

STRATEGY	FACTS	
The objective of Artea Emerging Markets Ex-Dictatorship subfund is a maximum total return, consistent with preservation of invested capital. Focused on hard-currency sovereign and corporate debt securities in Emerging Markets, the fund aims to capture higher yields and growth potential in rapidly developing economies. The fund is restricted to buying EUR and USD denominated securities only, while at the same time hedging the USD risk, providing its investors the return in EUR. Recommended investment term – minimum 2 years.	Management company	Artea Asset Management
	ISIN code	LTIF00000666
	Inception date	2016.07.01
	Minimum investment	EUR 0
	AUM, EUR M	10.8
	Strategy AUM, EUR M	353
	Management fee	1.25%
	Currency	EUR
	Countries of distribution	Lithuania, Sweden, Finland, Norway

For more information on the fund (prospectus, benchmark, results) please click on the link below:
<https://www.artea.lt/en/private/saving-investment/investing/investment-funds/artea-emerging-markets-ex-dictatorship-subfund>

RESULTS			
	Fund	Benchmark ***	
	Return YTD	3.5%	4.0%
	Return 1Y	9.0%	7.4%
	Return 3Y	30.2%	16.6%
	3 year annualised return	9.2%	5.2%
	Return since inception	34.0%	6.3%
	Volatility (St. deviation)*	3.3%	5.4%
	Duration	4.0	6.1
	YTM	6.2%	4.0%
	Sortino ratio**	0.6	0.3

FUND MANAGER COMMENT

June was a very positive month for Artea Emerging Markets ex-Dictatorship subfund as it returned 1.8% evenly with the benchmark.

As Eurozone's inflation continued to hover around the target level of 2%, European Central Bank continued cutting interest rates which have now reached a neutral 2% level. The Federal Reserve still did not pull the trigger on rate cuts this cycle, as uncertainty increased around the inflationary impact of tariffs and the newly passed tax bill. Central Europe witnessed another tightly contested presidential election, this time in Poland, following last month's similarly close result in Romania- underscoring the increased political polarization. The election was won by independent nationalist candidate Karol Nawrocki, who secured 50.9% of the vote. The outcome drew little reaction from markets, as the Polish president has limited influence over day-to-day domestic policy, with decision-making power primarily residing in the parliament and government. Looking at Latin America, Brazil's Congress turned down the president's proposed tax hike decree, meaning that the country will have to look for ways to cut spending instead. Credit rating of Colombia got downgraded by S&P and Moody's citing difficult situation with public finances. Nevertheless, Emerging assets performed well during the month, on the back of a weak dollar.

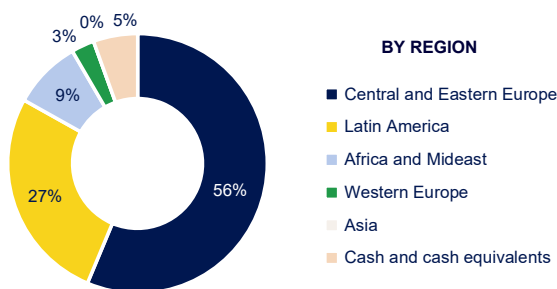
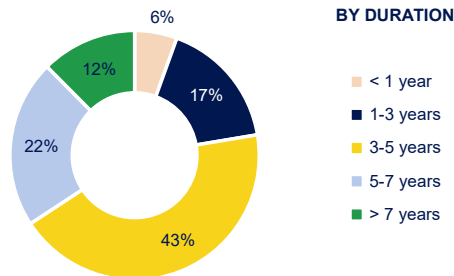
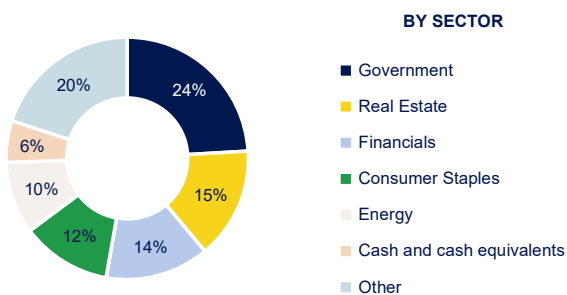
The primary market was particularly active during June as we added several new positions to the fund's portfolio. The portfolio was expanded with new issuers, namely Central Eastern European retail property manager Supernova Group, and Czech defense sector firm Czechoslovak Group. These bonds were issued at yields of 6.0%, and 5.25%, respectively. Active participation in the primary market enables the fund to access bonds at attractive yields and capture additional return during the placement phase, particularly when demand significantly exceeds supply. Overall, the fund maintains lower interest rate sensitivity than the benchmark (4.0 and 6.1 years duration, respectively), while providing higher yield to maturity (6.2% and 4.0%, respectively).

*Standard deviation is used to measure risk. Standard deviation is an indicator that measures how strongly fund's daily return deviates from its mean. The lower the standard deviation the lower the fund's risk. The standard deviation value corresponds to the period shown in the historical returns graph.

**Sortino ratio is used to measure the risk-adjusted return of the portfolio. It is a modification of the Sharpe ratio but penalizes only those returns falling below required rate of return. Sortino ratio is obtained from Bloomberg which measures the ratio over a 3-year period at a daily granularity.

***Benchmark index:
 100% Bloomberg EM USD Aggregate Total Return Index Value Hedged EUR (H00014EU Index)

BREAKDOWN OF INVESTMENTS



TOP 10 PORTFOLIO HOLDINGS

ROMANI 5 5/8 02/22/36	Government	4.5%
GWILN 6 1/4 03/31/30	Real Estate	4.1%
PEPGRP 7 1/4 07/01/28	Consumer Discretionary	4.0%
PEMEX 6.7 02/16/32	Energy	3.8%
ARAGVI 11 1/8 11/20/29	Consumer Staples	3.8%
ECOPET 8 7/8 01/13/33	Energy	3.8%
MLGPW 6 1/8 10/15/29	Real Estate	3.6%
COLOM 7 1/2 02/02/34	Government	3.4%
FRICON 7.7 07/21/28	Consumer Staples	3.2%
IVYCST 5 7/8 10/17/31	Government	3.2%

The Fund does not have exposure to Russian and Belarusian bonds

REASONS TO INVEST

- Historically, Emerging market economies have been growing almost twice as fast as Developed markets.
- Government debt levels in emerging markets are twice as low as in developed countries.
- High active share investing into up to 25 most attractive investments by identified market mispricings, EUR and USD issues arbitrage and off-benchmark opportunities while avoiding certain issuers.
- Relatively low volatility due to investments in shorter-duration corporate bonds and less indebted as well as better rated government and off-benchmark picks.
- Combination of only hard currency (USD risk hedged to EUR) sovereign and corporate debt ensures attractive yield, while limited credit and duration risk provides for low volatility.

COMPANY	CONTACT
<p>Artea Asset Management is the investment management company of Artea bankas group. The team of experienced investment managers is one of the largest and most capable in the Baltic States and has been managing clients' assets since 2003. Investment managers make investment decisions on behalf of more than EUR 1.5 billion of clients assets.</p> <p>Investment managers are guided by the principles of long-term investing and fundamental investment analysis while specializing in Central and Eastern European equity and bond markets. The team flexibly take advantage of investment opportunities that arise in the markets. The managers' expertise is proven by consistently high ratings in international fund rankings.</p>	<p>Artea Asset Management Gyneju 14, 01109 Vilnius, Lithuania +370 610 44447 info@artea.lt http://www.artea.lt</p>

Performance presented in the factsheet represents only fund's past performance results, which is no guarantee for future results. Investment return and principal value will fluctuate, so your investments may have a gain or loss. Current today's performance may be higher or lower than that quoted in the factsheet. The Management Company does not guarantee fund's performance results or ensure profit against loss. Please visit www.artea.lt for most recent month-end performance.

Before investing, please consider the funds' investment objectives, risks, and fees applied. To obtain more information about the fund, please visit www.artea.lt, where you can find fund's key facts, NAV's, Rules, Prospectus and KIID which contain this and other important information.

All funds presented in the factsheet has benchmark. Benchmark indexes and their composition is selected to more accurately reflect the fund's investment strategy, defined in fund Rules and Prospectus.

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