

Baltic Corporate Bond Fund

August 2026



Weighted average portfolio yield **7.92%**



Fund's yield (incl. cash position) **7.68%**



Weighted average duration **3.04** years



Fund's unit value **123.1207**

Monthly overview

In August 2026, the fund executed 173 purchase and sale transactions with total turnover reaching EUR 7.5 million, 134 of which were carried out on the Nasdaq Baltic exchange. In total, the fund is invested in 86 different bonds (71 issuers). Listed bonds accounted for 82% of the fund's investment portfolio.

In August, prior to the periodic distributions, the fund's unit value grew by **0.52%**. The fund distributed 0.35% of NAV to investors.

In August, fund executed two transactions in the primary market, with total primary market turnover of EUR 2.3 million. Positions acquired in the primary market were EUR 1.8 million LHV 8% AT1 and EUR 0.5 million Grenke 4.625% 2031-07-10.

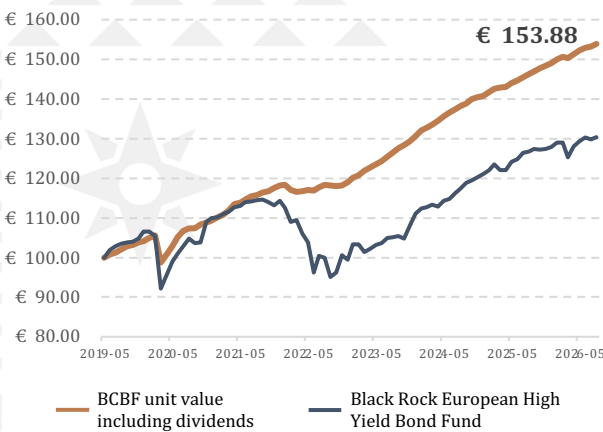
In the secondary market, BNP Paribas and Deutsche Bank bonds were sold (totaling EUR 1.6 million), at approximately 6% YTC. The proceeds were reinvested into a new private placement of LHV bank AT1 bonds with an 8% yield. A partial early redemption of Tewox bonds was carried out from the fund, reducing the Tewox position by EUR 500 thousand.

There were no significant developments in capital markets in August. With the situation around the Strait of Hormuz remaining essentially unchanged, energy resources — primarily oil — became more expensive. As a result, long-term inflation expectations continue to rise, pushing bond yields higher (and prices lower). The negative impact of geopolitical tensions is particularly evident in the long-term safe bond markets.

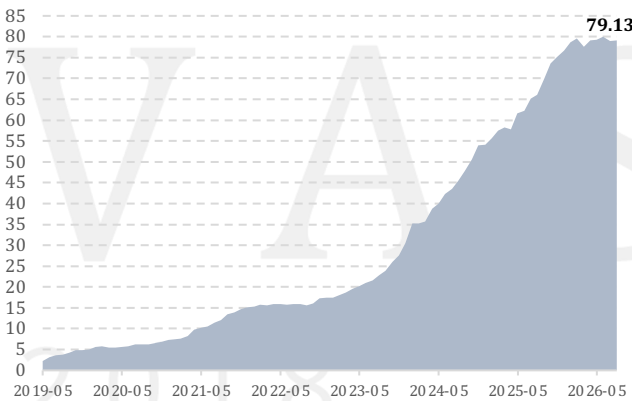
Yields on both US and European 10-20 year government bonds have reached levels not seen in 15-20 years. Governments are currently borrowing at higher costs than at the peak of the energy crisis in 2022, when actual inflation was in double digits. However, short-term rates, such as the 6-month EURIBOR, while reaching year highs, are no longer changing significantly. This suggests that market participants do not expect high inflation in the short term.

The fund continues the strategy it has pursued since late spring of seeking opportunities in Baltic capital markets, which are less sensitive to changes in interest rates and generate material risk premium.

Unit Value including dividends (EUR)



Assets under management (mio. EUR)



Historical returns

	2026	2025	2024	2023	2022	2021	2020
Unit value change	1.17%	2.70%	4.66%	6.46%	-3.28%	4.04%	1.47%
Divs.	2.80%	4.20%	4.20%	4.20%	4.20%	4.20%	3.50%
TOTAL	3.97%	6.90%	8.86%	10.66%	0.92%	8.24%	4.97%

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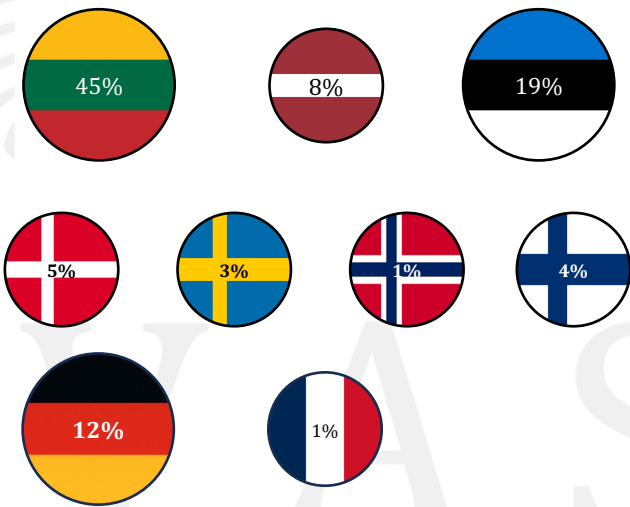
10 largest fund positions

Position	Position weight (%)	Coupon	Maturity
Enervia 11% 2027-10-25	4.36%	11.00%	2027-10-25
AEI Obligacijos 8% 2027-12-13	4.12%	8.00%	2027-12-13
ESTO 9.5% 2029-06-16	3.78%	9.50%	2029-06-16
Cash	3.23%	0.00%	2026-06-30
UAB SBA Furniture Group	3.22%	7.00%	2028-03-27
Artea 8.75% PERP	2.62%	8.75%	2029-10-17
Chapters Group 2030-08-08 7%	2.57%	7.00%	2030-08-08
Snowball XYZ 9.9% 2028-07-01	2.56%	9.90%	2028-07-01
Maxima Group 4.75% 2031-05-19	2.56%	4.75%	2031-05-19
Apollo Group 2031-03-20	2.31%	7.00%	2031-03-20

Diversification by sector (%)

Sector	2026-07-31	2026-08-31	Change
Consumer finance	5.42%	5.39%	-0.02%
Cashflow RE	7.91%	6.46%	-1.46%
Banks	13.45%	13.87%	0.42%
Development RE	10.86%	11.11%	0.25%
Consumer goods	5.24%	4.63%	-0.60%
Transportation	2.37%	2.58%	0.21%
Non-cyclical finance	5.70%	5.80%	0.10%
Renewables	12.85%	13.88%	1.02%
IT and comms	4.22%	4.12%	-0.10%
Services	7.08%	7.02%	-0.06%
Industrials	8.09%	7.93%	-0.16%
Liquidity	3.54%	3.23%	-0.31%
Other	13.26%	13.98%	0.71%

Diversification by country (%)



5 largest portfolio changes

Position	2026-07-31	2026-08-31	Change (EUR)	Notes
LHV AT1 8%	€ -	€ 1 800 000.00	€ 1 800 000.00	Primary market
Grenke Finance PLC 4.625% 07.10.2031	€ -	€ 496 820.00	€ 496 820.00	Primary market
RAPALA VMC OYJ	€ 538 108.77	€ -	€ (538 108.77)	Secondary market
BNP Paribas SA FRN Prep	€ 807 023.04	€ -	€ (807 023.04)	Secondary market
Deutsche Bank PERP	€ 1 251 880.44	€ 419 134.64	€ (832 745.80)	Secondary market



MILVAS