

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, and potential gains and losses of this product, and to help you compare it with other products.

Product

Product/Fund Name: US Secondaries Fund III A/S, share class B2 (the "Fund")

The Fund is registered with the Danish Financial Supervisory Authority (FSA) as FTID 25528.

Name and address of producer/Manager: Nordic Bloom P/S (the "Manager")

Tuborg Boulevard 5

2900 Hellerup

CVR.no: 43 01 78 37

The Manager is authorized by the Danish FSA as FTID 23315.

The Danish FSA is responsible for supervising the Manager in connection with this key information document.

Website: www.nordicbloomfunds.eu

Contact Information: Call +45 70 25 09 11 or email info@nordicbloomfunds.eu for more information.

Publication Date: 3 September 2024

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

What is this product?

Type: The Fund's legal form is a public limited company governed by the Danish Companies Act and established in Denmark. The Fund constitutes an alternative investment fund. The Fund will have tax status as an investment company under § 19 of the Capital Gains Tax Act, meaning the Fund will generally be tax-free, and taxation will occur solely at investor level for your share of the Fund.

Duration: The Fund will have a term of 8 years with the possibility of automatic extension for up to 2 years.

Objectives and means: The Fund aims to deliver a net MOC (Multiple on Capital) of at least 2, meaning that, after costs, you as an investor will receive at least twice your investment commitment back by the end of the Fund's planned lifespan of 8 years.

The Fund will seek to achieve this by investing in existing shares – Secondaries - in venture-financed companies. These Secondaries will be purchased either indirectly by buying shares in venture funds or other entities that own these Secondaries (expected to be approximately 75% of the Fund's total investments), or directly by buying from current owners, such as founders, directors, or other key individuals in the venture-financed companies (expected to be approximately 25% of the Fund's total investments). The vast majority will be American venture funds and companies within the IT, Tech, and Life Sciences sectors. Portfolio management is delegated to Knightsbridge Advisers LLC, USA, which is registered as an investment advisor and supervised by the U.S. Securities and Exchange Commission (SEC). Knightsbridge Advisers LLC identifies and evaluates investment opportunities based on its ongoing insight into the approximately 5,000 venture-financed companies and around 50 venture funds included in the overall portfolios in Knightsbridge Advisers' ongoing venture funds of funds. Once investments are made, the Fund is expected to have indirect and direct exposure to a total of approximately 150 companies.

You make your investment commitment in USD as the investments are primarily in USD. You fulfil your investment commitment by making payments in instalments in response to calls from the Manager. Calls are expected to be made 2-3 times annually over the first 3 years of the Fund's lifespan. Investments will be made following the calls. If investments proceed faster, an instalment may need to be increased or accelerated, or both. Calls are made in USD, but you have the option to pay the equivalent in DKK. Once individual investments have matured, they will be realized when deemed attractive. Realization will primarily occur through M&A transactions or IPOs. The invested amounts plus any profits will be returned to you and the other investors accordingly. This is expected to start from the Fund's 4th year. Full repayment with return is expected at the end of the Fund's planned lifespan of 8 years, but this can be automatically extended for up to 2 years. The Manager will liquidate the Fund once repayment has been made to investors but cannot choose to close the Fund before then. No leverage is used. Within these timeframes, realized proceeds may be reinvested to enhance return, up to the point where the Fund has invested 125% of the total investment commitments to the Fund.

The price of the investment will be determined after the end of each calendar quarter based on a valuation of the Fund's investments. A J-curve is expected, meaning that price development in the first part of the Fund's life (investment phase) may be flat or slightly negative, and then development will become positive as the investments are realized. The final return will consist of your proportional share of the proceeds from the realization of the Fund's investments minus the costs incurred during the Fund's lifespan, as detailed below.

Intended retail investors: As well as professional investors, the product is being offered to investors who request to be treated as a professional investor and declares that at least two of the following three criteria are met: The Investor 1) has carried out transactions of significant size on the relevant market on average ten times per quarter over the past four quarters, 2) holds a portfolio of financial instruments and cash that exceeds EUR 500,000 in value, and 3) works or has worked in the financial sector for at least one year in a position that requires knowledge of the intended transactions or services. These investors must have knowledge of investing in alternative investment funds and venture-financed

companies. They must also be able to bear the loss of up to the entire invested amount and have an investment horizon of 8-10 years. The product is not offered to other investors.

Further information: Further information about the Fund, including its project description, articles of association, and subscription form, can be requested free of charge from the Manager. The same applies to quarterly and annual reports, as they are prepared. Materials about the Fund will be available in Danish and, if the Fund has foreign investors, in English.

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

Summary risk indicator: 1234567

The risk indicator assumes you hold the product until the end of the fund's lifespan in year 8. This can, however, be automatically extended for up to 2 years. You cannot redeem the product earlier, as there is no redemption option in the Fund. Therefore, the product is illiquid unless you find a buyer who can be approved as an investor in the Fund. This means you may not be able to sell your product easily or you may have to sell your product at a price that significantly impacts how much you get back. The risk of loss will therefore be significantly higher than indicated in the summary risk indicator if the investment is not retained until maturity.

If you fail to fulfil a capital call (made in accordance with your investment commitment) from the Manager within the time limit, the Fund may choose to redeem or assign the sale of the investment at net asset value minus 25% but covering the Fund's loss as a minimum.

Be aware of currency risk. The investment commitment is given in USD, and the Fund's investments will primarily be made in USD, so the final return you receive in DKK will depend on the exchange rate between the two currencies. This risk is not considered in the summary risk indicator.

Although investments are made in Secondaries, the underlying venture-financed companies are typically still in an establishment phase. Therefore, products and markets are under development, with a risk that expected potential is not realized, or that a company may close resulting in a complete loss of the invested amount. This product does not include any protection from future market performance so you could lose some or all of your investment.

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 6 out of 7, which is the second-highest risk class. This rates the possible losses from future performance at a high level, and poor market conditions are very likely to impact our capacity to pay you.

Performance Scenarios

The figures below include all the costs of the product itself. They do not take your tax situation into account, which can also affect how much you get back. What you get from this product depends on future market outcomes. Future market development is uncertain and cannot be predicted precisely. The adverse, moderate, and favourable scenarios are fictitious and use the worst, average, and best results for similar products over the past 10 years. Markets may behave very differently in the future. The stress scenario shows what you might get back under extreme market conditions, and we do not consider a situation where we cannot pay you. This product cannot be redeemed, as described above.

Recommended and required holding period:	8 years	Upon exit after 8 years
Example investment:	DKK 1,000,000	
Stress scenario	What you might get back after costs	DKK 500,000
	Average return each year	DKK -62,500 / -8.30 %
Unfavourable scenario	What you might get back after costs	DKK 1,250,000
	Average return each year	DKK 31,250 / 2.83 %
Moderate scenario	What you might get back after costs	DKK 2,000,000
	Average return each year	DKK 125,000 / 9.05 %
Favourable scenario	What you might get back after costs	DKK 2,750,000
	Average return each year	DKK 218,750 / 13.48 %

The indicated average annual return in percentage is calculated according to legal requirements and based on the entire invested amount being deposited in year 1, and the entire amount you receive being paid out in year 8. If the actual expected liquidity flow is considered, with payments deposited in instalments over the first 3 years and with repayments made gradually from year 4, the annual return in percentage (IRR - Internal Rate of Return) will be higher.

What happens if the Fund is unable to pay out?

The product does not include any capital guarantee against credit risks. If we are unable to pay what we owe, you may lose your entire investment. There is no risk of financial liability beyond the invested capital. Therefore, the total loss cannot exceed the amount invested.

What are the costs?

The person selling you or advising you about this product may charge other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment.

Costs over time

The tables show the amounts deducted from your investment to cover various types of costs. These amounts depend on how much you invest, how long you hold the product, and how well the product performs. The amounts shown here are fictitious and based on an example investment amount. Since redemption is not offered, we have assumed the investment is held until the end of the Fund's expected lifespan of 8 years. Costs are based on the expected capital call from investors over 3 years and assume that the investment performs as shown in the moderate scenario with a total net return of 100% (return after costs) to the investor at the end of the 8-year investment period. Costs include expenses both in the Fund and in the underlying venture funds. Regarding the latter, costs are estimated based on experience with similar products, as the specific funds and their costs are not yet known.

Investment: DKK 1,000,000	If you cash in after 8 years and receive DKK 2,000,000 back after costs (moderate scenario, see above)
Total costs	DKK 504,357 (estimated)
Annual cost impact	Average DKK 63,045 / 6.30 % of the investment

Composition of costs

One-off costs at entry or exit	If you cash in after 8 years
Entry costs	0
Exit costs	0
Ongoing annual costs	
Management fee and other administrative or operational costs	DKK 254,357 total (estimated) Average per year, DKK 31,795 / 3.18 % of the investment
	Included above
Incidental costs incurred under specific conditions	
Performance fees	DKK 250,000 total (estimated) Average per year, DKK 31,250 / 3.13 % of the investment

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

The investment period is the Fund's lifespan of 8 years with the possibility of an automatic extension for an additional 2 years. The invested capital will be tied up until the expected gradual repayment from year 4, unless the investor finds a buyer for the investment who meets the requirements to invest in the Fund. At the end of the Fund's lifespan, the invested amount is expected to be repaid along with any return achieved. No fee will be payable to the Manager for the sale of the investment or in connection with the repayment.

How can I complain?

If you have complaints about the Fund, the Manager, or the person advising on or selling the product, you can submit your complaint to tm@nordicbloomfunds.eu, or you can contact us via the website www.nordicbloomfunds.eu.

Other relevant information

Additional information about the Fund, including the project description for the Fund, commitment forms, and the company's articles of association, will be provided free of charge by the Manager upon request. You are also welcome to contact us at www.nordicbloomfunds.eu or info@nordicbloomfunds.eu for more information or further details about the document.