

Key Information Document

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

Name	NCI Credit Opportunity Company A/S	ALERT You are about to purchase a product that is not simple and may be difficult to understand
Manufacturer	NCI Advisory A/S	
Manufacturer contact	Jørgen Beuchert +4541998250 jb@nciadvisory.com	
Competent Authority	Danish Financial Supervisory Authority (registration only)	
Date of production	17 May 2021	

What is the product?

Type	The company is a Danish, private limited company (<i>aktieselskab</i>) registered as a §19 company under the Danish Capital Gains Tax Act. The company is a single legal entity.
Objectives	The company invests directly in specific European debt-related instruments, issued in different currencies, often with limited liquidity, with the aim of generating an unlevered yield of >10% over a short as well as medium-long investment horizon, by taking advantage of market inefficiencies. The prices of the instruments in the portfolio can have relatively large fluctuations in their pricing which can significantly impact the return on your investment.
Investor target	This product is not appropriate for everyone. The company is for focused, well-informed investors, capable of making a well-informed decision, using money which they can afford to lose, with a diversified investment and savings portfolio, have a high tolerance to risk, and understand the impact of and risks associated with investments in medium and high-risk debt instruments such as e.g., high yield corporate bonds.
Term	The company is established with no limit on the holding period. It is up to the you to open and close your position. The company can be liquidated by the board of the company, if the board deems it appropriate in relation to the protecting the investors' interests.

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

Summary Risk Indicator (SRI)



The Summary Risk Indicator (SRI) 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 5 out of 7 which is a medium-high risk class.

This rates the potential losses from future performance at a medium-high risk level, and poor market conditions will likely impact the capacity to pay you.

This product does not include any protection against market risk, currency risk, credit risk or liquidity risk.

As an investor in the company, you are subject to the terms and conditions as outlined in the shareholders' agreement.

This product does not include any protection from future market performance so you could lose some of or all your investment.

If the company is not able to pay you what is owed, you could lose your entire investment.

Performance scenarios Investment EUR 100,000		1 year	3 years	5 years Recommended holding period
Stressed scenario	What you might get back after costs	38,920	47,830	36.300
	Average return each year	-61.1%	-17.4%	-12.7%
Unfavourable scenario	What you might get back after costs	93,920	98,230	105,300
	Average return each year	-6.1%	-0.6%	1.1%
Moderate scenario	What you might get back after costs	104,920	118,930	134,800
	Average return each year	4.9%	6.3%	7.0%
Favourable scenario	What you might get back after costs	115,680	141,910	169,600
	Average return each year	15.7%	14.0%	13.9%

The table includes scenarios to illustrate how an investment if EUR 100,000 could perform over the next five years but are not an exact indicator. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies. Please remember that past performance may not be a reliable indicator of future results. What you get back will vary depending on how the market performs and how long you hold your investment. The first scenario, the stress scenario, shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The provided figures include all the costs associated with the investment but possibly not all expenses relating to own legal and financial council or similar services, nor any distribution-related costs. The figures do not take personal tax situations into account, which can impact the figures.

What happens if the company is unable to pay out?

No compensation or guarantee is provided by the PRIIP-manufacturer.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing, and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include entry and exit penalties. The figures assume you invest EUR 100,000. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you 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 over time.

Cost over time

Investment EUR 100,000 Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs (EUR)	6,384	9,104	11,446
Impact on return (RIY) pr. year (%)	6.38%	3.03%	2.29%

Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

This table shows the impact on the return per year			
One-off costs	Entry costs	0.40%	The impact of the costs you pay when entering the investment. This is the most you will pay, and you could pay less. 2.00% entry fee payable upon entry.
	Exit costs	0.40%	The impact of the costs of exiting your investment when it matures. 2.00% exit fee payable upon exit.
Ongoing costs	Portfolio transaction costs	0.44%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.05%	The impact of the costs that we take each year for managing your investments. This includes Annual Management Charge (0.85% of AuM) as well as O&A costs related to managing the underlying investments.
Incidental costs	Performance fees	0.00%	The impact of the performance fee. We deduct these from your investment if the product yields more 8%. We take 15% of the yield above 8%.
	Carried interests	N/A	No carried interests.

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

The investment can increase or decrease in value depending on the general market conditions, the financial markets, currency rates, and interest rate levels, at any given time.

By investing in the company, you are subject to the terms and conditions in the shareholders' agreement.

The company has a lock-up on investors' shares until 31 December 2021. Apart from that, the company has no minimum holding period and is aimed at investors with a medium-long or long investment horizon.

Divestment is subject to a 2% penalty.

Should you choose to partially sell your shares, keep in mind you cannot sell shares in portions of less than DKK 750,000.

Should you wish to divest some or all your shares, other shareholders have the pre-emptive right, but not an obligation, to buy your shares ("first refusal"). If no shareholder wants to use their pre-emptive right, you can sell your shares to third party or back to the company.

Should you sell your shares back to the company, keep in mind this process takes at least 90 days and you may not be able to be repaid in full at once, but may be repaid over a period, following the normal repayment of the company's investments. Costs related to valuation of your shares, in accordance with the articles of association and shareholders' agreement, must be covered by you.

How can I complain?

If you want to complain about NCI Credit Opportunity Company A/S, you can contact the company in writing at NCI Advisory A/S, Annexstræde 6, DK-2500 Valby, Denmark, or send an email to jb@nciadvisory.com.

Other relevant information

Copy of the company's latest teaser and annual reports can be requested for free in writing at NCI Advisory A/S, Annexstræde 6, DK-2500 Valby, Denmark, or send an email to jb@nciadvisory.com.