

Sustainable Return

PROFILE

Nordic Credit Opportunities Sustainable Return 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.

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 and impact on its specific sustainability factors and risks, thus futureproofing the portfolio and investing in long-term frontrunners.

Signatory of:



INVESTMENT TEAM

Jakob Eliasson

Founder & Chief Investment Officer

Cecilia Bevik-Cronqvist

Portfolio manager

Head of Sustainable Investing

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Nordic Credit Opportunities SICAV-RAIF

(Umbrella fund)

28-38 Place de la Gare

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Grand Duchy of Luxembourg



Nordic Credit Partners

MARKET & PORTFOLIO COMMENTARY

The Nordic high yield market started off the month in quite an upbeat spirit but following rising interest rates in the Euro market, sentiment gradually softened. The second half of August and beginning of September usually marks the kick-off the primary issuance season but activity has been subdued due to weak investor sentiment. Several deals have been pulled back, downsized or priced at a significant discount as daily traded funds remain protective around their cash buffers. We understand that the potential pipeline of new issuers is significant but that they remain cautious to pull the trigger due to the market uncertainty. Real estate bonds are under particular pressure, and we note that the market currently pays little attention to credit quality differences among issuers but rather dislikes the sector altogether.

The fund yielded 0.76% during the month (0.64% YTD). The return was driven by coupons collected while cash prices were largely flat. The average price of the portfolio is currently 96.4% compared to the acquisition price of 98.4%. While we continue to selectively reduce credit risk in the portfolio, the yield has gradually increased both due to the overall price decline and rising underlying reference rates (mainly 3M STIBOR and EURIBOR). We continue to see significant value in the secondary market, especially in names with short tenors and limited credit risk.

The market volatility is likely to remain in the short-term, but portfolio impact is significantly limited by the short average tenor and the large share of floating rate notes. The upcoming parliamentary election in Sweden also adds additional uncertainty to medium term macro forecasts but from a portfolio perspective, we continue to plan for the worst and hope for something better.

Cecilia and Jakob

CUMULATIVE PERFORMANCE (%) EXCL DIVIDENDS

1 month	YTD	1 year	3 years	Since inception	NAV A	NAV B	NAV C
0.76	0.64	2.06	NA	11.22	99.85	101.21	101.21

MONTHLY PERFORMANCE (%) EXCL DIVIDENDS

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	0.77	-0.47	0.69	0.28	-0.51	-1.27	0.41	0.76					0.64
2021	0.84	0.44	0.72	0.98	0.47	1.00	0.98	1.06	0.37	0.26	0.41	0.37	8.17
2020							0.33	-0.02	0.11	0.06	1.55	0.13	2.16

THE FUND

Fund name	Nordic Credit Opportunities SICAV-RAIF Sustainable Return		
Target instruments	Nordic corporate bonds	AIFM	Fuchs Asset Management
Target return	6-9% 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.

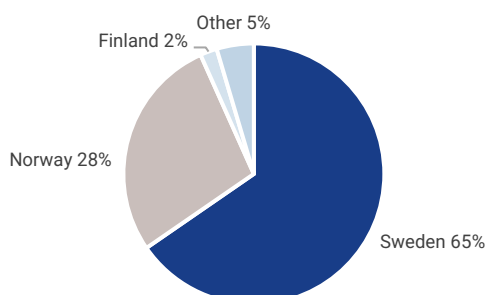
KEY RATIOS

Ratio	
Yield to maturity	9.5%
Yield to worst	9.5%
Average coupon	8.6%
Credit duration	2.12 years
Duration	0.61 years
Modified duration	0.56%
Standard deviation p.a. (since inception)	2.00%
Average credit rating	Non-rated

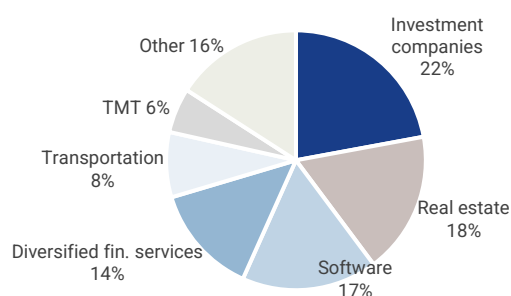
TOP HOLDINGS

Issuer	%
Novedo Holdings AB	5.5%
Mirovia AB	4.9%
Seafire AB	4.6%
SIBS AB	4.5%
Impala Group Plc	4.5%

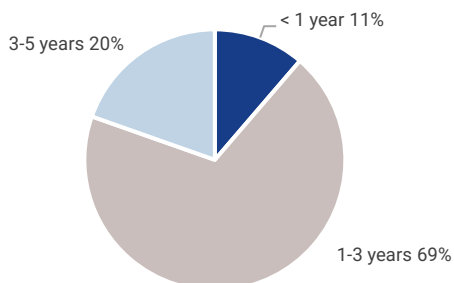
BREAKDOWN BY GEOGRAPHY



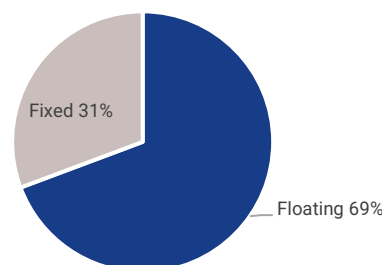
BREAKDOWN BY SECTOR



BREAKDOWN BY MATURITY



BREAKDOWN BY COUPON



SHARE CLASS INFORMATION

Share class	Class A	Class B	Class C
ISIN	LU2173402418	LU2173402509	LU2173402681
Target client	Inst. & Well-informed	Inst. & Well-informed	Inst. & Well-informed
Currency	EUR	EUR	EUR
Income	Distributing	Distributing	Distributing
Distr. frequency	Annually	Annually	Annually
Min investment	EUR 20,000,000	EUR 500,000	EUR 500,000
Subscriptions	Monthly	Monthly	Monthly
Redemptions / redemption fee	Annually / 3.0%	Annually / 3.0%	Monthly / 7.0%
Management fee	0.50% p.a.	0.55% p.a.	0.55% p.a.
Performance fee	20% over Hurdle	20% over Hurdle	20% over Hurdle
Hurdle	3M Stibor+3%	3M Stibor	3M Stibor

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