



PYTHAGORAS

MUSIC FUND



ESSENTIAL INFORMATION

02-02-2021

Attention! This investment falls outside AFM supervision. No license and no prospectus required for this activity.



PURPOSE

This document provides you with essential information on this investment product. It is not marketing material. This information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

The Pythagoras Music Fund is managed by Pythagoras Fund Manager I B.V. Further information about Pythagoras Fund Manager I B.V. and Pythagoras Music Fund is available at www.pythagorasmusicfund.com. For more information please call 06 21 98 35 72. The competent authority with regard to this key information document is the Netherlands Authority for the Financial Markets (AFM). This Key Information Document was prepared on 4 January 2021.

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

WHAT IS THIS PRODUCT?

TYPE

Pythagoras Music Fund is a mutual fund under Dutch law. Pythagoras Music Fund is an investment institution as defined by Article 1:1 of the Dutch Financial Supervision Act. Pythagoras Fund Manager I B.V. is the administrator of Pythagoras Music Fund. Pythagoras Fund Manager I B.V. is registered with the Netherlands Authority for the Financial Markets (AFM) in compliance with Section 2:66a of the Financial Supervision Act.

OBJECTIVES

The objective of the Pythagoras Music Fund is to acquire music rights, and music rights-related income streams, at the expense and risk of the investors in order to achieve a return for the investors. Further information on the aims of Pythagoras Music Fund can be found in the Pythagoras Music Fund Information Memorandum.

RETAIL INVESTOR TO WHOM THE PRODUCT IS DIRECTED

Pythagoras Music Fund is intended for investors who want exposure to music rights and music rights related income streams, who can invest a minimum amount of EUR 250,000, who have an investment horizon of at least five years and who can bear and accept the risk of losing all or part of the invested amount.

RUNNING TIME

In principle, the term of Pythagoras Music Fund is at least five years, with the option for Pythagoras Fund Manager I B.V. to extend this period three times by one year each time. Investors are not permitted to withdraw from Pythagoras Music Fund in the meantime.

WHAT ARE THE RISKS AND WHAT CAN I GET IN RETURN?

The summary risk indicator is a guideline for the risk level of this product compared to other products. The indicator shows how likely it is that investors will lose out on the product because of market developments or because there is no money for payment. We have classified this product in class 6 out of 7, which is the second highest risk class. This means that the potential losses on future performance are estimated to be high and the chance that Pythagoras Music Fund will not be able to pay you because of a bad market is very high. As this product is not protected against future market performance, you may lose all or part of your investment.

SCENARIOS	For an investment of EUR 250,000	5 years (Recommended period of possession/maturity)
STRESS SCENARIO	What you can get in return after costs Average return per year	EUR 183,000 -6.0%
ADVERSE SCENARIO	What you can get in return after costs Average return per year	EUR 308'000 5.9%
MODERATE SCENARIO	What you can get in return after costs Average return per year	EUR 374,500 11.4%
FAVOURABLE SCENARIO	What you can get in return after costs Average return per year	EUR 462,000 17.7%

This table shows how much money you could get in return over the next 5 years, in different scenarios, if you invest EUR 250,000. The scenarios shown illustrate the possible return on your investment. You can compare them to the scenarios of other products. The scenarios shown are an estimate of future performance based on past data on how the value of this investment varies, and are not an exact indication. What you get depends on how the market performs and how long you hold the investment. The stress scenario shows what you might get in return in extreme market conditions, and does not take into account the situation where we cannot pay you. This product cannot be sold. This means that it is difficult to estimate how much you would get back if

you decided to sell before the end of the recommended holding period. Selling earlier is not possible or only at great cost or loss. The amounts shown include all costs of the product itself, but may not include all costs you pay to your adviser or distributor. The amounts do not take into account your personal tax situation, which may also affect how much you get in return.

WHAT HAPPENS IF PYTHAGORAS FUND MANAGER I.E. OR PYTHAGORAS MUSIC FUND CANNOT PAY OUT?

The assets of Pythagoras Fund Manager I B.V. and Pythagoras Music Fund are segregated. As a result, you cannot suffer any direct financial loss in the event that Pythagoras Fund Manager I B.V. is unable to make a payment. However, you may lose your entire deposit in the event that Pythagoras Music Fund is unable to make a payment. This loss is not covered by any guarantee or compensation scheme.

WHAT ARE THE COSTS?

The reduction in the yield shows the effect of the total costs you have to pay on your possible investment return. Total charges include one-off, fixed and incidental charges. The amounts shown here are the cumulative costs of the product itself for the recommended holding period. Potential penalties for early exit are included. The amounts are based on the assumption that you deposit EUR 10,000. The numbers are estimates and may change in the future.

COSTS OVER TIME

The person selling you or advising you on this product may charge you other fees. If so, that person will give you information about those charges and show you how all the charges will affect your investment over time.

Investment scenario (EUR 10,000)	If you sell after 5 years
Total cost	EUR 860
Effect on return (RIY) per annum	1.40%

THE TABLE BELOW SHOWS THE FOLLOWING:



The effect that the different types of costs have each year on your potential investment return at the end of the recommended holding period:



The meaning of the different cost categories.

THIS TABLE SHOWS THE EFFECT ON THE RETURN PER YEAR

ONE-OFF COSTS	Entry fee	1.25%	The effect of the costs when you do your deposit. This is the maximum that you will pay, you may pay less.
	Exit costs	n.a.	The effect of exit costs when your investment matures.
RUNNING COSTS	Portfolio-transaction costs	1.25%	The effect of the costs if we buy or sell underlying investments for the product
	Other running costs	1.25%	The effect of the costs that we each year subtract for the management of your investments
INCIDENTAL CHARGES	Performance fee/carried interest	15%	The effect of the performance fee/carried interests. We subtract these fees when the annual return exceeds 6% at the end of the term

HOW LONG SHOULD I KEEP IT AND CAN I GET MONEY OUT OF IT SOONER?

RECOMMENDED PERIOD OF POSSESSION: 5 YEARS

You cannot sell the product in the interim. As a result, you are required to hold the product for the entire term of the Pythagoras Music Fund, which is expected to be (at least) 5 years.

HOW CAN I FILE A COMPLAINT?

If you have a complaint about the product or about Pythagoras Fund Manager I B.V., you can submit it to Pythagoras Fund Manager I B.V. by telephone (06 21 98 35 72), by mail (Oosterend 13, 1251 HM, Laren) or by e-mail (info@pythagorasmusicfund.com).

OTHER USEFUL INFORMATION

For this product, an information memorandum is available containing all information about the product and the associated risks. Pythagoras Fund Manager I B.V. will make the information memorandum available upon request. Additional information can be found on the Pythagoras Music Fund website: www.pythagorasmusicfund.com.

