



Information to clients regarding relevant risks

INFORMATION TO CLIENTS REGARDING THE CHARACTERISTICS OF, AND RISKS ASSOCIATED WITH RELEVANT FINANCIAL INSTRUMENTS (INTERESTS IN ALTERNATIVE INVESTMENT FUNDS)

Important information:

When entering into a business relationship with Industry Capital Partners AS, the client represents that it fully understands:

- That investments are made and positions are taken in financial investments at the client's own risk
 - The need to carefully study the Company's general terms and conditions and other relevant information on the financial instrument in question and its properties and risks before investing
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About Industry Capital Partners AS and its services

Industry Capital Partners AS (the **Company**) will only offer investment services in relation to alternative investment funds qualifying as alternative investment funds for the purposes of the Directive 2011/61/EC on Alternative Investment Fund Managers (the **AIFMD**) and as qualifying investor alternative investment funds for the purposes of Irish law and the Central Bank's AIF Rulebook (each a **Fund**, collectively the **Funds**).

The Funds will be closed-ended and managed by subsidiaries of the Company. The subsidiaries will be managers of alternative investment funds authorized under and in accordance with the Norwegian Act on Alternative Investment Fund Managers 20 June 2014 No. 28.

The investment services provided by the Company in connection with the Funds, will be limited to inviting select investors that qualify as professional investors under the Directive 2014/65/EU on Markets in Financial Instruments and which meet relevant requirements under local law to subscribe for interests in the Funds, and potentially receive and transmit orders in Funds in the secondaries market. In order to subscribe for interest in a Fund, the client will have to complete the subscription deed for the relevant Fund, provide the information requested therein and submit the subscription deed to the addressees stated therein.

In connection with the invitation to invest in a Fund made by the Company, the clients of the Company will be provided with private placement memorandums, limited partnership agreements and AIFMD Article 23 information documents for each Fund (collectively the **Fund Documents**).

The Fund Documents will include specific information about the risk factors, potential conflicts of interest and legal considerations regarding each Fund. The client will need to carefully study the Fund Documents before making an investment decision.

General information regarding risk

Financial instruments normally provide a return in the form of a dividend (shares and fund units) or interest (interest bearing instruments). In addition, the price of the instrument may increase or decrease compared to the price when the investment was made. The total return is the sum of the dividend/interest and change in the price of the instrument.

The investor will be seeking a total return that is positive, i.e. a profit. However, there is also a risk that the total return will be negative, i.e. that the investor will make a loss on the investment. The risk of loss varies between different instruments. Normally, the chance of making a profit on an investment in a financial instrument is linked to the risk of loss. The longer the investor intends to keep the investment, the greater the chance of making a profit or loss. In an investment context, the word risk is often used to express both the risk of loss and the chance of making a profit. In the description below, however, the word risk is used solely to designate the risk of loss. There are various ways of investing in financial instruments in order to reduce the risk. It is normally better from a risk point of view to invest in several different financial instruments rather than a single one or only a few financial instruments. These instruments should have properties which mean the risk is spread and should not gather risks that may be triggered simultaneously. Trading in foreign financial instruments also involves a currency risk.

Investments in financial instruments are associated with an economic risk. The client is personally responsible for its risk and must therefore become acquainted with the terms and conditions, prospectuses, memorandums etc. governing such instruments and with the instruments' individual risks and characteristics. The client must also regularly monitor its investments in such instruments.

The Funds

Subscription

Fund interests are not priced in the same manner as shares, but rather a potential investor decides how much capital to commit to the relevant Fund (taking into account any minimum commitment requirement).

The relevant Fund will draw down committed capital as and when required during the term specified in the Fund Documentation.

Redemptions, withdrawal and transfers

Interests in the Fund are subject to restrictions on transferability and resale and may not be transferred except with the consent of the manager of the relevant Fund, which may be granted or withheld in the manager's absolute discretion. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. There is no public market for the interests, and none is expected to develop. The interests will not be registered under any securities laws. Investors may not, therefore, be able to liquidate their investments prior to the end of a Fund's term. Investors may not withdraw capital from the Fund.

Fund income and capital

The relevant Fund's income and capital proceeds which are available for distribution will, after payment of the Fund's fees, costs, expenses and liabilities, and subject to any reinvestments or retention, be distributed as described in the Fund Documents.

The potential distributions from a Fund will be affected by a number of factors, including but not limited to:

- There is no guarantee that suitable deal flow will be available so that the Funds will be able to invest the aggregate commitments during the investment period of the Funds or that any such investments will be successful.
- Many of the Funds' investments will be highly illiquid, and there can be no assurance that the Fund will be able to realise such investments in a timely manner, or at all. Investments may be difficult to value and dispositions of such investments may require a lengthy time period. The value of the investments may fall as well as rise and an investor may not be repaid the total amounts previously drawn down.
- The regulatory environment for private investment funds is evolving, and changes in regulation may adversely affect the value of the investments and the ability of the Fund to pursue its investment objective. Regulatory, tax and/or legal changes could occur that may adversely affect the Fund and/or one or more investors. In each of the jurisdictions in which the Fund operates, it has to comply with laws, regulations and administrative policies which relate to, among other matters, listing regulations, tax, financial accounting, planning, developing, building, land use, fire, health and safety, the environment and employment. These regulations often give broad discretion to the administering authorities. Each aspect of the regulatory environment in which the Fund operates is subject to change, which may be retrospective, and changes in regulations could affect operational costs. The Fund may therefore be adversely affected. It is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law. Compliance with any new laws or regulations could be more difficult and expensive, and may affect the manner in which the Fund conducts its business. New laws or regulations may also subject the Fund or some or all of the investors to increased taxes or other costs. The effect of any future regulatory change on the Fund could be substantial and adverse. Further, a potential entity in which the Fund may invest may be organised such that, as a result of the organising documents of such entity or due to regulatory, tax or legal limitations applicable to such entity, an investment by the Fund is not allowed or is otherwise restricted. The Fund may be prevented from purchasing interests in certain potential targets or the manager of a relevant Fund may need to exclude one or more of the investors from the transaction, change the participation of each constituent entity of the Fund in the transaction or otherwise structure the transaction to satisfy any applicable regulatory, tax or legal limitation. The Fund has been formed in order to accommodate certain legal, regulatory and tax requirements of the investors. An investor may only be able to transfer an Interest to a person or entity subject to similar legal, regulatory or tax constraints as such investor and, as a result, an investor may be unable to find a purchaser of its Interest or may be required to accept a lower price for such interest than would be the case if such legal, regulatory or tax limitations did not apply. In addition, to the extent that the Fund is required to obtain any regulatory approval, this may be a lengthy and expensive process with an uncertain outcome. Investment subsidiaries may be unable to obtain necessary regulatory approvals on a timely basis, if at all, and the failure to obtain approval could have a material, adverse effect on the success of the portfolio of investments.
- The Funds will engage third party service providers to provide certain services to the Funds and will be reliant upon the performance of such service providers for certain aspects of the operation of the Funds. Although the general partner or the manager of the relevant und, as applicable, will engage such service providers on an arm's length

basis and exercise appropriate care in selecting and monitoring such third party service providers, failure by any service provider to carry out its obligations to the Fund could have a materially detrimental impact upon the operations of the Fund. The rights of the Fund to recover in the event of the default of any service provider may be limited under the terms of its agreement with that service provider and that limitation may result in no recovery against them or recovery which is less than the loss suffered. Further, each investor's contractual relationship in respect of its investment in the Fund is with the Fund only and, as such, an Investor will generally not have any contractual claim against any third party service provider with respect to such service provider's default. It is expected that the Fund may purchase and/or receive the benefit of certain services from third parties that are provided under service agreements entered into by such third parties and the ICP group, and the costs for these services will be paid by the Fund (which could be by way of reimbursing the ICP group or by other means). Examples of services include support in relation to know your customer and/or anti-money laundering checks provided by auditing firms.

Risks related to the Funds and investment strategy risks

In addition to the above, there are specific Fund risks and risks related to the relevant Fund's investment strategy that will have to be taken into account. These risks are described in the Fund Documents and each client must assess these risks before making an investment decision.

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