

PROFILE

NCP Sustainable Corporate Bond 2XL invests in Nordic corporate bonds from issuers with an integrated sustainability strategy. The fund maintains a portfolio of c.25 holdings and has a return target of 6-9% p.a. Each investment undergoes thorough commercial, financial and ESG due diligence and is subject to final approval by NCP's Investment Committee. The fund applies 2x leverage to enhance the risk-adjusted return.

SUSTAINABILITY

NCP integrates sustainability into the investment thesis to benefit our investors and contribute to the development of sustainability in society at large. We focus on companies that has a thorough understanding of the exposure to its specific ESG risks and opportunities, thus futureproofing the portfolio and investing in long-term frontrunners.

Signatory of:



INVESTMENT TEAM

Jakob Eliasson

Founder & Chief Investment Officer

Christoffer Malmström

Portfolio Manager

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(Umbrella fund)

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Nordic Credit Partners

Sustainable Corporate Bond 2XL

MARKET & PORTFOLIO COMMENTARY

December finished off the year surprisingly quiet with a stabilisation of the market following the November volatility. Much remains unclear about the Omicron Covid variant but the market seems relatively calm compared to previous infection peaks and we see no significant consequential movements in flows or prices. New issuances are still met with healthy caution and some bonds issued earlier in the fall now trade below par due to the rebalancing in investor appetite.

The fund yielded 0.5% during the month (+8.4% YTD). The performance was driven by one of our core holdings, Azerion, being acquired by a SPAC listed on Euronext Amsterdam valuing the company at an enterprise value in excess of EUR 1,300m (22x EBITDA) compared to current leverage of 3.5x EBITDA. Post the transaction, the existing shareholders will own 66% of the shares in the company. The transaction is expected to close in the beginning of February and the bond traded up on the news. On the back of increasing spread of the Omicron Covid variant, Cabonline, another of our larger holdings, traded down a couple of percentage points. The company (and the bond) has however rebounded strongly since the early stages of the pandemic, and we see this as a natural pause on the path to full recovery.

As expected, we remained active during the end of the year making three new investments in compounder Novedo, vocational education and employment training company YA Holding and cloud hosting provider Calligo. Despite this, we maintain significant dry powder in the form of unused leverage which can be deployed both through increasing the size of current core holdings and in new primary deals.

Cecilia, Chris and Jakob

CUMULATIVE PERFORMANCE (%)

1 month	YTD	1 year	3 years	Since inception	NAV
0.52	8.42	8.42	NA	10.47	110.47

MONTHLY PERFORMANCE (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2021	0.59	0.73	0.85	0.89	0.58	0.27	0.33	1.30	0.39	0.12	1.57	0.52	8.42
2020								0.17	0.25	0.59	0.24	0.61	1.88

THE FUND

Fund name	Nordic Credit Partners SICAV-RAIF Sustainable Corporate Bond 2XL		
Target instruments	Nordic corporate bonds	AIFM	Carne Global Fund Managers
Target return	6-9% p.a. net of fees	Depository	BNP Paribas Securities Services
Inception date	5 August 2020	Auditor	PWC Luxembourg

Historical returns are no guarantee of future returns. Capital invested in the fund may both increase or decrease in value and there is no guarantee that you will be repaid your invested capital. Complete prospectus and fund statutes are available at www.ncpgroup.se. The information in this document is proprietary to Nordic Credit Partners AB and is intended only as general information. It should not be construed as investment advice or recommendation. The information may prove to be inaccurate, incomplete or out of date. Nordic Credit Partners AB is not responsible for the damage, whether direct or indirect result of any defects or errors in the information.

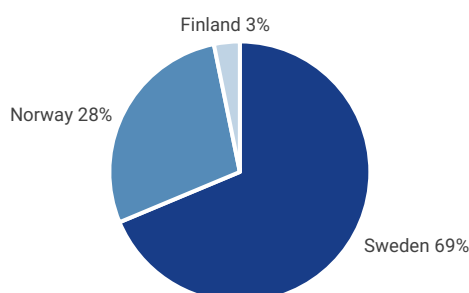
KEY RATIOS

Ratio	
Yield to maturity	7.8%
Yield to worst	7.7%
Average coupon	6.7%
Credit duration	2.54 years
Duration	0.29 years
Modified duration	0.28%
Standard deviation p.a. (since inception)	1.36%
Average credit rating	Non-rated

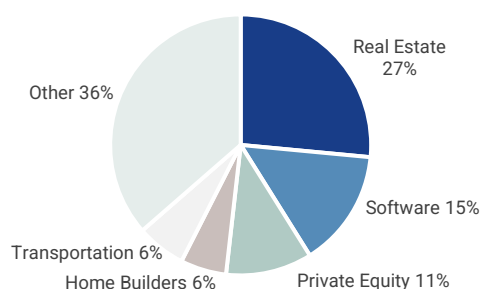
TOP HOLDINGS

Issuer	%
Heimstaden AB	6.0%
Media and Games Invest	5.7%
Aurelius Equity Opportunities AB	5.4%
Mutares SE & Co	5.3%
Azerion Holdings BV	5.2%

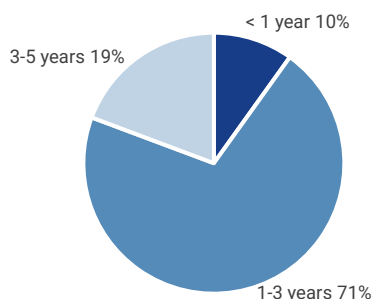
BREAKDOWN BY GEOGRAPHY



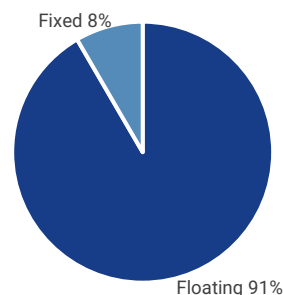
BREAKDOWN BY SECTOR



BREAKDOWN BY MATURITY



BREAKDOWN BY COUPON



SHARE CLASS INFORMATION

	Inst. (SEK)	Partner (SEK)	Inst. (EUR)	Partner (EUR)	Inst. (SEK)	Partner (SEK)	Inst. (EUR)	Partner (EUR)
ISIN	LU2180877792	LU2180877875	LU2257617014	LU2257617105	LU2180877446	LU2180877529	LU2257616636	LU2257616719
Target client	Inst. & Well-inf.	Inst. & Well-inf.	Inst. & Well-inf.	Inst. & Well-inf.	Inst. & Well-inf.	Inst. & Well-inf.	Inst. & Well-inf.	Inst. & Well-inf.
Currency	SEK	SEK	EUR	EUR	SEK	SEK	EUR	EUR
Income	Accumulating	Accumulating	Accumulating	Accumulating	Distributing	Distributing	Distributing	Distributing
Frequency	-	-	-	-	Quarterly	Quarterly	Quarterly	Quarterly
Min investment	SEK 1.5m	SEK 50m	EUR 125 000	EUR 5m	SEK 1.5m	SEK 50m	EUR 125 000	EUR 5m
Subscriptions	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Redemptions	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Management fee	0.90% p.a.	0.60% p.a.	0.90% p.a.	0.60% p.a.	0.90% p.a.	0.60% p.a.	0.90% p.a.	0.60% p.a.
Performance fee	20% over Hurdle	20% over Hurdle	20% over Hurdle	20% over Hurdle	20% over Hurdle	20% over Hurdle	20% over Hurdle	20% over Hurdle
Hurdle	3M Stibor+2%	3M Stibor+2%	3M Stibor+2%	3M Stibor+2%	3M Stibor+2%	3M Stibor+2%	3M Stibor+2%	3M Stibor+2%

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