

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

Product name:	Polaris Flexible Capital I K/S
Product identifier CVR/FTID	42267627 (CVR) / 24835 (FTID)
Contact information	https://polarisequity.dk/ / Please call +45 3526 3574 for further information.
Share Class	A1
Name of PRIIP manufacturer	Polaris Management A/S
This PRIIP is authorised in	Denmark
Name of competent authority	Danish Financial Supervisory Authority
Date of production of KID	14-08-2024

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

What is this product?

Type:

Participation in a private debt fund.
The fund may invest in private corporate debt (50-65%), minority equity (25-50%) and listed instruments (0-20%).

Objectives:

The primary objective is to provide i) subordinated loans for corporations, ii) minority investments and iii) invest in listed high yield bonds. The product provides a way for conducting an investment into flexible capital solutions, which combines elements of both debt (contractual return) and equity (residual return). The product will typically invest in bilateral investments within the junior tiers of the capital structure and minority equity, primarily targeting mid-sized investments in the Nordic Countries. The product does not have sustainability as its main objective though investments undergo a screening process for its social, environmental, and economic impact putting extra emphasis on supporting gender equality, combat climate change and by ensuring a high standard working environment. Sustainability is being evaluated each year in Polaris Managements annual sustainability report.

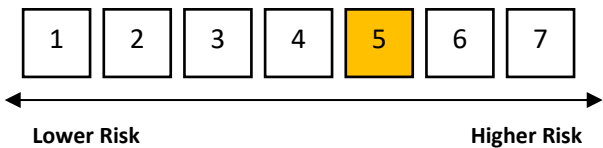
Intended Retail investor:


Investors who are unable to meet the requirements to qualify as professional investors. Investors who will contribute up to 50 mDKK to the product. The product is intended to be offered to investors for whom such investment is only a small part of their entire diversified investment portfolio and who fully understand and are willing to assume the risks involved in the product and can bear the potential loss of their entire investment in the product. Each investor will be required to represent that he/she is familiar with and understands the terms, risks and merits of an investment in the product and that he/she is capable of evaluating the merits and risks of the product.

Term:

The product term is 10 years with 2 optional 1-year extensions. It may terminate earlier subject to certain extraordinary conditions set out in the LPA. It is recommended to hold the product for at least 7 years.

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



 The risk indicator assumes you keep the product for 7 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to cash in early. You may have to pay significant extra costs to cash in early. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

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, which is a medium-high risk class. This rates the potential

losses from future performance at a medium-high level, and poor market conditions will likely impact our capacity to pay you.

An investment in Polaris Flexible Capital is characterized by a number of different risks to which the underlying investments are exposed. Here among, macroeconomic, political, and geopolitical risks, market risks, special risks related to investments in small and mid-cap companies and as well as manager risk related to Polaris' ability to identify good investments, develop, and dispose the investments. Other risks materially relevant to the PRIIP but not included in the summary risk indicator are funding and liquidity risks.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

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

are not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted. The scenarios shown are illustrations based on results from the past and on certain assumptions. Markets could develop very differently in the future. The stress scenario shows what you might get back in extreme market circumstances.

Recommended holding period: 7 Years Example investment: DKK 74.000		If you exit after 1 year	If you exit after 7 years
Stressed scenario	What you might get back after costs	DKK 27.910	DKK 10.400
	Average return each year	-62,29%	-24,45%
Unfavourable scenario	What you might get back after costs	DKK 64.840	DKK 86.760
	Average return each year	-12,38%	2,30%
Moderate scenario	What you might get back after costs	DKK 82.550	DKK 159.030
	Average return each year	11,56%	11,55%
Favourable scenario	What you might get back after costs	DKK 99.410	DKK 267.910
	Average return each year	34,34%	20,18%

The figures shown include all the costs of the product itself 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.

The above scenarios show how your return can vary exiting your investment at different times and under different market conditions. Your return can, given the scenarios stated above, at the end of the recommended holding period, vary from -24,45 % to 20,18 % on average each year. This product cannot be easily cashed in.

What happens if Polaris Management A/S is unable to pay out?

The investor may face a financial loss up to the full amount of its investment owing to the failure of the manager or any investment or other counterparty to meet its obligations. The product may not meet its investment objectives or may not successfully implement its investment program. Full investment of the product may be delayed or not achieved at all. Investments will likely take several years to mature and, owing to the nature of the private debt industry and the investments, there will likely be years of limited or no performance before any profit is realised. Even successful investments may not produce significant cash flow to investors for some years, and a

significant part of the fund's investment profits may be reinvested. Some investments (or the portfolio companies beneath such investments) may experience financial difficulties and lose some or all of their value. General fluctuations in the market prices of securities may affect the value of investments, especially those (i) made in listed entities or which may become quoted subsequently; or (ii) with capital structures employing significant amounts of indebtedness. There is no compensation or guarantee scheme in place that applies to the product and, if you invest in the product, you should be prepared to assume the risk that you could lose all of your investment.

What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested (0 % annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario
- DKK 74.000 is invested.

Costs over time

	If you exit after 1 year	If you exit after 7 years
Total Costs	DKK 1.732	DKK 20.826
Annual cost impact (*)	2,34 %	2,91 %

* This illustrates how costs reduce your return each year over the holding period. For example, it shows that if you exit at the recommended holding period your average return per year is projected to be 14,46% before costs and 11,55% after costs.

Composition of Costs

One-off costs upon entry or exit		If you exit after 1 year	If you exit after 7 years
Entry costs	We do not charge any fees when entering this investment.	DKK 0	DKK 0
Exit costs	We do not charge any exit fees for this product.	DKK 0	DKK 0
Ongoing costs			
Management fees and other administrative or operating costs	Approximately 2,34% of the commitment per year is allocated to cover management fees and other operating costs associated with the fund. The management fees of this share class contributes 1,75%.	DKK 1.730	DKK 12.120
Transaction costs	We do not charge any Transaction fees for this product.	DKK 0	DKK 0
Incidental costs taken under specific conditions			
Performance fees and carried interest	The actual amount will vary depending on how well your investment performs. If annual returns exceed the 6% hurdle rate, a performance fee of 17,5% is charged. The aggregated cost estimation is based on the moderate scenario shown in the "Performance scenarios".	DKK 0	DKK 8.700

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

The recommended holding period for this product is at least 7 years, however the product's term can be as much as 10 years with 2 optional 1-year extensions.

The fund will engage in investments from which value is expected to be created over years. Thus, in the event of premature withdrawal, the investor cannot expect to get the full benefit of the investment.

How can I complain?

If you have any complaints about the product or about the conduct of the manager, you may lodge your complaint by writing an email to polaris@polarisequity.dk or by sending a letter to: Lene Møller Rønfeldt, Compliance Officer, Malmøgade 3, DK-2100 Copenhagen,

Denmark. You can also contact us via our website: <http://polarisequity.dk/>. If you have any complaints about the person advising on, or selling, the product you should in the first instance pursue that complaint with the relevant person.

Other relevant information

Further documentation, including the manager's regulatory disclosures and disclaimers, is available on the manager's website at <http://polarisequity.dk/>. This also includes how Polaris Management A/S work with sustainability as a fund manager and how sustainability risks are taken into account in the investment product. The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules. You can

find detailed information in the product's Private Placement Memorandum ("PPM") and Limited Partnership Agreement ("LPA") via our website. We recommend you seek advice relating to legal, taxation or investment matters and to consult your own professional advisers concerning the acquisition, holding or disposal of the product.