

STRATEGY

Artea Baltic Fund is investing into shares of companies listed on Baltic Stock Exchange or enterprises actively operating in the Baltic States. The fund is striving for maximum return by assuming high risk level. The fund focuses on long-term investments by identifying attractive economic sectors and picking undervalued companies.

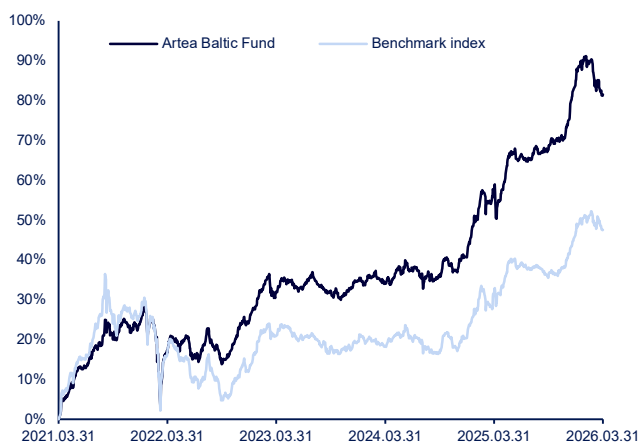
Recommended investment period – more than 5 years.

FACTS

Management company	Artea Asset Management
ISIN code	LTIF00000096
Inception date	2005.12.15
Minimum investment	EUR 0
AUM, EUR M	14.6
Management fee	2%
Subscription fee	0%
Currency	EUR
Countries of distribution	Lithuania, Latvia, Sweden, Denmark, Finland, Norway, Germany

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-baltic-fund>

RESULTS


	Fund	Benchmark ****
Return YTD	-2.0%	0.4%
Return 1Y	15.4%	12.1%
Return 3Y	37.4%	21.9%
3 year annualized return	11.2%	6.8%
5 year annualized return	12.6%	8.0%
Volatility (St. deviation)*	8.6%	9.2%
Sharpe ratio**	1.5	0.9
P/E***	10.3	
Dividend yield	5.0%	

FUND MANAGER COMMENT

The main event of March—and of the year so far—was the start of the war in Iran. As a result, the majority of asset classes, with the exception of energy commodities, declined. On the equities side, the largest losses were recorded in Emerging Markets, with the MSCI EM Index falling by 11.0% in euro terms. Meanwhile, the MSCI World Index decreased by 4.1%.

Equity markets in our region followed global trends, albeit to a lesser extent, with the OMX Baltic Benchmark Index declining by 1.6%. The Baltic Fund slightly underperformed the benchmark, as its unit price decreased by 3.0%. The fund's underperformance was driven by three main factors: first, the decline in the share prices of insurance companies Vienna Insurance Group (-6.8%) and PZU (-6.9%), as well as the Swedish bank SEB (-7.5%); second, the lower weighting of Estonian and Latvian equities in the fund's portfolio; and third, the 18.6% drop in the share price of Akola Group, one of the fund's largest holdings. The sell-off in Akola Group was driven by the recent buyback of its own shares. The offering was oversubscribed by more than 10 times, and two members of the company's board sold part of their holdings.

In spring, corporate news—such as audited results and profit distribution proposals—traditionally captures the majority of investors' attention. By now, the vast majority of companies have already announced their dividend proposals. The leaders include Tallink Grupp (dividend yield of 9.8%), Apranga (7.6%), and Telia Lietuva (6.8%). Additionally, several other companies are proposing dividends with yields exceeding 6%.

In terms of trading, we took advantage of lower share prices and significantly increased our position in Akola Group. We also locked in partial profits by reducing our investments in the Polish companies LPP S.A. and Inter Cars. At the end of March, the Fund was trading at a trailing weighted average P/E ratio of 10.3x, with a return on equity (ROE) of 12.7% (excluding non-profitable companies) and a dividend yield of 5.0%.

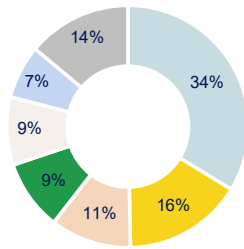
**Standard deviation is used to measure risk. Standard deviation is an indicator that measures how strongly fund's daily return deviates from its mean. The lower the standard deviation the lower the fund's risk. The standard deviation value corresponds to the period shown in the historical returns graph.*

***Sharpe ratio measures the performance of an investment compared to a risk-free asset, after adjusting for its risk. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance. Sharpe ratio value corresponds to the period since the inception date.*

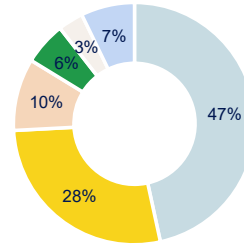
****Weighted average portfolio P/E ratio calculated based on profitable companies only; firms with negative earnings were excluded.*

*****Benchmark index:*

100% OMX Baltic Benchmark Capped Gross Index.

BREAKDOWN OF INVESTMENTS


- BY SECTOR**
- Financials
 - Consumer Staples
 - Consumer Discretionary
 - Utilities
 - Industrials and other
 - Cash and cash equivalents
 - Other



- BY COUNTRY**
- Lithuania
 - Estonia
 - Poland
 - Sweden
 - Austria
 - Cash and cash equivalents

TOP 10 PORTFOLIO HOLDINGS

Ignitis Grupe AB	9.4%	Utilities
LHV Group AS	9.3%	Financials
Akola Group AB	8.6%	Consumer Staples
AB Artea bankas	7.3%	Financials
Telia Lietuva AB	4.8%	Telecommunication Services
Coop Pank AS	4.8%	Financials
Tallink Grupp AS	4.6%	Industrials and other
AB Grigeo	4.6%	Materials
AS Merko Ehitus	4.5%	Real Estate
Tallinna Sadam AS	4.5%	Industrials and other

REASONS TO INVEST

- Main goal of the strategy is to provide return on Baltic capital markets. Real GDP growth in the last 5 years has been significantly higher in the Baltic States - on average 1.6% per annum, in comparison to the eurozone's 1.0% growth per annum (as of the end of 2024).
- Active fund management allows choosing only the most attractive companies based on their valuations, management quality, growth opportunities and positive triggers.
- Value creating engagement and shareholder activism is an important part of the strategy. Investment management team takes active participation approach in cases of misconduct regarding minority shareholders' rights and inappropriate corporate governance.

COMPANY

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 1.8 billion of clients assets.

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.

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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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