



KEY INVESTOR INFORMATION DOCUMENT

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

EVLI PRIVATE EQUITY III KY

Partnership Share

This fund is managed by Evli Fund Management Company Ltd, which is part of the Evli Group.

OBJECTIVES AND INVESTMENT POLICY

Evli Private Equity II Ky (hereinafter “Fund”) is an alternative investment fund as referred to in the Act on Alternative Investment Fund Managers (162/2014).

The Fund is a closed-end private equity fund in the form of a limited partnership, which is intended for professional investors or corresponding high net worth individuals, and it engages in long-term private equity investment. The Fund is a fund of funds and invests its assets in other closed-end private equity funds (“Target Fund”). The Fund may also make co-investments with Target Funds. The Fund’s investment operations have no specific regional, geographic, or industry-based restrictions, but most of the Target Funds’ investment instruments are in non-listed companies operating in Europe or North America. Although the Fund’s principal investment instruments are new so-called primary market buyout private equity funds, the Fund may also invest in private equity funds that are already operating. The goal of the Fund is to form a well-diversified investment portfolio comprising several different Target Funds.

The Fund does not use leveraging but can take out short-term credit of up to 15 percent of the Fund’s total investment commitment in order to cover immediate financing needs.

The Fund does not have an official benchmark index. The Fund’s base currency is the euro. The Fund’s investments outside the euro area are subject to exchange rate risk.

The minimum investment commitment is EUR 100,000. The investors that will be limited partners shall pay their investment commitment to the Fund either as one or several instalments, as determined by the general partner.

Investment commitments and partnership share subscriptions can be made at the dates determined by the Management Company for a duration of 18 months from the Fund’s first closing. In addition to the investment commitment, investors will commit to the Fund and Partnership Agreements. Because the Fund is in the form of a limited partnership, partnership shares may not, as a general principle, be redeemed at the initiative of a limited partner during the operating period of the Fund. The partnership shares may only be liquidated when the Fund’s operating period ends, when the Management Company liquidates all the Fund’s investments before the end of its operating period or for another specific reason mentioned in the Fund Agreement. A partnership share may only be conveyed with the prior written permission of a general partner.

The Fund’s operating period ends 14 years after the first closing of the Fund. The operating period of the Fund may, however, be longer or shorter than what has been agreed in principle in the Fund Agreement, as prescribed in the Fund Agreement.

The Fund is not suitable for investors who intend to convey their shares before the end of the Fund’s operating period.

RISK-REWARD PROFILE



1	2	3	4	5	6	7
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The risk-reward profile describes the calculated variation in the Fund’s performance over the last 5 years. The Fund’s risk-reward profile and risk category may change. Even the lowest category (1) in the risk-reward indicator is not entirely risk-free. Historical data cannot be used to predict the future performance of the Fund’s risk-reward profile and risk category.

The funds’ risk level is determined on a scale of 1 to 7, where 1 signifies a low risk and 7 a high risk. The Fund’s current risk category is 6. This means that the Fund’s performance is subject to a very high risk.

The Fund’s investments are focused on other private equity funds whose strategy is to act as so-called buyout funds. The Fund’s overall risk is also affected by the following risk factors, which the Fund’s risk profile does not necessarily address fully:

- Impairment risk, which is the risk that the net asset value of the Fund’s investments will decline materially as a result of the unfavorable performance of the Target Funds. The impact of individual loss-making investments on the total return of the Fund may be significant.
- Tax risk, which is the risk that interpretations related to taxation, and changes to tax regulations and practices may have harmful effects on the Fund’s return or an investor’s personal tax position.

- Liquidity risk, which is the risk that no buyers can be found for the Target Funds’ investment instruments by the end of the Fund’s operating period, in which case the Fund will not receive capital returns or cash flow in accordance with the anticipated timetable. The level of liquidity depends on the prevailing market conditions and stage of the economic cycle, and on the quality and extent of the business operations of the companies in which the target funds have invested. There is also a risk that the liquidation of investments that are illiquid in nature, particularly in weak market conditions, may lead to losses.
- Key employee risk, which is the risk that the Fund’s operations are materially dependent on a limited number of key employees and their sustained contribution and expertise.
- The risk that the Fund’s targeted size is not met or that the Fund is unable to invest all assets in full during its operating period, which may lead to targeted returns not being achieved, or to risk positions of existing investments being excessively increased, or to failures of the Fund to implement or abide by its intended investment strategy.
- In certain situations defined in the Fund Agreement the Investor is obliged to return assets to the Fund, and this obligation may also apply following the Fund’s dissolution.
- The investor must bear the risk of the investment throughout the entire operating period of the Fund. The investment



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commitment provided by the investor in advance is irrevocable and the investor is responsible for fulfilling it irrespective of any negative event faced subsequently by the investor or Fund. There is no organized or regular secondary market for partnership shares.

- The Fund's company form is a Finnish limited partnership and its investors are limited partners. A limited partnership differs from a limited liability company in that investors do not have voting rights or any other protection provisions pursuant to the Limited Liability Companies Act, for example. Instead, all operations are based on the terms and conditions of agreements concerning the Fund or on decisions made by the general partner or the Management Company.
- The risks are described in more detail in the actual supplement on risks, which is delivered to all those considering investing in the Fund before they make their final decision.

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CHARGES FOR THE FUND

All expenses materially related to the Fund's operations are paid from its assets, such as the Fund's founding costs, costs of the Fund's operations, costs from audits, the custody fee charged by the custodian at any given time and other actual costs arising from the custodian's duties.

Fees associated with subscription and redemption of partnership shares

Subscription fee	0%
Redemption fee	0%

Fees to be charged from the Fund during the year

Ongoing charges	0.9–1.2%
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Fees to be charged from the Fund under certain specific conditions

Performance-based fee	7%
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The ongoing charges shown include the Fund's fixed management fee of 0.7-1.0 percent per annum, which will vary in accordance with the sum of the investment commitment. The management fee will be charged quarterly on the investment commitments made to the Fund. The amount of the management fee will be reduced annually by 10 percent as of the fee payment following the 4th anniversary of the commencement of operations as follows:

Fee/ Operating year	Investment commitment < EUR 3 mill.	Investment commitment ≥ EUR 3 mill.	Investment commitment ≥ EUR 5 mill.
1–4	1.00%	0.80%	0.70%
5	0.90%	0.72%	0.63%
6	0.81%	0.648%	0.567%
7	0.729%	0.5832%	0.5103%

The Fund's operating costs are estimated to be a maximum of 0.2 percent of the amount of the investment commitments per annum. The final percentage is determined on the basis of the fund's final size. This operating cost figure may vary from year to year. The management and performance-based fees charged to the Target Funds will also have an indirect impact on the total cost level of the Fund, which has not been taken into account in ongoing charges.

In accordance with the Fund Agreement, investors will first receive the capital they have contributed and then the return, until the total distributed amount corresponds to 1.25 times the invested capital. Subsequently, the return will be distributed to the Management Company until its received fee corresponds to 7 percent of the amount distributed to the investors, less the capital contributed by the investors. After this the ratio by which the returns are divided will be 93 percent for investors and 7 percent for the Management Company. The performance-based fee is generally liquidated during the end of the Fund's period of operation.

The principles of the Fund's expenses and return distribution are described in more detail in the Fund Agreement, which is delivered to all those considering investing in the Fund before they make their final decision.

PAST PERFORMANCE



The Fund does not have a sufficient return history to enable its past performance to be presented. The Fund was launched on 30 November 2021. The past performance takes into account the management fee, but not any taxes paid by the investor. The performance is calculated in euros. Past performance is not a guarantee of future returns.

PRACTICAL INFORMATION

- The Custodian of the Fund is Skandinaviska Enskilda Banken AB (publ) Helsinki Branch. The Fund is managed by Evli Fund Management Company Ltd ("the Management Company").
- The Fund's auditor will be PricewaterhouseCoopers Oy, Authorized Public Accountants.
- The Fund Agreement, the Key Investor Information Document and other documents will be delivered to the investor before the investor makes an investment.
- The tax legislation of the Fund's home member state may have an impact on the personal tax position of the investor.
- The investor's personal tax situation may have an impact on the returns received by the investor.
- The Management Company may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate, or inconsistent with the Fund Agreement.
- The Management Company will decide on the return distributed to limited partners and on its payment. Return may be paid several times each year in conjunction with the cash flows from the Fund's investments, for example.
- Information on remuneration practices can be found at the address www.evli.com.



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- Evli Fund Management Company Ltd has been granted a license to operate as an alternative investment fund manager in Finland. The Fund and the Management Company are supervised by the Financial Supervisory Authority.
- The Fund Agreement was signed on 18 November 2021. This key investor information document is valid as of 25 January 2022.