

**SUPPLEMENT II TO THE PROSPECTUS OF**

**PRINCIPIA FUND N.V.**

**DATED 1 JANUARY 2022**

This document constitutes the second supplement (“**Supplement II**”) to the prospectus of Principia Fund N.V. dated January 2022 (the “**Prospectus**”).

This Supplement II contains updated information relating to the Prospectus and shall be implemented in the updated version of the Prospectus. Until this information is implemented, this Supplement II should be read in conjunction with the Prospectus and Supplement I. Defined terms have the same meaning as ascribed to them in the Prospectus. Any Prospectus information not supplemented herein should be regarded as unchanged.

This Supplement II concerns the amendment in relation to requirements for the tax status of the Fund as a result of changes in the Dutch Corporate Income Tax Act 1969 and updated rates in the Personal Income Tax Act 2001 per 1 January 2025.

This Supplement II (including the amendments to the Prospectus reflected herein) has been published on the website of the Fund Manager, as prescribed by section 16 of the Prospectus.

A notice of amendments made together with an explanation to these amendments will be published on the website of the Fund Manager, as prescribed by section 16 of the Prospectus.

**1. The section entitled “12 FISCAL ASPECTS” paragraph “The Fund” part “A. Corporate income tax”**

The part is removed and replaced by the following:

*“For Dutch corporate income tax purposes, the Fund, a public company limited by shares (naamloze vennootschap), a legal entity under the laws of the Netherlands, has opted for the VBI status pursuant to article 6a of the Dutch Corporate Income Tax Act 1969 (Wet op de vennootschapsbelasting 1969). The VBI status provides the Fund but also the investor with great flexibility. As no restrictions apply as for the types of investors, every type of investor is allowed to participate in the Fund. Most importantly: a VBI is also completely exempt from corporate income tax in the Netherlands. The Fund may not be eligible for tax treaty benefits.*

*In order to keep the status of VBI, all conditions of article 6a of the Corporate Income Tax Act 1969 should be satisfied, of which the most important are:*

- *the Fund may only invest in financial instruments as defined in article 1:1 of the Dutch Act on Financial Supervision (with certain exceptions as laid down in article 6a of the Corporate Income Tax Act 1969) and retain cash balances with banks;*
- *the Fund must qualify as an investment institution or Undertaking for Collective Investment in Transferable Securities (UCITS) as defined in article 1:1 of the Dutch Act on Financial Supervision;*
- *the Fund must have an open-end character;*

- *the Fund must have multiple investors;*
- *the Fund must adhere the principle of risk-spreading in its investments (diversification).“*

## **2. The section entitled “12 FISCAL ASPECTS” paragraph “The Investors” part “A. Individuals”**

The part is removed and replaced by the following:

*“Pursuant to the Personal Income Tax Act 2001 (Wet op de inkomstenbelasting 2001), where an individual is resident of the Netherlands and owns an investment in the Fund, that investment is normally taxed as income from savings and investments (Box 3), except in case the individual owns a substantial interest (Box 2) in the Fund (see below) or in the – exceptional - event that the investment in the Fund must be attributed to an enterprise (onderneming) or constitutes miscellaneous activities (overige werkzaamheden) carried out by the relevant individual (Box 1).*

*Income from savings and investments is taxed on the basis of a notional (fictitious) yield on the fair market value of the investment on the 1<sup>st</sup> of January of each year. Depending on the total value of the individual’s investments on the 1<sup>st</sup> of January of each year, the individual is deemed to realize a deemed yield ranging between 1.44% and 5.88% on such value (preliminary percentages for the year 2025), which is taxed at the Box 3 rate of 36% (rate for the year 2025).*

*Although in principle the actual income received or recognized is not subject to tax, based on case law a taxpayer may demonstrate that on an aggregate basis (i.e., considering all assets and liabilities reportable in Box3), the notional (fictitious) yield exceeds the actual income received or recognized, in which case the lower actual income received or recognized is taxable in Box 3 instead.*

*Individuals that own less than 5% of a Unitclass and who are not resident of the Netherlands are in general not taxed with Income Tax in the Netherlands.*

*If the Investor holds a substantial interest (aanmerkelijk belang) in the Fund (roughly 5% or more of a Unitclass), the income is taxed in Box 2 at a rate of 31.0% (however 24.5% for the first EUR 67,804 of Box 2 income). For the purpose of determining the amount taxable in Box 2, the Investor is deemed to realize a 5.88% return on the value of the investment as at the 1<sup>st</sup> of January (preliminary percentage for the year 2025). This deemed return is reduced with the actual income derived on the Fund during the year, although it cannot be negative. The deemed return increases the cost price (verrijgingsprijs) of the Units. If and to the extent the actual income received during the year exceeds the deemed return, the amount in excess is taxed in Box 2 as well. The alienation of Units is also taxed in Box 2 if and to the extent the redemption sums exceed the cost price.*

*Individuals that own more than 5% of a Unitclass and who are not a resident of the Netherlands are advised to consult their tax advisor for more information of the applicable tax treaty for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital (if any).*

*In the exceptional cases where the Units are either allocated to the individual's enterprise or where the investment in the Units is considered to be a miscellaneous activity, the results will be taxed in Box 1 at progressive rates up to 49.5%. Furthermore, a mark to market rule applies, on the basis of which the Investor must report its interest in the Fund at fair value on its tax balance sheet at every year-end. As a result, (unrealized) capital gains are immediately taxed. In case the Investor holds its Units via a separate entity, the Investor may have to report its interest in that separate entity at fair value annually."*

Amsterdam, 13 December 2024

---

Privium Fund Management B.V.  
Fund Manager

---

Stichting Administratiekantoor Principia  
Legal Owner