

INVESTMENT TEAM

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PROFILE

NCO Sustainable Return invests in Nordic corporate bonds with a target return of 7-10% p.a. The fund maintains a portfolio of c.25 holdings. Each investment undergoes thorough commercial, financial and ESG due diligence, is continuously monitored and subject to final approval by NCP's Investment Committee.

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.

CONTACT

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(Umbrella fund)
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Nordic Credit Partners

Sustainable Return

MARKET & PORTFOLIO COMMENTARY

During March, the Russian invasion of Ukraine gradually sunk in, and the market realised (somewhat cynically, perhaps) that the direct economic consequences are limited. Needless to say, the amplitude of the human suffering is still at a level difficult to comprehend. As such, the market's focus returned to inflation, fuelled by oil and gas prices, and associated forecasted interest rate hikes. Overall, fund flows were still negative but more balanced than during previous months and the market seems to have stabilised at this lower level with satisfactory liquidity.

The fund yielded +0.69% during the month (+0.99% YTD). The performance was driven by positive impact from the SEK 1.65bn (EUR 160m) refinancing of Cabonline and continued recovery in the Sunborn bonds. The Cabonline book closed successfully at +950 bps after only one day (we had already extensively reviewed the case during pre-sounding) allowing the old bond to be repaid at c.105% of par value within the next few weeks. The refinancing is consequently also expected to have a positive impact on performance during April. The Sunborn bonds continued to trade up following positive commentary in the Q4 reports with bookings being at very promising levels for the remainder of 2022 and EBITDAR in the Finnish operations was above the equivalent pre-Covid levels (!) and up 75% YoY.

The primary market has slowly and selectively re-opened, and new issuances generally print at attractive levels compared to Q4 2021. The larger spread reflects the limited appetite from investors rather than fears of interest rate hikes and we expect to see a number of interesting primary issuances in the coming months. The benefits of the fund's redemption policy have become evident during this volatile period and no doubt continues to serve our investors well.

Cecilia, Chris, Karl-Fredrik and Jakob

CUMULATIVE PERFORMANCE (%) SHARE CLASS B

NAV	1 month	YTD	1 year	3 years	Since inception
104,68	0,69	0,99	7,15	NA	11,67

MONTHLY PERFORMANCE (%) SHARE CLASS B

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2022	0,77	-0,47	0,69										
2021	0,84	0,44	0,72	0,97	0,47	1,00	0,98	1,05	0,37	0,27	0,41	0,38	8,10
2020						-0,06	0,39	-0,02	0,11	0,06	1,54	0,14	2,16

THE FUND

Fund name	Nordic Credit Opportunities S.A., SICAV-RAIF - Sustainable Return		
Target instruments	Nordic corporate bonds	AIFM	Fuchs Asset Management S.A.
Target return	7-10% p.a. net of fees	Depository	Société Générale Luxembourg
Inception date	25 June 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.

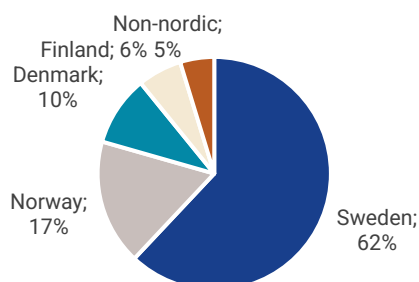
KEY RATIOS

Ratio	
Yield to maturity (gross)	8,8%
Yield to worst (gross)	8,8%
Average coupon	8,0%
Duration	0,7 years
Modified duration	0,6 years
Average credit maturity	2,2 years

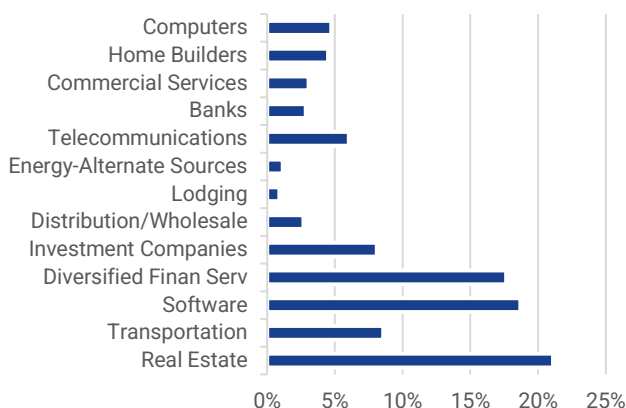
TOP HOLDINGS

Issuer	%
HEIMSTADEN AB	6,0%
IMPALA GROUP PLC	5,1%
SIBS AB	5,0%
CABONLINE GROUP HOLD	4,8%
MEDIA AND GAMES INVEST	4,7%
AZERION HOLDINGS BV	4,7%
OMNIONE S.A.	4,7%
DOOBA FINANCE AB	4,7%
ESMAEILZADEH HOLDING AB	4,6%
SGL TRANSGROUP INTL	4,5%

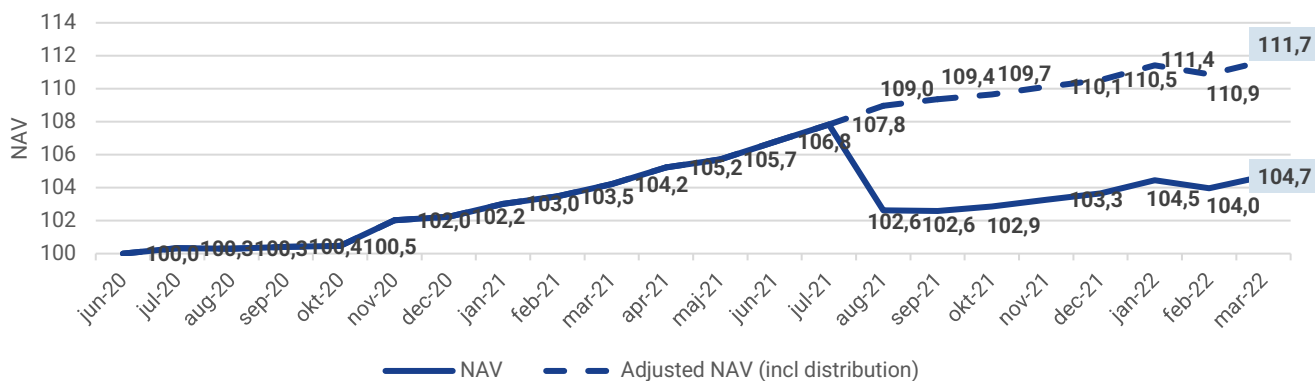
BREAKDOWN BY GEOGRAPHY



BREAKDOWN BY SECTOR



NAV SHARE CLASS B



SHARE CLASS INFORMATION

	Class A	Class B	Class C
ISIN	To be launched	LU2173402509	LU2173402681
Currency	EUR	EUR	EUR
Income	Distribution	Distribution	Distribution
Frequency	Yearly	Yearly	Yearly
Minimum	EUR 20,000,000	EUR 500,000	EUR 500,000
Last day of subscription	31 st December 2021	31 st December 2021	31 st December 2021
Redemption / Redemption fee	Annually / 3%	Annually / 3%	Monthly / 7%
Fixed fee	0,5% p.a.	0,55% p.a.	0,55% p.a.
Perf fee	20% p.a.	20% p.a.	20% p.a.
Hurdle	max (Euribor 3m; 3.0%)	max (Euribor 3m; 0.0%)	max (Euribor 3m; 0.0%)