



MONTHLY REPORT

Sustainable Corporate Bond 2XL

November 2023

Good momentum despite real estate worries

The Nordic credit market saw limited movements in November, largely unimpacted by the strong positive momentum in the global high-yield markets, primarily due to the low rates risk. The fund yielded +0.15% during the month (+9.92% YTD) driven mainly by (i) a positive momentum in Cabonline on the back of a better than expected Q3 report; and (ii) a continued flow of negative publicity for Alecta, one of the main shareholders in Heimstaden Bostad.

Cabonline (3.8% of the portfolio) released its Q3 report which came in stronger than expected with upheld topline growth and profitability, resulting in a healthy liquidity position (SEK > 300m) although net leverage is still on an elevated level at 6.2x EBITDA. Going forward the management pointed out several green sprouts despite the uncertain macroeconomic environment: The company continues to improve its B2B offering with several procurements outstanding, and contracts won. The customer satisfaction is on all time high and the profitable routes to and from the airports are still increasing. Overall, the report was well received in the market and with the restructuring now completed, the bonds have regained some of the earlier price losses which impacted the NAV positively by ~140bps.

The Heimstaden Bostad bonds continued to trade down on the back of a wall of negative press pointed towards Alecta, one of its main shareholders. While our analysis shows fundamental value in the bonds, the market thinks differently and we see no trigger point for a reversed sentiment anytime soon, except in case of potential communication regarding a much awaited (and required) equity issuance. However, one for the great advantages of our fund structure is that we can seek fundamental value and be patient – even if it takes time to realise it.

Looking ahead, December tends to be a muted month as daily traded funds free up liquidity ahead of the holiday season to prepare for unexpected outflows although we recognise the positive momentum in the international markets may have a positive impact this year. In any event, we maintain significant dry powder in the form of unutilised leverage ready to be deployed both in current portfolio companies and in new primary transactions. Finally, we wish all of our investors happy holidays when the time comes. We continue to actively manage the portfolio over the holiday season –it's usually when everyone else is off that the best deals can be done.

Emil & Jakob



Nordic Credit Partners

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Cumulative performance (%)

| 1 Month | YTD | 1 Year | 3 Years | Since inception | NAV |
|---------|------|--------|---------|-----------------|--------|
| 0.15 | 9.92 | 10.79 | 13.85 | 15.29 | 115.29 |

Monthly performance (%)

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|------|-------|-------|------|-------|-------|-------|------|-------|-------|-------|------|-------|
| 2023 | 1.46 | 1.01 | -0.07 | 0.80 | 3.51 | 0.73 | -0.39 | 1.59 | 0.52 | 0.24 | 0.15 | | 9.92 |
| 2022 | 0.80 | -0.86 | 0.60 | 1.17 | -0.73 | -2.42 | 1.09 | 0.91 | -2.80 | -2.83 | -0.74 | 0.79 | -5.03 |
| 2021 | 0.59 | 0.73 | 0.85 | 0.89 | 0.58 | 0.27 | 0.33 | 1.30 | 0.39 | 0.12 | 1.57 | 0.49 | 8.39 |

Key fund facts

| | | | |
|---------------------------|--|-------------------|---------------------------------|
| Fund name | Nordic Credit Partners SICAV-RAIF Sustainable Corporate Bond 2XL | | |
| Target instruments | Nordic corporate bonds | AIFM | Carne Global Fund Managers |
| Target return | 3m Stibor + 6-9% p.a. net of fees | Depository | BNP Paribas Securities Services |
| Inception date | 5 August 2020 | Auditor | PWC Luxembourg |

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 target return of 6-9% p.a. Each investment undergoes thorough commercial, financial and sustainability due diligence and is approved by NCP's Investment Committee. The fund applies up to 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 and impact on its specific sustainability factors and risks, thus futureproofing the portfolio and investing in long-term frontrunners.

Signatory of:

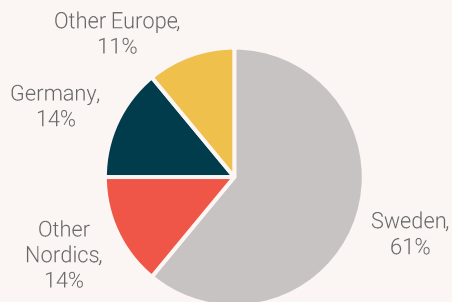


Portfolio and performance ratios

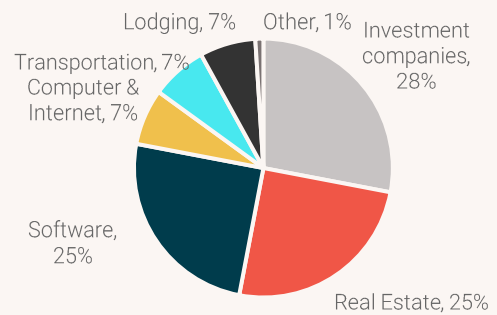
| Ratio | |
|----------------------------------|------------|
| Yield to maturity (unlevered) | 20.1% |
| Yield to worst (unlevered) | 20.1% |
| Average coupon | 10.5% |
| Credit duration | 2.1 years |
| Duration | 0.29 years |
| Modified duration | 0.24% |
| Weighted average bond price | 91.7 |
| Leverage as % of gross portfolio | 20% |

| Ratio | |
|---|------------|
| Investments during the month | 1 |
| Divestments during the month | 1 |
| Positive months since inception | 80% |
| Annualised return since inception | 4.4% |
| Standard deviation p.a. since inception | 4.0% |
| Sharpe ratio since inception | 0.81 |
| Sortino ratio since inception | 0.47 |
| Risk level | 3 out of 7 |
| Average credit rating | Non-rated |

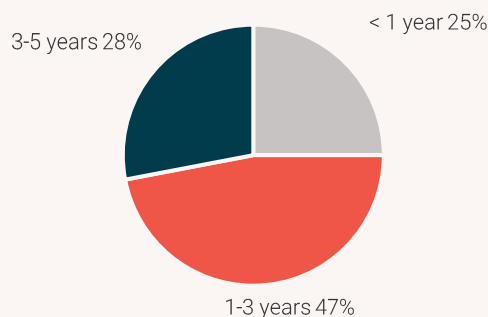
Breakdown by geography (issuer)



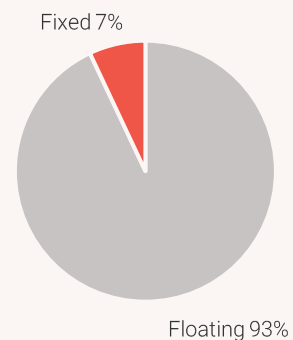
Breakdown by sector



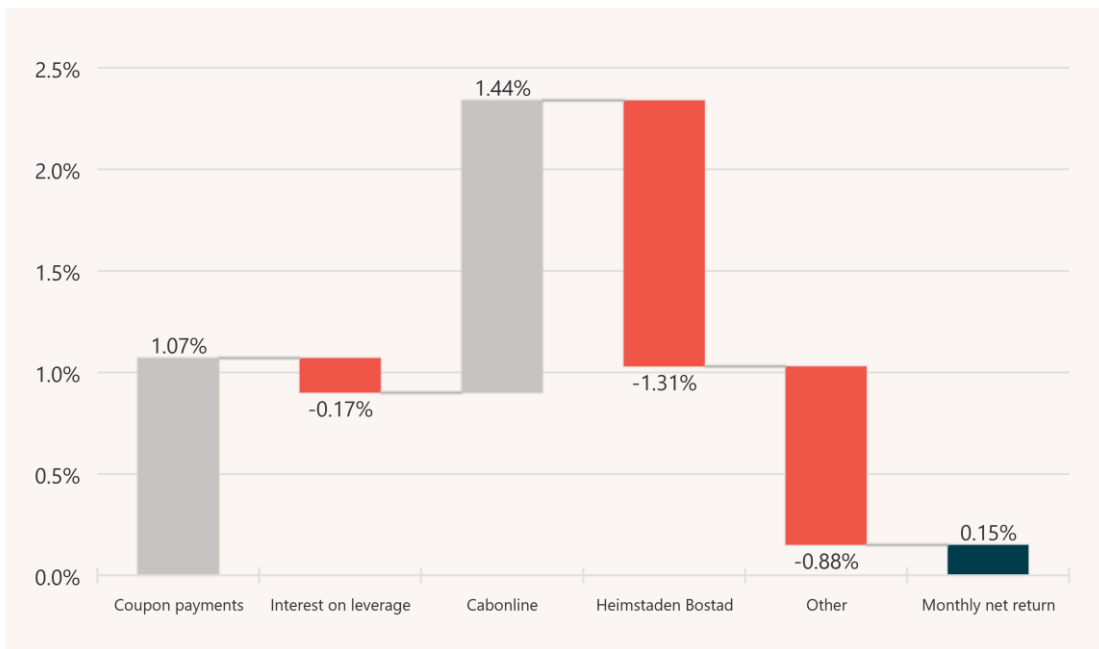
Breakdown by maturity



Breakdown by coupon



Monthly return breakdown

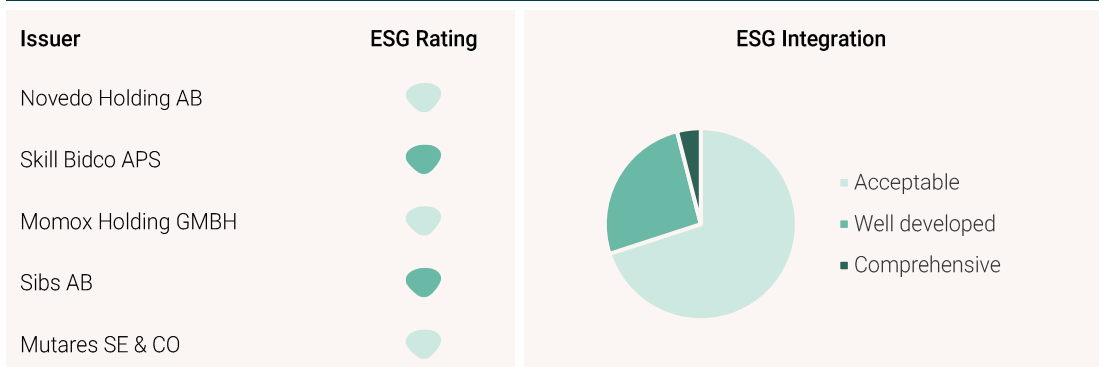


Other includes net effects, unrealised profit and losses, fees and rounding differences.

Top holdings

| Issuer | ISIN | Country | Maturity | Coupon | % Portfolio |
|--------------------|--------------|---------|----------|---------------|-------------|
| Novedo Holding AB | SE0017070980 | Sweden | Nov 2024 | Stibor+6.50% | 7.8% |
| Skill Bidco APS | N00012847831 | Denmark | Mar 2028 | Euribor+6.75% | 7.1% |
| Momox Holding GMBH | N00010886369 | Germany | Jul 2025 | Euribor+6.25% | 7.0% |
| Sibs AB | SE0014965729 | Sweden | Apr 2024 | Euribor+8.00% | 7.0% |
| Mutares SE & CO | N00012530965 | Germany | Mar 2027 | Euribor+8.50% | 6.9% |

Breakdown by internal sustainability rating



Monthly performance since inception (%)

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|------|-------|-------|------|-------|-------|-------|------|-------|-------|-------|------|-------|
| 2023 | 1.46 | 1.01 | -0.07 | 0.80 | 3.51 | 0.73 | -0.39 | 1.59 | 0.52 | 0.24 | 0.15 | | 9.92 |
| 2022 | 0.80 | -0.86 | 0.60 | 1.17 | -0.73 | -2.42 | 1.09 | 0.91 | -2.80 | -2.83 | -0.74 | 0.79 | -5.03 |
| 2021 | 0.59 | 0.73 | 0.85 | 0.89 | 0.58 | 0.27 | 0.33 | 1.30 | 0.39 | 0.12 | 1.57 | 0.49 | 8.39 |
| 2020 | | | | | | | | 0.17 | 0.25 | 0.59 | 0.24 | 0.61 | 1.88 |

Share class information

| Share class | Institutional (SEK) | Partner (SEK) | Institutional (EUR) | Partner (EUR) |
|------------------|--|--|--|--|
| ISIN | Acc: LU2180877446 Distr: LU2180877792 | Acc: LU2180877529 Distr: LU2180877875 | Acc: LU2257616636 Distr: LU2257617014 | Acc: LU2257616719 Distr: LU2257617105 |
| Target client | Inst. Well-informed | Inst. Well-informed | Inst. Well-informed | Inst. Well-informed |
| Currency | SEK | SEK | EUR | EUR |
| Distributing | Electable | Electable | Electable | Electable |
| Distr. frequency | Annual | Annual | Annual | Annual |
| Min investment | SEK 1.5m | SEK 50m | EUR 125 000 | EUR 5m |
| Subscriptions | Monthly | Monthly | Monthly | Monthly |
| Redemptions | Monthly | Monthly | Monthly | Monthly |
| Notice period | 4 months' notice | 4 months' notice | 4 months' notice | 4 months' notice |
| Management fee | 0.95% p.a. | 0.70% p.a. | 0.95% p.a. | 0.70% p.a. |
| Performance fee | 15% if hurdle reached | 15% if hurdle reached | 15% if hurdle reached | 15% if hurdle reached |
| Hurdle | 3mS+5% p.a. | 3mS+5% p.a. | 3mS+5% p.a. | 3mS+5% p.a. |

INVESTMENT TEAM

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