

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS SUPPLEMENT, THE RISKS INVOLVED IN INVESTING IN THE FUND OR THE SUITABILITY FOR YOU OF INVESTING IN THE FUND, YOU SHOULD CONSULT YOUR STOCK BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER

CLASS I SHARES

SALAR FUND PLC

(An investment company with variable capital incorporated with limited liability in Ireland under registered number 449784)

SHARE CLASS SUPPLEMENT

This Supplement contains specific information in relation to the Class I Shares of Salar Fund plc (the “Fund”). It forms part of and must be read in the context of and together with the Prospectus of the Fund dated 6 April 2021.

The Directors, whose names appear on page 7 of the Prospectus, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

The date of this Share Class Supplement is 6 April 2021.

This Supplement

This Supplement contains information in relation to the Class I Shares of the Fund.

Definitions

“Class I Shares”	Class I Euro Shares (Accumulation), Class I US\$ Shares (Accumulation) and Class I Sterling Shares (Accumulation).
“High Water Mark”	The greater of (i) the initial offer price per Share of the relevant Share class; or (ii) the all-time highest Net Asset Value per Share of the relevant Class calculated on the last Valuation Point of a prior Calculation Period.
“Gross Asset Value per Share”	The Net Asset Value per Share of the relevant Share Class in the relevant Calculation Period plus Management Fees, Performance Fees and other expenses.
“Adjusted GAV”	The Gross Asset Value per Share after the deduction of Management Fees and other expenses.
“Hurdle”	The Hurdle is 5% per annum. The Hurdle will be added to the High Water Mark, and, in any Calculation Period, the Adjusted GAV must exceed the Hurdle plus High Water Mark before a Performance Fee can be paid. For periods of less than 1 year, the Hurdle shall be pro-rated over the relevant period by multiplying by the number of actual days invested and dividing by 365. This adjustment to the Hurdle shall apply both to new subscription amounts and to redemption amounts.

Class I Shares

The new Classes of Shares available for the Fund are set out below.

Class	Class Currency	Investment Management Fee (as a percentage of the NAV per Share)	Performance Fee (as a percentage appreciation of the NAV per Share above the High Water Mark less the relevant Hurdle)	Initial Offer Price	Minimum Initial Investment	Minimum Holding
Class I Euro Shares (Accumulation)	Euro	0.75%	15%	N/A	€25,000,000	€150,000,000
Class I US\$ Shares (Accumulation)	US\$	0.75%	15%	N/A	US\$25,000,000	US\$150,000,000
Class I Sterling Shares (Accumulation)	Sterling	0.75%	15%	N/A	£20,000,000	£100,000,000

United Kingdom Taxation

Each Share Class in the Fund is likely to constitute an "offshore fund" for UK taxation purposes (as defined in section 40A of the Finance Act 2008). The Directors may apply for one or more of the Class I Shares to be designated a "reporting fund" within the meaning of Part 3 of The Offshore Funds (Tax) Regulations 2009 and shall apply for "reporting fund" status for any such Class of Share so determined.

Minimum Investment and Minimum Holding

Class I Shares have been more specifically designed for institutional investors that are able to meet the higher minimum subscription and minimum holding requirements, as described above.

If, as a result of a redemption, the holding of a Shareholder in Class I Euro (Accumulation) Shares Class I US\$ (Accumulation) Shares or Class I Sterling (Accumulation) Shares falls below €150 million, US\$150 million or £100 million respectively, such Shareholder may be deemed to have requested the switching of the balance of its holding into the Class A1 or C1 Shares of the same relevant currency at the discretion of the Investment Manager.

The minimum holding amount for Class I Shares is determined by the amount subscribed plus any appreciation in the value thereof less any redemption, rather than the Net Asset Value.

The Investment Manager may in its discretion, waive the minimum amounts above either generally or in relation to any specific subscription.

Initial Offer Period

The Class I Shares are currently in issue and are available for subscription at price calculated with reference to the Net Asset Value per Share.

Investment Management Fee

The Investment Manager receives from the Fund an investment management fee equal to 1/12 of 0.75 per cent per month of the Net Asset Value of the Class I Shares (before deduction of that month's Investment Management Fee and before deduction for any accrued Performance Fees) as at the last Valuation Point in each month accrued and payable monthly in arrears.

Performance Fee

The Investment Manager is also entitled to receive an annual Performance Fee in respect of each Class I Share in the Fund. The Performance Fee will be calculated in respect of each calendar year by reference to the Net Asset Value per Share of the Class concerned as at the last Valuation Point prior to the commencement of that calendar year and the Net Asset Value per Share of that Class as at the last Valuation Point in that calendar year (a "Calculation Period"). The first Calculation Period shall be from the close of the relevant initial offer period to the last Valuation Point in the relevant year and the initial offer price of the relevant Class shall be the starting Net Asset Value per Share for the calculation of the Hurdle and the High Water Mark (as defined below). Any Performance Fee payable will crystallise and be credited to the Investment Manager at the end of the relevant Calculation Period.

The Investment Manager shall be entitled to a Performance Fee equal to 15% of the increase in the Adjusted GAV of the relevant Class at the end of the Calculation Period above the sum of the High Water Mark and the relevant Hurdle during the Calculation Period.

The Performance Fee shall be calculated and accrue at each Valuation Point and, accordingly, the Net Asset Value will be adjusted to reflect such fee. Notwithstanding the foregoing, any accrued Performance Fee referable to Shares redeemed prior to the end of the Calculation Period shall crystallise and become payable to the Investment Manager following such redemption.

This crystallising Performance Fee is calculated as a pro-rated proportion of the uncrystallised Performance Fee which forms part of the Redemption Price per Share at which the relevant Shareholder redeemed.

No performance fee will accrue or be paid until the Net Asset Value exceeds the High Water Mark. The Performance Fee is only payable on an increase in the Adjusted GAV per Share above the High Water Mark plus the Hurdle.

The Performance Fee shall be paid after the end of the Calculation Period in arrears. The Depositary shall verify the calculation of the Performance Fee prior to payment at the end of each Calculation Period.

Investors should note that where a Performance Fee is payable, it will be based on net realised and unrealised gains and losses at the end of each Calculation Period; as a result, a Performance Fee may be paid on unrealised gains that are never subsequently realised.

Equalisation of performance fees

The Subscription Price at which Class I shares will be issued on any Dealing Day (other than the first Dealing Day in any Calculation Period) will be the Net Asset Value per Share of each such Class before accrual for the Performance Fee (if any). The difference between the Subscription Price of a Class I Share and the Net Asset Value per Share of that Class after accrual for the Performance Fee per Share is referred to as an “Equalisation Credit”. An adjustment will then be made at the end of each Calculation Period to compensate for the difference between the amount of Performance Fee accrued in respect of a Class I Share at the time of subscription and the Performance Fee payable in respect of that Share at the end of the Calculation Period. This adjustment is described in further detail below.

Adjustments

At the end of each Calculation Period, the Performance Fee per Share will be calculated in respect of all Class I Shares subscribed for on each Dealing Day during that Calculation Period, as described above.

If the Performance Fee per Class I Share calculated (at the end of the Calculation Period) in respect of any such Share subscribed for on a Dealing Day is less than the Performance Fee per Share accrued in respect of that Share on that Dealing Day, the difference per Share multiplied by the number of Class I Shares of that Class subscribed for by the holder of that Share on that Dealing Day will be applied to subscribe for additional Shares of the relevant Class to be issued to that Shareholder.

If the Performance Fee per Class I Share calculated (at the end of the Calculation Period) in respect of any such Shares of that Class subscribed for on a Dealing Day is greater than the Performance Fee per Share accrued in respect of that Share on that Dealing Day, such number of such Shares of that Class held by the holder of that Share as have an aggregate Net Asset Value equal to the difference per Share multiplied by the number of Class I Shares of that Class subscribed for by the holder of that Share will be redeemed by the Fund at par value (the aggregate par value being retained by the Fund) and an amount equal to the aggregate Net Asset Value of the Class I Shares so redeemed will be paid to the Investment Manager as a Performance Fee (a “Performance Fee Redemption”).

Examples of Performance Fee calculations

NAV > High Water Mark (HWM), Performance greater than the Hurdle Rate

Net Asset Value at Calculation Date where a Performance Fee was last payable	<u>100</u>	
HWM at Calculation Date where a Performance Fee was last payable	<u>100</u>	
Hurdle = 5% per annum	5%	
Performance during the period (net of management fee and expenses)	6%	
Performance Fee Test = HWM + hurdle	105	
Performance Fee = (NAV + Performance – Test) * 15%	(106 - 105) *15%	0.15

HWM Reset = Max (NAV + Performance – Performance Fee, HWM)	Max (106 – 0.15, 105)	105.85
A Performance Fee will be charged because the NAV is above the High Water Mark, and the Portfolio has outperformed the hurdle rate.		

NAV < High Water Mark (HWM), but Performance > than the Hurdle Rate

Net Asset Value at Calculation Date where a Performance Fee was last payable		100
HWM at Calculation Date where a Performance Fee was last payable		102
Hurdle = 5% per annum		5%
Performance during the period (net of management fee and expenses)		6%
Performance Fee Test = HWM + Hurdle	102 x (1 + 5%)	107.1
Performance Fee = Max ((NAV + Performance) – Test, 0) * 15%	Max ((106 – 107.1), 0) * 15%	0
HWM Reset = Max (NAV + Performance – Performance Fee, HWM)	Max (106, 102)	106
Where performance is insufficient to take the new NAV above the old HWM plus the new hurdle rate – there will be no performance fee charged. In this case the HWM would reset above the old HWM – to 106		

Performance is less than the hurdle rate.

Net Asset Value at Calculation Date where a Performance Fee was last payable		100
HWM at Calculation Date where a Performance Fee was last payable		100
Hurdle = 5% per annum		5%
Performance during the period (net of management fee and expenses)		1%

Performance Fee Test = Hurdle + HWM	$100 \times (1 + 5\%)$	105
Performance Fee = Max (NAV + Performance – Test, 0) * 15%	Max ((101 - 105) * 15%, 0)	0
HWM Reset = Max (NAV + Performance – Performance Fee, HWM)	Max (101, 100)	101
The conditions for the accrual of a Performance Fee have not been met at the end of this Accounting Period, and no performance fee will be charged. The HWM will either reset to NAV + performance if this was > than the old HWM; otherwise remain the old HWM.		

These tables provide a demonstration of how performance fees are calculated under example scenarios. They are simplified for ease of understanding and intended for illustrative purposes only.