

Report date: 31 December 2025

Fund: Pareto Nordic Cross Credit
Umbrella fund: Pareto SICAV
Inception date: 26 November 2019
AUM: NOK 11 242 million
Benchmark: n.a.
PRIIPs KID risk score from 1 (low) to 7 (high): 2

Category: fixed income fund
Legal structure: UCITS
Dealing days: all coinciding banking days in Norway, Sweden and Luxembourg

Domicile: Luxembourg
Management company: FundRock Management Comp. S.A.
Investment manager: Pareto Asset Management AS
Custodian: Skandinaviska Enskilda Banken AB (publ) Luxembourg Branch

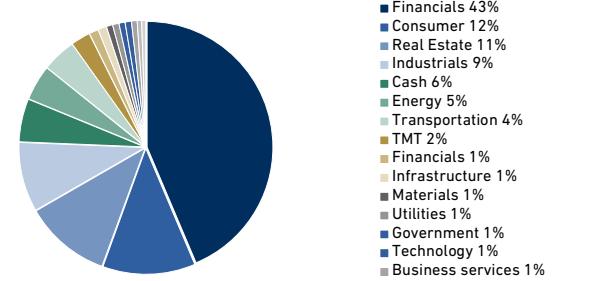
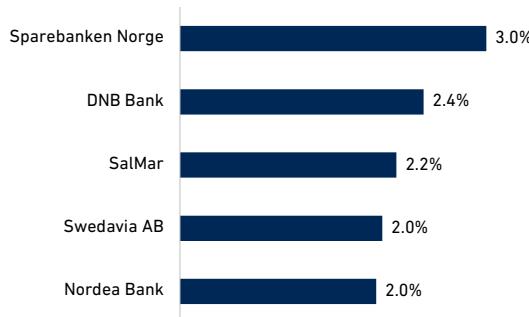
Share class A

Launch date: 26 November 2019
NAV as at 31 December 2025: 1 302.29
NAV currency: NOK
Minimum investment: 10 000 000
ISIN: LU2023199396
Bloomberg ticker: PANCCAN LX

Nordic fixed income fund investing in corporate bonds in a wide range of sectors. Low geopolitical risk and an ESG profile.

- The fund invests in fixed income and fixed income related securities issued by financial institutions, corporations, agencies, governments and municipalities while incorporating ESG criteria into the Fund's analysis and selection criteria
- The debt securities may be rated or unrated and have credit risk corresponding to Investment Grade or High Yield
- The average interest rate duration of the portfolio shall be between 0 and 4 years

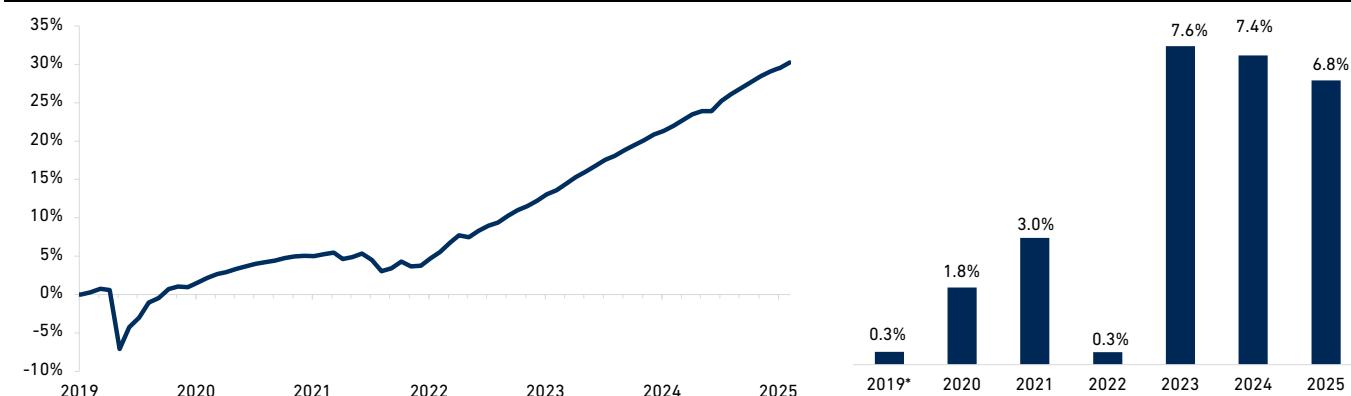
Top five issuers and sector allocation



Key figures since launch

	Fund	Risk figures	Fund	Performance by periods	Fund
Accumulated returns	30.2%	Standard deviation (ann.)	3.8%	Last month	0.5%
Annualised returns	4.4%	Average time to maturity	2.4	Three months	1.4%
		Interest rate duration	0.4	Six months	3.3%
		Credit spread duration	2.1	1 year	6.8%
				3 years (annualised)	7.2%
				Since launch (annualised)	4.4%

Performance history



Monthly net returns in per cent

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	YTD
2025	0.66	0.59	0.32	0.00	1.08	0.71	0.61	0.68	0.51	0.52	0.37	0.53	6.78
2024	0.78	0.74	0.60	0.66	0.66	0.43	0.64	0.54	0.54	0.63	0.36	0.54	7.37
2023	1.12	0.90	-0.22	0.79	0.60	0.39	0.80	0.66	0.48	0.61	0.74	0.48	7.59
2022	0.20	-0.80	0.27	0.40	-0.79	-1.38	0.36	0.84	-0.58	0.10	0.90	0.82	0.31
2021	0.50	0.26	0.41	0.32	0.32	0.19	0.18	0.34	0.18	0.10	-0.06	0.25	3.03
2020	0.45	-0.19	-7.64	3.10	1.28	2.04	0.60	1.15	0.34	-0.07	0.58	0.59	1.84
2019											0.01	0.30	0.31

The Fund is exposed to the following materially relevant risks: liquidity risk, currency risk, derivatives risk, counterparty risk, operational risk and sustainability risk. Please refer to the Fund's prospectus for further information about the fund's risk exposure. The Fund promotes environmental and/or social characteristics within the meaning of Article 8 of SFDR. The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus. Further information about the sustainability-related aspects of the Fund is available in the SFDR pre-contractual disclosures in the Fund's prospectus and the SFDR website disclosure available on <https://paretoam.com/en/investments/fund-documents>

*From launch of the share class. All figures are based on internationally recognised standards for publishing performance data. Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on, market developments, the portfolio manager's skill, the fund's risk profile, as well as fees for subscription, management and redemption. Returns may become negative as a result of negative price developments. The performance data do not take account of the fees incurred on subscription and redemption of units/shares.



Pareto Nordic Cross Credit

Portfolio management team

Gustaf Tegell
Portfolio Manager

Christian Weldingh
Portfolio Manager

Summing up 2025, we can conclude that it was another eventful year. It started with optimism, but the mood changed as the extent of Trump's policies became clear. It all culminated on 2 April, on the so-called 'Liberation Day', when extensive import tariffs were announced by the US President. Uncertainty about the scope and consequences of this new policy led to global nervousness. Stock markets fell sharply, credit spreads in the bond market rose rapidly, and US interest rates rose.

After the initial shock, however, international trade conditions stabilised relatively quickly, the financial markets recovered and have risen sharply since mid-April.

Central banks have continued to lower their key interest rates. The ECB lowered its interest rate from 3.00 to 2.00 per cent in several steps, Norges Bank from 4.50 to 4.00 per cent, Sveriges Riksbank from 2.5 to 1.75 per cent and the Federal Reserve from 4.50–4.25 to 3.75–3.50 per cent during the autumn.

Short-term money market rates have also fallen in line with the central banks' cuts. This interest rate is used as the basis for most floating-rate bonds, including most of the bonds in which the fund invests. The interest rate level in the fund is thus somewhat lower at the end of the year than at the beginning of 2025.

Nevertheless, the fund's return for the year ended well above the interest rate level at the beginning of the year and above the average interest rate. The explanation is that most bonds have yielded a higher return than the interest rate level, due to spread contraction. The financial sector has been a strong driver for the fund, and in particular the subordinated bank bonds have yielded very good returns. At the same time, a generally positive risk sentiment has contributed to most individual bonds rising in value.

The fund's key figures regarding maturity, interest rate duration, sector and risk allocation are relatively unchanged from the start of 2025. However, sector allocation and risk have varied throughout the year in line with changes in market conditions. For example, we chose to increase the risk in the fund somewhat after the 'liberation day', in order to increase the return potential in the wake of that turbulent period. The strategy was successful and contributed to a rapid recovery for the fund and favourable development throughout the year.

Overall, the fund's performance this year has been very good. We consider the broad composition of the returns to be a strength. There is a wide selection of well-managed companies and attractive bonds that enable us to continue generating good returns at relatively low risk as we enter the new year.

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