

Product sheet – Norron Target

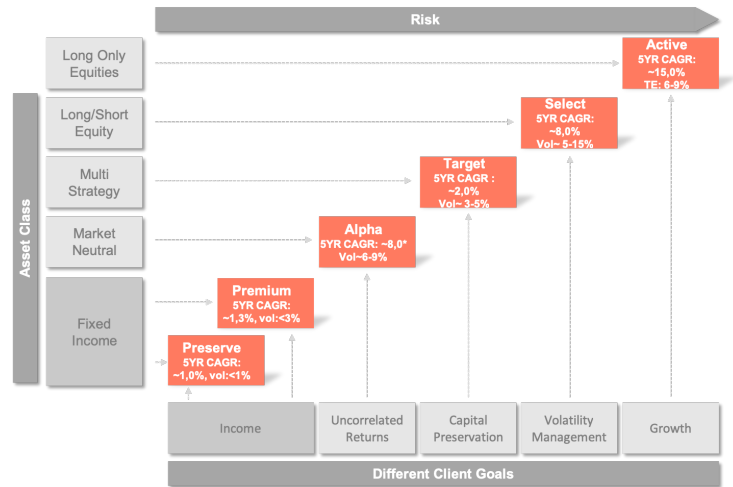
FUND MANAGEMENT

A Nordic multi-strategy fund with a flexible mandate and total return focus. The fund is managed by the investment team under the direction of Ulf Frykhammar, who has successfully managed such mandate since 2003. At Norron all fund management involves continuous teamwork and we see the managers' long-term collaboration as one of Norron's main competitive advantages.

FUND OBJECTIVE

A risk differentiated fund with absolute return focus and predictable return patterns managed with a calculated risk (volatility) in the range of 3-5 percent. Designed for long term individuals and institutional investors, it aims to deliver stock market returns throughout the cycle with approximately 25% of the risk.

To achieve superior risk adjusted absolute returns, Norron Target is investing across the capital structure with a pro-active and strict approach towards risk management. Capital preservation is a core philosophy of Norron's, hence managing risk and the correlation with the equity market are key to achieving consistent and competitive risk-adjusted returns.



INVESTMENT PROCESS

To ensure a structured investment process and a stringent view on risk management, yet flexible enough to be adapted to prevailing market conditions, Target has a well-defined portfolio structure consisting of specific sub-funds. While achieving positive carry through credit exposure, four different equity sub-portfolios constitute the gross equity exposure; yield, alpha, delta and beta. Derivatives are used to protect the portfolio or to decrease risk to optimize risk-adjusted returns. Managing portfolio risk versus market risk is a key element.

The fund identifies and invests in several major listed Nordic companies. The holdings are protected in varying proportions with index futures, index derivatives and short positions in selected individual shares. The selection process is stringent. Net and gross exposures vary greatly, and this is a consequence of the managers' assessment of market orientation, volatility and so-called alpha trend. A high, but variable, proportion of Norron Target's funds is invested in various interest-bearing instruments, such as government and corporate bonds.

PHILOSOPHY

Norron Target captures several dimensions of the fund management team's solid experience of similar investment strategies: the ability to pick stocks that are outperforming benchmark index, the routine to protect assets against falling stock prices and the capability to take the right risk at the right time. The fund management team have been working together for several years, which has created defined operating styles for different market conditions.

RISK

Saving in financial instruments involves a risk of large price fluctuations hence an investment period of three to five years is recommended. The combination of equity and fixed income investments and the fund's ability to go short in the stock market reduces the fund's risk level. The fund seeks to achieve a risk in the range of 3-7 percent, measured as the standard deviation of the fund's return.

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, have an absolute return and full transparency. No minimum deposit is required.

Norron is owned by the founders, who all are active as employees in the company, and the listed 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 like ACQ5 Global Awards, Thomson Reuter Lipper Awards, UCITS Hedge Awards, Investors Choice Awards, AI Hedge Fund Award and has been nominated by EuroHedge Awards in five different categories, among others as Management Firm of the Year 2018.

FUND MANAGEMENT TEAM

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

COMPANY FACTS

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

FAKTA OM FONDEN

Fund name	Norron Target	Base currency	SEK
Fund Manager	Ulf Frykhammar	Minimum investment	SEK 1
Category	Nordic multi-strategy fund	Management fee	1,0%
Benchmark index	n.a	Performance fee	20% over high-water mark
Legal structure	UCITS IV	Trading fee	No
ISIN code	LU 0580531472 (Retail Class SEK) Fonden finns tillgänglig i andra valutor för institutionella investerare.	Core positions	5-8 liquid stocks in Nordic corporates
Dividend	Accumulating	Trading portfolio	10 - 15 positions with short term share price potential
Inception date	2011-02-01	Fixed income	Government and corporate bonds
Trading	Daily	Portfolio hedge	Futures and index derivatives
Target	Absolute return, 5 - 6% per year (over time)	Short positions	Selected single stocks
Risk profile	Medium risk, volatility 3 - 7%	BB ticker	NTRGSRCLX Equity (Retail Class SEK)

See www.norron.com for more information

