listing on the Official List and trading on the Main Securities Market of the Irish Stock Exchange.

### **7 RISK FACTORS**

The value of investments may fall as well as rise, and investors may not receive back the amount invested. The general risk factors set out in the heading "**Risk Factors**" in the Prospectus apply to the Fund.

In addition, the following risk factors apply to the Fund:

## **General Considerations**

There is no guarantee that the investment objective of the Fund, or its risk monitoring and diversification goals, will be achieved and results may vary substantially over time.

## **Investment and Trading Risk**

The investments of the Fund in financial instruments are subject to the risk of loss of capital. The Investment Manager believes the Fund's investment process will moderate this risk through a careful and timely selection of securities and other financial instruments, though no guarantee or representation is made that the Fund will be successful in this regard. The Fund's investment programme may utilise such investment techniques as trading derivatives as listed above, limited diversification, margin transactions and forward contracts, which practices can, in certain circumstances, increase the adverse impact which the Fund may be subject to.

In certain transactions, the Fund may not be "hedged" against market fluctuations or, in reorganisation or liquidation situations, may not accurately value the assets of the Fund or the degree of legal and regulatory risk. This can result in losses, even if the proposed transaction is consummated.

The Investment Manager will attempt to assess the foregoing risk factors, and others, in determining the extent of the position it will take in the relevant securities and the price it is willing to pay for such securities. However, such risk cannot be eliminated.

## **Operating Risk**

Potential losses may arise from the various facets of operating an investment fund such as the Fund. For example, there are regulatory risks, the potential for lawsuits and the potential for the occurrence of tax events which may adversely affect the Fund. There is also the risk of human error such as inaccuracies in booking and reporting of trades.

## **Systematic Risk of the Global Capital Markets**

Stock markets are vulnerable to changes in interest rates, tax changes, business cycles or external shocks such as wars or run-away commodity prices. However, over time, stock markets have tended to provide an excess return over a risk free rate of interest. Therefore, systematic risk is believed to be mitigated by protracted holding periods.

## **Credit Risk**

Credit risk refers to potential losses due to counterparty default, such as the failure to pay coupons or principal of a bond. Another type of credit risk is the risk of settlement failure, that is, the failure of a counter party to deliver or pay for securities.

## **Dependence upon Key Individuals**

The success of the Fund will depend upon the efforts of the Investment Manager. There can be no assurance that the Investment Manager will be successful in the management of the Fund's investments, nor that the investment approach upon which the Fund relies will produce adequate returns. The death, disability or withdrawal of the Investment Manager's portfolio managers (responsible for managing the Fund) or financial or operational difficulties of the Investment Manager could adversely affect the Fund.

## **Investing in ETFs**

The Fund incurs the costs of its own management and fees paid to the Administrator, the Depositary, the Investment Manager and other service providers. In addition, where the Fund invests in ETFs, the Fund indirectly incurs a share of similar costs in its capacity as an investor in such ETFs.

## **8 DIVIDEND POLICY**

The Directors do not currently intend to pay dividends. Accordingly, the price of the Shares shall rise as income and capital gains accrue. If the Directors change this policy full details will be provided in an updated Supplement and all shareholders will be notified in advance.

## 9 INVESTMENT MANAGER

The Company has appointed Harvest Funds AS, having its principal office at Kongensgate 12, 0153 Oslo, Norway, as the Investment Manager of the Fund pursuant to the Investment Management Agreement. The Investment Manager is authorised and regulated by Finanstilsynet, the Financial Supervisory Authority of Norway ("**Finanstilsynet**") to provide investment management services with company registration number 995404133. The Investment Manager is authorised by the Finanstilsynet under the Markets in Financial Instruments Directive ("**MIFID**") to provide investment management services.

## 10 DISTRIBUTORS

Pursuant to the terms of the Investment Management Agreement, the Investment Manager has also been appointed as a non-exclusive distributor of the Fund.

## 11 KEY INFORMATION FOR BUYING AND SELLING

### Base Currency

US Dollar.

### Classes available

Class	Initial Issue Price*	Minimum Shareholding**	Minimum Initial Investment Amount***
Class A USD Shares	N/A	USD 10,000	USD 10,000
Class A EUR Shares	USD 100	USD 10,000	USD 10,000
Class A NOK Hedged Shares	N/A	USD 10,000	USD 10,000
Class A NOK Unhedged Shares	USD 100	USD 10,000	USD 10,000
Class A SEK Shares	USD 100	USD 10,000	USD 10,000
Class B USD Shares	USD 100	USD1 million	USD 1 million
Class B EUR Shares	USD 100	USD 1 million	USD 1 million
Class B NOK Hedged Shares	USD 100	USD 1 million	USD 1 million
Class B NOK Unhedged Shares	USD 100	USD 1 million	USD 1 million
Class B SEK Shares	USD 100	USD 1 million	USD 1 million
Class C USD Shares	USD 100	USD 1 million	USD 1 million
Class C EUR Shares	USD 100	USD 1 million	USD 1 million
Class C NOK Shares	USD 100	USD 1 million	USD 1 million
Class C SEK Shares	USD 100	USD 1 million	USD 1 million
Class P USD Shares	N/A	USD 15 million	USD 15 million

Class P NOK Hedged Shares	N/A	USD 15 million	USD 15 million
Class P NOK Unhedged Shares	N/A	USD 15 million	USD 15 million
Class L NOK Shares	N/A	N/A	N/A
Class O NOK Shares	N/A	N/A	N/A

*\*or its equivalent in the relevant currency (net of initial fees and bank charges if any).*

*\*\*or the currency equivalent thereof or such greater or lesser amount as may be determined by the Directors.*

*\*\*\*or its equivalent in the relevant currency or such greater or lesser amounts as the Directors may, in their absolute discretion decide. The Directors may, at their discretion, waive the Minimum Initial Investment Amount in respect of any Class.*

The Class L NOK Shares and Class O NOK Shares are only available for subscription by (i) other funds, (including sub-funds of the Company), or similar collective investment schemes that the Investment Manager manages; (ii) the Directors; (iii) any person or investor connected with any such person or entity referred to in parts (i) and (ii) including, without limitation, a trustee of a trust established by or for such an entity, (iv) any company, partnership or other entity controlled by the Investment Manager (v) any company, partnership or other entity which has been appointed or acts as investment manager or investment adviser of an entity referred to in part (i), (vi) any employee of the Investment Manager or (vii) any nominee of any of the foregoing.

The Directors retain the discretion to reject in whole or in part any subscription for Shares in the Fund.

After the relevant Initial Offer Period, Shares will be available for subscription on each Dealing Day at the then prevailing Net Asset Value per Share.

### **Business Day**

Any day other than a Saturday or Sunday on which commercial banks are open for business in Oslo and Dublin.

### **Dealing Day**

Each Business Day will be a Dealing Day.

### **Dealing Deadline**

In relation to applications for subscription of Shares, 2.00 p.m. (Irish time) on the Business Day prior to the relevant Dealing Day; in relation to redemption of Shares, 2.00 p.m. (Irish time) on the Business Day prior to the relevant Dealing Day; and in relation to exchange of Shares, 2.00 p.m. (Irish time) three Business Days prior to the relevant Dealing Day. The Directors, in exceptional circumstances, reserve the right to waive the notice period at their discretion provided such applications are received before the Valuation Point for the relevant Dealing Day.

### **Valuation Point**

The point in time by reference to which the Net Asset Value of the Fund is calculated which, unless otherwise specified by the Directors, shall be the close of business of the relevant market that closes last on the Business Day immediately prior to each Dealing Day.

Any value expressed otherwise than in the Base Currency shall be converted into the Base Currency at the exchange rate (whether official or otherwise) which the Directors shall determine to be appropriate.

### **Minimum Additional Investment Amount**

None.

### **Redemption Charge**

None.

## **Exchange Charge**

None.

## **Settlement Date**

In the case of subscription(s), cleared funds must have been received by 2pm (Irish time) one Business Day after the relevant Dealing Day. However, the Directors may in exceptional circumstances, accept applications for Shares for a relevant Dealing Day, where subscription monies are not received by the Settlement Date provided that confirmation is received from the applicant's bank before the Settlement Date that subscription monies shall be received on or before the close of business in Dublin on the relevant Dealing Day. In the case of redemptions, proceeds will be paid 3 Business Days after the relevant Dealing Day assuming timely receipt of all duly signed redemption documentation.

## **12 HOW TO BUY SHARES**

Application for Shares should be made on the Application Form and be submitted in accordance with the provisions set out in the Prospectus to be received by the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day.

Unless the Administrator otherwise agrees, payment for Shares must be received by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Class.

This section should be read in conjunction with the section entitled "**Subscription for Shares**" in the Prospectus.

## **13 HOW TO SELL SHARES**

Requests for the sale of Shares should be submitted to the Company c/o the Administrator in accordance with the provisions set out in the Prospectus. Requests received on or prior to a Dealing Deadline will be dealt with on the relevant Dealing Day. A redemption request once given will not be capable of revocation without the consent of the Directors.

The amount due on the redemption of Shares of any Class will be paid by the Settlement Date by electronic transfer to an account in the name of the Shareholder. Payment of the proceeds of redemption will only be paid on receipt by the Administrator of any relevant redemption documentation.

No Shareholder shall be entitled to realise part only of his holding of Shares of any Class if such realisation would result in his holding of Shares of such Class after such realisation being below the Minimum Shareholding of that particular Class.

This section should be read in conjunction with the section entitled "**Repurchase of Shares**" in the Prospectus.

## **14 NET ASSET VALUE**

The Administrator determines the Net Asset Value per Share as at the Valuation Point of each Dealing Day in accordance with the procedure provided for under the heading "**Calculation of Net Asset Value/Valuation of Assets**" in the Prospectus.

## 15 CHARGES AND EXPENSES

This section should be read in conjunction with the section entitled "**Fees and Expenses**" in the Prospectus.

### Fees of the Investment Manager

#### Management Fee

The Investment Manager shall be entitled to a Management Fee per annum of the Net Asset Value of each of the following Classes:

Class	Management Fee
Class A Shares	Up to 1.5%
Class B Shares	Up to 0.75%
Class C Shares	Up to 0.5%
Class P NOK Hedged Shares	Up to 0.5%
Class P NOK Unhedged Shares	Up to 0.5%
Class P USD Shares	Up to 0.5%
Class O NOK Shares	Up to 3%
Class L NOK Shares	N/A

Each Management Fee accrues as at each Valuation Point and will be paid monthly in arrears.

The Investment Manager may waive or rebate all or a portion of the Management Fee or Incentive Fee attributable to any Class, it being acknowledged that such waiver or rebate, if any, may differ between Shareholders and that the Investment Manager will have ultimate discretion in this matter.

#### Incentive Fee

The Fund, in respect of the Class C Shares and Class O NOK Shares will pay the Investment Manager an incentive fee (the "**Incentive Fee**") equal to 10 per cent of the amount by which the Net Asset Value (before the deduction of any performance fee) of the relevant Class exceeds the Index adjusted Prior High Net Asset Value (as defined below). No Incentive Fee will be charged in respect of the Class A Shares, Class B Shares, Class P Shares and Class L NOK Shares.

The Incentive Fee is calculated on a share-by-share basis so that each Share is charged a fee which equates precisely with that Share's performance over each Calculation Period (as defined below). This method of calculation ensures that (i) any Incentive Fee paid to the Investment Manager is charged only to those Shares which have outperformed their respective Prior High Net Asset Value over the course of a Calculation Period, (ii) all holders of Shares have the same amount of capital per Share at risk in the Fund, and (iii) all Shares in a particular Class have the same Net Asset Value per Share.

The Incentive Fee shall only be payable on the amount by which each Share outperforms the previous high watermark or Index adjusted Prior High Net Asset Value for the relevant Share. For each Calculation Period, an Incentive Fee will only be payable by a particular Share if the Net Asset Value of that Share at the end of a Calculation Period is greater than the prevailing Prior High Net Asset Value for that Share.

The "**Prior High Net Asset Value**" of each Share is the highest Net Asset Value per Share on which Incentive Fee was paid in respect of any previous Calculation Period (or, if no Incentive Fee has yet been paid with respect to any such Calculation Period, the Initial Issue Price of the relevant Share). The "**Index**

**adjusted Prior High Net Asset Value**" of each Share is the Prior High Net Asset Value adjusted by the performance of the Index for the relevant Calculation Period.

The calculation period for the Incentive Fee shall be a calendar year, closing on the 31 December each year (or if the 31 December is not a Business Day, on the last Business Day of the year) (the "**Calculation Period**"). The First Calculation Period for any unlaunched Class A and/or Class C Shares shall commence from the conclusion of the relevant Initial Offer Period and cease on the last Business Day of the relevant calendar year. The Incentive Fee will accrue as at each Valuation Point and shall be payable annually in arrears (on or after the first Business Day of the following year).

At the end of each Calculation Period, where an Incentive Fee has been paid, and only then, the Prior High Net Asset Value per Share will be reset to the Net Asset Value per Share of the relevant Class at the end of such Calculation Period. For the avoidance of doubt, where the relevant Class has underperformed, (i.e. its Net Asset Value per Share at the end of a Calculation Period is below the Index adjusted Prior High Net Asset Value per Share), no Incentive Fee will be payable until the underperformance is clawed back.

If the Investment Management Agreement is terminated before the end of a Calculation Period, the Incentive Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant period. For the avoidance of doubt, the Investment Manager may waive (or where necessary rebate to Shareholders) part or all of the Incentive Fee that would otherwise be payable to the Investment Manager in respect of any Calculation Period.

The Incentive Fee will be verified by the Depositary.

As the Incentive Fee is based on net realised and net unrealised gains and losses as at the end of each Calculation Period and as a result, it may be paid on unrealised gains which may subsequently never be realised.

#### Incentive Fee Adjustments

If a Shareholder subscribes for Shares in the Fund at a time when the Net Asset Value per Share of the relevant Class is other than the Prior High Net Asset Value per Share, certain adjustments will be made to reduce inequities that could otherwise result to the subscriber or to the Investment Manager. Shares acquired by a transferee will be treated as if they were redeemed (by the transferor) and subscribed (by the transferee) on the date of the transfer at the most recent Net Asset Value for the relevant Class (this is only applicable if there is a change in beneficial ownership).

- (a) If Shares are subscribed at a time when the Net Asset Value per Share of a Class is less than the relevant Prior High Net Asset Value per Share, the Shareholder will be required to participate in the levying of the incentive fee payable ("**Equalisation Deficit**") in respect to any subsequent appreciation in the value of those Shares. With respect to any appreciation in the value of those Shares from the Net Asset Value per Share at the date of subscription up to the relevant Prior High Net Asset Value per Share, an adjustment fee will be charged at the end of each Calculation Period by the Fund redeeming at par value such number of the Shares held as have an aggregate Net Asset Value (after accrual for any allocation of incentive fee) equal to 10% of any such appreciation (an "**Incentive Fee Redemption**"). The aggregate Net Asset Value of the Shares so redeemed (less the aggregate par value which will be retained by the Fund) will be paid to the Investment Manager. Incentive Fee Redemptions are employed to ensure that the Fund maintains a uniform Net Asset Value per Share in each Class. As regards the Shareholder's remaining Shares in that Class, any appreciation in the Net Asset Value per Share above the relevant Prior High Net Asset Value per Share will participate in the levying of the incentive fee in the normal manner described above. An Incentive Fee Redemption may be a taxable event for some Shareholders.
- (b) If Shares are subscribed for at a time when the relevant Net Asset Value per Share is greater than the relevant Prior High Net Asset Value per Share, the Shareholder will be required to pay an amount in excess of the then current Net Asset Value per Share of that Class equal to 10% of the difference between the relevant Prior High Net Asset Value per Share and the then current Net Asset Value per Share of the particular Class (before accrual for the incentive fee) (an "**Equalisation Credit**"). At the date of subscription the Equalisation Credit will equal the pro-rata

incentive fee per Share accrued with respect to the other Shares in the relevant Class (the "**Maximum Equalisation Credit**"). The Equalisation Credit is payable to account for the fact that the Net Asset Value per Share in that Class has been reduced to reflect an accrued incentive fee to be borne by existing Shareholders of that Class and serves as a credit against amounts of incentive fees that might otherwise be payable by the Fund but that should not, in equity, be charged against the Shareholder making the subscription because, as to such Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Shares in that Class have the same amount of capital at risk per Share.

The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the relevant Class, subsequent to the issue of the Shares but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Point in the Net Asset Value per Share of the relevant Shares, the Equalisation Credit will also be reduced by an amount equal to 10% of the difference between the Net Asset Value per Share (before accrual for the incentive fee) at the date of issue and as at that Valuation Point. Any subsequent appreciation in the Net Asset Value per Share will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit. At the end of each Calculation Period, if the Net Asset Value per Share (before accrual for the Incentive Fee) exceeds the relevant Prior High Net Asset Value, that portion of the Equalisation Credit equal to 10% of the excess, multiplied by the number of Shares subscribed by the Shareholder, will be applied to subscribe additional Shares in the applicable Class for that Shareholder. Additional Shares will continue to be so subscribed at the end of each Calculation Period until the Equalisation Credit, as it may have appreciated or depreciated in the Fund after the original subscription for the relevant Shares was made, has been fully applied. If the Shareholder redeems his Shares before any applicable Equalisation Credit (as adjusted for appreciation and depreciation, as described above) has been fully applied, he will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction (the numerator of which is the number of Shares being redeemed and the denominator of which is the number of Shares held by the Shareholder immediately prior to the redemption in respect of which an Equalisation Credit was paid on subscription). Conversely, if the Shareholder redeems their Shares before any applicable Equalisation Deficit (as adjusted for appreciation and depreciation, as described above) has been fully applied, he will receive redemption proceeds less the applicable Equalisation Deficit payable at the time of redemption.

### **Research Charge**

The Fund shall continue to be responsible for expenses, including operating expenses related to researching, implementing, carrying out and disposing of specialised and specific investment research for the Fund, including amounts payable to third party consultants (the "**Research Charge**"). The Research Charge shall not exceed USD 360,000 (inclusive of VAT) and paid out of the assets of the Fund. When calculating the Net Asset Value of the Fund, the pro rata share of the Research Charges shall be deducted on each Dealing Day.

The Investment Manager shall not accept any fees, commissions, monetary benefits or non-monetary benefits other than in accordance with the requirements of Articles 11 and 12 of the MiFID II Delegated Directive.

### **Fees of the Administrator and Depositary**

#### Administrator

The Administrator shall be entitled to receive out of the assets of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears of up to but not exceeding 0.105% of the Net Asset Value of the Fund for all administration, accounting, registrar services, subject to a minimum monthly fee of USD 6,000 (plus VAT thereon if any). The Administrator is entitled to all its reasonable agreed upon transaction, transfer agency, shareholder services and other charges (which will be at normal commercial rates) and other out of pocket expenses out of the assets of the Fund (plus VAT thereon if any).



## Depositary

The Depositary shall be entitled to receive out of the assets of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears of up to but not exceeding 0.02% of the Net Asset Value of the Fund, subject to a minimum monthly fee of USD 1,000 (plus VAT thereon if any). The Depositary is also entitled to sub-custodian's fees (which will be charged at normal commercial rates) as well as agreed upon transaction charges (which will be at normal commercial rates) and other out of pocket expenses (plus VAT thereon if any).

## **Initial Expenses**

The Fund will cover its own establishment costs and expenses which were estimated not to exceed €50,000 and which will be amortised over the first 5 years of the Fund's operation. The Fund also participated in its proportionate share of the establishment costs of the Company (as provided in the Prospectus).

This section should be read in conjunction with the section entitled "**Fees and Expenses**" in the Prospectus.

## **16 MISCELLANEOUS**

As at the date of this Supplement, the Fund has no loan capital (including term loans) outstanding or created but unissued, and no outstanding mortgages, charges or other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

The Fund is not party to any litigation, arbitration or claim and, so far as the Directors of the Company are aware, none are pending or threatened against it.

A memorandum detailing the names of all companies and partnerships of which the Directors have been a director or partner in the past five years, together with an indication of whether or not the individual is still a director or partner, is available for inspection at the offices of Maples and Calder, 75 St. Stephen's Green, Dublin 2, Ireland.

## **17 MATERIAL CONTRACTS**

In addition to the material contract listed in the Prospectus, the Company has entered onto the following contracts in respect of the Fund, which are deemed material;

The investment management agreement dated 25 May 2018, as novated by way of novation agreement dated 2 January 2020, between the Company and the Investment Manager in respect of the Fund, as may be amended from time to time (the "**Investment Management Agreement**"). Pursuant to the terms of the Investment Management Agreement, the Investment Manager has been appointed as discretionary investment manager and non-exclusive distributor of the Fund. The Investment Management Agreement provides that the appointment of the Investment Manager will continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Investment Management Agreement may be terminated forthwith by notice in writing by either party to the other. The Investment Management Agreement contains certain indemnities payable out of the assets of the Fund in favour of the Investment Manager which are restricted to exclude matters resulting from the wilful misconduct, fraud, bad faith or negligence of the Investment Manager in the performance or non-performance of its obligations and duties.