

LHV World Equities Fund

REPORT ISSUANCE DATE

31.08.2025

Comment from the fund manager

Mikk Taras



In August, the fund's investments continued to rise. The increase in the price of gold had a significant positive impact, boosting the share prices of precious metals mining companies Barrick Gold and Pan American Silver by nearly 25%. European stocks were weaker. The fund's unit value rose by 2.65% for the month.

At the end of the summer, Donald Trump continued to criticize the U.S. Federal Reserve for keeping interest rates too high. Trump wants to see base interest rates significantly lower than they are currently to stimulate U.S. economic growth. However, this policy could have unexpected consequences for inflation expectations, bond markets, and the dollar's exchange rate. Gold offers excellent protection against the unforeseen side effects of U.S. fiscal and budgetary policy. This is one of the reasons why the price of gold has increased in recent months. We will continue to hold Barrick Gold and Pan American Silver shares in our portfolios. The spot prices of gold and silver are nearly three times higher than the mining cost basis for both companies. This leaves room for the companies to earn very decent profits.

In August, we met with the management of several Nordic companies at a financial conference in Stockholm. Companies from the fund's portfolio that were present included Lifco, Indutrade, Investor AB, Stora Enso, Novo Nordisk, and Trelleborg. The end markets for many Swedish industrial companies are currently moving sideways. Despite this, the companies' profitability generally remains at a good level. On the positive side, it was emphasized that U.S. tariffs do not cause major problems for the companies. Companies have moved production to the U.S., and the impact of tariffs on profits is minimal. Among the Finnish companies, Stora Enso's new management presented plans on how to increase the return on the company's assets. The company plans to separate its forest land assets from the group, which alone is estimated to be worth as much as Stora Enso's current market value. Danish pharmaceutical company Novo Nordisk emphasized that they are finding it difficult to eliminate illegal competitors that have emerged in the US weight-loss drug market. While the market itself is growing, competition is fiercer than expected. The company pointed out that they still plan to take their GLP-1 drug franchise from weight-loss treatment into new therapeutic areas.

Companies that were more exposed to the European growth cycle saw signs of improvement in the German market, where the new government decided to accelerate economic growth with a trillion-euro support program. We are also positive about the German economy, where economic growth is expected to pick up over the next year. Fund's largest investment is German mid-cap index fund Invesco MDAX.

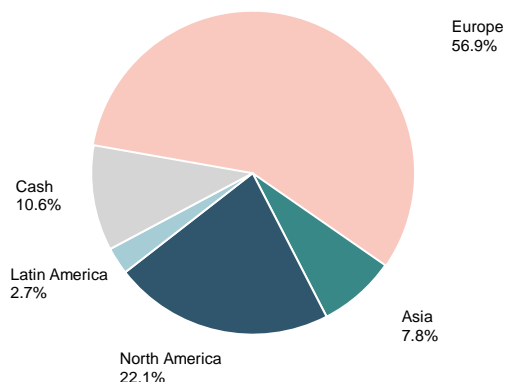
ISIN	EE3600092417
FOUNDED	27.04.2007
START OF OPERATION	13.08.2007
ASSET CLASS	Equities
FUND SIZE	8 530 532 EUR

TOP10 INVESTMENTS

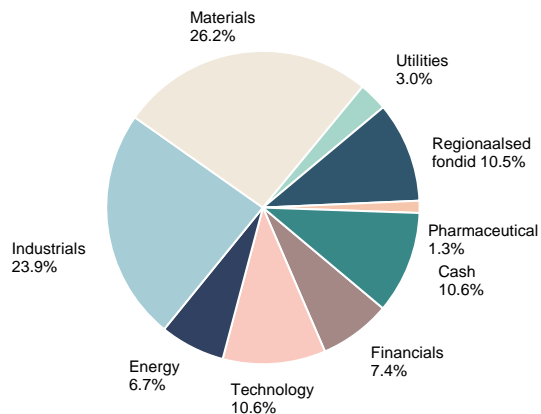
INVESCO MDAX UCITS ETF	6.23 %
BARRICK MINING CORP	5.02 %
GLOBAL X COPPER MINERS ETF	4.66 %
AMUNDI EURO STOXX BANKS UCITS ETF	4.60 %
PAN AMERICAN SILVER	4.56 %
FREEPORT-MCMORAN	4.22 %
ISHARES MSCI CHINA ETF	4.13 %
STORA ENSO	4.08 %
ALIBABA GROUP HOLDING	3.64 %
TRELLEBORG	3.07 %
VALUE OF TOP 10 INVESTMENTS	44.20 %
TOTAL NUMBER OF INVESTMENTS	31

The past performance of the investment fund does not guarantee or indicate the future performance of the fund in subsequent periods. The information provided should not be construed as investment advice, an investment recommendation, or any other investment or ancillary service. Please refer to the fund's prospectus and the key investor information, and request additional information at lhv.ee/investment-funds. The LHV World Equities Fund is managed by AS LHV Asset Management. Historical annual average performance figures are geometrical averages based on last calendar years.

Geographical Breakdown



Industry Breakdown



Historical Results

	1 month	12 months	36 months	2023-2024 average	2022-2024 average	2020-2024 average	YTD
Fund	2.65%	4.82%	18.19%	3.19%	-2.73%	3.33%	8.63%

Share Price Movement



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