

SEB Fund 3 - SEB Medical Fund merges with SEB Concept Biotechnology

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Information for you as a unit holder in the merging sub-fund.

We at SEB Investment Management AB continuously work to improve and refine our selection of funds. As part of this goal, the board of directors of the management company has decided that it is in the best interest of the unitholders to merge SEB Fund 3 - SEB Medical Fund, the merging sub-fund, with SEB Concept Biotechnology, the receiving fund. The merger will be effective as of 21 April 2023.

The merging sub-fund has experienced a continued weak investment interest in recent years and asset under management in the fund continues to be low. The merging sub-fund and the receiving fund have similar investment objectives and fundamental investment strategies and are managed by the same investment team. The management company believes that the merger will provide the benefit of a larger fund size which would result in greater efficiency from a portfolio management, operational, and cost-effective perspective.

The merger has been approved by the Luxembourg financial regulator - CSSF.

How the merger affects investors

This is a merger by absorption, whereby the merging sub-fund's holdings - assets and liabilities - will be transferred to the receiving fund, and SEB Fund 3 - SEB Medical Fund will cease to exist. The merger does not have a significant impact on the receiving fund's composition of assets, nor will it lead to any significant change having to be made before or after the merger. Some minor, immaterial rebalancing of the merging sub-fund's portfolio may be undertaken before the merger. After the merger, the portfolio manager will undertake rebalancing in the receiving fund which will incur transaction costs. Swing pricing will not be applied in this merger.

SEB Investment Management AB bears any costs related to legal, advisory and administration costs that arise in relation to the merger.

Merger timeline

- **14 April 2023:** After cut-off time on the 14th, the merging sub-fund closes for transactions.
- **21 April 2023:** The net asset value and the exchange ratio for the merging sub-fund are calculated. The merger takes effect.

Investors in SEB Fund 3 - SEB Medical Fund

Although the merging funds have very similar investment objectives and investment strategies (as indicated in the comparison table below), the unitholders of the merging sub-fund will, if they participate in the merger, be exposed to a different investment universe that is focused on the biotechnology sector.

It is noted that in relation to the risk indicator pursuant to the KID, the merging sub-fund is classified as 4 out of 7, which is a medium risk level. The receiving fund has a higher risk level of 5 out of 7, which is a medium-high risk level. This is due to the fact that the receiving fund is focused on investing in the biotechnology sector, which is a narrower investment universe comparing to the medical sector that the merging sub-fund invests in and is more volatile as shown in the last five (5) years track record.

If you remain invested in the merging sub-fund, you will automatically receive units in the receiving fund. If you do not wish to continue with your investment in the receiving fund, cut-off time, 15:30 CET on 14 April 2023, is the deadline to redeem your units free of charge before the merger. The merging sub-fund then closes for trading. No transactions are accepted after this time. Note that redemption can result in taxation. Kindly consult your financial advisor.

Merger sub-fund into receiving fund, per unit class

Unitholders invested in SEB Fund 3 - SEB Medical Fund at the time of the merger will automatically receive corresponding units in the receiving fund:

SEB Fund 3 - SEB Medical Fund (Merging sub-fund)		SEB Concept Biotechnology (Receiving fund)	
Unit class	ISIN code	Unit class	ISIN code
D (USD)	LU0047324214	D (USD)	LU2553409058
UD (USD)	LU2249630331	UD (USD)	LU2553409132

Please note that global certificates will not be issued in the receiving fund. Therefore, units in the receiving fund will only be issued as registered units.

No cash payment is due. Accrued income in the merging sub-fund will be carried forward in the receiving fund.

Comparison of the two funds and other information

We strongly recommend you read the Key Information Document of the receiving fund, which you can find linked in the article where you found this notice. The summarised comparison of the funds can be found below. Product documentation for the funds (including the Key Information Document and the prospectuses) is available at www.sebgroup.lu.

The depositary statement and the approved statutory auditor report regarding the merger, will be available, free of charge, on request from our registered office, SEB Investment Management AB, Luxembourg branch.

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Sincerely,
SEB Investment Management AB, Luxembourg branch

**Past performance does not guarantee future performance. The value of investment funds and other financial instruments may rise as well as fall and there is no guarantee you will recover your original investment. The SEB Concept Biotechnology fund is classified as a higher risk fund and may, due to its composition and management methods, fall or rise sharply in value.*

Comparison of the two funds

This table aims to help investors understand the differences and similarities between the funds being merged. The information in the table is taken directly from the funds' Key Information Documents and prospectuses.

Funds	SEB Fund 3 -SEB Medical Fund	SEB Concept Biotechnology
Role in merger	Merging sub-fund	Receiving fund
Portfolio manager	SEB Investment Management AB	SEB Investment Management AB
Objective & investment policy	<p>SEB Medical Fund aims to increase the value of your investment over time by outperforming the benchmark.</p> <p>The fund is actively managed and invests in stocks globally, primarily in the healthcare sector. Investment decisions are based on in-depth (fundamental) analysis. The focus is on companies' business models, earning capacity, management and market positions. The return is determined by how much the fund's holdings increase or decrease in value during your holding period.</p> <p>The fund promotes sustainability characteristics and is therefore classified as Article 8 according to the EU regulation SFDR (Sustainable Finance Disclosure Regulation). The fund follows the fund company's sustainability policy, which is available at www.sebgroup.lu/funds.</p> <p>The fund may use future contracts, options, swaps and other derivatives provided that the use of the derivatives corresponds to the investment objective and policy of the fund. It may also use derivatives to hedge various investments, for risk management and to increase the fund's income or gain. The underlying assets of the above-mentioned derivatives consist of instruments as described under article 4 section A in the Management Regulations as well as financial indices, interest rates, foreign exchange rates.</p> <p>Under no circumstances will the fund be permitted to derogate from its investment policy by using the aforementioned derivatives.</p> <p>The fund may invest up to 100% of its assets in different transferable securities issued or</p>	<p>SEB Concept Biotechnology aims to increase the value of your investment over time by outperforming the benchmark.</p> <p>The fund is actively managed and invests in stocks globally, primarily in the biotech sector. Investment decisions are based on in-depth (fundamental) analysis. The focus is on companies' business models, earning capacity, management and market positions. The return is determined by how much the fund's holdings increase or decrease in value during your holding period.</p> <p>The fund promotes sustainability characteristics and is therefore classified as Article 8 according to the EU regulation SFDR (Sustainable Finance Disclosure Regulation). The fund follows the fund company's sustainability policy, which is available at www.sebgroup.lu/funds.</p> <p>Investment management may hedge the currency risk arising from international investment.</p> <p>The net assets are invested in securities in accordance with the principle of risk diversification, with investments being made primarily in shares, share certificates, convertible bonds and other equity-like securities. The fund will continuously invest at least 51% of its net assets in equity assets as defined in sec. 2 para 8 German Investment Tax Act (2018) and therefore ensure eligibility for the partial tax exemption for equity funds for German resident investors. The fund may therefore invest up to 49% of its assets in different other transferable securities, subject to complying with the investment restrictions provided for under the Law. Investment in dividend right certificates and participation certificates of companies is permitted, provided they are considered securities under the statutory provisions and restrictions, as outlined in the Management Regulations.</p>



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	<p>guaranteed by any Member State of the EU, its local authorities, or public international bodies of which one or more of such Member States are members, or by any other State of the OECD, G20, Singapore or Hong Kong. The fund can only make use of this provision if it holds securities from at least six different issues, and if securities from any one issue may not account for more than 30% of the Sub-Fund's total net assets.</p> <p>The fund will not invest more than 5% of its net assets in units/shares of other UCITS or UCIs. Within the limits laid down in Article 41 (1) (e) of the Law, and unless expressly stated otherwise, such other UCITS or UCIs might have different investment strategies or restrictions than those set forth in this supplement, to the extent that such investments do not result in a circumvention of the investment strategies or restrictions of the fund.</p>	<p>In addition to investment in shares, convertible bonds and bonds with warrants to subscribe to transferable securities may also be acquired for the fund.</p> <p>The issuers of these securities are primarily companies from around the world that operate in the field of biotechnology.</p> <p>The fund may also invest in interest-bearing securities (including zero coupon bonds), and in regularly traded money market instruments, including liquid assets, as provided for hereafter. In exceptional circumstances, liquid assets may also account for an amount exceeding the net assets of the fund if and insofar as this is deemed to be in the Unitholders' interests.</p> <p>For treasury purposes the fund may hold bank certificates of deposit, banker's acceptances, treasury bills, commercial paper, and other money market instruments, on an ancillary basis and if it is in the best interest of the Unitholders.</p> <p>The fund may hold ancillary liquid assets. Ancillary liquid assets, or cash on sight, is limited to a maximum amount of 20% of the Fund's net assets. The full limit of 20% is rarely used and may only be exceeded in situations where exceptional unfavourable market circumstances apply such as September 11 attacks or the bankruptcy of Lehman Brothers in 2008.</p> <p>Furthermore, the Management Company may use derivative financial instruments, as provided for hereafter, to ensure efficient portfolio management (including carrying out transactions for hedging purposes) and in order to achieve the investment objective. The fund may under no circumstances deviate from the stipulated investment objectives when making use of derivatives.</p> <p>The fund will not invest more than 10% of its net assets in units / shares of other UCITS or UCIs. Within the limits laid down in article 41 (1) (e) of the Law, and unless expressly stated otherwise, such other UCITS or UCIs might have different investment strategies or restrictions than those set forth in this supplement, to the extent that such investments do not result in a circumvention of the investment strategies or restrictions of the fund.</p> <p>The fund may invest in instruments issued in another currency than the Base Currency of the fund. The currency exposure of such instruments may be hedged. If currency hedging is applicable, it will be specified in the Prospectus Considering the practical challenges of doing so, the Management Company does not guarantee how successful such hedging will be.</p>
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Benchmark index	MSCI Health Care Index	Nasdaq Biotechnology Index
Main categories of financial instruments	Equities and equity related instruments	Equities and equity related instruments
EU sustainability category	<p>The fund is an article 8 SFDR product according to EU regulation 2019/2088.</p> <p>The fund promotes environmental, social and governance (ESG) factors and it has a minimum proportion of 20.00% of sustainable investments.</p>	<p>The fund is an article 8 SFDR product according to EU regulation 2019/2088.</p> <p>The fund promotes environmental, social and governance (ESG) factors and it has a minimum proportion of 10.00% of sustainable investments.</p>
Investor profile	Appropriate for investors who can afford to set aside their capital invested for at least 5 years.	Appropriate for investors who can afford to set aside their capital invested for at least 5 years.
Ongoing charges (including management fees and other administrative of operating costs and transaction costs) as per the KIDs	UD (USD): 0.93% D (USD): 1.68%	UD (USD): 0.92% D (USD): 1.67% <i>*the charges here are estimated numbers, as these are newly created unit classes for the purpose of this merger.</i>
Effective management fees per unit class	UD (USD): 0.75% D (USD): 1.50%	UD (USD): 0.75% D (USD): 1.50%
Subscription fees per unit class	Not applicable	Not applicable
Performance fee	Not applicable	Not applicable
Redemption fee	0% but an additional exit charge of up to 2.00 % of the NAV of the units redeemed within six months of their issue	0% but an additional exit charge of up to 2.00 % of the NAV of the units redeemed within six months of their issue
Conversion fee	Not applicable	Not applicable
Risk indicator stated in the KIDs	4 (medium)	5 (medium-high)
Global certificates	The SEB Medical Fund D (USD), ISIN LU0047324214, has issued global certificates.	No unit class has global certificates issued, nor will any be issued in connection with the merger.