

# Product sheet – Norron Select

## FUND MANAGEMENT

Norron Select is a long short Nordic equity fund with an absolute return focus. The fund is managed by the investment team under the direction of Marcus Plyhr, who has been a part of the fund management team since 2013. The team's ability to select stocks, the methods of taking risk and their historical performance are all well documented and they have received many awards nationally and internationally for their performance results.

## FUND OBJECTIVE

The fund is using both equities and derivative strategies. The variation in managing risk is an important feature. Calculated risk (volatility) should be in the range of 5-15 % and the fund should capture 70% of the stock market returns with 50% of the risk. The cornerstone of the investment mandate is absolute return focus founded on a flexible mandate where the fund consists of sub-strategies with different ambitions. To achieve superior risk adjusted absolute returns, Norron Select is investing across the capital structure and is managing risk pro-actively. Capital preservation is a core philosophy of Norron's, hence managing risk and correlation with the equity market are key to constantly achieving competitive risk-adjusted returns.

## INVESTMENT PROCESS

To ensure a stringent and structured investment process and pro-active risk management, yet flexible enough to adapt to prevailing market conditions, Norron Select has a well-defined portfolio structure consisting of sub strategies with different objectives; yield, exposure, long/short market neutral, corporate bonds and alpha picks. Derivatives are used to protect the portfolio or minimize risk to optimize risk-adjusted returns.

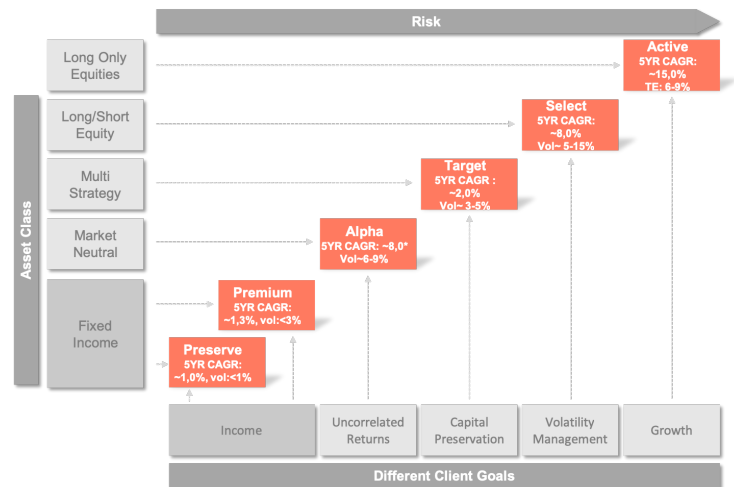
Investments are hedged in varying proportion with index futures, index derivatives and short positions in selected individual stocks. The selection process is rigorous. Net and gross exposures vary greatly and is one consequence of the manager's estimations of market direction, volatility and alpha-trends. The portfolio is monitored daily and is continually subject to testing against various potential scenarios in the market.

## PHILOSOPHY

Norron Select captures several dimensions of the management team's solid experience with similar investment strategies: the ability to select stocks that give higher return than index (alpha), the routine of hedging the assets against falling stock prices and the sense to take the right amount of risk at the right time. The portfolio managers have worked together for several years, which has created a defined and experienced team with skills for different market conditions.

## RISK

Investing in stocks involves risk of large price fluctuations hence an investment period of three to five years is recommended. The fund's ability to take negative exposure to the stock market can be reduced, but it can also be increased as in a traditional equity fund. The fund seeks to achieve a risk in the range of 5 – 15%, measured as standard deviation of the fund's returns.



## ABOUT NORRON

Norron Asset Management is a Nordic investment manager with offices in Stockholm and Oslo. The company manages six different funds with primary focus on the Nordic capital markets. The fund offering consists of both absolute return funds and an actively managed equity fund and are available through selected partners. All Norron's funds can be traded daily and have an absolute return and full transparency. No minimum deposit is required.

Norron is owned by the founders and partners, who are all active employees in the company, and the listed Norwegian industrial investment company Aker ASA. Norron currently manages approximately 17 billion SEK (1,6bn €), and the funds are distributed by market leading Nordic savings platforms, mainly targeting pension capital.

Norron won the award "Best Swedish Equity Fund" in 2014 & 2015 as well as the award "Best Mutual Fund Manager of the Year" in 2015, by Privata Affärer. In 2018, Norron has received several awards including: ACQ5 Global Awards, Thomson Reuter Lipper Awards, UCITS Hedge Awards, Investors Choice Awards, AI Hedge Fund Award and has been nominated in five different categories by the EuroHedge Awards, among others as "Management Firm of the Year 2018".

## FUND MANAGEMENT TEAM

Norron's portfolio managers have during more than two decades achieved very competitive results and have received several awards for their achievements in the Nordic equity markets. The portfolio managers have taken investment decisions in both upturns and recessions, which has created a stringent consensus on risk-taking, investment strategies and stock selection. The fund management team consists of ten people.

## COMPANY FACTS

|                                      |                                   |
|--------------------------------------|-----------------------------------|
| <b>Company name</b>                  | Norron SICAV                      |
| <b>Management company</b>            | FundRock Management Services S.A  |
| <b>Central administration</b>        | EFA                               |
| <b>Promoter</b>                      | SEB                               |
| <b>Custodian</b>                     | Skandinaviska Enskilda Banken S.A |
| <b>Domicile</b>                      | Luxembourg                        |
| <b>Regulator</b>                     | CSSF                              |
| <b>Auditor for the umbrella fund</b> | EY                                |

## FAKTA OM FONDEN

|                        |  |                           |   |
|------------------------|--|---------------------------|---|
| <b>Fund name</b>       | Norron Select  | <b>Base currency</b>      | SEK   |
| <b>Fund Manager</b>    | Marcus Plyhr   | <b>Minimum investment</b> | SEK 1   |
| <b>Category</b>        | Long short Nordic equity fund  | <b>Management fee</b>     | 1,5%  |
| <b>Benchmark index</b> | n.a  | <b>Performance fee</b>    | 20% over high watermark                                 |
| <b>Legal structure</b> | UCITS IV   | <b>Trading fee</b>        | No  |
| <b>ISIN code</b>       | LU 0580532280 (Retail Class SEK) The fund is available in other currencies and for institutional investors | <b>Core positions</b>     | 5-8 liquid stocks in Nordic corporates                  |
| <b>Dividend</b>        | Accumulating   | <b>Trading portfolio</b>  | 10 - 15 positions with short term share price potential |
| <b>Inception date</b>  | 2011-02-01   | <b>Fixed income</b>       | Government and corporate bonds                          |
| <b>Trading</b>         | Daily  | <b>Portfolio hedge</b>    | Futures and index derivatives and swaps                 |
| <b>Target</b>          | Absolute return, 8 - 12% per year (over time)  | <b>Short positions</b>    | Selected single stocks                                  |
| <b>Risk profile</b>    | Medium risk, volatility 5 - 15%  | <b>BB ticker</b>          | NORSLRC LX Equity (Retail Class SEK)                    |

See [www.norron.com](http://www.norron.com) for more information

