



# Semi-annual report 2020

FOR Lannebo

Investment philosophy .....	2	Lannebo Sverige Plus.....	44
Important information .....	3	Lannebo Teknik.....	48
Lannebo Europe Small Cap.....	4	Lannebo Teknik Småbolag.....	52
Lannebo Komplet.....	8	Lannebo Corporate Bond .....	56
Lannebo Mixfond.....	12	Lannebo High Yield.....	62
Lannebo Mixfond Offensiv .....	18	Lannebo Likviditetsfond.....	68
Lannebo Nordic Equities .....	22	Lannebo Sustainable Corporate Bond...	74
Lannebo Småbolag .....	26	Contacts .....	78
Lannebo Småbolag Select .....	32		
Lannebo Sverige Hållbar .....	40		



# Active asset management

Lannebo Fonder is an independent fund management company focused on active management, through which we aim to create the best return possible at a reasonable risk.

## **LONG TERM**

We strive to provide the highest risk-adjusted returns over the long term. We are engaged and long-term investors and focus on fundamental company analysis and valuation.

## **RISK AWARE**

We invest our customers' capital in a responsible manner. We invest in companies with sustainable business models we understand, and before investing, we do a thorough risk analysis.

## **INDEPENDENT**

We are an independent company and make investment decisions without bias. We have extensive experience and significant freedom in the fund management – and we dare to deviate. Nonetheless, to evaluate our performance we compare ourselves to our competitors with only one goal in mind – to have the best performance over time.



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## IMPORTANT INFORMATION

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### Fund rules, key investor information document and fund prospectus

Fact sheets, fund prospectuses and fund rules may be requested from Lannebo, tel. +46 (0)8-5622 5200, or at [www.lannebo.se](http://www.lannebo.se).

### No advising

Note that Lannebo does not work as an adviser in the legal sense. Our activity consists solely of fund management and marketing our funds. Information provided in printed matter, on our website or during telephone enquiries is to be regarded purely as information.

### Risk information

Historical returns are no guarantee of future returns. The money invested in a fund may both increase and decrease in value and there is no guarantee that you will get back your original investment. The fund's value can vary significantly due to the fund's structure and the management methods used by the management company.

### Information regarding complaints

A complaint is defined as a customer who is dissatisfied with a financial service or product and the customer believes that the fund company did not comply with a requirement or a request for a correction regarding the service or a product. General discontent in this context is not considered a complaint. A complaint should be submitted in writing to Lannebo Fonder AB Complaints Manager (Annica Johansson), PO Box 7854, SE-103 99 STOCKHOLM. Alternatively send an e-mail to [kundklagomal@lannebo.se](mailto:kundklagomal@lannebo.se). Complaints can also be made in writing in Danish to Lannebo Fonder Danmark, filial af Lannebo Fonder AB Sverige, Complaints Manager, August Bournonvilles Passage 1, København K, Denmark.

Complaints are submitted free of charge to Lannebo. If you as a customer are not satisfied with Lannebo's handling of your complaint then you should contact, in the first instance, the Consumers' Bank & Finance Bureau (Konsumenternas Bank- och FINANCIALSbyrå) for guidance, telephone 0200-225800. Alternatively you can contact them at [www.konsumenternas.se](http://www.konsumenternas.se). You can also contact the municipality (Kommunens) consumer adviser for guidance, or contact the Consumer Complaints (ARN) or civil courts to ask to have your case reviewed.

### Data protection policy

On May 25, 2018, the new Data Protection Regulation, GDPR, went into force in the EU replacing the Swedish Personal Data Act PUL. An aim of GDPR is to improve the protection of the individual in the processing of personal data.

Lannebo Fonder AB is responsible toward you for the protection of your privacy and personal data. Lannebo processes personal information in accordance with the rules of GDPR and our privacy policy, which is available at [www.lannebo.se](http://www.lannebo.se). Lannebo processes personal data to fulfil legal- and contractual obligations and to, in consideration of legitimate interests, provide information, offers and other services.

In consideration of legitimate interests, the semi-annual report is provided to you because you are a unitholder and opted to subscribe to the fund's annual reports and semi-annual reports. We hope you find the reports valuable and want to continue to partake in the information. If you no longer want to receive the reports, or if you have any questions about how we handle your personal information, you can always contact us at: [info@lannebo.se](mailto:info@lannebo.se).



# Funds

**Lannebo Europe Small Cap** is an actively managed equity fund that invests in small and medium-sized enterprises in Europe. The companies the fund invest in should have a market capitalization not exceeding EUR 5 bn, or the equivalent in another currency at the time of investment. The fund may invest a maximum of 10 per cent of its value in companies with headquarters in Europe, but not listed in Europe, and/or without restriction to the size of the companies' market capitalization.

## The fund's performance

**Assets under management** decreased from SEK 2.3 bn at the beginning of the year to SEK 1.8 bn at the end of June 2020. The net of inflows and outflows during the period was minus SEK 151 m. Lannebo Europa Småbolag decreased by 16.0 per cent and the MSCI Europe Small Cap Index measured in SEK decreased by 15.5 per cent.

*The fund has several share classes. Information regarding returns for share class SEK are described under "Management report". Share class EUR can be found in the fund facts box.*

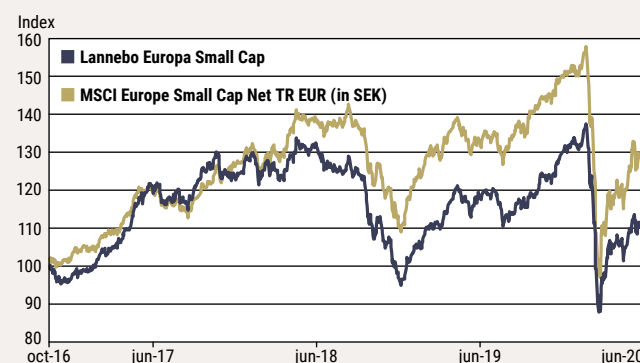
**-16.0%**

year-to-date

**+9.0%**

since launch (17/10/16). The recommended investment horizon is more than five years

## Performance 17/10/16 – 30/06/20



## Management report

**Medios, Tecan Group and Solutions 30** were holdings that contributed most positively to the fund's performance.

Medios is a German manufacturer and reseller of tailor-made contract-manufactured medicines. Our assessment is that Medios was largely unaffected by Covid-19, and we believe that the strong growth can continue in the coming quarters, both organically and through acquisitions in niche product areas. The company carried out a new share issue during the period to finance possible acquisitions.

Tecan is a Swiss supplier of automation equipment to medical laboratories with a market-leading product offering for the healthcare and diagnostics industry. We regard Tecan a winner as Covid-19 testing capacity is expanded. However, it should also be noted that laboratories and test manufacturers are currently entirely focused on Covid-19, which also means that demand in other areas has decreased short term. We expect that Tecan can deliver a total growth of close to 10 per cent in 2020.

Solutions 30 is a French company offering services for in-home installation of, for example, smart electricity meters, charging stations for electric vehicles and broadband. The company's operations were significantly affected by restrictions in connection with the pandemic. However, at the end of the period there were clear indications of a normalization and recovery. We also consider that the corona-crisis has created new growth opportunities, for example, due to an increase in the number of employees working from home and the need for broadband expansion, as well as a continued growth of charging stations for electric cars in Europe.

**Arrow Global Group, Corestate Capital and Volution Group** were holdings that contributed most negatively to the fund's performance.

Arrow Global, a British company that buys and manages overdue credits, was adversely affected by the corona-crisis, in part due to increased credit losses, and in part because of stalled debt collections. The company is in the process of transforming its operations to the management of third-party assets, which would be a positive development. In the short term, however, the share is burdened by concerns over further credit losses and challenges in its debt collection operations.

German property manager Corestate's share price was pressured during the period given the negative effects of the shutdown on the German economy and the real estate sector. Management announced they expect a continued negative impact during Q2 from Covid-19, where an updated earnings forecast for 2020 is likely to be released during Q3. Our assessment is that the German real estate market will gradually improve during the year given the structural shortages of real estate in Germany.

Sales of the British ventilation equipment manufacturer Volution were negatively impacted by the shutdowns in Europe and Australia. The company was forced to lower its 2020 earnings forecast by 40 per cent due to the large proportion of fixed costs. The company's management has taken several measures to streamline operations, which suggests that Volution can emerge from the crisis stronger.

## FUND MANAGERS

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*"The corona crisis has created  
**new growth opportunities**  
for Solutions 30"*

## Major changes during the year

- + SATS** is the Nordic region's largest gym chain. The company benefits from structural trends such as a healthier lifestyle, population growth and urbanization.
- + Somero** is a world leader in concrete leveling equipment for installing concrete floors. The company's laser-guided equipment is gaining market share, while services create stable revenues.
- + Fjordkraft** is a Norwegian electricity retailer. The company has a clear environmental profile and has grown rapidly due to its efficient organization.
- Altran** is a French consulting company active in technology and IT services. The holding was divested in connection with the takeover bid from Capgemini.
- The holdings in **Medios**, a German manufacturer and reseller of contract-manufactured tailor-made medicines, and **Tecan Group**, a Swiss supplier of automation equipment to medical laboratories, were reduced after strong share price performance.

## Top holdings

Italian **Interpump Group** manufactures high pressure pumps and hydraulics. The company is the market leader in several niches and has grown through successful acquisitions. Management expects continued growth despite Covid-19.

**Medios** is a German manufacturer and reseller of contract-manufactured, tailor-made medicines. Tailor-made medicines are growing rapidly and Medios has developed a platform to deliver safe quality products in what is a highly regulated market.

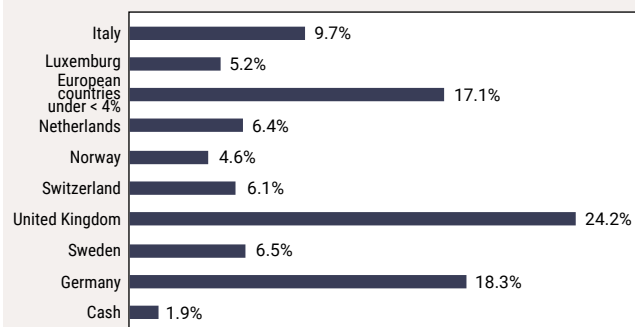
British **Volusion Group** manufactures ventilation equipment for real estate properties. The company has operations in Europe, Australia and New Zealand. Stricter requirements for energy efficiency and air quality are prevailing structural trends that benefit the company.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Interpump Group	85 567	4.8
Medios	84 549	4.7
Volusion Group	75 219	4.2
TKH Group	74 187	4.1
Grenke	71 098	4.0

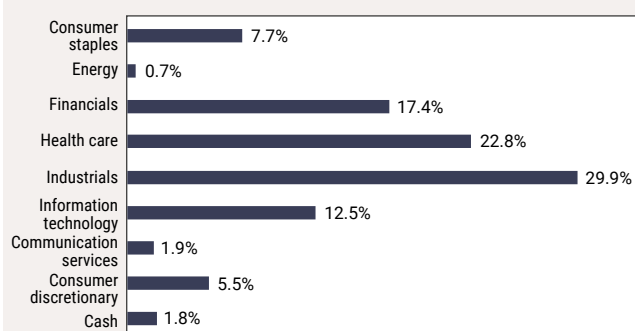
## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

## Geographic allocation 30/06/20



## Sector allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, where the share prices do not move in exactly the same way. This is known as diversification.

The fund's concentration level has a good margin to the permitted level according to the fund rules. The portfolio has a very good diversification effect. The market risk, measured as the standard deviation for the fund's return, was higher at the end of the period than for the stock market as a whole measured as MSCI Europe Small Cap.

At the end of the period the currency exposure from the fund's holdings was: 25 per cent British pounds, 8 per cent Norwegian kroner, 7 per cent Swedish kroner, 6 per cent Swiss francs and 5 per cent Danish kroner. Other holdings are quoted in Euro. Accordingly, the fund's currency risk has a strong link with exchange rate fluctuations between the Swedish krona and other European currencies. The fund's

share class traded in Euro has a strong link with exchange rate fluctuations between the euro and other European currencies.

Having large positions in small- and medium-sized companies means that the market liquidity risk may occasionally be high in the fund; market liquidity risk is the risk of lower liquidity in a holding, which affects the ability to trade a position. Shares of small cap companies generally have lower liquidity, which requires a greater emphasis on the management of the fund's liquidity risk. The fund is diversified across different issuers to lower this risk.

Together with the outcomes of regular stress tests, relevant risk levels are continually monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund was managed in accordance with the fund's risk profile during the period.



## Fund facts Lannebo Europe Small Cap, reg no 515602-8192

Launch date 17/10/16.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16
Net asset SEK thousands	1 790 646	2 307 184	2 473 319	4 455 710	359 872
Share class A SEK, SEK thousands	1 172 113	1 566 571	1 914 301	3 605 918	299 694
Share class A EUR, thousands	59 143	70 836	55 069	86 421	6 285
NAV					
Share class A SEK	10.92	13.00	9.59	12.44	9.83
Share class A EUR	101.27	120.63	91.65	122.69	99.56
Number of outstanding units, thousands	107 915	121 070	200 140	290 598	30 556
Share class A SEK	107 331	120 483	199 539	289 894	30 492
Share class A EUR	584	587	601	704	63
Dividend SEK per unit					
Share class A SEK	0.00	0.00	0.00	0.00	0.00
Share class A EUR	0.00	0.00	0.00	0.00	0.00
Annual return, %					
Share class A SEK	-16.0	35.6	-22.9	26.6	-1.7
Share class A EUR	-16.1	31.6	-25.3	23.2	-0.4
MSCI Europe Small Cap Net TR EUR in SEK <sup>1</sup> , %	-15.5	35.1	-13.0	22.1	4.2
MSCI Europe Small Cap Net TR EUR <sup>1</sup> , %	-15.5	31.4	-15.9	19.0	5.4

### Risk and growth <sup>2</sup>

Standard deviation, %					
Share class A SEK	23.6	17.5	15.7	-	-
Share class A EUR	24.4	16.4	14.3	-	-
Standard deviation benchmark, % A SEK	22.3	15.7	13.4	-	-
Standard deviation benchmark, % A EUR	23.0	13.8	11.1	-	-
Tracking error, %					
Share class A SEK	5.3	5.4	5.7	-	-
Share class A EUR	5.4	5.3	5.6	-	-
Sharpe ratio					
Share class A SEK	-0.2	0.2	0.0	-	-
Share class A EUR	-0.2	0.1	-0.2	-	-

### Average annual return

24 months, % share class A SEK	-8.2	2.2	-1.2	-	-
5 years, % share class A SEK	-	-	-	-	-
24 months, % share class A EUR	-8.2	-0.8	-4.0	-	-
5 years, % share class A EUR	-	-	-	-	-

### Costs <sup>3</sup>

Management fee SEK, %	1.6	1.6	1.6	1.6	1.6
Management fee EUR, %	1.6	1.6	1.6	1.6	1.6
Compensation to the custodian, %	0.02	0.02	0.02	0.02	0.01
Transaction costs, SEK thousands	1 221	1 396	2 689	6 827	-
Transaction costs, %	0.1	0.0	0.0	0.2	-
Research costs, SEK thousands	1 834	2 102	2 171	1 340	-
Research costs, %	0.1	0.1	0.1	0.1	-
Ongoing charges, %	1.71	1.71	1.67	1.69	1.62
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
- for a single purchase SEK 10 000	173	195	157	148	-
- for monthly payments SEK 100	11	11	10	11	-

### Turnover

Turnover ratio	0.2	0.2	0.2	0.0	-
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.0

Exchange rate EUR balance sheet	10.4598
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<sup>1</sup>) MSCI Europe Small Cap Net TR EUR captures small cap representation across the 15 Developed Markets (DM) countries in Europe. This means that the index accurately reflects the fund's investment rules.

<sup>2</sup>) Active Share has not been calculated for the period since the cost of acquiring index data has been deemed excessive in relation to the information value.

<sup>3</sup>) Refers to the costs for the last twelve months.

# LANNEBO EUROPE SMALL CAP

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	1 759 215	2 256 172
<b>Total financial instruments with a positive market value (note 1)</b>	<b>1 759 215</b>	<b>2 256 172</b>
Investment in account with credit institution	3 345	16 266
<b>Total investment with a positive market value</b>	<b>1 762 560</b>	<b>2 272 438</b>
Cash and cash equivalents	26 860	34 608
Prepaid expenses and accrued income	3 643	3 292
<b>Total assets</b>	<b>1 793 063</b>	<b>2 310 338</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-2 417	-3 154
<b>Total liabilities</b>	<b>-2 417</b>	<b>-3 154</b>
<b>Total net asset (note 2)</b>	<b>1 790 646</b>	<b>2 307 184</b>

Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>2 307 184</b>	<b>2 473 319</b>
Unit issue	107 428	486 095
Unit redemption	-257 998	-1 402 156
Net result according to income statement	-369 983	687 293
Currency conversion effect	4 015	62 633
<b>Net asset at the end of the period</b>	<b>1 790 646</b>	<b>2 307 184</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA</b>				
<b>CONSUMER STAPLES</b>				
AAK	SE/SEK	346 588	55 489	3.1
Bakkafrost	FO/NOK	112 299	65 461	3.7
Greencore Group	IE/GBP	1 142 878	16 553	0.9
			<b>137 503</b>	<b>7.7</b>
<b>ENERGY</b>				
Fjordkraft Holding	NO/NOK	165 000	12 533	0.7
			<b>12 533</b>	<b>0.7</b>
<b>FINANCIALS</b>				
Arrow Global Group	GB/GBP	1 002 626	10 262	0.6
Bank of Georgia Group	GB/GBP	352 158	43 384	2.4
Beazley	GB/GBP	961 991	45 411	2.5
Corestate Capital Holding	LU/EUR	150 998	28 366	1.6
Georgia Capital	GB/GBP	157 215	8 417	0.5
Grenke	DE/EUR	99 085	71 098	4.0
Sabre Insurance Group	GB/GBP	1 754 076	53 316	3.0
Sbanken	NO/NOK	209 246	12 590	0.7
SpareBank 1 Nord-Norge	NO/NOK	493 832	29 618	1.7
			<b>302 463</b>	<b>16.9</b>
<b>HEALTH CARE</b>				
Dermapharm Holding SE	DE/EUR	61 573	28 521	1.6
LNA Santé	FR/EUR	137 075	68 104	3.8
Medios	DE/EUR	210 502	84 549	4.7
Nexus	DE/EUR	136 139	55 678	3.1
Tecan Group	CH/CHF	18 948	62 414	3.5
Terveystalo	FI/EUR	688 268	63 065	3.5
Össur	IS/DKK	739 718	45 609	2.5
			<b>407 941</b>	<b>22.8</b>
<b>INDUSTRIALS</b>				
Aalberts Industries	NL/EUR	134 919	41 194	2.3
Biffa	GB/GBP	2 067 750	47 852	2.7
Dürr	DE/EUR	189 688	46 031	2.6
Ima	IT/EUR	88 709	49 641	2.8
Interpump Group	IT/EUR	309 402	85 567	4.8
Inwido	SE/SEK	554 024	35 679	2.0
John Menzies Plc	GB/GBP	175 846	2 527	0.1
LU-VE	IT/EUR	240 648	30 961	1.7
Rotork	GB/GBP	897 175	28 923	1.6
TKH Group	NL/EUR	202 182	74 187	4.1
Volution Group	GB/GBP	3 512 416	75 219	4.2
			<b>517 781</b>	<b>28.9</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>INFORMATION TECHNOLOGY</b>				
Crayon Group Holding	NO/NOK	150 000	9 040	0.5
Northern Data	DE/EUR	9 466	7 268	0.4
SimCorp	DK/DKK	48 057	48 150	2.7
			<b>64 457</b>	<b>3.6</b>
<b>CONSUMER DISCRETIONARY</b>				
Brembo	IT/EUR	96 156	8 272	0.5
Forbo Holding	CH/CHF	3 315	44 641	2.5
SATS	NO/NOK	1 005 837	18 940	1.1
Thule	SE/SEK	109 658	25 792	1.4
			<b>97 646</b>	<b>5.5</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA</b>			<b>1 540 323</b>	<b>86.0</b>

## TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC

### FINANCIALS

Aurelius Equity Opportunities SE & Co KGaA	DE/EUR	54 645	8 408	0.5
			<b>8 408</b>	<b>0.5</b>

### COMMUNICATION SERVICES

Sumo Group Plc	GB/GBP	1 521 163	33 276	1.9
			<b>33 276</b>	<b>1.9</b>

### INFORMATION TECHNOLOGY

Datagroup SE	DE/EUR	48 106	26 870	1.5
Keywords Studios Plc	GB/GBP	269 175	56 157	3.1
Solutions 30 SE	LU/EUR	483 753	64 565	3.6
Strix Group	IM/GBP	531 657	11 802	0.7
			<b>159 393</b>	<b>8.9</b>

### INDUSTRIALS

Somero Enterprises	US/GBP	724 723	17 815	1.0
			<b>17 815</b>	<b>1.0</b>

## TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC

<b>TOTAL FINANCIAL INSTRUMENTS</b>	<b>1 759 215</b>	<b>98.2</b>
Other assets and liabilities, net	31 431	1.8
<b>TOTAL NET ASSET</b>	<b>1 790 646</b>	<b>100.0</b>

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Komplet** is an actively managed fund-of-funds, which invests in a selection of Lannebo's equity and fixed income funds. Lannebo Komplet can invest a maximum of 20 per cent of its assets in a single fund, and invests primarily in funds managed by Lannebo. The fund's maximum allocation in equities shall not exceed 60 per cent of the fund assets; the fund can invest 100 percent of the asset in fixed income; while a maximum allocation of 30 per cent can be invested in special funds.

## The fund's performance

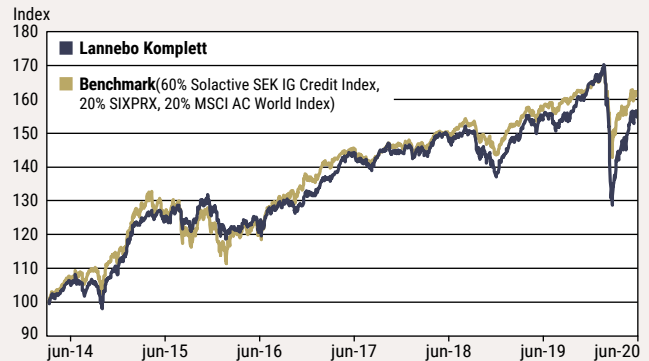
**Assets under management** decreased from SEK 102 m at the beginning of 2020 to SEK 96 m at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 193 k. Lannebo Komplet decreased by 5.5 per cent during the period. The benchmark index decreased by 1.0 per cent. The Swedish equity market (SIX-PRX) decreased by 4.1 per cent during the period.

*Benchmark index was before 01/06/20 a weighted index consisting of 60 % NOMX Credit SEK TR Index, 20 % SIXPRX och 20 % MSCI AC World Index. Benchmark index was before 07/04/17 a weighted index consisting of 45 % SIXPRX, 30 % MSCI World och 25 % NOMX Credit SEK TR Index.*

**-5.5%**  
year-to-date

**+9.4%**  
during the recommended three-year investment horizon

## Performance 17/03/14– 30/06/20



## Management report

**At the beginning of 2020**, the allocation to equity funds amounted to 52 per cent of assets, while the remaining 48 per cent was invested in fixed income funds and liquid assets. The corona crisis marked the stock market's development during the period. Following sharp market declines subsequent to country after country shutting its economies down, the market recovered substantial ground in Q2 when the decline was met by record-breaking stimuli from central banks and governments. The corporate bond market was also hard hit with falling corporate bond prices across the entire risk curve; the market recovered at the end of the period, but many bonds were still trading at low levels. The allocation to equity funds was gradually reduced in 2020 by 4 percentage points from the peak of 57 per cent, to 53 per cent of the fund's total assets. The share of fixed income funds and liquidity at the end of the period was 47 per cent, where the majority was in corporate bond funds with short durations in order to protect the fund against rising interest rates.

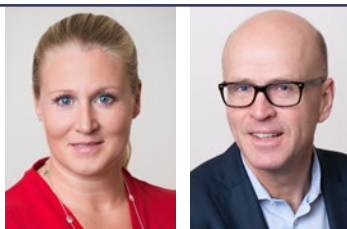
**Equity fund holdings** were mixed, where the two sector funds, Lannebo Teknik and Lannebo Teknik Småbolag, contributed positively to the fund's performance. Lannebo Teknik increased by 17.6 per cent, while the fund's benchmark index, (MSCI World IT 10/40 Net TR), rose by 11.6 per cent. Lannebo Teknik is an actively managed equity fund that invests globally

in growth industries but with an emphasis on the US. Lannebo Teknik Småbolag, increased 10.2 per cent while the fund's benchmark index (MSCI World Small Cap Information Technology Index) increased by 1.6 per cent. Lannebo Teknik Småbolag is an actively managed equity fund that invests in technology-driven growth companies in the global market with a market capitalization below \$ 5.2 bn. Shares in technology-driven growth companies have benefited from the corona crisis. Lannebo High Yield and Lannebo Corporate Bond, both of which mainly invest in the Nordic credit market, fell by 8.9 and 4.5 per cent respectively. The poorest performing equity funds during the period, compared with their benchmark index, were the Swedish small cap funds, Lannebo Småbolag Select and Lannebo Småbolag, which decreased 14.9 and 9.9 per cent respectively, while the small cap index (CSRSE) fell by 5.4 per cent. At the end of the period, the share of Swedish equity funds was 26 per cent, Nordic equity funds 8 per cent, sector funds 11 per cent, European equity funds 7 per cent, while corporate bond funds and liquid assets accounted for 47 per cent of the fund's assets.

### FUND MANAGERS

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*"Mixed performance from funds held during the period"*



## Major changes during the year

- + **Lannebo Sustainable Corporate Bond** launched on February 18, 2020. The fund invests in green bonds, bonds issued by sustainable companies and companies whose products and services are directly linked to the environmental challenges ahead. The fund invests, like other Lannebo corporate bond funds, in variable rate debt instruments.
- Larger net sales were made in **Lannebo Europa Småbolag**, **Lannebo Småbolag** and **Lannebo High Yield**.

## Top holdings

**Lannebo Corporate Bond** is an actively managed fixed income fund that invests primarily in Nordic corporate bonds, with a focus on Sweden. The fund invests in corporate bonds issued by companies that the managers are well acquainted with, consider to be stable and have appropriate balance sheets.

**Lannebo High Yield** is an actively managed fixed income fund that invests in so-called high-yield bonds in the Nordic market. The fund has the opportunity to invest up to 20 per cent of assets in the rest of Europe.

**Lannebo Sverige Hållbar** is an actively managed equity fund with the objective of investing in companies that contribute to a more sustainable world. The fund invests mainly in the Swedish equity market but can invest up to 10 per cent outside Sweden.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Lannebo Corporate Bond SEK	15 606	16.2
Lannebo High Yield SEK	13 507	14.0
Lannebo Sverige Hållbar A SEK	9 903	10.3
Lannebo Småbolag Select	7 845	8.1
Lannebo Nordic Equities SEK	7 788	8.1

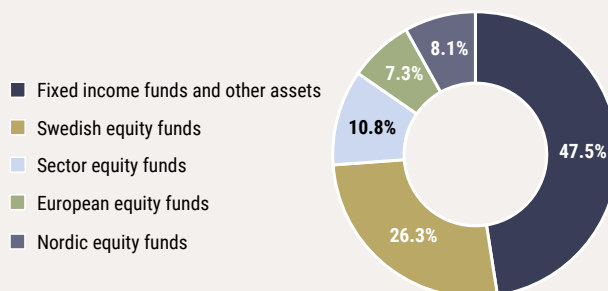
## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

As of June 1, 2020, the fund has a new composite benchmark index consisting of 60 per cent Solactive SEK IG Credit Index, 20 percent SIXPRX and 20 percent MSCI AC World Index. At the end of May Nasdaq closed its credit index family.

The Nordic corporate bond market was impacted over concerns regarding the corona crisis, which caused temporary difficulties in bond valuations. In order to fulfill the fund's regulatory requirements for market valuation, together with the equal treatment and the safeguarding of the interests of all unit holders, the fund company resolved to postpone the sale and redemption of fund units for two days given it was not possible to ensure a reliable valuation of the fund.

## Asset allocation 30/06/20



## MATERIALS RISKS

The fund has the possibility to vary the allocation between equity- and fixed income funds. The fund therefore normally has a lower market risk than, for example, a traditional mutual fund. The risk levels of the underlying equity- and fixed income assets also affect the fund's risk levels.

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund such as this, risk is reduced as a result of the fund invests in underlying funds with varying focus and risk levels, together with ownership in several companies whose share prices do not exhibit exactly the same volatility, which is called diversification. The fund's market risk is further reduced given a portion of the fund's assets is invested in fixed income funds.

The fund's concentration level has a good margin to the permitted level according to the fund rules. At the end of the period, market risk, measured as the standard deviation of the fund's return, was clearly lower than the stock market as a whole measured as SIXPRX.

The risks associated with investments in fixed income funds depend on the interest rate-, credit- and liquidity risks of the fund's holdings. Fixed income funds that invest in securities with medium to long term maturities are more affected by changes in interest rates, which may give rise to a higher interest rate risk.

Credit risk is the risk that the credit quality of any of the issuers deteriorates

or that the issuer becomes insolvent. If the credit rating of the issuer changes for the worse the market value of the holding deteriorates. In the worst case a holding could be deemed worthless should an issuer become insolvent. The fund mitigates this risk by investing in underlying funds that have a good diversification between issuers and issues.

Liquidity risk may be higher in corporate bond funds compared to equity funds. Liquidity may vary due to changes in demand and supply, with the risk that the holdings in corporate bonds may be harder to value or sell as a result of weak demand. Should market liquidity be limited or should market pricing be distorted, larger withdrawals from the fund can mean that holdings are sold at unfavorable prices, and, in exceptional cases, can mean that withdrawals cannot be made immediately upon request. This puts greater demand on managing the fund's liquidity risk in the underlying fixed income funds.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund was deemed managed in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Komplet, reg no 515602-6709

Launch date 17/03/14.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15
Net asset SEK thousands	96 334	102 044	109 331	98 913	251 164	227 171
NAV, SEK	155.61	164.02	138.10	144.02	131.92	128.19
Number of outstanding units, thousands	619	622	792	687	1 904	1 772
Dividend SEK per unit	0.00	0.00	0.00	0.00	0.00	0.00
Annual return, %	-5.5	19.2	-4.1	9.2	2.9	13.9
Benchmark <sup>1</sup> , %	-1.0	13.4	-0.9	7.0	10.2	6.9

### Risk and growth

Standard deviation, %	13.8	7.4	6.2	6.4	9.0	
Standard deviation benchmark, %	7.9	5.5	4.9	5.8	10.7	
Tracking error, %	6.6	2.6	2.2	3.0	3.8	
Sharpe ratio	0.3	1.0	0.5	1.1	1.0	

### Average annual return

24 months, %	2.4	6.9	2.3	6.0	8.3	
5 years, %	4.7	7.9	-	-	-	

### Costs <sup>2</sup>

Management fee, % <sup>3</sup>	1.6	1.6	1.6	1.6	0.2	
Compensation to the custodian, %	0.0	0.0				
Transaction costs, SEK thousands	0	0	0	0	0	
Transaction costs, %	0.0	0.0	0.0	0.0	0.0	
Ongoing charges, % <sup>3</sup>	1.64	1.63	1.62	0.91	1.56	
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0	
Total costs						
– for a single purchase SEK 10 000	167	179	163	41	20	
– for monthly payments SEK 100	11	11	10	3	1	

### Turnover

Turnover ratio	0.2	0.3	0.4	1.3	1.5	
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0					
Trading involving funds managed by Lannebo Fonder, %	0.0					

1) The fund's benchmark index is a weighted index consisting of 60 per cent Solactive SEK IG Credit Index, 20 per cent SIX Portfolio Return Index and 20 per cent MSCI AC World Index. The choice of the comparative is justified in that this composite index reflects the asset allocation of the fund over time. The fund's benchmark index was before 01/06/20 a weighted index consisting of 60 per cent Nasdaq OMX Credit SEK Total Return Index, 20 per cent SIX Portfolio Return Index and 20 per cent MSCI AC World Index. The fund's benchmark index was before 07/04/17 a weighted index consisting of 45 per cent SIX Return Index, 30 per cent MSCI World Index och 25 per cent Nasdaq OMX Credit SEK Total Return Index.

2) Refers to the costs for the last twelve months.

3) The fee structure was changed on 07/04/17 to a 1.6 per cent management fee. The maximum fee that can be charged to the fund is 1.8 per cent per year of the fund's value. Investments in funds managed by Lannebo are discounted in full, which means that fees are not double charged. When investing in funds that are not managed by Lannebo, the following applies: Highest fixed fee for underlying funds is 2.5 per cent; highest performance-based fee for underlying funds is 20 per cent of any excess return relative to the comparative parts.

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Fund units	91 943	99 650
<b>Total financial instruments with a positive market value (note 1)</b>	<b>91 943</b>	<b>99 650</b>
Investment in account with credit institution	3 072	1 002
<b>Total investment with a positive market value</b>	<b>3 072</b>	<b>1 002</b>
Cash and cash equivalents	1 445	1 531
<b>Total assets</b>	<b>96 460</b>	<b>102 183</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-126	-139
<b>Total liabilities</b>	<b>-126</b>	<b>-139</b>
<b>Total net asset (note 2)</b>	<b>96 334</b>	<b>102 044</b>

Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>102 044</b>	<b>109 331</b>
Unit issue	15 448	23 537
Unit redemption	-15 641	-49 407
Net result according to income statement	-5 517	18 583
<b>Net asset at the end of the period</b>	<b>96 334</b>	<b>102 044</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>OTHER FINANCIAL INSTRUMENTS</b>				
<b>EQUITY FUNDS</b>				
Lannebo Europe Small Cap A SEK	SE/SEK	642 852	7 020	7.3
Lannebo Nordic Equities SEK	SE/SEK	66 323	7 788	8.1
Lannebo Småbolag SEK	SE/SEK	66 168	7 595	7.9
Lannebo Småbolag Select	SE/SEK	10 191	7 845	8.1
Lannebo Sverige Hållbar A SEK	SE/SEK	5 697	9 903	10.3
Lannebo Teknik	SE/SEK	441 666	5 256	5.5
Lannebo Teknik Småbolag	SE/SEK	44 427	5 142	5.3
			<b>50 548</b>	<b>52.5</b>
<b>FIXED INCOME FUNDS</b>				
Lannebo Corporate Bond SEK	SE/SEK	134 918	15 606	16.2
Lannebo High Yield SEK	SE/SEK	123 487	13 507	14.0
Lannebo Likviditetsfond SEK	SE/SEK	59 014	6 769	7.0
Lannebo Sustainable Corporate Bond	SE/SEK	55 817	5 512	5.7
			<b>41 394</b>	<b>43.0</b>
<b>TOTAL OTHER FINANCIAL INSTRUMENTS</b>			<b>91 943</b>	<b>95.4</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>			<b>91 943</b>	<b>95.4</b>
Other assets and liabilities, net			4 391	4.6
<b>TOTAL NET ASSET</b>			<b>96 334</b>	<b>100.0</b>
<b>TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES</b>				
Lannebo Fonder				95.4

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Mixfond** is an actively managed balanced fund that invests in equities and fixed-income securities. The fund may invest up to 100 per cent of the fund's assets in either equities or fixed-income securities. The fund primarily invests in Sweden, but has global investment opportunities.

## The fund's performance

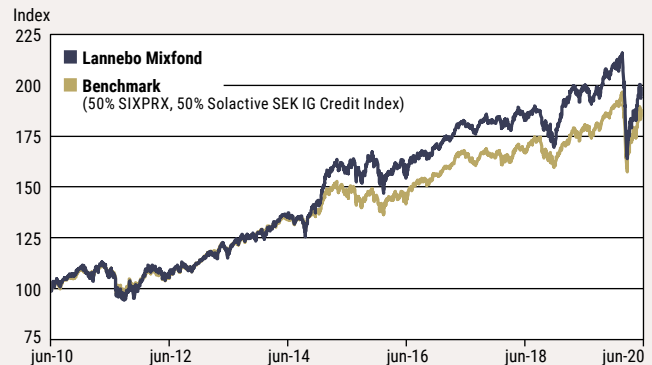
**Assets under management** decreased from SEK 11 bn at the beginning of 2020 to SEK 9.7 bn at the end of June 2020. The net of inflows and outflows during the period amounted to SEK 671 m. Lannebo Mixfond decreased by 5.7 per cent during the period. The benchmark index decreased by 1.1 per cent. The Swedish equity market (SIXPRX) decreased by 4.1 per cent.

*Benchmark index was before 01/06/20 a weighted index consisting of 50 % SIXPRX and 50 % NOMX Credit SEK TR Index. Benchmark index was before 04/01/16 a weighted index consisting of 50 % SIXPRX and 50 % OMRX T-bill index.*

**-5.7%**  
year-to-date

**+9.2%**  
during the recommended three-year investment horizon

## Performance 30/06/10 – 30/06/20



## Management report

**Equities accounted for 66 per cent** of the fund's assets at the beginning of 2020. The stock market started the year strong and by mid-February had increased by almost 10 per cent; at that point, the allocation to equities was reduced to 55 per cent. The equity allocation was reduced for two reasons: share price valuations were high and uncertainties regarding the coronavirus' effects on the global economy. The closure of Wuhan Province in China had begun at this point. In hindsight, the allocation to equities should have been reduced much more. During March, the equity allocation was decreased by an additional 5 percentage points. Since then, the allocation to equities has been gradually increased and was 56 per cent at the end of the period. Near-term, we continue to see a risk that the equity market will be characterized by a high level of volatility.

**SCA, AstraZeneca and Novo Nordisk** were holdings that contributed most positively to performance. SCA benefited from further re-valuations of the company's forest assets where it was found that the total forest volume was significantly larger than previously estimated. The company also has an exciting investment project in the Obbola mill to increase production capacity of kraftliner. In addition, SCA announced an increase in pulp prices. Sales of pharmaceutical company AstraZeneca were positively affected by the pandemic as people stockpiled medicines at the beginning of the outbreak due to concerns over a lack of supply. In addition, during the period the company successfully launched new drugs and reported a successful study for the treatment of unicellular

lung cancer. Danish pharmaceutical company Novo Nordisk reported positive sales and earnings growth during the period. The company also received approval in several markets during the period to market its Rybelsus non-insulin used for the treatment of type 2 diabetes. Novo Nordisk has also conducted clinical trials for the treatment of obesity with good results.

**Pandox, Bonava and Electrolux** were holdings that contributed most negatively to performance. Pandox is primarily an owner of hotel properties, but also operates some hotels itself. Reduced travel, both within and between countries, led to a sharp reduction in hotel occupancy rates. This negatively affected Pandox as the company's revenues are, to some extent, based on the hotel operators' turnover, which in turn led to a poor share price development. Housing developer Bonava's share price was weak over concerns that demand for newly produced homes would decrease; operating performance was also weak. Already at the end of February, Electrolux flagged for adverse consequences due to the corona-virus' outbreak when the company suffered from delivery delays due to closed Chinese factories. The company has also been negatively affected by production shutdowns in Italy.

## FUND MANAGERS

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*"Pharmaceutical companies  
show **resilience**"*



## Major changes during the year

- Housing developer **JM**'s share price, like Bonava's, decreased. The company has previously experienced crisis and has emerged stronger. As in the past, JM continued the start of new projects guaranteeing future profits, while other housing developers halted new initiatives.
- The investment in **Essity** was made at the end of the period when the company's share price practically stood still during the stock market's recovery. The increased importance of hygiene and cleanliness during the pandemic will likely remain going forward.
- Norwegian construction company **Veidekke** had a low valuation, a potential for profit margin improvement and a housing development business area that would either be divested or spun off to shareholders. In June, it was announced that the sale was complete, and Veidekke would then be a pure construction company.
- The largest net sales were made in **Investor**, **Alfa Laval** and **Elektro**. The sale in Investor was made when the discount to NAV was at low levels. The pandemic caused a fall in the demand for oil resulting in sharply lower oil prices. Alfa Laval is to some extent dependent on investments in the oil industry and investments will decrease given current oil prices. As a result, the entire Alfa Laval holding was divested. Elektro experienced difficulties in transforming its order book to profits. In addition, the CEO has recently resigned causing some turbulence during a period when the company is in need of stability.

## Top holdings

Danish **Novo Nordisk** is a leading global pharmaceutical company with the broadest product range of diabetes treatments. The company also has products for the treatment of hemophilia and obesity. Novo Nordisk has over 40,000 employees, of which approximately 8,000 within R&D. Products are marketed in over 170 countries.

**AstraZeneca** is focused on treatments for cardiovascular diseases, cancer and respiratory illnesses. AstraZeneca is research-intensive with annual R&D investments of around SEK 40 bn. Research is primarily conducted in Sweden, the United Kingdom and the United States. In 2020, AstraZeneca attracted attention as one of the companies at the forefront of developing a coronavirus vaccine.

Danish **GN Store Nord** has two business areas: manufacturing of hearing aids and manufacturing of audiological equipment accessories for the telecommunications sector, such as headsets and speakers for teleconferencing. The company has 6,500 employees and products are sold in 100 countries.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Novo Nordisk B	391 117	4.0
AstraZeneca	366 750	3.8
GN Store Nord	309 382	3.2
Bravida	304 551	3.1
Sandvik	278 560	2.9

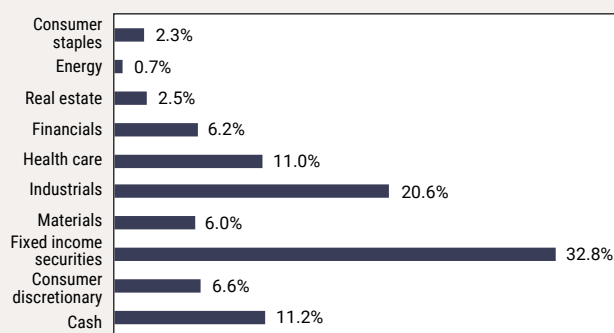
## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

As of June 1, 2020, the fund has a new composite benchmark index consisting of 50 per cent SIXPRX and 50 per cent Solactive SEK IG Credit Index. At the end of May Nasdaq closed its credit index family.

The Nordic corporate bond market was impacted over concerns regarding the corona crisis, which caused temporary difficulties in bond valuations. In order to fulfill the fund's regulatory requirements for market valuation, together with the equal treatment and the safeguarding of the interests of all unit holders, the fund company resolved to postpone the sale and redemption of fund units for two days given it was not possible to ensure a reliable valuation of the fund.

## Sector allocation 30/06/20



## MATERIALS RISKS

The fund has the option of varying the proportion of investments in equities and in fixed income assets. As a result, the fund normally has a lower market risk than a traditional equity fund. The fund's market risk is primarily related to the price fluctuations associated with shares, while investments in fixed income assets increase the fund's credit and interest-rate risk. Therefore, the allocation between equities and fixed income assets has a large impact on the fund's risk exposure.

Market risk in the fund's equity investments is reduced as a result of the fund holds a variety of different issuers whose prices do not move in exactly the same way; this is known as diversification. The fund's concentration level has a very good margin to the permitted level according to the fund statutes. The portfolio has a good diversification effect. At the end of the period, market risk, measured as the standard deviation for the fund's return, was clearly below the stock market as a whole, measured as SIXPRX.

The greatest risk associated with the fund's fixed income assets is that the credit quality of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of an issuer changes for the worse the market value of the holding will decrease. In the worst case a holding could be deemed worthless should an issuer become insolvent. The fund invests in corporate bonds with higher credit ratings, also called investment grade, and in bonds with lower credit ratings than investment grade or that lack a credit rating. The fund mitigates this risk by having a good diversification between issuers and issues.

Liquidity risk may be higher than in funds that only invest in financial instruments issued by companies with assessed high creditworthiness. Liquidity may vary due to changes in demand and supply, with the risk that the holdings in corporate bonds may be harder to value or sell as

a result of weak demand. In the event of limited liquidity or distorted market pricing, larger withdrawals from the fund may mean that holdings need to be sold at unfavorable prices, and in exceptional cases mean that withdrawals cannot take place immediately upon request. This puts greater demand on managing the fund's liquidity risk.

The fund's interest rate risk may be higher as the fund can invest in securities with longer maturities, which could mean greater volatility than in a money market fund. The interest rate duration of the fund is less than one year, while credit duration is less than five years.

In addition to Swedish transferable securities, Lannebo Mixfond can invest in foreign financial instruments. Currency derivatives are used to manage the fund's currency risk in interest-bearing holdings; foreign equity holdings are not hedged. The currency exposure of the fund at the end of the period was 18 per cent and related to equity exposure in holdings denominated in Danish and Norwegian kroner, in addition to Finnish holdings denominated in Euro. Currency exposure at mid-year had a slight positive diversification effect for the portfolio.

The fund has not made use of, and does not intend to use, the opportunity to invest more than 35 per cent of its value in debt securities issued or guaranteed by a state, municipality or equivalent in an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund has been managed in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Mixfond, reg no 504400-7911

Launch date 04/08/00.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Net asset SEK thousands	9 678 674	11 013 763	8 857 858	9 647 719	8 085 548	7 058 303	5 497 466	4 555 250	3 010 531	2 061 723
NAV, SEK	24.93	26.44	21.66	22.97	21.59	20.70	18.04	16.15	14.23	13.16
Number of outstanding units, thousands	388 213	416 591	409 035	419 927	374 576	340 996	304 807	282 092	211 636	156 612
Dividend SEK per unit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.25	0.07
Annual return, %	-5.7	22.1	-5.7	6.4	4.3	14.7	11.7	13.5	10.0	-6.7
SIX Portfolio Return Index <sup>1</sup> , %	-4.1	35.0	-4.4	9.5	9.6	10.5	15.9	28.0	16.7	-13.6
Solactive SEK IG Credit Index <sup>1</sup> , %	0.5 <sup>2</sup>	1.4	0.0	1.3	3.0	-0.3	0.5	0.9	1.2	1.6
Benchmark <sup>1</sup> , %	-1.1	17.2	-2.0	5.4	6.8	5.4	8.1	13.8	9.1	-5.4

### Risk and growth

Standard deviation, %	13.0	9.0	6.2	6.8	9.6
Totalrisk jmf index <sup>1</sup> , %	10.0	7.0	5.7	5.2	7.6
Tracking error, %	4.4	3.7	2.5	3.2	3.7
Sharpe ratio	0.3	0.9	0.2	0.9	1.0

### Average annual return

24 months, %	3.0	7.3	0.2	5.4	9.4
5 years, %	4.7	7.9	6.0	10.1	10.8

### Costs<sup>3</sup>

Management fee, %	1.6	1.6	1.6	1.6	1.6
Compensation to the custodian, %	0.0	0.0			
Transaction costs <sup>4</sup> , SEK thousands	6 927	7 034	8 171	8 156	5 842
Transaction costs, %	0.0	0.0	0.0	0.1	0.0
Research costs <sup>4</sup> , SEK thousands	3 224	3 209	3 021	3 724	4 092
Research costs, %	0.0	0.0	0.0	0.0	0.0
Ongoing charges, %	1.64	1.63	1.63	1.64	1.66
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
– for a single purchase SEK 10 000	169	183	161	157	158
– for monthly payments SEK 100	11	11	10	11	11

### Turnover

Turnover ratio	0.8	0.9	1.0	0.8	0.8
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### Purchases and sales of financial

#### instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.0

1) The choice of benchmark (50 per cent SIX Portfolio Return Index, 50 percent Solactive SEK IG Credit Index) is justified by the fact that this composite index reflects the asset allocation the fund has over time. The SIX Portfolio Return Index takes account of the return the shareholders receive in the form of a dividend. The fund's benchmark index was before 01/06/20 a weighted index consisting of 50 per cent SIX Portfolio Return Index and 50 per cent Nasdaq OMX Credit SEK Total Return Index. The fund's benchmark index was before 04/01/16 a weighted index consisting of 50 per cent SIX Portfolio Return Index and 50 per cent OMRX T-bill index.

2) Refers to the period 01/06/20 – 30/06/20. The performance before 01/06/20 refers to Nasdaq OMX Credit SEK Total Return Index.

3) Refers to the costs for the last twelve months.

4) Research costs have previously been a component of transaction costs but as of January 1, 2015 research costs have been separated from transaction costs and are presented on a separate line.

# LANNEBO MIXFOND

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	8 591 308	10 490 331
OTC-derivatives with a positive market value	289	671
<b>Total financial instruments with a positive market value (note 1)</b>	<b>8 591 597</b>	<b>10 491 002</b>
Investment in account with credit institution	963 259	372 329
<b>Total investment with a positive market value</b>	<b>9 554 856</b>	<b>10 863 331</b>
Cash and cash equivalents	145 180	165 206
Prepaid expenses and accrued income	11 318	10 444
Other assets	17 680	960
<b>Total assets</b>	<b>9 729 034</b>	<b>11 039 941</b>
<b>Liabilities</b>		
OTC-derivatives with a negative market value	0	-1 494
<b>Total financial instruments with a negative market value</b>	<b>0</b>	<b>-1 494</b>
Accrued expenses and deferred income	-12 833	-14 956
Other liabilities	-37 527	-9 728
<b>Total liabilities</b>	<b>-50 360</b>	<b>-26 178</b>
<b>Total net asset (note 2)</b>	<b>9 678 674</b>	<b>11 013 763</b>
<b>Memorandum</b>		
Collateral received for OTC-derivatives	460	-
% of total net asset	0.0	-
Pledged assets for OTC-derivatives	-	960
% of total net asset	-	0.0

Not 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>11 013 763</b>	<b>8 857 858</b>
Unit issue	417 742	1 348 516
Unit redemption	-1 089 055	-1 156 043
Net result according to income statement	-663 776	1 963 432
<b>Net asset at the end of the period</b>	<b>9 678 674</b>	<b>11 013 763</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA</b>				
<b>CONSUMER STAPLES</b>				
Essity B	SE/SEK	750 000	225 825	2.3
			<b>225 825</b>	<b>2.3</b>
<b>ENERGY</b>				
Fjordkraft Holding	NO/NOK	928 167	70 501	0.7
			<b>70 501</b>	<b>0.7</b>
<b>REAL ESTATE</b>				
Castellum	SE/SEK	1 100 000	191 455	2.0
Pandox B	SE/SEK	484 036	52 082	0.5
			<b>243 537</b>	<b>2.5</b>
<b>FINANCIALS</b>				
Kinnevik B	SE/SEK	1 000 000	245 100	2.5
Sbanken	NO/NOK	3 460 500	208 214	2.2
Tryg A/S	DK/DKK	550 000	147 977	1.5
			<b>601 291</b>	<b>6.2</b>
<b>HEALTH CARE</b>				
AstraZeneca	GB/SEK	375 000	366 750	3.8
GN Store Nord	DK/DKK	624 737	309 382	3.2
Novo Nordisk B	DK/DKK	650 000	391 117	4.0
			<b>1 067 249</b>	<b>11.0</b>

<b>INDUSTRIALS</b>				
Addtech B	SE/SEK	131 694	49 306	0.5
AFRY B	SE/SEK	1 260 020	252 004	2.6
ASSA ABLOY B	SE/SEK	950 000	179 978	1.9
Atlas Copco B	SE/SEK	471 000	162 307	1.7
Bravida	SE/SEK	3 420 000	304 551	3.1
Sandvik	SE/SEK	1 600 000	278 560	2.9
Skanska B	SE/SEK	255 000	48 323	0.5
Valmet Corporation	FI/EUR	700 000	170 087	1.8
Veidekke	NO/NOK	1 422 229	159 099	1.6

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
Vestas Wind Systems	DK/DKK	263 000	248 913	2.6
Volvo B	SE/SEK	950 000	138 605	1.4
			<b>1 991 732</b>	<b>20.6</b>

<b>MATERIALS</b>				
SCA B	SE/SEK	2 245 000	248 746	2.6
SSAB A	SE/SEK	5 798 000	148 719	1.5
Stora Enso R SEK	FI/SEK	1 650 000	183 728	1.9
			<b>581 192</b>	<b>6.0</b>

<b>CONSUMER DISCRETIONARY</b>				
Electrolux B	SE/SEK	1 050 000	163 590	1.7
JM	SE/SEK	1 189 638	249 467	2.6
Thule	SE/SEK	940 817	221 280	2.3
			<b>634 337</b>	<b>6.6</b>

<b>FLOATING RATE NOTES (FRN)</b>				
Balder FRN240306	SE/SEK	204 000 000	201 653	2.1
Bilia FRN231011	SE/SEK	92 000 000	89 359	0.9
Castellum FRN220901	SE/SEK	100 000 000	100 982	1.0
Castellum FRN221222	SE/SEK	82 000 000	82 013	0.8
Castellum FRN240328	SE/SEK	40 000 000	39 833	0.4
Coor FRN240320	SE/SEK	36 000 000	35 653	0.4
Heimstaden FRN230531	SE/SEK	66 250 000	65 460	0.7
Hemsö Fastighets FRN220307	SE/SEK	100 000 000	100 377	1.0
Hexagon FRN220310	SE/SEK	116 000 000	116 102	1.2
Husqvarna FRN240301	SE/SEK	80 000 000	80 482	0.8
ICA Gruppen FRN230228	SE/SEK	106 000 000	104 743	1.1
Jyske Bank Call FRN210916	DK/SEK	70 000 000	71 833	0.7
Kinnevik FRN250219	SE/SEK	28 000 000	27 328	0.3
Konecranes 1.75% Obl220609	FI/EUR	3 100 000	32 448	0.3
Landshypotek Bank Call FRN210525	SE/SEK	100 000 000	100 989	1.0
Länsförsäkringar Bank Call FRN210426	SE/SEK	30 000 000	30 223	0.3
Länsförsäkringar Bank Call FRN240410	SE/SEK	10 000 000	10 094	0.1
Länsförsäkringar Bank FRN200824	SE/SEK	50 000 000	50 072	0.5
Länsförsäkringar Bank FRN220111	SE/SEK	70 000 000	70 305	0.7
Länsförsäkringar FRN201229	SE/SEK	61 000 000	61 248	0.6
MTG FRN201005	SE/SEK	47 000 000	47 069	0.5
Ocean Yield FRN230525	NO/NOK	57 000 000	52 199	0.5
Resurs Bank FRN201207	SE/SEK	50 000 000	49 855	0.5
Resurs Bank FRN210316	SE/SEK	70 000 000	69 783	0.7
SBAB Bank FRN230424	SE/SEK	150 000 000	150 795	1.6
Scania CV FRN220221	SE/SEK	100 000 000	97 791	1.0
Scania CV FRN220328	SE/SEK	150 000 000	147 017	1.5
SFF Green Bond FRN220220	SE/SEK	123 000 000	123 306	1.3
Telia Company Call FRN221004	SE/SEK	143 000 000	145 179	1.5
Vattenfall Call FRN220319	SE/SEK	86 550 000	87 162	0.9
Volvo Treasury FRN210212	SE/SEK	91 000 000	90 973	0.9
Volvo Treasury FRN230406	SE/SEK	100 000 000	98 500	1.0
Wihlborgs FRN210308	SE/SEK	146 000 000	145 335	1.5
			<b>2 776 158</b>	<b>28.7</b>

<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA</b>	<b>8 191 822</b>	<b>84.6</b>
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## OTHER FINANCIAL INSTRUMENTS\*

<b>MONEY MARKET INSTRUMENTS – COMMERCIAL PAPERS</b>				
Hemsö Fastighets FC200706	SE/SEK	50 000 000	49 997	0.5
Hexagon FC200806	SE/SEK	100 000 000	99 890	1.0
Intrum FC200727	SE/SEK	100 000 000	99 899	1.0
NENT FC200922	SE/SEK	100 000 000	99 732	1.0
SCA FC200818	SE/SEK	50 000 000	49 967	0.5
			<b>399 486</b>	<b>4.1</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>CURRENCY FUTURES/OTC-DERIVATIVES</b>				
EUR/SEK H200929	SE/EUR	-3 320 718	51	0.0
NOK/SEK H200929	SE/NOK	-58 681 308	238	0.0
			<b>289</b>	<b>0.0</b>
<b>TOTAL OTHER FINANCIAL INSTRUMENTS</b>			<b>399 775</b>	<b>4.1</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>			<b>8 591 597</b>	<b>88.8</b>
Other assets and liabilities, net			1 087 077	11.2
<b>TOTAL NET ASSET</b>			<b>9 678 674</b>	<b>100.0</b>

\* According to legislation, the money-market instruments specified under the heading *Other Financial Instruments* are either those which, referred to in Chapter 5 § 4 of the LIF, have a privileged position and have an equal status to holdings admitted to trading on a regulated market or an equivalent market outside the EEA or subject to regular trading in some other market that is regulated and open to the general public. This mainly involves instruments issued by governments or authorities and also certain companies and institutions or those referred to in Chapter 5 § 5 of the LIF. According to the Swedish Financial Supervisory Authority, such holdings are to be reported separately.

#### TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES

Castellum	4.3
Volvo	3.4
SCA	3.1
Kinnevik	2.8
Hemsö Fastighets	1.6
Nordic Entertainment Group	1.5

#### Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

#### Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.





Charlotta Faxén manages Lannebo Mixfond together with Peter Lagerlöf.

**Lannebo Mixfond Offensiv** is an actively managed balanced fund that invests in equities and fixed-income securities. 50–100 per cent of the fund's assets are invested in equities. Investment in fixed-income securities may not exceed 50 per cent of the fund's assets. At least 50 per cent of the fund's assets will over time be invested in Sweden. The rest of the fund's asset may be invested globally.

## The fund's performance

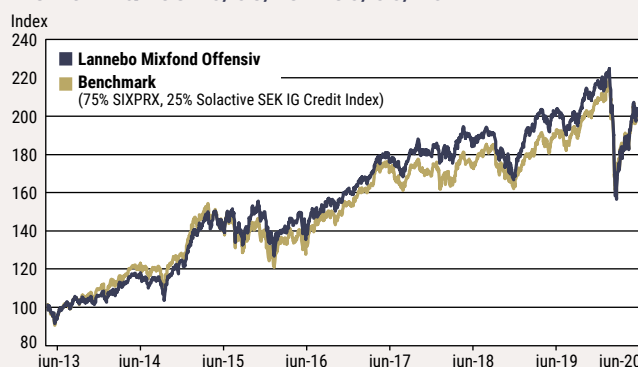
**Assets under management** decreased from SEK 1.6 bn at the beginning of the year to SEK 1.4 bn at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 88 m. Lannebo Mixfond Offensiv decreased 6.3 per cent during the period, while the benchmark index decreased 2.4 per cent. The Stockholm Stock Exchange, measured as SIXPRX, decreased 4.1 per cent.

*Benchmark index was before 01/06/20 a weighted index consisting of 75 % SIXPRX and 25 % NOMX Credit SEK TR Index. Benchmark index was before 01/06/18 SIXRX.*

**-6.3%**  
year-to-date

**+43.7%**  
during the recommended five-year investment horizon

## Performance 16/05/13 – 30/06/20



## Management report

**Equities accounted for 85 per cent** of the fund's assets at the beginning of 2020. The stock market started the year strong and increased by almost 10 per cent by mid-February; at that point, the allocation to equities was reduced to 72 per cent. The equity allocation was reduced for two reasons: share price valuations were high and uncertainty with regard to the coronavirus' effects on the global economy. The closure of Wuhan Province in China had begun at this point. In hindsight, the allocation to equities should have been reduced much more. During March, the equity allocation was further reduced. Since then, the allocation to equities has been gradually increased and was 79 per cent at the end of the period. Near-term, we continue to see a risk that the equity market will be characterized by a high level of volatility.

**SCA, AstraZeneca and Novo Nordisk** were holdings that contributed most positively to performance. SCA benefited from further re-valuations of the company's forest assets where it was found that the total forest volume was significantly larger than previously estimated. The company also has an exciting investment project in the Obbola mill to increase production capacity of kraftliner. In addition, SCA announced an increase in pulp prices. Sales of pharmaceutical company AstraZeneca were positively affected by the pandemic as people stockpiled medicines at the beginning of the outbreak due to concerns over a lack of supply.

In addition, during the period the company successfully launched new drugs and reported a successful study for the treatment of unicellular lung cancer. Danish pharmaceutical company Novo Nordisk reported positive sales and earnings growth during the period. The company also received approval in several markets during the period to market its Rybelsus non-insulin used for the treatment of type 2 diabetes. Novo Nordisk has also conducted clinical trials for the treatment of obesity with good results.

**Pandox, Bonava and Electrolux** were holdings that contributed most negatively to performance. Pandox is primarily an owner of hotel properties, but also operates some hotels itself. Reduced travel, both within and between countries, led to a sharp reduction in hotel occupancy rates. This negatively affected Pandox as the company's revenues are, to some extent, based on the hotel operators' turnover, which in turn led to a poor share price development. Housing developer Bonava's share price was weak over concerns that demand for newly produced homes would decrease; operating performance was also weak. Already at the end of February, Electrolux flagged for adverse consequences due to the corona-virus' outbreak when the company suffered from delivery delays due to closed Chinese factories. The company has also been negatively affected by production shutdowns in Italy.

## FUND MANAGERS

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*"Pharmaceutical companies **indicate positive results** in research studies"*



## Major changes during the year

- Housing developer **JM**'s share price, like Bonava's, decreased. The company has previously experienced crisis and has emerged stronger. As in the past, JM continued the start of new projects guaranteeing future profits, while other housing developers halted new initiatives.
- The investment in **Essity** was made at the end of the period when the company's share price practically stood still during the stock market's recovery. The increased importance of hygiene and cleanliness during the pandemic will likely remain going forward.
- Norwegian construction company **Veidekke** had a low valuation, a potential for profit margin improvement and a housing development business area that would either be divested or spun off to shareholders. In June, it was announced that the sale was complete, and Veidekke would then be a pure construction company.
- The largest net sales were made in **Investor**, **Alfa Laval** and **Elektro**. The sale in Investor was made when the discount to NAV was at low levels. The pandemic caused a fall in the demand for oil resulting in sharply lower oil prices. Alfa Laval is to some extent dependent on investments in the oil industry and given current oil prices investments will decrease. As a result, the entire Alfa Laval holding was divested. Elektro experienced difficulties in transforming its order book to profits. In addition, the CEO has recently resigned causing some turbulence during a period when the company is in need of stability.

## Top holdings

Danish **Novo Nordisk** is a leading global pharmaceutical company with the broadest product range of diabetes treatments. The company also has products for the treatment of hemophilia and obesity. Novo Nordisk has over 40,000 employees, of which approximately 8,000 within R&D. Products are marketed in over 170 countries.

**AstraZeneca** is focused on treatments for cardiovascular diseases, cancer and respiratory illnesses. AstraZeneca is research-intensive with annual R&D investments of around SEK 40 bn. Research is primarily conducted in Sweden, the United Kingdom and the United States. In 2020, AstraZeneca attracted attention as one of the companies at the forefront of developing a coronavirus vaccine.

Danish **GN Store Nord** has two business areas: manufacturing of hearing aids and manufacturing of audiological equipment accessories for the telecommunications sector, such as headsets and speakers for tele-conferencing. The company has 6,500 employees and products are sold in 100 countries.

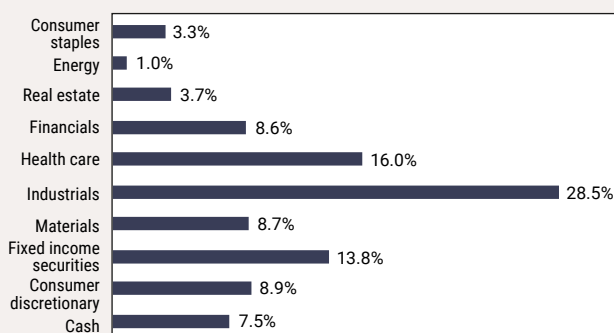
TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Novo Nordisk B	84 241	6.0
AstraZeneca	76 284	5.4
GN Store Nord	64 379	4.6
Sandvik	57 453	4.1
Bravida	55 211	3.9

## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuels. More information is available on the Lannebo Fonder home page.

As of June 1, 2020, the fund has a new composite benchmark index consisting of 75 per cent SIXPRX and 25 per cent Solactive SEK IG Credit Index. At the end of May Nasdaq closed its credit index family.

## Sector allocation 30/06/20



## MATERIALS RISKS

The fund has the option of varying the proportion of investments in equities and in fixed income assets. The fund's market risk is primarily related to the price fluctuations associated with shares, while investments in fixed income assets increase the fund's credit- and interest-rate risk. Therefore, the allocation between equities and fixed income assets has a large impact on the fund's risk exposure.

Market risk in the fund's equity investments is reduced as a result of the fund holds a variety of different issuers whose prices do not move in exactly the same way; this is known as diversification. The fund's concentration level has a very good margin to the permitted level according to the fund statutes. The portfolio has a very good diversification effect. At the end of the period, market risk, measured as the standard deviation for the fund's return, was clearly below the stock market as a whole measured as SIXPRX.

The greatest risk associated with the fund's fixed income assets is that the credit quality of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of an issuer changes for the worse the market value of the holding will decrease. In the worst case a holding could be deemed worthless should an issuer become insolvent. The fund invests in corporate bonds with high credit ratings, also called investment grade, and in bonds with lower credit ratings than investment grade or that lack a credit rating. The fund mitigates this risk by having a good diversification between issuers and issues.

Liquidity risk may be higher than in funds that only invest in financial instruments issued by companies with assessed high creditworthiness. Liquidity may vary due to changes in demand and supply, with the risk that the holdings in corporate bonds may be harder to value or sell as

a result of weak demand. Should market liquidity be limited or should market pricing be distorted, larger withdrawals from the fund can mean that holdings are sold at unfavorable prices, and, in exceptional cases, can mean that withdrawals cannot be made immediately upon request. This puts greater demand on managing the fund's liquidity risk.

The fund's interest rate risk may be higher as the fund can invest in securities with longer maturities, which could mean greater volatility than in a money market fund. The interest rate duration of the fund is less than one year, while credit duration is less than five years.

In addition to Swedish transferable securities, Lannebo Mixfond Offensiv can invest in foreign financial instruments. Currency derivatives are used to manage the fund's currency risk in interest-bearing holdings; foreign equity holdings are not hedged. The currency exposure of the fund at the end of the period was 25 per cent and related to exposure in holdings denominated in Danish and Norwegian kroner, in addition to Finnish holdings denominated in Euro. The risk associated with the currency exposure is low.

The fund has not made use of and does not intend to use the opportunity to invest more than 35 per cent of its value in debt securities issued or guaranteed by a state, municipality or equivalent in an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund has been managed in accordance with the fund's risk profile during the period.

# LANNEBO MIXFOND OFFENSIV

## Fund facts Lannebo Mixfond Offensiv, reg no 515602-6097

Launch date 16/05/13.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13
Net asset SEK thousands	1 407 755	1 599 260	1 327 111	1 494 824	1 426 906	1 415 647	1 285 755	1 298 753
NAV, SEK	202.30	215.99	168.81	179.52	161.57	149.96	123.77	106.48
Number of outstanding units, thousands	6 959	7 404	7 862	8 327	8 832	9 440	10 388	12 197
Dividend SEK per unit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual return, %	-6.3	27.9	-6.0	11.1	7.7	21.2	16.2	6.5
SIX Portfolio Return Index <sup>1</sup> , %	-4.1	35.0	-4.4	9.5	9.6	10.5	15.9	28.0
Solactive SEK IG Credit Index <sup>1</sup> , %	0.5 <sup>2</sup>	1.4	0.0	1.3	3.0	-0.3	0.5	0.9
Benchmark <sup>1</sup> , %	-2.4	25.9	-2.5	9.5	9.6	10.4	15.8	9.8

### Risk and growth

Standard deviation, %	16.8	11.7	9.8	11.8	15.4
Standard deviation benchmark, %	14.5	10.7	9.9	10.6	14.9
Tracking error, %	5.0	5.1	4.9	4.4	4.5
Sharpe ratio	0.3	0.9	0.4	0.9	1.0

### Average annual return

24 months, %	3.5	9.7	2.2	9.4	14.3
5 years, %	7.7	11.8	9.7	-	-

### Costs<sup>3</sup>

Management fee, %	1.6	1.6	1.6	1.6	1.6
Compensation to the custodian, %	0.0	0.0	0.0		
Transaction costs <sup>4</sup> , SEK thousands	1 377	1 284	1 968	2 129	1 717
Transaction costs, %	0.1	0.0	0.0	0.1	0.1
Research costs <sup>4</sup> , SEK thousands	476	482	302	736	1 038
Research costs, %	0.0	0.0	0.0	0.0	0.0
Ongoing charges, %	1.65	1.65	1.63	1.65	1.68
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
– for a single purchase SEK 10 000	171	189	165	155	157
– for monthly payments SEK 100	11	11	10	11	11

### Turnover

Turnover ratio	0.8	0.9	1.4	1.3	1.1
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.0

1) The choice of benchmark (75 per cent SIX Portfolio Return Index, 25 procent Solactive SEK IG Credit Index) is justified by the fact that this composite index reflects the asset allocation the fund has over time. The SIX Portfolio Return Index takes account of the return the shareholders receive in the form of a dividend. The fund's benchmark index was before 01/06/20 a weighted index consisting of 75 per cent SIX Portfolio Return Index and 25 per cent Nasdaq OMX Credit SEK Total Return Index. The fund's benchmark index was before 01/06/18 SIX Return Index.

2) Refers to the period 01/06/20 – 30/06/20. The performance before 01/06/20 refers to Nasdaq OMX Credit SEK Total Return Index.

3) Refers to the costs for the last twelve months.

4) Research costs have previously been a component of transaction costs but as of January 1, 2015 research costs have been separated from transaction costs and are presented on a separate line.



# LANNEBO MIXFOND OFFENSIV

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	1 301 134	1 511 267
<b>Total financial instruments with a positive market value (note 1)</b>	<b>1 301 134</b>	<b>1 511 267</b>
Investment in account with credit institution	87 411	67 108
<b>Total investment with a positive market value</b>	<b>1 388 545</b>	<b>1 578 375</b>
Cash and cash equivalents	21 116	23 989
Prepaid expenses and accrued income	1 882	1 499
Other assets	2 518	0
<b>Total assets</b>	<b>1 414 061</b>	<b>1 603 863</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-1 871	-2 171
Other liabilities	-4 435	-2 432
<b>Total liabilities</b>	<b>-6 306</b>	<b>-4 603</b>
<b>Total net asset (note 2)</b>	<b>1 407 755</b>	<b>1 599 260</b>

Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>1 599 260</b>	<b>1 327 111</b>
Unit issue	25 290	87 424
Unit redemption	-113 508	-176 995
Net result according to income statement	-103 287	361 720
<b>Net asset at the end of the period</b>	<b>1 407 755</b>	<b>1 599 260</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>CONSUMER STAPLES</b>				
Essity B	SE/SEK	155 000	46 671	3.3
			<b>46 671</b>	<b>3.3</b>
<b>ENERGY</b>				
Fjordkraft Holding	NO/NOK	182 500	13 862	1.0
			<b>13 862</b>	<b>1.0</b>
<b>REAL ESTATE</b>				
Castellum	SE/SEK	235 000	40 902	2.9
Pandox B	SE/SEK	99 162	10 670	0.8
			<b>51 572</b>	<b>3.7</b>
<b>FINANCIALS</b>				
Kinnevik B	SE/SEK	180 000	44 118	3.1
Sbanken	NO/NOK	740 486	44 554	3.2
Tryg A/S	DK/DKK	120 000	32 286	2.3
			<b>120 958</b>	<b>8.6</b>
<b>HEALTH CARE</b>				
AstraZeneca	GB/SEK	78 000	76 284	5.4
GN Store Nord	DK/DKK	130 000	64 379	4.6
Novo Nordisk B	DK/DKK	140 000	84 241	6.0
			<b>224 903</b>	<b>16.0</b>
<b>INDUSTRIALS</b>				
Addtech B	SE/SEK	32 925	12 327	0.9
AFRY B	SE/SEK	240 000	48 000	3.4
ASSA ABLOY B	SE/SEK	196 000	37 132	2.6
Atlas Copco B	SE/SEK	95 000	32 737	2.3
Bravida	SE/SEK	620 000	55 211	3.9
Sandvik	SE/SEK	330 000	57 453	4.1
Skanska B	SE/SEK	52 000	9 854	0.7
Valmet Corporation	FI/EUR	145 000	35 232	2.5
Veidekke	NO/NOK	291 612	32 621	2.3
Vestas Wind Systems	DK/DKK	54 000	51 108	3.6
Volvo B	SE/SEK	200 000	29 180	2.1
			<b>400 856</b>	<b>28.5</b>
<b>MATERIALS</b>				
SCA B	SE/SEK	490 000	54 292	3.9
SSAB A	SE/SEK	1 150 000	29 498	2.1
Stora Enso R SEK	FI/SEK	350 000	38 973	2.8
			<b>122 762</b>	<b>8.7</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>CONSUMER DISCRETIONARY</b>				
Electrolux B	SE/SEK	200 000	31 160	2.2
JM	SE/SEK	253 454	53 149	3.8
Thule	SE/SEK	172 120	40 483	2.9
			<b>124 792</b>	<b>8.9</b>

<b>FLOATING RATE NOTES (FRN)</b>				
Ellevio FRN240228	SE/SEK	25 000 000	25 481	1.8
ICA Gruppen FRN230228	SE/SEK	34 000 000	33 597	2.4
Jyske Bank Call FRN210916	DK/SEK	30 000 000	30 786	2.2
Kinnevik FRN250219	SE/SEK	6 000 000	5 856	0.4
Telia Company Call FRN221004	SE/SEK	39 000 000	39 594	2.8
Volvo Treasury FRN210812	SE/SEK	25 000 000	24 971	1.8
			<b>160 284</b>	<b>11.4</b>

<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>		<b>1 266 659</b>	<b>90.0</b>
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## TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC

<b>FLOATING RATE NOTES (FRN)</b>				
Velliv Call FRN230608	DK/SEK	35 000 000	34 475	2.4
			<b>34 475</b>	<b>2.4</b>

<b>TOTAL OTHER FINANCIAL INSTRUMENTS</b>		<b>34 475</b>	<b>2.4</b>
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<b>TOTAL FINANCIAL INSTRUMENTS</b>		<b>1 301 134</b>	<b>92.4</b>
Other assets and liabilities, net		106 620	7.6
<b>TOTAL NET ASSET</b>		<b>1 407 755</b>	<b>100.0</b>

<b>TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES</b>				
Kinnevik				3.6
Volvo				3.8

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Nordic Equities** is an actively managed fund where the fund manager selects individual stocks of Nordic companies. The portfolio is concentrated around 30 companies, where the managers evaluate the potential for rising profits and increasing dividends over time. The investments can be made in both large- and small caps on all Nordic exchanges in all sectors.

## The fund's performance

**Assets under management** decreased from SEK 101 m at the beginning of the year to SEK 92 m at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 3 m. Lannebo Nordic Equities decreased by 4.9 per cent, while the fund's benchmark index, the VINX Benchmark Cap Index, decreased by 1.8 per cent.

*The fund has two share classes. The return for share class SEK is described under "The fund's performance". Share class SEK C can be found in the fund fact box.*

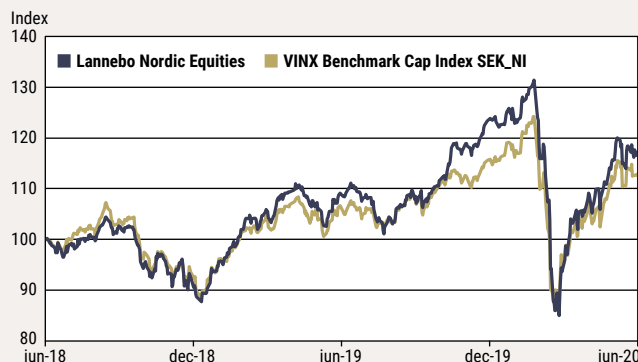
**-4.9%**

year-to-date

**+17.0%**

since launch  
(14/06/18). The  
recommended  
investment horizon is  
five years

## Performance 14/06/18 – 30/06/20



## Management report

**BioGaia, Fjordkraft and SCA** were holdings that contributed most positively to performance.

BioGaia is a global leader in the development of probiotic dietary supplements, which studies have shown are beneficial for intestinal flora. The BioGaia share price performed poorly during the end of 2019 due to production issues at a subcontractor that impacted sales negatively. At the beginning of 2020, the subcontractor regained its production capacity, sales momentum increased and the share price recovered. BioGaia's sales have also benefited from consumers focusing even more on their health during the corona outbreak.

The Norwegian electricity supplier Fjordkraft continued to increase profits at a high pace. The business model, which is, fundamentally, to sell electricity to consumers, saw stable improvements during the first half of the year and the product offering was broadened. In addition to this, the launch of mobile telephony services to existing customers has been successful and the business area has shown high sales growth. The share also benefited from the increased interest in sustainable investments given the electricity is sourced through hydropower.

SCA benefited from further re-valuations of the company's forest assets where it was found that the total forest volume was significantly larger than previously estimated. The company also has an exciting investment project in the Obbola mill to increase production capacity of kraftliner. SCA also announced an increase in pulp prices, which is positive for profit development.

**Pandox, Bonava and SSAB** were holdings that contributed most negatively to performance.

Pandox is primarily an owner of hotel properties, but also operates some hotels itself. Reduced travel, both within and between countries, led to a sharp reduction in hotel occupancy rates, which negatively affected Pandox as the company's revenues are, to some extent, based on the hotel operators' turnover. This led to a poor share price development.

The share price of housing developer Bonava was weak due to concerns that demand for newly produced homes would decrease; operating performance was also weak.

Steel company SSAB was significantly negatively affected by the corona pandemic as reduced demand resulted in falling prices for steel products, which led to a marked decrease in profits. Production capacity was reduced by idling a blast furnace. The company also moved up a maintenance shutdown and reduced other costs.

## FUND MANAGERS

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**Peter Lagerlöf**  
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*"Novo Nordisk achieves new  
research successes"*

## Major changes during the year

- + Norwegian construction company **Veidekke** had a low valuation, potential for a profit margin improvement and a housing development business area that was to be either divested or spun-off to shareholders. In June, it was announced that the sale was complete, and the company would then be a more pure construction company.
- + Norwegian **Fjordkraft** has a strong sustainability profile where the fundamental business is to sell renewable electricity to consumers. The share is undervalued in relation to the company's potential
- + **Balco** produces built-in balconies that provide significant energy savings over a residential property's lifetime. The company's products benefit from an increased focus on sustainability, but the company's future potential is not reflected in the valuation.
- **Europriis** is managing a major transformation as the company moves its logistics centers. The holding was divested over concerns due to delays and issues with the supply of goods.
- The holding in **Data Respons** was divested in connection with the acceptance of French AKKA's offer. Shares in **Royal Unibrew** were highly valued and after a strong price development the holding was sold.

## Top holdings

Danish **Novo Nordisk** is a leading global pharmaceutical company with the broadest range of diabetes treatment products. Over a short period of time, the company has launched two new products for the treatment of type 2 diabetes, which have quickly gained market share and are likely to contribute to positive growth in the coming years. Novo Nordisk also published successful research studies for the treatment of obesity.

Danish **Vestas Wind Systems** is a global market leader in the manufacture and installation of wind turbines. The company currently has installations in 80 countries and more than 25,000 employees. Vestas' installed base will increase as investments in sustainable energy increase. Further, the number of service contracts will increase as the number of installations grows, which will make earnings more stable over time.

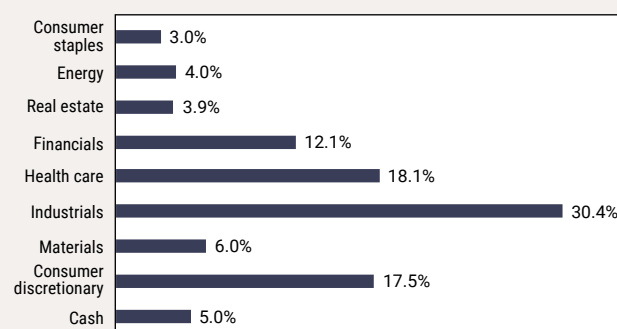
Founded in Finland in 1950, **Harvia** is a larger global player in the sauna and spa industry. The majority of sales are generated in Finland, but products are sold in 85 countries through 600 distributors. Sales grew both organically and through acquisitions. During the Spring, Harvia acquired a majority interest in a German sauna manufacturer.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Novo Nordisk B	7 040	7.7
Vestas Wind Systems	4 259	4.6
Harvia	4 249	4.6
AstraZeneca	3 912	4.3
Fjordkraft Holding	3 684	4.0

## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

## Sector allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies where the share prices do not move in exactly the same way; this is known as diversification. The fund's concentration level has a good margin to the permitted level according to the fund statutes. The portfolio has a good diversification effect. The market risk, measured as the standard deviation of the fund's return, was, at the end of the period, clearly higher than for the stock market as a whole measured as VINX Benchmark CAP Index.

At the end of the period the currency exposure from the fund's holdings was:

20 per cent Danish krona, 13 percent Norwegian kroner and 12 per cent Euro. Other holdings are quoted in Swedish krona. At the end of the period, currency exposure had a slightly positive diversification effect for the portfolio.

Together with the outcomes of regular stress tests, relevant risk levels are continually monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund was managed in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Nordic Equities, reg no 515602-9786

Launch date 14/06/18.

The fund's performance	30/06/20	31/12/19	31/12/18 <sup>1</sup>
Net asset SEK thousands	91 598	101 406	49 097
Share class SEK	79 666	88 910	40 165
Share class SEK C	11 934	12 498	8 934
NAV, SEK			
Share class SEK	117.42	123.46	88.95
Share class SEK C	119.34	124.98	89.34
Number of outstanding units, thousands	778	820	552
Share class SEK	678	720	452
Share class SEK C	100	100	100
Dividend SEK per unit			
Share class SEK	0.00	0.00	0.00
Share class SEK C	0.00	0.00	0.00
Annual return, %			
Share class SEK	-4.9	38.8	-11.0
Share class SEK C	-4.5	39.9	-10.7
VINX Benchmark Cap SEK_NI <sup>2</sup> , %	-1.8	28.3	-10.7

### Risk and growth

Standard deviation, %			
Share class SEK	20.0	-	-
Share class SEK C	20.0	-	-
Standard deviation benchmark, %	16.6	-	-
Tracking error, %			
Share class SEK	6.3	-	-
Share class SEK C	6.3	-	-
Sharpe ratio			
Share class SEK	0.2	-	-
Share class SEK C	0.2	-	-
Active Share, %	77	82	78

### Average annual return

24 months, % share class SEK	8.7	-	-
5 years, % share class SEK	-	-	-
24 months, % share class SEK C	9.5	-	-
5 years, % share class SEK C	-	-	-

### Costs<sup>3</sup>

Management fee SEK, %	1.6	1.6	1.6
Management fee SEK C, %	0.8	0.8	0.8
Compensation to the custodian, %	0.0	0.0	0.0
Transaction costs, SEK thousands	101	86	52
Transaction costs, %	0.1	0.1	0.1
Research costs, SEK thousands	24	18	15
Research costs, %	0.0	0.0	0.0
Ongoing charges share class SEK, %	1.66	1.66	-
Ongoing charges share class SEK C, %	0.86	0.86	-
Sales and redemption fee, %	0.0	0.0	0.0
Total costs			
- for a single purchase SEK 10 000, share class SEK	178	198	-
- for a single purchase SEK 10 000, share class SEK C	112	96	-
- for monthly payments SEK 100, share class SEK	11	12	-
- for monthly payments SEK 100, share class SEK C	7	7	-

### Turnover

Turnover ratio	1.0	0.8	0.6
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.0

1) Refers to the period 14/06/18 – 31/12/18.

2) VINX Benchmark CAP Index consists of a selection of the largest and most traded stocks, with representation from a majority of the sector Industries at NASDAQ Nordic and Oslo Börs. Cap means restriction that no company may exceed 10 per cent and that companies comprising 5 per cent or more must not total more than 40 per cent together (weighting restriction in accordance with UCITS).

3) Refers to the costs for the last twelve months.



## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	87 019	96 775
<b>Total financial instruments with a positive market value (note 1)</b>	<b>87 019</b>	<b>96 775</b>
Investment in account with credit institution	3 247	4 036
<b>Total investment with a positive market value</b>	<b>90 266</b>	<b>100 811</b>
Cash and cash equivalents	1 374	1 521
Prepaid expenses and accrued income	71	17
<b>Total assets</b>	<b>91 711</b>	<b>102 349</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-113	-127
Other liabilities	0	-816
<b>Total liabilities</b>	<b>-113</b>	<b>-943</b>
<b>Total net asset (note 2)</b>	<b>91 598</b>	<b>101 406</b>

## Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>101 406</b>	<b>49 097</b>
Unit issue	15 885	48 020
Unit redemption	-18 708	-18 719
Net result according to income statement	-6 985	23 008
<b>Net asset at the end of the period</b>	<b>91 598</b>	<b>101 406</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>CONSUMER STAPLES</b>				
Essity B	SE/SEK	9 000	2 710	3.0
			<b>2 710</b>	<b>3.0</b>
<b>ENERGY</b>				
Fjordkraft Holding	NO/NOK	48 500	3 684	4.0
			<b>3 684</b>	<b>4.0</b>
<b>REAL ESTATE</b>				
Balder B	SE/SEK	5 000	1 776	1.9
Castellum	SE/SEK	10 200	1 775	1.9
			<b>3 551</b>	<b>3.9</b>
<b>FINANCIALS</b>				
Kinnevik B	SE/SEK	14 000	3 431	3.7
Oma Säästöpankki Oyj	FI/EUR	34 000	2 774	3.0
Sbanken	NO/NOK	45 000	2 708	3.0
Tryg A/S	DK/DKK	8 200	2 206	2.4
			<b>11 119</b>	<b>12.1</b>
<b>HEALTH CARE</b>				
AstraZeneca	GB/SEK	4 000	3 912	4.3
BioGaia B	SE/SEK	5 100	2 621	2.9
GN Store Nord	DK/DKK	6 000	2 971	3.2
Novo Nordisk B	DK/DKK	11 700	7 040	7.7
			<b>16 545</b>	<b>18.1</b>
<b>INDUSTRIALS</b>				
ASSA ABLOY B	SE/SEK	8 091	1 533	1.7
Atlas Copco B	SE/SEK	2 700	930	1.0
Balco Group	SE/SEK	25 000	2 298	2.5
Bravida	SE/SEK	36 818	3 279	3.6
Instalco	SE/SEK	25 000	3 590	3.9
NIBE Industrier B	SE/SEK	7 618	1 569	1.7
Sandvik	SE/SEK	19 000	3 308	3.6
Valmet Corporation	FI/EUR	15 000	3 645	4.0
Veidekke	NO/NOK	31 000	3 468	3.8
Vestas Wind Systems	DK/DKK	4 500	4 259	4.6
			<b>27 877</b>	<b>30.4</b>
<b>MATERIALS</b>				
SCA B	SE/SEK	10 000	1 108	1.2
SSAB A	SE/SEK	84 000	2 155	2.4
Stora Enso R SEK	FI/SEK	20 000	2 227	2.4
			<b>5 490</b>	<b>6.0</b>
<b>CONSUMER DISCRETIONARY</b>				
Harvia	FI/EUR	37 100	4 249	4.6

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
JM	SE/SEK	12 522	2 626	2.9
Midsona B	SE/SEK	50 000	2 670	2.9
SATS	NO/NOK	105 000	1 977	2.2
TCM Group	DK/DKK	12 000	2 169	2.4
Thule	SE/SEK	10 000	2 352	2.6
			<b>16 044</b>	<b>17.5</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>			<b>87 019</b>	<b>95.0</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>			<b>87 019</b>	<b>95.0</b>
Other assets and liabilities, net			4 578	5.0
<b>TOTAL NET ASSET</b>			<b>91 598</b>	<b>100.0</b>

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Småbolag** is an actively managed equity fund that invests in small and medium-sized listed companies in the Nordic region, with the emphasis on Sweden. The companies in which the fund invests may at most have a market capitalization equal to 1 per cent of the Swedish stock market's total market capitalization at the end of the calendar month prior to an investment. By the end of the mid-year 2020, this meant a market capitalization of approximately SEK 73 bn.

## The fund's performance

**Assets under management** decreased from SEK 29.8 bn at the beginning of the year to SEK 24.7 bn at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 2.1 bn. Lannebo Småbolag decreased 9.9 per cent. The Swedish Carnegie Small Cap Return Index decreased 5.4 per cent.

**-9.9%**

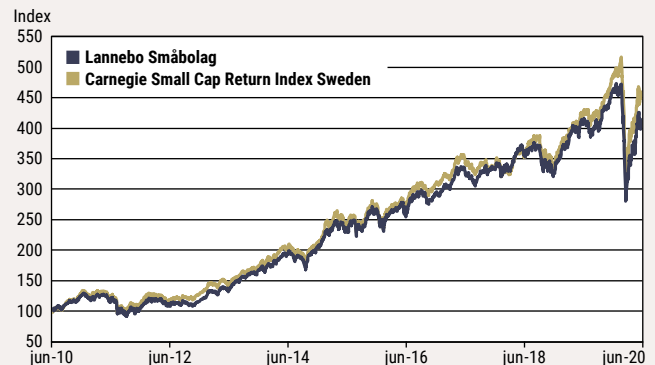
year-to-date

**+78.3%**

during the recommended five-year investment horizon

*The fund has several share classes. The return for share class SEK is described under "The fund's performance". Share class SEK C and EUR can be found in the fund fact box.*

## Performance 30/06/10 – 30/06/20



## Management report

**Addtech, BHG Group and Noloto** were holdings that contributed most positively to performance.

At the end of 2019, the industrial trading group Addtech was hit by a serious cyber-attack that affected 80 of its 130 wholly owned companies. However, Addtech was only affected to a limited extent, which demonstrates the strength of its decentralized business model. When summing up the full year (April-March), sales and operating profit had increased by 16 and 26 per cent respectively, and the shares had increased 24 per cent during the first half of 2020. Addtech also continued with its acquisition strategy and completed twelve acquisitions during the financial year 2019/20 adding a total of SEK 1.2 bn in revenues; this can be compared with the company's total revenues of SEK 11.7 bn for 2019/20.

BHG Group (Bygghemma) is the leading e-commerce company in the Nordic region for home improvement products. The product range includes all that a traditional DIY store would provide, but the product offering also includes furniture, garden equipment, white goods and lighting. Demand was positively affected by the pandemic as more people renovated or upgraded their homes. The BHG shares increased by 40 per cent during the first half of the year.

Noloto's two business areas, Medical and Integrated, are comparatively unaffected by economic fluctuations and demand was marginally affected by the pandemic. The 2020 Q1 earnings were strong and operating profit increased by 38 per cent compared with Q1 2019. Furthermore, Noloto has a strong balance sheet with net cash of SEK 600 million, which can

be used for acquisitions or dividends at a later date. The share price rose 14 per cent during the first half of the year.

**Pandox, Securitas and Trelleborg** were holdings that contributed most negatively to performance.

Hotel property company Pandox was one of the companies listed on the Stockholm Stock exchange most negatively affected by the pandemic. Hotel occupancy rates of the company's customers - the hotel operators - essentially disappeared overnight and as most of Pandox's lease income is based on customers' revenues, the loss of income was significant. The shares dropped 49 per cent during the period.

The share price of both Securitas and Trelleborg fell by about 20 per cent. Securitas lost airport surveillance revenues as flights decreased, while revenues from surveillance of trade fairs, concerts and sporting events also declined. However, as an effect of societal shutdowns, demand for surveillance has increased in other segments such as hospitals, offices and grocery stores. In the first quarter, Securitas' sales increased organically, but the operating margin weakened; cash flow was, however, strong.

Trelleborg, like several other manufacturing companies, was negatively impacted by the massive closures at the end of March and during April and May. The Q1 earnings report, however, surprised positively with a smaller than expected decline in revenues.

## FUND MANAGERS

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*"BHG Group benefited from an **increased focus** on home renovation"*

## Major changes during the year

- BillerudKorsnäs** has once again entered the fund. The company has recently invested more than SEK 6 bn in the new KM7 cardboard machine in Gruvön, Sweden. KM7 produces liquid cardboard for packaging dairy products, which is sold to TetraPak among others, and high-quality cardboard for perfume, chocolate and champagne packaging. As an example, KM7 can produce cardboard sufficient for 100 million one-liter milk cartons daily. We believe that cash flow will now significantly improve following the period of heavy investments.
- BHG Group (Bygghemma)** is a leading Nordic e-tailer of building materials and home furnishings. The company has good opportunities to increase its offering through new product categories.
- Swedish Orphan Biovitrum (Sobi)** is a pharmaceutical company focused on rare diseases. Hematology forms the foundation of the portfolio – accounting for about 50 per cent of revenues - where drugs for hemophilia are the most important. In addition to niche drugs in the Specialty Care business area, Sobi is also active in immunology, which accounts for about 40 per cent of revenues.
- The largest net divestments were made in **NIBE Industrier**, **Tele2** and **Balder**, where the first two were reduced for valuation reasons. The holding in Balder was gradually reduced in favor of investments in other real estate companies.

## Top holdings

**Securitas** is a world-leading security company with 370,000 employees and 150,000 customers in nearly 60 countries. The company offers stationary surveillance, alarm services - such as fire and burglary alarms - and reception staff. In our opinion, Securitas is a leader in electronic security and the goal is to double sales in this area by 2023.

**Addtech** is a technology trading group with a Nordic operational focus. Acquisitions of smaller companies is central to the company's strategy and the group includes 130 independent companies. Customers in the energy sector account for 16 per cent of sales, followed by transportation and the mechanical industry with 15 and 14 per cent respectively.

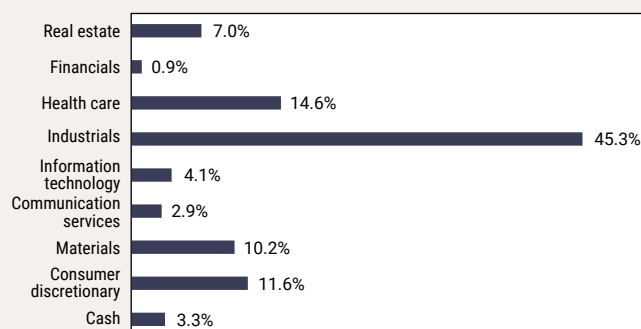
**Huhtamäki** is a global manufacturer of food and beverage packaging. The company is a converter which buys raw materials and then manufactures products that are sold to customers such as Nestlé, Starbucks, Unilever and McDonald's. Huhtamäki also manufactures egg cartons and fruit packaging from recycled fiber. Demand is driven by urbanization and an increased standard of living. The company has a balanced geographical exposure with a third of sales each in North America, Europe and Asia.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Securitas B	1 318 240	5.3
Addtech B	1 229 335	5.0
Huhtamäki	1 125 075	4.6
Nolato B	1 089 265	4.4
Trelleborg B	1 029 860	4.2

## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

## Sector allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, where the share prices do not move in exactly the same way; this is known as diversification.

The concentration in the fund's holdings were relatively low during the period. Overall there was a good diversification effect. There is a very good margin to the allowed concentration levels as per the fund's statutes. The market risk, measured as the standard deviation for the fund's return, was at the end of the period higher than the stock market as a whole measured as Carnegie Small Cap Return Index.

At the end of the period, the currency exposure of the fund was 14 per cent and relates to exposure in holdings denominated in Danish and Norwegian kroner in addition to Finnish holdings denominated in Euro. The currency exposure at mid-year had a slight positive diversification effect on the portfolio. The fund has a share class traded in Euros, which means the

share class has a strong link to exchange rate fluctuations between the Euro and the Swedish krona.

The possibility of having large positions in small- and medium-sized companies means that the fund's market liquidity risk may occasionally be high. Market liquidity risk is the risk of lower liquidity in holdings, which affects the ability to turn over positions. Shares of small cap companies generally have lower liquidity, which requires a greater emphasis on the management of the fund's liquidity risk. The fund is diversified across different issuers to reduce this risk.

Together with the outcomes of regular stress tests, relevant risk levels are continually monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund was managed in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Småbolag, reg no 504400-7853

Launch date 04/08/00. Share class EUR was launched 02/05/16. Share class SEK C was launched 03/07/18.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Total net asset, SEK thousands	24 676 754	29 834 303	21 595 190	23 792 925	21 388 069	18 903 341	15 374 721	14 350 726	8 729 403	9 916 584
Share class SEK	24 547 548	29 623 904	21 525 629	23 764 020	21 386 987					
Share class SEK C	7 888	105 390	41 239							
Share class EUR	121 544	104 234	28 404	28 882	1 083					
NAV, SEK										
Share class SEK	114.78	127.40	90.74	92.34	81.90	74.66	57.12	46.62	32.37	30.98
Share class SEK C	116.62	128.92	91.11							
Share class EUR	136.74	151.85	111.38	117.01	106.60					
Number of outstanding units, thousands	214 011	233 410	237 695	257 391	261 136	253 190	269 184	307 817	269 643	320 061
Share class SEK	213 859	232 527	237 218	257 366	261 135					
Share class SEK C	68	817	453							
Share class EUR	85	66	25	25	1					
Dividend SEK per unit										
Share class SEK	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.59	0.60
Share class SEK C	0.00	0.00	0.00							
Share class EUR	0.00	0.00	0.00	0.00	0.00					
Annual return, %										
Share class SEK	-9.9	40.4	-1.7	12.7	9.7	30.7	22.5	44.0	9.7	-15.7
Share class SEK C	-9.5	41.5	-8.8 <sup>1</sup>							
Share class EUR	-10.0	36.3	-4.8	9.8	6.6					
Carnegie Small Cap Return Index i SEK <sup>2</sup> , %	-5.4	43.2	-0.2	8.8	12.2	30.1	21.6	36.6	12.6	-13.2
Carnegie Small Cap Return Index i EUR, %	-5.4	40.5	-4.3	6.1	9.2					

### Risk and growth

Standard deviation, %					
Share class SEK	23.5	12.6	10.6	12.1	14.9
Share class SEK C	-	-	-	-	-
Share class EUR	25.3	12.6	9.9	-	-
Standard deviation benchmark, % SEK	21.5	12.7	11.5	12.9	17.0
Standard deviation benchmark, % EUR	23.8	13.4	11.7	-	-
Tracking error, %					
Share class SEK	5.2	5.2	4.5	3.5	5.0
Share class SEK C	-	-	-	-	-
Share class EUR	5.6	5.5	4.4	-	-
Sharpe ratio					
Share class SEK	0.4	1.4	0.6	1.0	1.3
Share class SEK C	-	-	-	-	-
Share class EUR	0.4	1.2	0.4	-	-
Active Share, %	65	67	70	69	63

### Average annual return

24 months, % share class SEK	6.6	17.5	5.3	11.2	19.7
5 years, % share class SEK	12.5	17.4	14.2	23.3	22.7
24 months, % share class SEK C	-	-	-	-	-
5 years, % share class SEK C	-	-	-	-	-
24 months, % share class EUR	6.5	13.9	2.2	-	-
5 years, % share class EUR	-	-	-	-	-

### Costs<sup>3</sup>

Management fee SEK, %	1.6	1.6	1.6	1.6	1.6
Management fee SEK C, %	0.8	0.8	0.8		
Management fee EUR, %	1.6	1.6	1.6	1.6	1.6
Compensation to the custodian, %	0.0	0.0			
Transaction costs <sup>4</sup> , SEK thousands	11 469	8 810	7 113	6 176	5 922
Transaction costs, %	0.1	0.1	0.1	0.1	0.1
Research costs <sup>4</sup> , SEK thousands	8 270	7 833	7 852	7 101	2 785
Research costs, %	0.0	0.0	0.0	0.0	0.0
Ongoing charges SEK, %	1.64	1.63	1.63	1.63	1.62
Ongoing charges SEK C, %	0.84	0.83	-		
Ongoing charges EUR, %	1.64	1.63	1.63	1.63	-
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
- for a single purchase SEK 10 000, share class SEK	173	195	168	141	163
- for a single purchase SEK 10 000, share class SEK C	81	-	-		
- for a single purchase SEK 10 000, share class EUR	173	195	168	141	-
- for monthly payments SEK 100, share class SEK	11	12	11	9	11
- for monthly payments SEK 100, share class SEK C	5	-	-		
- for monthly payments SEK 100, share class EUR	11	12	11	9	-

### Turnover

Turnover ratio	0.3	0.2	0.2	0.2	0.2
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.1
Exchange rate EUR	10.4598

1) Refers to the period 03/07/18 – 31/12/18.

2) Carnegie Small Cap Return Index Sweden is an established re-investing and dividend-paying index that includes small and medium-sized companies at NASDAQ OMX Nordic, which best reflect the fund's investment rules. Carnegie Small Cap Return Index Sweden takes account of the return the shareholders receive in the form of a dividend.

3) Refers to the costs for the last twelve months.

4) Research costs have previously been a component of transaction costs but as of January 1, 2015 research costs have been separated from transaction costs and are presented on a separate line.



## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	23 870 792	28 069 564
<b>Total financial instruments with a positive market value (note 1)</b>	<b>23 870 792</b>	<b>28 069 564</b>
Investment in account with credit institution	444 525	1 378 131
<b>Total investment with a positive market value</b>	<b>24 315 317</b>	<b>29 447 695</b>
Cash and cash equivalents	370 151	447 515
Prepaid expenses and accrued income	12 726	2 536
Other assets	28 237	16 538
<b>Total assets</b>	<b>24 726 431</b>	<b>29 914 284</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-32 730	-39 599
Other liabilities	-16 947	-40 382
<b>Total liabilities</b>	<b>-49 677</b>	<b>-79 981</b>
<b>Total net asset (note 2)</b>	<b>24 676 754</b>	<b>29 834 303</b>
<b>Memorandum (note 3)</b>		
Lent financial instruments	85 500	-
Collateral received for lent financial instruments	93 726	-
% of total net asset	0.38	-

Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>29 834 303</b>	<b>21 595 190</b>
Unit issue	1 567 580	3 658 695
Unit redemption	-3 663 286	-3 975 534
Net result according to income statement	-3 061 843	8 555 952
<b>Net asset at the end of the period</b>	<b>24 676 754</b>	<b>29 834 303</b>

## Not 3 Lent financial instruments

LENT FINANCIAL INSTRUMENTS				
	Quantity	Market value	% of loanable assets*	Maturity profile
Intrum	500 000	85 500	1.73	Indefinite maturity

## COLLATERAL RECEIVED FOR LENT FINANCIAL INSTRUMENT

Collateral	Issuer	Country/ Currency	Counterparty	Counterparty country	Maturity profile
Share	Astra Zeneca	GB/SEK	Nordea (GMSLA)	FI	Indefinite maturity
Share	Swedbank	SE/SEK	Nordea (GMSLA)	FI	Indefinite maturity
Share	Sandvik	SE/SEK	Nordea (GMSLA)	FI	Indefinite maturity

Collateral for securities lending 2020 is kept in a separate account with SEB. Settlement and clearing are bilateral. The fund does not reuse any collateral received. Custodian for collateral received during 2020 was SEB.

\* The fund may not lend more than 20% of total net asset.

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>REAL ESTATE</b>				
Balder B	SE/SEK	685 254	243 334	1.0
Bonava B	SE/SEK	4 539 246	227 416	0.9
Castellum	SE/SEK	4 600 000	800 630	3.2
Pandox B	SE/SEK	3 402 412	366 100	1.5
Sagax B	SE/SEK	759 635	95 714	0.4
			<b>1 733 193</b>	<b>7.0</b>
<b>FINANCIALS</b>				
Alm. Brand	DK/DKK	2 432 932	211 034	0.9
			<b>211 034</b>	<b>0.9</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>HEALTH CARE</b>				
ALK-Abelló B	DK/DKK	94 490	234 496	1.0
AddLife B	SE/SEK	3 453 195	340 140	1.4
Ambea	SE/SEK	3 000 000	142 500	0.6
Biotage	SE/SEK	1 750 000	243 775	1.0
CELLINK B	SE/SEK	504 000	60 278	0.2
Elekta B	SE/SEK	6 000 000	519 960	2.1
Recipharm B	SE/SEK	2 304 680	264 907	1.1
Revenio Group	FI/EUR	760 000	223 777	0.9
Swedish Orphan Biovitrum	SE/SEK	1 650 000	355 080	1.4
Terveystalo	FI/EUR	4 199 134	384 758	1.6
Vitrolife	SE/SEK	2 021 897	421 363	1.7
Össur	IS/DKK	7 479 825	461 185	1.9
			<b>3 652 219</b>	<b>14.8</b>
<b>INDUSTRIALS</b>				
Addtech B	SE/SEK	3 283 480	1 229 335	5.0
Alimak	SE/SEK	3 300 000	332 640	1.3
Beijer Alma B	SE/SEK	3 825 000	363 758	1.5
Beijer Ref B	SE/SEK	1 615 523	454 608	1.8
Bravida	SE/SEK	9 914 000	882 842	3.6
Bufab	SE/SEK	3 000 000	294 000	1.2
Concentric	SE/SEK	3 050 000	401 380	1.6
Fagerhult	SE/SEK	11 000 000	378 950	1.5
Hexagon Composites	NO/NOK	3 800 000	146 330	0.6
Hexpol B	SE/SEK	8 500 000	586 500	2.4
Intrum	SE/SEK	1 600 000	273 600	1.1
Intrum Lån	SE/SEK	-500 000	0	0.0
Lindab	SE/SEK	6 100 000	666 120	2.7
NCC B	SE/SEK	3 883 324	585 605	2.4
NIBE Industrier B	SE/SEK	800 000	164 720	0.7
Nolato B	SE/SEK	1 734 499	1 089 265	4.4
Securitas B	SE/SEK	10 499 722	1 318 240	5.3
Sweco B	SE/SEK	1 000 000	418 400	1.7
Systemair	SE/SEK	1 123 816	181 609	0.7
Trelleborg B	SE/SEK	7 592 035	1 029 860	4.2
Vaisala	FI/EUR	1 090 665	380 461	1.5
			<b>11 178 223</b>	<b>45.3</b>
<b>INFORMATION TECHNOLOGY</b>				
HiQ International	SE/SEK	5 076 920	220 338	0.9
Lagercrantz B	SE/SEK	1 910 341	275 853	1.1
Mycronic	SE/SEK	2 951 840	518 638	2.1
			<b>1 014 830</b>	<b>4.1</b>
<b>COMMUNICATION SERVICES</b>				
MTG B	SE/SEK	2 495 728	252 318	1.0
Nordic Entertainment Group B	SE/SEK	1 593 000	454 005	1.8
			<b>706 323</b>	<b>2.9</b>
<b>MATERIALS</b>				
BillrudKorsnäs	SE/SEK	3 700 000	493 765	2.0
Holmen B	SE/SEK	1 841 890	547 410	2.2
Huhtamäki	FI/EUR	3 069 687	1 125 075	4.6
Tikkurila	FI/EUR	2 620 690	339 359	1.4
			<b>2 505 609</b>	<b>10.2</b>
<b>CONSUMER DISCRETIONARY</b>				
BHG Group	SE/SEK	4 056 045	332 596	1.3
Dometic	SE/SEK	4 510 223	376 784	1.5
Duni	SE/SEK	3 495 523	340 813	1.4
Husqvarna A	SE/SEK	1 276 912	97 556	0.4
Husqvarna B	SE/SEK	11 673 000	890 650	3.6
Nobia	SE/SEK	8 210 000	362 061	1.5
Thule	SE/SEK	1 993 625	468 901	1.9
			<b>2 869 361</b>	<b>11.6</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>			<b>23 870 792</b>	<b>96.7</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>			<b>23 870 792</b>	<b>96.7</b>
Other assets and liabilities, net			805 962	3.3
<b>TOTAL NET ASSET</b>			<b>24 676 754</b>	<b>100.0</b>

**Accounting principles**

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the the Swedish Alternative Investment Funds Managers Act (2013:561), the Swedish Financial Supervisory Authority's regulations (FFFS 2013:10) regarding Alternative Investment Fund Managers, AIFM-regulations, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

**Valuation of financial instruments**

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Johan Ståhl manages Lannebo Småbolag together with Hjalmar Ek.

**Lannebo Småbolag Select** is an actively managed equity fund (non-UCITS) that invests in small and medium-sized listed companies in the Nordic region, with the emphasis on Sweden. The companies in which the fund invests may at most have a market capitalization equal to 1 per cent of the Swedish stock market's total market capitalization. By the end of the mid-year 2020, this meant a market capitalization of approximately SEK 73 bn.

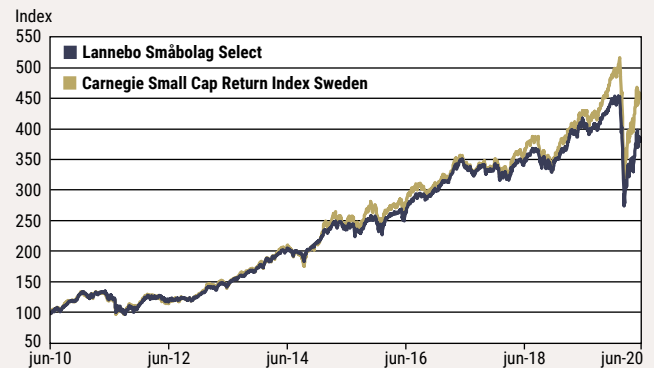
## The fund's performance

**Assets under management** decreased from SEK 3.3 bn at the beginning of the year to SEK 2.6 bn at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 193 m. Lannebo Småbolag Select decreased during the first six months of 2020 by 14.9 per cent. The fund's benchmark index, Carnegie Small Cap Return Index (CSRX), decreased by 5.4 per cent.

**-14.9%**  
year-to-date

**+61.7%**  
during the recommended five-year investment horizon

## Performance 30/06/10 – 30/06/20



## Management report

**BHG Group, Dometic and Nolato** were holdings that contributed most positively to performance.

The e-commerce company BHG Group, formerly Bygghemma, was one of the few stock market winners during the first half of the year. BHG Group sells, for example, home furnishings and DIY-products; the company is growing rapidly as a result of increased e-commerce. During the Spring, sales received an extra boost as consumers spent more time at home and were less likely to shop in physical stores. BHG shares increased about 40 per cent during the period.

Dometic, which among other things sells products for motorhomes and boats, also made a positive contribution to the fund's performance. The Dometic shares were initially penalized by the market when the coronavirus began to spread globally, at which time the holding was increased. The share price recovered sharply as signals from the American motorhome market became increasingly positive.

The broad stock market decline in March provided several excellent investment opportunities, including in the well-managed industrial group Nolato. The company manufactures, among other things, products for the healthcare sector. The company is also debt-free. Nolato reported positive sales growth for Q1 2020, which was not the norm across public companies. The strong quarterly report contributed to the Nolato shares recovering the entire price decline and then increasing further by almost 15 per cent during the first half of the year.

**Pandox, Fagerhult and Bonava** were holdings that contributed most negatively to performance. Most holdings were, to varying degrees,

negatively affected by the coronavirus and the measures taken to stop its spread.

Hotel property company Pandox, which has been a success story for 20 years, was one of the hardest hit companies during the period with a share price decline of almost 50 per cent. Pandox owns hotel properties in northern Europe and is clearly negatively affected by reduced travel and canceled conferences. The share price fell sharply in March but recovered somewhat during Q2. Pandox should do better than most companies in the hotel industry. However, the speed and intensity of the recovery is undeniably fraught with great uncertainty.

Measures to slow the spread of infection posed major challenges for lighting company Fagerhult. As a result of the coronavirus, two of Fagerhult's largest production units were closed - one in Italy and the other in the UK - which had a negative effect on Q1 earnings. The UK, which has also been affected by uncertainties associated with Brexit, is a large market for Fagerhult. The current valuation is not a deterrent if Fagerhult can return to sales growth and generate synergies from last year's acquisition of Italian iGuzzini.

The share price of housing developer Bonava also continued to develop poorly, where the company disclosed that earnings for its Swedish operations were lower than expected. In addition, there are concerns that the weaker economy and higher unemployment will lead to a deteriorating housing market. It should be noted, however, that Bonava is valued clearly lower than its equity, which we consider is too low.

## FUND MANAGERS

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*"Several **excellent investment opportunities** following the broad stock market decline in March"*

## Major changes during the year

- + Revenio**, which is a fast-growing Finnish medical technology company, is a new holding. Among other things, the company manufactures measuring instruments for detecting eye diseases. In 2019, Revenio acquired the Italian company CenterVue, which supplements the product portfolio with products for fundus imaging that diabetics continuously undergo.
- + BHG Group** is also a new holding. E-commerce still constitutes a small part of the total market in home furnishings and DIY-products compared with the share of e-commerce in, for example, clothing. BHG is the market leader in the Nordic region and continues to have good growth opportunities.
- + The holding in the industrial company Trelleborg**, which manufactures polymer products, was increased. In 2019, Trelleborg created a division for operations that will be evaluated going forward, which makes possible a streamlining of operations.
- The holding in the real estate company Faberge** was reduced. Real estate stocks have performed strongly in recent years with unusually high valuations prior to the price corrections in connection with the spread of the coronavirus. During the Spring, the Finnish measurement technology company **Vaisala** was divested following the extremely strong share price development during 2019. Shares in the specialty paper manufacturer **Ahlström-Munksjö** were divested; the share price performed better than most cyclically sensitive shares during the Spring.

## Top holdings

**OEM International** is one of Europe's leading technology trading groups with operations in 14 countries. The company sells systems and standard products such as electricity and flow management to industrial customers. OEM International has shown positive and stable earnings growth over the years and also has a strong financial position.

**Securitas** markets security services in almost 60 countries, mainly in Europe and North America. The customer offering includes surveillance and electronic security services. The proportion of electronic security services is increasing, which should lead to higher profitability long term.

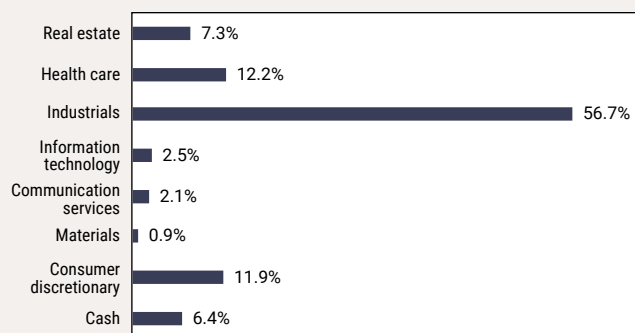
**Alimak** sells elevators and platforms to professional customers, such as construction companies. The company has a global presence and a strong market position. Aftermarket services, such as maintenance, repair and spare parts, are an important part of Alimak's customer offering and constitute a large portion of earnings.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
OEM International B	246 721	9.4
Securitas B	173 140	6.6
Alimak	129 284	4.9
VBG Group B	121 202	4.6
Lindab	110 915	4.2

## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

## Sector allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way; this is known as diversification. In special funds, this diversification effect may be less than in a traditional mutual fund as a result of special funds having the opportunity for a more concentrated portfolio than traditional mutual funds.

The fund seeks a level of risk, measured as the standard deviation of the variation in the fund's total return, which over time is in line with or below the stock market as a whole measured as Carnegie Small Cap Return Index. At the end of the period this measure of market risk was, however, slightly higher for the fund than the stock market as a whole.

The concentration of the fund's holdings can be slightly higher in comparison to a traditional mutual fund. Overall, the diversification effect was good.

The fund's currency exposure at the end of the period was 6 per cent and relates

to exposure in holdings denominated in Danish kroner and Finnish holdings denominated in Euro. Currency exposure had at mid-year a slight positive diversification effect on the portfolio.

Having large positions in small and medium-sized companies means that the market liquidity risk may occasionally be high in the fund; market liquidity risk is the risk of lower liquidity in the holdings, which affects the ability to turn over a position. Shares in small cap companies generally have lower liquidity, which require greater emphasis on the management of liquidity risk in the fund. The fund is diversified across different issuers to reduce this risk.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Relevant risk measures are used to assess the fund's risk profile. The fund's concentration level and the degree of active management are measures included in the system that is used to manage the fund's risk exposure. The management of the fund was in accordance with the fund's risk profile during the period.



# LANNEBO SMÅBOLAG SELECT

## Fund facts Lannebo Småbolag Select, reg no 504400-7929

Launch date 31/10/00.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Net asset SEK thousands	2 629 824	3 298 321	2 697 111	2 872 249	2 977 730	2 626 273	2 271 372	2 028 424	1 638 086	1 546 352
NAV, SEK	777.69	902.11	871.71	916.67	989.57	940.56	1 002.12	1 066.40	1 023.00	956.02
Number of outstanding units, thousands	3 382	3 656	3 094	3 133	3 009	2 792	2 267	1 902	1 601	1 617
Dividend SEK per unit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39.49	0.00
Total return <sup>1</sup> , %	-14.9	33.3	0.9	10.2	17.0	20.4	24.1	36.7	12.6	-13.8
Carnegie Small Cap Return Index <sup>2</sup> , %	-5.4	43.2	-0.2	8.8	12.2	30.1	21.6	36.6	12.6	-13.2
Hurdle rate, %	2.5	5.0	5.0	5.0	4.5	3.0	3.6	4.1	4.9	5.1
<b>Risk and growth</b>										
Standard deviation, %	21.9	10.7	9.1	10.3	11.7					
Standard deviation benchmark, %	21.5	12.7	11.5	12.9	17.0					
Tracking error, %	5.3	4.6	3.6	4.3	8.0					
Sharpe ratio	0.3	1.5	0.7	1.4	1.6					
Active Share, %	79	77	81	78	79					
<b>Average annual return</b>										
24 months, %	4.6	16.0	5.4	13.5	18.7					
5 years, %	10.1	15.8	14.2	21.3	21.9					
<b>Costs <sup>3</sup></b>										
Management fee (including performance fee), %	5.8	5.6	0.7	1.9	3.6					
Compensation to the custodian,%	0.0	0.0								
Transaction costs <sup>4</sup> , SEK thousands	2 002	1 744	1 396	1 412	1 383					
Transaction costs, %	0.1	0.1	0.1	0.1	0.1					
Research costs <sup>4</sup> , SEK thousands	996	975	957	1 334	894					
Research costs, %	0.0	0.0	0.0	0.0	0.0					
Ongoing charges, %	0.74	0.73	0.73	0.74	0.73					
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0					
Total costs										
– for a single purchase SEK 10 000	709	544	73	213	343					
– for a single purchase SEK 100 000	7 093	5 441	727	2 132	3 435					
<b>Turnover</b>										
Turnover ratio	0.5	0.4	0.3	0.3	0.4					
<b>Leverage</b>	<b>Gross method</b>	<b>Commitment approach</b>								
Maximum leverage, %	94.9	94.9								
Minimum leverage, %	90.1	90.1								
Average leverage, %	92.7	92.7								
As at balance sheet date, %	93.6	93.6								
<b>Purchases and sales of financial instruments involving related parties</b>										
Trading with companies within the same group, %	0.0									
Trading involving funds managed by Lannebo Fonder, %	0.0									

1) For an investment made at the beginning of each year.

2) Carnegie Small Cap Return Index Sweden is an established re-investing and dividend-paying index that includes small and medium-sized companies at NASDAQ Stockholm, which best reflect the fund's investment rules.

3) Refers to the costs for the last twelve months.

4) Research costs have previously been a component of transaction costs but as of January 1, 2015 research costs have been separated from transaction costs and are presented on a separate line.

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	2 461 071	3 128 740
<b>Total financial instruments with a positive market value (note 1)</b>	<b>2 461 071</b>	<b>3 128 740</b>
Investment in account with credit institution	129 129	269 381
<b>Total investment with a positive market value</b>	<b>2 590 200</b>	<b>3 398 121</b>
Cash and cash equivalents	39 447	49 475
Prepaid expenses and accrued income	1 720	1 148
<b>Total assets</b>	<b>2 631 367</b>	<b>3 448 744</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-1 543	-150 423
<b>Total liabilities</b>	<b>-1 543</b>	<b>-150 423</b>
<b>Total net asset (note 2)</b>	<b>2 629 824</b>	<b>3 298 321</b>

Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>3 298 321</b>	<b>2 697 111</b>
Unit issue	48 682	29 017
Unit redemption	-241 438	-270 248
Net result according to income statement	-475 741	842 441
<b>Net asset at the end of the period</b>	<b>2 629 824</b>	<b>3 298 321</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>REAL ESTATE</b>				
Bonava B	SE/SEK	1 430 144	71 650	2.7
Fabege	SE/SEK	531 220	57 850	2.2
Pandox B	SE/SEK	585 875	63 040	2.4
			<b>192 540</b>	<b>7.3</b>
<b>HEALTH CARE</b>				
Ambea	SE/SEK	1 008 606	47 909	1.8
Recipharm B	SE/SEK	245 000	28 161	1.1
Revenio Group	FI/EUR	171 436	50 478	1.9
Terveystalo	FI/EUR	536 181	49 129	1.9
Vitrolife	SE/SEK	216 029	45 020	1.7
Xvivo Perfusion	SE/SEK	208 215	37 479	1.4
Össur	IS/DKK	1 031 214	63 582	2.4
			<b>321 758</b>	<b>12.2</b>
<b>INDUSTRIALS</b>				
Adapteo	FI/SEK	796 407	63 235	2.4
Alimak	SE/SEK	1 282 576	129 284	4.9
Balco Group	SE/SEK	477 955	43 924	1.7
Beijer Alma B	SE/SEK	475 136	45 185	1.7
Beijer Ref B	SE/SEK	244 556	68 818	2.6
Bravida	SE/SEK	517 892	46 118	1.8
Fagerhult	SE/SEK	2 846 541	98 063	3.7
Hexpol B	SE/SEK	1 182 803	81 613	3.1
Lindab	SE/SEK	1 015 703	110 915	4.2
NCC B	SE/SEK	658 370	99 282	3.8
Nolato B	SE/SEK	83 000	52 124	2.0
OEM International B	SE/SEK	1 028 003	246 721	9.4
Securitas B	SE/SEK	1 379 054	173 140	6.6
Trelleborg B	SE/SEK	815 119	110 571	4.2
VBG Group B	SE/SEK	865 728	121 202	4.6
			<b>1 490 196</b>	<b>56.7</b>
<b>INFORMATION TECHNOLOGY</b>				
Lagercrantz B	SE/SEK	448 975	64 832	2.5
			<b>64 832</b>	<b>2.5</b>
<b>COMMUNICATION SERVICES</b>				
Nordic Entertainment Group B	SE/SEK	191 982	54 715	2.1
			<b>54 715</b>	<b>2.1</b>
<b>MATERIALS</b>				
Holmen B	SE/SEK	83 363	24 775	0.9
			<b>24 775</b>	<b>0.9</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>CONSUMER DISCRETIONARY</b>				
BHG Group	SE/SEK	973 809	79 852	3.0
Dometic	SE/SEK	970 649	81 088	3.1
Duni	SE/SEK	577 615	56 317	2.1
Nobia	SE/SEK	1 159 464	51 132	1.9
Thule	SE/SEK	186 499	43 865	1.7
			<b>312 255</b>	<b>11.9</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>			<b>2 461 071</b>	<b>93.6</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>			<b>2 461 071</b>	<b>93.6</b>
Other assets and liabilities, net			168 753	6.4
<b>TOTAL NET ASSET</b>			<b>2 629 824</b>	<b>100.0</b>

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the the Swedish Alternative Investment Funds Managers Act (2013:561), the Swedish Financial Supervisory Authority's regulations (FFFS 2013:10) regarding Alternative Investment Fund Managers, AIFM-regulations, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Sverige** is an actively managed equity fund that invests in equities on the Swedish stock market.

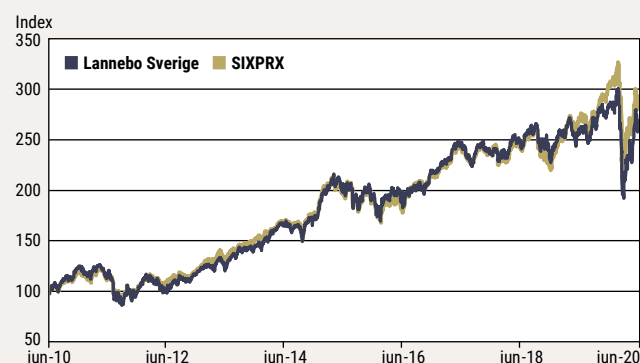
## The fund's performance

**Assets under management** decreased from SEK 3.5 bn at the beginning of the year to SEK 3.0 bn at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 239 m. Lannebo Sverige decreased during the period by 6.1 per cent; the benchmark index, SIXPRX, decreased by 4.1 per cent.

**-6.1%**  
year-to-date

**+32.8%**  
during the recommended five-year investment horizon

## Performance 30/06/10–30/06/20



## Management report

**Nokia, Dometic and BillerudKorsnäs** were holdings that contributed most positively to performance.

Nokia continues to work on its operational challenges that led to lower margin expectations in 2019. The company's competitive 5G base stations, which have been delayed, are now starting to be delivered to customers. The network expansion of 5G has to a greater extent started in the US and Asia, while Europe is lagging, partly due to differing opinions regarding possible security issues with the Chinese supplier Huawei. The delays in Europe, however, have been favorable for Nokia, which has worked to be competitive for the up-coming procurements during 2020/2021. We, therefore, expect a significant improvement in the operating margin going forward due to increasing sales and lower production costs. Nokia's end markets are healthy, and the company's balance sheet is strong and revenues from the patent portfolio are stable. We consider the Nokia share to be undervalued.

The investment in Dometic was made at the end of March after the share price was pressured due to decreasing profitability and high indebtedness. Sales of motorhomes and campers have risen due to the corona pandemic and as such demand for Dometic's products has increased. The high level of indebtedness – which required renewed agreements with lending banks – should be halved by 2022, but this limits opportunities for acquisitions near-term if a new share issue is not carried out. Long term, we see opportunities for the company to: reduce the product flora; apply module-based production; and increase aftermarket sales.

BillerudKorsnäs is working toward efficiency improvements and increased profitability across the entire business at the same time as the start-up of the new board machine, KM7, is on-going. The investment in KM7 has continuously increased, but is now in the liquid board certification phase. In recent years the company has invested in quality

improvements and capacity but has so far not achieved economies of scale or increased volumes to the same extent. The product exposure, with good market growth in, for example, liquid- and corrugated board, provides opportunities in the coming years for improved returns on capital.

**Veoneer, Loomis and Securitas** were holdings that contributed most negatively to performance.

Subcontractor Veoneer has been hard hit for some time by a passenger car market in decline. In 2019 comprehensive measures were taken to reduce losses affecting the balance sheet. Brake control operations have been divested and Veoneer has also exited its joint venture with Volvo. This has strengthened the balance sheet while reducing the negative cash flow. Near-term, it is critical that the company starts-up previously confirmed contracts for delivery during the second half of 2020.

Loomis' cash handling operations have been negatively impacted in most geographies by the closure of economies and reduced travel. Loomis' European operations, in particular, have been adversely affected given it is difficult to recoup large volume declines that occur over a short period of time. Customer exposure fared better in North America due to a larger proportion of Safepoint solutions, where the loss of sales and profitability was limited. Given a temporary reduction in the use of cash, opportunities increase for new business from outsourcing contracts with banks at the same time as smaller competitors are pressured.

Securitas has lost sales to airports and for events, but the company has also benefited from an increased need for security at retailers that are open as well as industries that are closed. Sick leave has increased during the corona pandemic, which is costly in a personnel-intensive business. This has been offset to some extent by the fact that the economic slowdown is dampening wage inflation, which is favorable for the operating margin.

## FUND MANAGERS

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*"The 5G delays in Europe have been **favorable** for Nokia"*

## Major changes during the year

- + Ball bearing manufacturer **SKF** has over the last three earnings reports disclosed improved cost levels in line with falling volumes. We are optimistic that the company, over a five-year period, will be able to significantly improve its operating margin through more efficient production and use of raw materials, as well as through economies of scale for sales and administration. The goal is for all SKF factories to be carbon neutral by 2030.
- + The holding in the industrial group **Sandvik** was bought when the share price fell to attractive valuations during the market turbulence during the Spring.
- + **Husqvarna** is the market leader in several product categories with good growth opportunities. Here, too, we invested in connection with falling share prices in March and April
- Larger net divestments were made in **H&M**, **AstraZeneca** and **Telia**. The position in H&M was reduced due to the uncertainty surrounding the effects of Covid-19. AstraZeneca, which developed well relative to the stock market during the Spring, was sold down in favor of other shares with more depressed share prices. The entire holding in Telia was divested when we saw opportunities for more favorable investments.

## Top holdings

**SEB** is a leading Nordic bank with 15,000 employees and operations in the Nordic countries, the Baltics and Germany. The bank's customer base consists of around 3,000 large corporates and 1.4 million private individuals. In the coming years, SEB is expected to be the Nordic region's most profitable bank in terms of RoE.

**Nokia** manufactures and supplies telecom and networking equipment. The company holds the rights to approximately 20,000 different patent families in the field. End markets are growing in line with the development and commercialization of new technology generations. Nokia offers, for example, products and services for the operation and maintenance of telecommunications networks, data centers and cloud solutions.

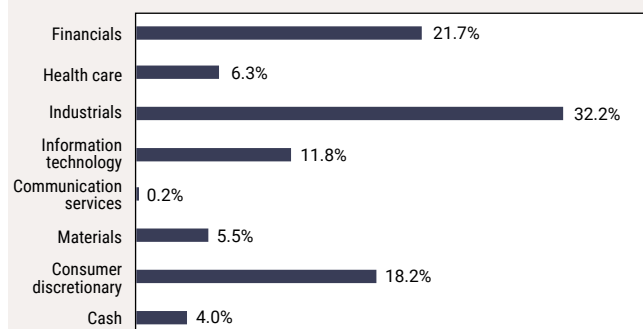
**Ericsson** is a manufacturer and supplier of telecom equipment with close to 100,000 employees and approximately 54,000 patents. Together with Nokia and Huawei, the company is a world leader in equipment and services for telecom networks.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
SEB A	172 698	5.8
Nokia SEK	169 042	5.6
Ericsson B	165 427	5.5
Nordea	150 485	5.0
Electrolux B	140 220	4.7

## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

## Sector allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of fluctuations in share prices. In a fund this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way; this is known as diversification.

The fund was concentrated at the end of the period. The diversification effect in the portfolio, however, is good. The market risk, measured as the standard deviation of the fund's return, was at the end of the period higher than that of the stock market as a whole, measured as SIXPRX.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Relevant risk measures are used to assess the fund's risk profile. The fund's concentration level, together with the degree of active management, are among measures included in the system that is used to manage the fund's risk exposure. The management of the fund was in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Sverige, reg no 504400-7796

Launch date 04/08/00.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Net asset SEK thousands	3 001 213	3 455 779	3 051 992	3 630 955	4 328 919	3 466 082	3 054 270	2 864 241	2 942 835	2 677 589
NAV, SEK	39.21	41.75	34.23	34.65	32.26	29.05	25.71	21.54	17.24	15.58
Number of outstanding units, thousands	76 543	82 768	89 154	104 800	134 179	119 323	118 802	132 946	170 719	171 854
Dividend SEK per unit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.81	0.25
Annual return, %	-6.1	21.9	-1.2	7.4	11.0	13.0	19.4	24.9	15.9	-18.3
SIX Portfolio Return Index <sup>1</sup> , %	-4.1	35.0	-4.4	9.5	9.6	10.5	15.9	28.0	16.7	-13.6

### Risk and growth

Standard deviation, %	21.1	14.3	12.2	12.5	15.4
Standard deviation benchmark, %	18.9	13.9	11.1	10.6	14.9
Tracking error, %	5.5	4.9	4.0	4.5	4.6
Sharpe ratio	0.3	0.8	0.4	0.8	0.8
Active Share, %	61	64	55	56	57

### Average annual return

24 months, %	3.8	9.8	3.0	9.2	12.0
5 years, %	6.1	10.2	9.7	15.0	16.7

### Costs<sup>2</sup>

Management fee, %	1.6	1.6	1.6	1.6	1.6
Compensation to the custodian, %	0.0	0.0			
Transaction costs <sup>3</sup> , SEK thousands	6 305	5 421	5 628	5 563	4 865
Transaction costs, %	0.1	0.1	0.1	0.1	0.1
Research costs <sup>3</sup> , SEK thousands	1 064	1 108	494	1 994	3 171
Research costs, %	0.0	0.0	0.0	0.0	0.0
Ongoing charges, %	1.65	1.64	1.62	1.65	1.69
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
– for a single purchase SEK 10 000	166	181	168	160	161
– for monthly payments SEK 100	11	11	11	11	11

### Turnover

Turnover ratio	1.6	1.3	1.3	1.0	1.1
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.0

1) The SIX Portfolio Return Index is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange, with the restriction that no company may exceed 10 per cent and that companies comprising 5 per cent or more must not total more than 40 per cent together (weighting restriction in accordance with UCITS). This means that the index reflects the fund's investment rules well. The Six Portfolio Return Index takes account of the return the shareholders receive in the form of a dividend.

2) Refers to the costs for the last twelve months.

3) Research costs have previously been a component of transaction costs but as of January 1, 2015 research costs have been separated from transaction costs and are presented on a separate line.



## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	2 882 527	3 289 076
<b>Total financial instruments with a positive market value (note 1)</b>	<b>2 882 527</b>	<b>3 289 076</b>
Investment in account with credit institution	87 941	123 712
<b>Total investment with a positive market value</b>	<b>2 970 468</b>	<b>3 412 788</b>
Cash and cash equivalents	45 018	51 837
Prepaid expenses and accrued income	26	0
Other assets	2 875	0
<b>Total assets</b>	<b>3 018 387</b>	<b>3 464 625</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-4 022	-4 693
Other liabilities	-13 152	-4 153
<b>Total liabilities</b>	<b>-17 174</b>	<b>-8 846</b>
<b>Total net asset (note 2)</b>	<b>3 001 213</b>	<b>3 455 779</b>

Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>3 455 779</b>	<b>3 051 992</b>
Unit issue	121 664	242 176
Unit redemption	-360 619	-484 553
Net result according to income statement	-215 611	646 164
<b>Net asset at the end of the period</b>	<b>3 001 213</b>	<b>3 455 779</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>FINANCIALS</b>				
Handelsbanken A	SE/SEK	750 000	66 330	2.2
Investor B	SE/SEK	254 000	124 892	4.2
Nordea	FI/SEK	2 340 000	150 485	5.0
SEB A	SE/SEK	2 140 000	172 698	5.8
Swedbank A	SE/SEK	1 140 000	136 116	4.5
			<b>650 521</b>	<b>21.7</b>
<b>HEALTH CARE</b>				
AstraZeneca	GB/SEK	42 000	41 076	1.4
Elektro B	SE/SEK	950 000	82 327	2.7
Swedish Orphan Biovitrum	SE/SEK	310 000	66 712	2.2
			<b>190 115</b>	<b>6.3</b>
<b>INDUSTRIALS</b>				
ABB	CH/SEK	624 000	130 416	4.3
ASSA ABLOY B	SE/SEK	180 000	34 101	1.1
Epiroc B	SE/SEK	360 000	41 022	1.4
Loomis B	SE/SEK	385 000	85 701	2.9
NCC B	SE/SEK	268 607	40 506	1.3
SKF B	SE/SEK	760 000	131 594	4.4
Sandvik	SE/SEK	640 000	111 424	3.7
Securitas B	SE/SEK	910 000	114 251	3.8
TRATON SE	DE/SEK	205 720	37 852	1.3
Trelleborg B	SE/SEK	990 000	134 294	4.5
Volvo B	SE/SEK	730 000	106 507	3.5
			<b>967 667</b>	<b>32.2</b>
<b>INFORMATION TECHNOLOGY</b>				
Ericsson B	SE/SEK	1 920 000	165 427	5.5
Net Insight B	SE/SEK	8 000 000	20 440	0.7
Nokia SEK	FI/SEK	4 160 000	169 042	5.6
			<b>354 909</b>	<b>11.8</b>
<b>COMMUNICATION SERVICES</b>				
Nordic Entertainment Group B	SE/SEK	22 000	6 270	0.2
			<b>6 270</b>	<b>0.2</b>
<b>MATERIALS</b>				
BillerudKorsnäs	SE/SEK	660 000	88 077	2.9
Boliden	SE/SEK	365 000	77 380	2.6
			<b>165 457</b>	<b>5.5</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>CONSUMER DISCRETIONARY</b>				
Autoliv SDB	US/SEK	140 000	84 000	2.8
Dometic	SE/SEK	360 000	30 074	1.0
Electrolux B	SE/SEK	900 000	140 220	4.7
Electrolux Professional B	SE/SEK	830 000	28 062	0.9
H&M B	SE/SEK	820 000	110 700	3.7
Husqvarna B	SE/SEK	1 025 000	78 208	2.6
Veoneer SDB	US/SEK	780 000	76 323	2.5
			<b>547 587</b>	<b>18.2</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>			<b>2 882 527</b>	<b>96.0</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>			<b>2 882 527</b>	<b>96.0</b>
Other assets and liabilities, net			118 686	4.0
<b>TOTAL NET ASSET</b>			<b>3 001 213</b>	<b>100.0</b>

<b>TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES</b>	
SEB	9.8

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Sverige Hållbar** is an actively managed equity fund that invests primarily in the Swedish stock market. The fund follows specific sustainability-related criteria in its investments and actively selects companies with sustainability as a selection criterion. The fund also, like all of Lannebo's funds, refrains from investing in companies where more than 5 per cent of turnover is attributable to the production and/or distribution of goods and services in the categories tobacco, alcohol, weapons, gambling or pornography.

## The fund's performance

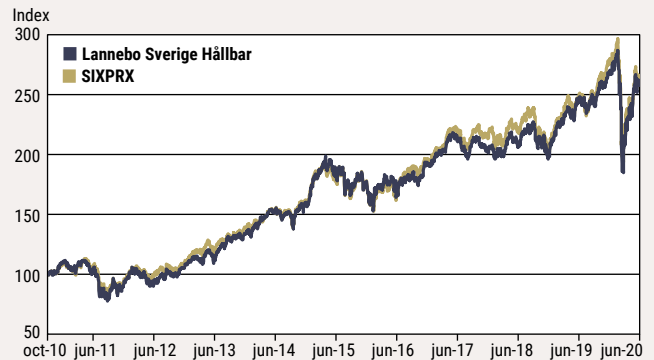
**Assets under management** increased from SEK 932 m at the beginning of the year to SEK 1.4 bn at the end of June 2020. The net of inflows and outflows during the period amounted to SEK 448 m. Lannebo Sverige Hållbar decreased by 2.6 per cent while the fund's benchmark index, SIXPRX, decreased by 4.1 per cent.

*The fund has two share classes. Returns for share class B SEK is described under "The fund's performance". Share class A SEK can be found in the fund facts box. The fund's benchmark index was before 20/12/18 SIX Return Index.*

**-2.6%**  
year-to-date

**+42.6%**  
during the recommended five-year investment horizon

## Performance 01/10/10 – 30/06/20



## Management report

**BioGaia, AstraZeneca and SCA** were holdings that contributed most positively to performance.

BioGaia is a global-leader in the development of probiotic dietary supplements, which studies have shown are beneficial for intestinal flora. The BioGaia share price performed poorly during the end of 2019 due to production issues at a subcontractor that impacted sales negatively. At the beginning of 2020, the subcontractor regained its production capacity, sales momentum increased and the share price recovered. BioGaia's sales have also benefited from consumers focusing even more on their health during the corona outbreak.

Pharmaceutical company AstraZeneca's sales were positively affected by the pandemic, as people stockpiled medicines at the beginning of the outbreak due to concerns over a lack of supply. In addition, the company successfully launched new drugs during the year and published a successful study for the treatment of unicellular lung cancer. SCA benefited from further re-valuations of the company's forest assets where it was found that the total forest volume was significantly larger than previously estimated. The company also has an exciting investment project in the Obbola mill to increase production capacity of kraftliner.

SCA also announced an increase in pulp prices, which is positive for profit development.

**Electrolux, Pandox and Bonava** were holdings that contributed most negatively to performance.

Electrolux flagged, already at the end of February, for consequences of the virus' outbreak when the company suffered from delivery delays due to closed Chinese factories. The company has also been negatively affected by production shutdowns in Italy.

Pandox is primarily an owner of hotel properties, but also operates some hotels itself. Reduced travel, both within and between countries, led to a sharp reduction in hotel occupancy rates, which negatively impacted Pandox as the company's revenues are, to some extent, based on the hotel operators' turnover. This led to a poor share price development.

The share price of housing developer Bonava was weak due to concerns that demand for newly produced homes would decrease; operating performance was also weak.

## FUND MANAGERS

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*"Successes for  
AstraZeneca's new drugs"*

## Major changes during the year

- +** **ASSA ABLOY** and **Sandvik** have high sustainability ratings and are high-quality industrial companies with good profit margins over time. After the share price decline in connection with the outbreak of the corona pandemic, the companies' shares were attractively valued in relation to future prospects.
- +** **Stora Enso** is one of Europe's largest forestry owners and the company produces renewable solutions in packaging, biomaterials, wooden constructions and paper. The share's valuation was attractive given the favorable market outlook for most of the company's products.
- **Investor's NAV** eroded to historically low levels at the beginning of the year, whereby the entire holding was sold. The valuation of **NIBE Industrier** rose sharply during the period, leading to limited price potential, and the holding was reduced. During the past year, **Elektro** has performed worse than expected and the valuation remained high.

## Top holdings

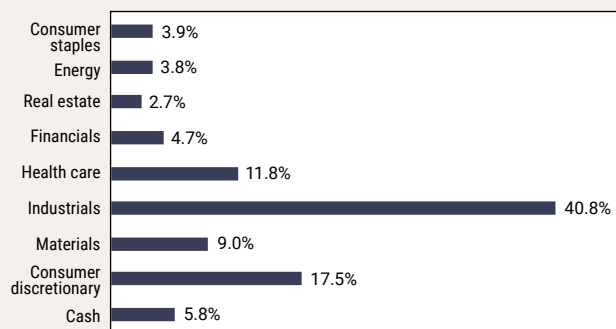
**AstraZeneca** has a high sustainability rating and develops medications that contribute to a healthier life. In recent years, the company has successfully launched several new drugs for treatments of, mainly, various cancer types. AstraZeneca is research-intensive with annual R&D investments of around SEK 40 bn. Research is primarily conducted in Sweden, the United Kingdom and the United States. The company has 60,000 employees, of which 11,000 work within R&D. In 2020, AstraZeneca attracted attention as one of the companies at the forefront of developing a coronavirus vaccine.

**AFRY** is the result of a 2019 merger between the consulting companies ÅF and Pöyry. AFRY offers services in technology, design and consulting in three main sectors – infrastructure, industry and energy. AFRY has a high sustainability rating, but the company strives to become even more sustainable through three focus areas that form the basis of this work - sustainable solutions, responsible business and attractive employer. The company is also engaged in sustainable urban development and climate-smart buildings. AFRY has approximately 17,000 employees and offices in more than 50 countries worldwide.

**Stora Enso** is a leading global supplier of renewable solutions in packaging, biomaterials, wooden structures and paper. The company's goal is to replace fossil-based materials by developing new products and services based on wood and other renewable materials. In addition to large production facilities in the Nordic region, Stora Enso produces in emerging markets - Latin America and China. The focus is on fiber-based packaging, plantation-based pulp and competitive paper qualities.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
AstraZeneca	92 910	6.7
AFRY B	86 000	6.2
Stora Enso R SEK	72 378	5.2
Sandvik	69 640	5.0
Kinnevik B	66 177	4.7

## Sector allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of fluctuations in share prices. In a fund this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way; this is known as diversification.

The fund was concentrated at the end of the period. The diversification effect in the portfolio is, however, good. The market risk, measured as the standard deviation of the fund's return, was at the end of the period slightly higher than the stock market as a whole, measured as SIXPRX.

Lannebo Sverige Hållbar can to a certain extent invest in, in addition to Swedish transferable securities, foreign financial instruments. The fund's currency

exposure at the end of the year was 9 per cent and relates to exposure in holdings denominated in Danish and Norwegian kroner, in addition to Finnish holdings denominated in Euro. The risk associated with the currency exposure is low.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Relevant risk measures are used to assess the fund's risk profile. The fund's concentration level, together with the degree of active management, are among measures included in the system that is used to manage the fund's risk exposure. The management of the fund was in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Sverige Hållbar, reg no 515602-4191

Launch date 01/10/10.

Share class A SEK was launched 20/12/18.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Net asset SEK thousands	1 394 066	932 093	692 612	501 360	303 982	175 393	157 202	128 843	91 958	83 105
Share class A SEK	529 102	41 411	1 292							
Share class B SEK	864 989	890 693	691 321							
NAV, SEK										
Share class A SEK	1 738.20	1 783.72	1 329.16							
Share class B SEK	1 576.19	1 700.45	1 329.16	1 411.69	1 415.60	1 380.24	1 301.98	1 157.10	949.63	861.94
Number of outstanding units, thousands	853	547	521	355	215	127	121	111	97	96
Share class A SEK	304	23	1							
Share class B SEK	549	524	520							
Dividend SEK per unit										
Share class A SEK	0.00	0.00	0.00							
Share class B SEK	85.03	66.46	70.58	70.78	69.01	65.10	57.86	47.49	43.09	54.64
Annual return, %										
Share class A SEK	-2.6	34.2	-0.7							
Share class B SEK	-2.6	34.2	-1.1	5.0	8.3	11.3	18.4	27.9	15.5	-17.0
SIX Portfolio Return Index <sup>1</sup> , %	-4.1	35.0	-4.4	9.5	9.6	10.4	15.8	28.0	16.5	-13.5

### Risk and growth

Standard deviation, %										
Share class A SEK	-	-	-							
Share class B SEK	18.8	12.4	11.3	12.4	15.4					
Standard deviation benchmark, %	18.9	13.9	11.1	10.6	14.9					
Tracking error, %	4.2	3.9	3.9	4.7	4.7					
Sharpe ratio	0.7	1.2	0.3	0.6	0.7					
Active Share, %	79	81	67	62	60					

### Average annual return

24 months, % share class A SEK	-	-	-							
5 years, % share class A SEK	-	-	-							
24 months, % share class B SEK	11.2	15.2	1.9	6.6	9.8					
5 years, % share class B SEK	7.5	10.9	8.2	13.9	16.1					

### Costs<sup>2</sup>

Management fee share class A SEK, %	1.6	1.6	1.6							
Management fee share class B SEK, %	1.6	1.6	1.6	1.6	1.6					
Compensation to the custodian, %	0.0	0.0	0.0							
Transaction costs <sup>3</sup> , SEK thousands	1 229	852	978	352	253					
Transaction costs, %	0.1	0.1	0.0	0.1	0.1					
Research costs <sup>3</sup> , SEK thousands	262	251	109	140	198					
Research costs, %	0.0	0.0	0.0	0.0	0.0					
Ongoing charges share class A SEK, %	1.65	1.64	1.62 <sup>4</sup>							
Ongoing charges share class B SEK, %	1.65	1.64	1.62	1.65	1.71					
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0					
Total costs										
- for a single purchase SEK 10 000, share class A SEK	169	185								
- for a single purchase SEK 10 000, share class B SEK	169	185	167	172	160					
- for monthly payments SEK 100, share class A SEK	13	10								
- for monthly payments SEK 100, share class B SEK	13	10	11	11	11					

### Turnover

Turnover ratio	0.8	0.8	1.4	0.6	0.9					
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0									
Trading involving funds managed by Lannebo Fonder, %	0.0									

1) The SIX Portfolio Return Index is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange, with the restriction that no company may exceed 10% and that companies comprising 5% or more must not total more than 40% together (weighting restriction in accordance with UCITS). This means that the index reflects the fund's investment rules well. The Six Portfolio Return Index takes account of the return the shareholders receive in the form of a dividend. The fund's benchmark index was before 20/12/18 SIX Return Index. Index numbers for 2011-2017 relates to SIX Return Index.

2) Refers to the costs for the last twelve months.

3) Research costs have previously been a component of transaction costs but as of January 1, 2015 research costs have been separated from transaction costs and are presented on a separate line.

4) The amount for ongoing charges is an estimate since the share class recently started at that time. It refers to the already existing share class fee for 2018.

## Balance sheet, SEK thousands

	30/06/20	31/12/19
Transferable securities	1 313 691	888 968
<b>Total financial instruments with a positive market value (note 1)</b>	<b>1 313 691</b>	<b>888 968</b>
Investment in account with credit institution	61 116	33 697
<b>Total investment with a positive market value</b>	<b>1 374 807</b>	<b>922 665</b>
Cash and cash equivalents	20 911	13 981
Prepaid expenses and accrued income	669	105
Other assets	6 809	0
<b>Total assets</b>	<b>1 403 196</b>	<b>936 751</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-1 835	-1 253
Other liabilities	-7 295	-3 405
<b>Total liabilities</b>	<b>-9 130</b>	<b>-4 658</b>
<b>Total net asset (note 2)</b>	<b>1 394 066</b>	<b>932 093</b>

## Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>932 093</b>	<b>692 612</b>
Unit issue	487 246	75 535
Unit redemption	-39 656	-33 619
Net result according to income statement	58 922	232 132
Dividends	-44 539	-34 567
<b>Net asset at the end of the period</b>	<b>1 394 066</b>	<b>932 093</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>CONSUMER STAPLES</b>				
Essity B	SE/SEK	180 000	54 198	3.9
			<b>54 198</b>	<b>3.9</b>
<b>ENERGY</b>				
Eolus Vind	SE/SEK	202 550	25 420	1.8
Fjordkraft Holding	NO/NOK	359 000	27 269	2.0
			<b>52 689</b>	<b>3.8</b>
<b>REAL ESTATE</b>				
Castellum	SE/SEK	170 000	29 589	2.1
Pandox B	SE/SEK	77 000	8 285	0.6
			<b>37 874</b>	<b>2.7</b>
<b>FINANCIALS</b>				
Kinnevik B	SE/SEK	270 000	66 177	4.7
			<b>66 177</b>	<b>4.7</b>
<b>HEALTH CARE</b>				
AstraZeneca	GB/SEK	95 000	92 910	6.7
BioGaia B	SE/SEK	77 000	39 578	2.8
Novo Nordisk B	DK/DKK	53 000	31 891	2.3
			<b>164 379</b>	<b>11.8</b>
<b>INDUSTRIALS</b>				
AFRY B	SE/SEK	430 000	86 000	6.2
ASSA ABLOY B	SE/SEK	327 909	62 122	4.5
Atlas Copco B	SE/SEK	137 000	47 210	3.4
Balco Group	SE/SEK	302 399	27 790	2.0
Bravida	SE/SEK	581 813	51 810	3.7
Instalco	SE/SEK	285 192	40 954	2.9
NIBE Industrier B	SE/SEK	130 000	26 767	1.9
Nederman	SE/SEK	310 000	34 720	2.5
Rejlers B	SE/SEK	453 083	46 441	3.3
Sandvik	SE/SEK	400 000	69 640	5.0
Systemair	SE/SEK	202 184	32 673	2.3
Vestas Wind Systems	DK/DKK	45 000	42 590	3.1
			<b>568 718</b>	<b>40.8</b>
<b>MATERIALS</b>				
SCA B	SE/SEK	480 000	53 184	3.8
Stora Enso R SEK	FI/SEK	650 000	72 378	5.2
			<b>125 562</b>	<b>9.0</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>CONSUMER DISCRETIONARY</b>				
Electrolux B	SE/SEK	350 000	54 530	3.9
Harvia	FI/EUR	76 000	8 705	0.6
Husqvarna B	SE/SEK	850 000	64 855	4.7
Midsona B	SE/SEK	739 053	39 465	2.8
SATS	NO/NOK	1 067 000	20 092	1.4
Thule	SE/SEK	240 000	56 448	4.0
			<b>244 095</b>	<b>17.5</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>			<b>1 313 691</b>	<b>94.2</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>			<b>1 313 691</b>	<b>94.2</b>
Other assets and liabilities, net			80 375	5.8
<b>TOTAL NET ASSET</b>			<b>1 394 066</b>	<b>100.0</b>

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



**Lannebo Sverige Plus** is an actively managed equity fund that mainly invests in equities on the Swedish stock market. The fund is fundamentally similar to Lannebo Sverige but may, e.g., invest 130 per cent in shares that the fund management company is positive about and, at the same time, balance this by reducing its share exposure by, for example, 30 per cent through the sale of stock that the fund does not own, so-called short selling.

## The fund's performance

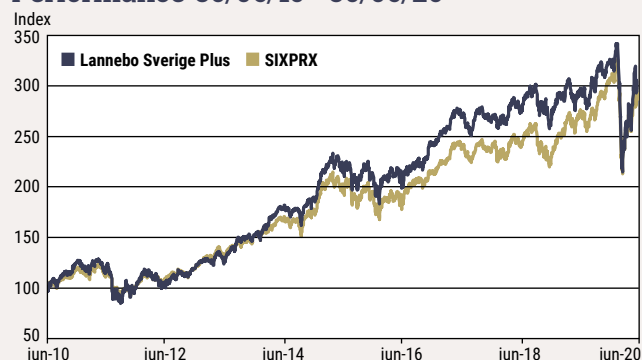
**Assets under management** decreased from SEK 6.4 bn at the beginning of 2020 to SEK 3.7 bn at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 2.3 bn. Lannebo Sverige Plus decreased during the period by 6.1 per cent; the benchmark index, SIXPRX, decreased by 4.1 per cent.

*The fund has several share classes. Returns for share classes SEK are described under "The fund's performance". Share class C SEK and SEK F can be found in the fund facts box.*

**-6.1%**  
year-to-date

**+39.1%**  
during the recommended five-year investment horizon

## Performance 30/06/10 – 30/06/20



## Management report

**Nokia, Dometic and BillerudKorsnäs** were holdings that contributed most positively to performance.

Nokia continues to work on its operational challenges that led to lower margin expectations in 2019. The company's competitive 5G base stations, which have been delayed, are now starting to be delivered to customers. The network expansion of 5G has to a greater extent started in the US and Asia, while Europe is lagging, partly due to differing opinions regarding possible security issues with the Chinese supplier Huawei. The delays in Europe, however, have been favorable for Nokia, which has worked to be competitive for the up-coming procurements during 2020/2021. We, therefore, expect a significant improvement in the operating margin going forward due to increasing sales and lower production costs. Nokia's end markets are healthy, and the company's balance sheet is strong and revenues from the patent portfolio are stable. We consider the Nokia share to be undervalued.

The investment in Dometic was made at the end of March after the share price was pressured due to decreasing profitability and high indebtedness. Sales of motorhomes and campers have risen due to the corona pandemic and as such demand for Dometic's products has increased. The high level of indebtedness – which required renewed agreements with lending banks – should be halved by 2022, but this limits opportunities for acquisitions near-term if a new share issue is not carried out. Long term, we see opportunities for the company to: reduce the product flora; apply module-based production; and increase aftermarket sales.

BillerudKorsnäs is working toward efficiency improvements and increased profitability across the entire business at the same time as the start-up of the new board machine, KM7, is on-going. The investment in KM7 has continuously increased, but is now in the liquid board certification phase. In recent years the company has invested in quality

improvements and capacity but has so far not achieved economies of scale or increased volumes to the same extent. The product exposure, with good market growth in, for example, liquid- and corrugated board, provides opportunities in the coming years for improved returns on capital.

**Veoneer, Loomis and Securitas** were holdings that contributed most negatively to performance.

Subcontractor Veoneer has been hard hit for some time by a passenger car market in decline. In 2019 comprehensive measures were taken to reduce losses affecting the balance sheet. Brake control operations have been divested and Veoneer has also exited its joint venture with Volvo. This has strengthened the balance sheet while reducing the negative cash flow. Near-term, it is critical that the company starts-up previously confirmed contracts for delivery during the second half of 2020.

Loomis' cash handling operations have been negatively impacted in most geographies by the closure of economies and reduced travel. Loomis' European operations, in particular, have been adversely affected given it is difficult to recoup large volume declines that occur over a short period of time. Customer exposure fared better in North America due to a larger proportion of Safepoint solutions, where the loss of sales and profitability was limited. Given a temporary reduction in the use of cash, opportunities increase for new business from outsourcing contracts with banks at the same time as smaller competitors are pressured.

Securitas has lost sales to airports and for events, but the company has also benefited from an increased need for security at retailers that are open as well as industries that are closed. Sick leave has increased during the corona pandemic, which is costly in a personnel-intensive business. This has been offset to some extent by the fact that the economic slowdown is dampening wage inflation, which is favorable for the operating margin.

## FUND MANAGERS

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*"The 5G delays in Europe  
have been **favorable** for Nokia"*

## Major changes during the year

- + Ball bearing manufacturer **SKF** has over the last three earnings reports disclosed improved cost levels in line with falling volumes. We are optimistic that the company, over a five-year period, will be able to significantly improve its operating margin through more efficient production and use of raw materials, as well as through economies of scale for sales and administration. The goal is for all SKF factories to be carbon neutral by 2030.
- + The holding in the industrial group **Sandvik** was bought when the share price fell to attractive valuations during the market turbulence during the Spring.
- + **Husqvarna** is the market leader in several product categories with good growth opportunities. Here, too, we invested in connection with falling share prices in March and April.
- Larger net divestments were made in **H&M**, **AstraZeneca** and **Telia**. The position in H&M was reduced due to the uncertainty surrounding the effects of Covid-19. AstraZeneca, which developed well relative to the stock market during the Spring, was sold down in favor of other shares with more depressed share prices. The entire holding in Telia was divested when we saw opportunities for more favorable investments.

## Top holdings

**SEB** is a leading Nordic bank with 15,000 employees and operations in the Nordic countries, the Baltics and Germany. The bank's customer base consists of around 3,000 large corporates and 1.4 million private individuals. In the coming years, SEB is expected to be the Nordic region's most profitable bank in terms of RoE.

**Nokia** manufactures and supplies telecom and networking equipment. The company holds the rights to approximately 20 000 different patent families in the field. End markets are growing in line with the development and commercialization of new technology generations. Nokia offers, for example, products and services for the operation and maintenance of telecommunications networks, data centers and cloud solutions.

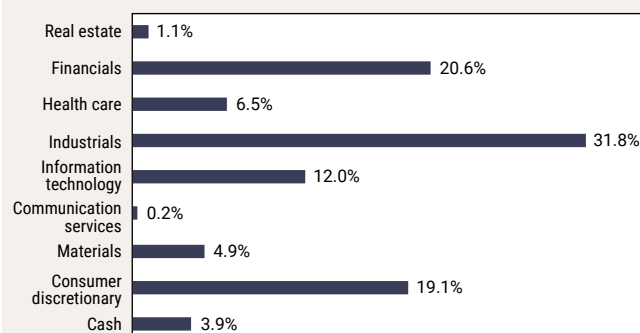
**Ericsson** is a manufacturer and supplier of telecom equipment with close to 100,000 employees and approximately 54,000 patents. Together with Nokia and Huawei, the company is a world leader in equipment and services for telecom networks.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
SEB A	213 048	5.8
Nokia EUR	208 245	5.6
Ericsson B	204 199	5.5
Nordea	186 499	5.0
Electrolux B	171 380	4.6

## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

## Sector allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of share price fluctuations in. In a fund this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way; this is known as diversification.

The fund was concentrated at the end of the period. The diversification effect in the portfolio, however, is good. The market risk, measured as the standard deviation of the fund's return, was at the end of the period higher than that of the stock market as a whole, measured as SIXPRX.

Unlike traditional equity funds, Lannebo Sverige Plus is able to take both long and short positions in shares and equity-related instruments, which can have both a positive and a negative effect on the fund's market risk. The fund's net exposure is the sum of all long positions minus the sum of all short positions. Lannebo Sverige Plus can have a net exposure of between 50 and 150 per cent with an ambition to have a net exposure of around 100 per cent over time. Gross exposure measures the sum of all long and short positions, which for Lannebo Sverige Plus may be a maximum of 200 per cent. At mid-year, the fund's net exposure was 96 per cent and the fund's gross exposure was 101 per cent. The fund thus had a low gross exposure. A high gross exposure means a risk of the fund losing value on both

the long and the short positions, which could lead to a greater total loss than is the case with a portfolio that does not take short positions.

At the end of the period, the gross exposure from derivatives and efficient portfolio management techniques, calculated using the commitment method, which means that the instruments are converted into corresponding positions in the underlying assets, was limited and was 2 per cent of the fund's value.

In addition to Swedish transferable securities, the fund has the ability to, to a certain extent, invest in foreign financial instruments. The currency exposure of the fund was 6 per cent at the end of the period and is related to a Finnish holding denominated in Euros. The fund's currency exposure at the end of the period provided a slight positive diversification effect.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Relevant risk measures are used to assess the fund's risk profile. The fund's concentration level, together with the degree of active management, are among measures included in the system that is used to manage the fund's risk exposure. The management of the fund was in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Sverige Plus, reg no 515602-2989

Launch date 11/12/08. Share class SEK C was launched 04/01/18. Share class SEK F was launched 04/11/19.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Net asset SEK thousands	3 700 164	6 397 374	5 953 850	6 398 559	7 567 670	4 874 123	2 476 338	1 702 390	1 375 473	1 196 182
Share class SEK	3 037 404	5 754 671	5 543 232							
Share class SEK C	312 233	397 397	410 723							
Share class SEK F	350 569	245 393								
NAV, SEK										
Share class SEK	51.40	54.71	44.65	44.96	41.32	36.48	32.17	26.07	20.33	17.78
Share class SEK C	51.99	55.21	44.82							
Share class SEK F	51.20	54.67								
Number of outstanding units, thousands	71 948	116 865	133 321	142 307	183 159	133 608	76 977	65 311	67 643	67 270
Share class SEK	59 096	105 178	124 158							
Share class SEK C	6 005	7 198	9 163							
Share class SEK F	6 847	4 489								
Dividend SEK per unit										
Share class SEK	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.52	0.00
Share class SEK C	0.00	0.00	0.00							
Share class SEK F	0.00	0.00								
Annual return, %										
Share class SEK	-6.1	22.6	-0.7	8.8	13.3	13.4	23.4	28.2	17.3	-18.9
Share class SEK C	-5.8	23.2	-1.7							
Share class SEK F	-6.3	0.2 <sup>1</sup>								
SIX Portfolio Return Index <sup>2</sup> , %	-4.1	35.0	-4.4	9.5	9.6	10.5	15.9	28.0	16.7	-13.6

### Risk and growth

Standard deviation, %					
Share class SEK	21.9	14.5	12.3	12.9	15.8
Share class SEK C	21.9	-	-		
Share class SEK F	-	-			
Standard deviation benchmark, %	18.9	13.9	11.1	10.6	14.9
Tracking error, %					
Share class SEK	6.1	5.0	4.2	4.7	4.4
Share class SEK C	6.1	-	-		
Share class SEK F	-	-			
Sharpe ratio					
Share class SEK	0.3	0.8	0.4	0.9	0.9
Share class SEK C	0.3	-	-		
Share class SEK F	-	-			
Active Share, %	64	68	57	63	61

### Average annual return

24 months, % share class SEK	4.1	10.3	4.0	11.0	13.3
5 years, % share class SEK	7.1	11.2	11.4	17.2	19.0
24 months, % share class SEK C	4.6	-	-		
5 years, % share class SEK C	-	-	-		
24 months, % share class SEK F	-	-	-		
5 years, % share class SEK F	-	-	-		

### Costs <sup>3</sup>

Management fee (including performance fee) SEK, %	1.0	1.0	2.1	1.3	1.4
Management fee (including performance fee) SEK C, %	0.5	0.5	2.2		
Management fee (fixed) SEK F	1.6	1.6			
Compensation to the custodian, %	0.0	0.0			
Transaction costs <sup>4</sup> , SEK thousands	13 164	13 506	15 003	15 762	13 830
Transaction costs, %	0.1	0.1	0.1	0.1	0.1
Research costs <sup>4</sup> , SEK thousands	2 024	2 161	-1 553	3 228	8 818
Research costs, %	0.0	0.0	0.0	0.0	0.0
Ongoing charges share class SEK, %	1.05	1.03	1.00	1.04	1.16
Ongoing charges share class SEK C, %	0.55	0.53	-		
Ongoing charges share class SEK F, %	-	-			
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
- for a single purchase SEK 10 000, share class SEK	104	113	217	124	157
- for a single purchase SEK 10 000, share class SEK C	64	60	-		
- for a single purchase SEK 10 000, share class SEK F	-	-			
- for monthly payments SEK 100, share class SEK	7	7	17	7	9
- for monthly payments SEK 100, share class SEK C	4	4	-		
- for monthly payments SEK 100, share class SEK F	-	-	-		

### Turnover

Turnover ratio	1.7	1.6	1.9	1.6	1.8
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.0

<sup>1)</sup> Refers to the period 04/11/19 – 31/12/19.

<sup>2)</sup> The SIX Portfolio Return Index is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange, with the restriction that no company may exceed 10 per cent and that companies comprising 5 per cent or more must not total more than 40 per cent together (weighting restriction in accordance with UCITS). This means that the index reflects the fund's investment rules well. The Six Portfolio Return Index takes account of the return the shareholders receive in the form of a dividend.

<sup>3)</sup> Refers to the costs for the last twelve months.

<sup>4)</sup> Research costs have previously been a component of transaction costs but as of January 1, 2015 research costs have been separated from transaction costs and are presented on a separate line.

# Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	3 647 967	6 311 522
<b>Total financial instruments with a positive market value (note 1)</b>	<b>3 647 967</b>	<b>6 311 522</b>
Investment in account with credit institution	100 922	252 096
<b>Total investment with a positive market value</b>	<b>3 748 889</b>	<b>6 563 618</b>
Cash and cash equivalents	55 502	95 961
Prepaid expenses and accrued income	3 093	3 011
Other assets	3 833	0
<b>Total assets</b>	<b>3 811 317</b>	<b>6 662 590</b>
<b>Liabilities</b>		
Other financial instruments with a negative market value	-90 751	-253 916
<b>Total financial instruments with a negative market value (note 1)</b>	<b>-90 751</b>	<b>-253 916</b>
Accrued expenses and deferred income	-3 199	-5 486
Other liabilities	-17 203	-5 814
<b>Total liabilities</b>	<b>-111 153</b>	<b>-265 216</b>
<b>Total net asset (note 2)</b>	<b>3 700 164</b>	<b>6 397 374</b>
<b>Memorandum</b>		
Pledged assets for borrowed financial instruments	119 251	328 752
% of total net asset	3.2	5.1

## Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>6 397 374</b>	<b>5 953 850</b>
Unit issue	425 009	2 083 859
Unit redemption	-2 763 236	-2 894 158
Net result according to income statement	-358 983	1 253 823
<b>Net asset at the end of the period</b>	<b>3 700 164</b>	<b>6 397 374</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>REAL ESTATE</b>				
Bonava B	SE/SEK	806 000	40 381	1.1
			<b>40 381</b>	<b>1.1</b>
<b>FINANCIALS</b>				
Handelsbanken A	SE/SEK	890 000	78 712	2.1
Investor B	SE/SEK	314 000	154 394	4.2
Lundbergföretagen B	SE/SEK	-95 000	-40 166	-1.1
Lundbergföretagen B Loan	SE/SEK	95 000	0	0.0
Nordea	FI/SEK	2 900 000	186 499	5.0
SEB A	SE/SEK	2 640 000	213 048	5.8
Swedbank A	SE/SEK	1 410 000	168 354	4.5
			<b>760 840</b>	<b>20.6</b>
<b>HEALTH CARE</b>				
AstraZeneca	GB/SEK	54 000	52 812	1.4
Elekta B	SE/SEK	1 170 000	101 392	2.7
Swedish Orphan Biovitrum	SE/SEK	395 000	85 004	2.3
			<b>239 208</b>	<b>6.5</b>
<b>INDUSTRIALS</b>				
ABB	CH/SEK	774 000	161 766	4.4
ASSA ABLOY B	SE/SEK	220 000	41 679	1.1
Epiroc B	SE/SEK	440 000	50 138	1.4
Loomis B	SE/SEK	480 000	106 848	2.9
NCC B	SE/SEK	338 143	50 992	1.4
SKF B	SE/SEK	930 000	161 030	4.4
Sandvik	SE/SEK	790 000	137 539	3.7
Securitas B	SE/SEK	1 120 000	140 616	3.8
Skanska B	SE/SEK	-150 000	-28 425	-0.8
Skanska B Loan	SE/SEK	150 000	0	0.0
TRATON SE	DE/SEK	314 719	57 908	1.6
Trelleborg B	SE/SEK	1 220 000	165 493	4.5
Volvo B	SE/SEK	900 000	131 310	3.5
			<b>1 176 894</b>	<b>31.8</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>INFORMATION TECHNOLOGY</b>				
Ericsson B	SE/SEK	2 370 000	204 199	5.5
Net Insight B	SE/SEK	12 100 000	30 916	0.8
Nokia EUR	FI/EUR	5 120 000	208 245	5.6
			<b>443 360</b>	<b>12.0</b>
<b>COMMUNICATION SERVICES</b>				
Nordic Entertainment Group B	SE/SEK	25 000	7 125	0.2
			<b>7 125</b>	<b>0.2</b>
<b>MATERIALS</b>				
BillerudKorsnäs	SE/SEK	810 000	108 095	2.9
Boliden	SE/SEK	455 000	96 460	2.6
SCA B	SE/SEK	-200 000	-22 160	-0.6
SCA B Loan	SE/SEK	200 000	0	0.0
			<b>182 395</b>	<b>4.9</b>
<b>CONSUMER DISCRETIONARY</b>				
Autoliv SDB	US/SEK	172 000	103 200	2.8
Dometic	SE/SEK	440 000	36 758	1.0
Electrolux B	SE/SEK	1 100 000	171 380	4.6
Electrolux Professional B	SE/SEK	1 140 000	38 543	1.0
H&M B	SE/SEK	1 030 000	139 050	3.8
Husqvarna B	SE/SEK	1 268 000	96 748	2.6
Veoneer SDB	US/SEK	1 240 000	121 334	3.3
			<b>707 013</b>	<b>19.1</b>

<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>	<b>3 557 216</b>	<b>96.1</b>
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<b>TOTAL FINANCIAL INSTRUMENTS</b>	<b>3 557 216</b>	<b>96.1</b>
Other assets and liabilities, net	142 948	3.9
<b>TOTAL NET ASSET</b>	<b>3 700 164</b>	<b>100.0</b>

<b>TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES</b>		
SEB		9.6

<b>BORROWED SECURITIES</b>	<b>QUANTITY</b>
<b>SEB</b>	
Lundbergföretagen B	95 000
SCA B	200 000
Skanska B	150 000

During the first half year 2020 SEB and Nordea were counterparties for securities borrowed. Collateral for borrowed securities regarding the first half year 2020 have been kept in separate accounts with SEB and Nordea. Settlement and clearing is done bilaterally.

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Teknik** is an actively managed equity fund that invests in growth industries globally, but where the emphasis is on the U.S.. Prevailing industries that the fund invests in include technology, telecommunications, health, Internet and media.

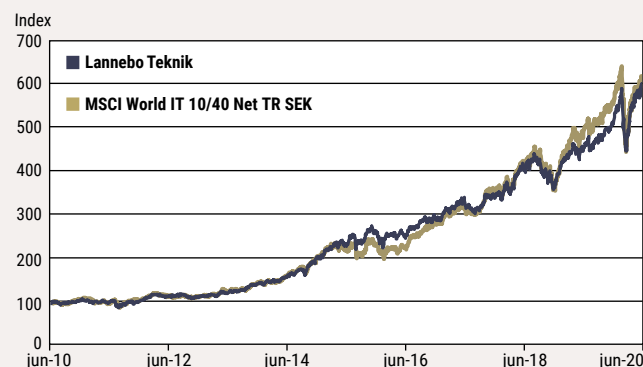
## The fund's performance

**Assets under management** increased from SEK 4.4 bn at the beginning of the year to SEK 6.3 bn at the end of June 2020. The net of inflows and outflows during the period amounted to SEK 1.1 bn. Lannebo Teknik increased by 17.6 per cent during the period, while the benchmark index, MSCI World Tech 10/40, converted to Swedish krona, increased by 11.6 per cent.

**+17.6%**  
year-to-date

**+160.4%**  
during the recommended more than five-year investment horizon

## Performance 30/06/10 – 30/06/20



## Management report

**Sinch, Amazon and Microsoft** are holdings that contributed most positively to performance.

Swedish Sinch is a global provider of cloud services for customer interactions. In addition to good organic growth and profitability, the company has an active acquisition strategy for expansion into new geographies and thereby generating volumes for its scalable software platform. So far in 2020, Sinch announced five acquisitions, all of which were strategic and clear steps for the company's development. The acquisitions have contributed to the share increasing 178 per cent during the period.

Amazon benefited from increased e-commerce activity due to closed communities and physical distancing. In addition, demand for Amazon's cloud solution, Amazon Web Services, increased in connection with Covid-19 as more companies moved their infrastructure to the cloud. Connected companies, which enable teleworking, are expected to continue to drive demand. Due to the heavy load in the logistics network, Amazon has increased costs and the number of employees has risen. In addition, safety measures in connection with the pandemic have led to lower productivity. The stock increased 49 per cent during the period.

Microsoft is the fund's largest holding and the share increased 29 per cent during the period. The share price was driven by positive developments in Microsoft's cloud solution, Azure. Demand for cloud services has accelerated in connection with societal closures and customers' need to connect their businesses to the cloud. The user base for Microsoft's communication platform, Teams, has also surged, while hardware products used to work from home, such as Microsoft Surface, have also seen good demand. Microsoft has experienced some

disruptions in the supply chain, but this should have improved during the latter part of the period.

**Walt Disney, Amdocs and FireEye** were holdings that contributed most negatively to performance.

Walt Disney's operations were generally negatively impacted by Covid-19. Theme parks have been closed for long periods, although some have been able to reopen with a limited number of visitors. Walt Disney's film production also suffered, which has been essentially paused during the pandemic. However, Walt Disney has long-term potential with its portfolio of strong brands where the company has been successful with its digital transformation. Last year, the streaming service Disney Plus was launched, which so far has managed to attract 55 million subscribers.

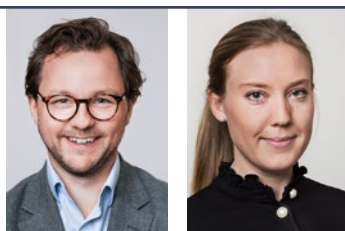
Amdocs develops various types of IT systems for telecommunications companies. The share developed poorly during the period decreasing by 15 per cent, which is mainly explained by the fact that projects were moved forward in time due to Covid-19. At the same time, Amdocs has won many new contracts in 2020, which is promising for the company's longer term development.

American FireEye develops digital security solutions and offers a broad product portfolio. For some time, the company has faced operational challenges related to the transition to cloud solutions, which has also negatively affected profitability. This is reflected in the share price, which was down 27 per cent during the period. The company also announced that it is retracting its forecast for orders in 2020 due to the pandemic.

## FUND MANAGERS

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*"Sinch has an **active acquisition strategy** enabling expansion to new geographies generating volumes for its scalable software platform"*



## Major changes during the year

- **Mastercard** is a world leader in digital transaction solutions; The company has a strong position as digital alternatives gradually replace cash management.
- **Nvidia** develops graphic processors and related software for, among others, gaming computers and consoles.
- **Palo Alto Networks** is a leader in digital security solutions for companies to identify and block intrusions into networks and connected devices.
- The fund's largest net sales during the period were **Sinch, Apple** and **PayPal**. Sinch's share price performance, over a relatively short time, was strong and the holding was reduced. The holding in Apple was reduced when the company had to close stores due to Covid-19. The fund also reduced the weighting in PayPal in connection with the inclusion of Mastercard as a holding.

## Top holdings

**Microsoft** develops software for systems and hardware, such as computers and tablets. Microsoft Office is the most popular program together with the Microsoft Windows operating system. Microsoft cloud platform, Azure, has witnessed a sharp increase in demand as more companies connect their operations to the cloud.

**Apple** develops smartphones and related communications products, such as computers and tablets, but also various types of services. iPhone sales account for the majority of revenue. Computers and tablets account for about 10 per cent and services, which include, for example, App Store and Apple Pay, account for 20 per cent of sales. Apple has also entered the streaming market with its service Apple TV.

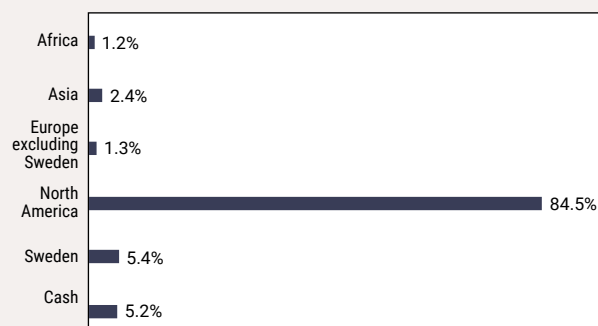
**Alphabet** owns Google - the world's largest search engine, the Android operating system for smartphones and other Internet-based services, as well as the video sharing service YouTube, among others. The business model is based on advertising revenue and Google is the world's largest advertising platform.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Microsoft	539 368	8.6
Apple	429 955	6.8
Alphabet	425 973	6.8
Amazon.com	372 003	5.9
Salesforce.com	243 888	3.9

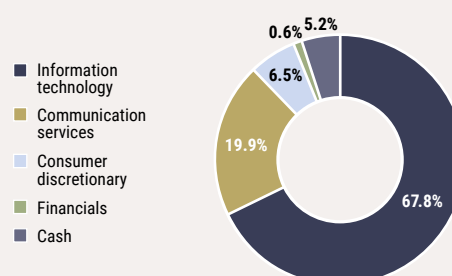
## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

## Geographic allocation 30/06/20



## Sector allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way; this is known as diversification.

At the end of the period the fund was relatively concentrated. Overall, the fund's diversification effect was good. Market risk, measured as the standard deviation of the fund's returns, was at the end of the period lower than the fund's benchmark, MSCI World IT.

At the end of the period, the fund's currency exposure associated with the shareholdings was 84 per cent USD; 2 per cent Japanese yen; 1 percent South

African Rand; and 1 per cent in Euros. Other holdings are denominated in Swedish kronor. The fund's currency risk is therefore strongly linked to changes in exchange rates between the USD and the Swedish kronor.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Teknik, reg no 504400-7739

Launch date 04/08/00. Until 07/11/19 the name of the fund was Lannebo Vision.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Net asset SEK thousands	6 288 777	4 428 976	3 052 485	2 267 369	1 801 234	1 573 500	978 348	611 053	471 873	410 546
NAV, SEK	11.90	10.12	7.20	6.71	5.77	5.21	4.01	2.86	2.23	2.07
Number of outstanding units, thousands	528 291	437 588	423 922	338 098	312 205	302 160	244 076	213 948	211 509	198 134
Dividend SEK per unit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.01
Annual return, %	17.6	40.6	7.3	16.3	10.7	29.9	40.2	28.3	9.7	-0.9
MSCI World IT 10/40 <sup>1</sup> , %	11.6	50.8	6.1	24.2	20.2	14.0	39.7	29.5	6.4	-0.9
<b>Risk and growth <sup>2</sup></b>										
Standard deviation, %	19.2	16.4	16.1	14.0	16.2					
Standard deviation benchmark, %	21.9	19.1	16.9	14.0	18.0					
Tracking error, %	6.2	5.3	4.4	6.5	7.9					
Sharpe ratio	1.1	1.4	0.8	1.0	1.2					
<b>Average annual return</b>										
24 months, %	21.5	22.8	11.7	13.5	20.0					
5 years, %	21.2	20.3	20.3	24.6	23.2					
<b>Costs <sup>3</sup></b>										
Management fee, %	1.6	1.6	1.6	1.6	1.6					
Compensation to the custodian, %	0.0	0.0								
Transaction costs <sup>4</sup> , SEK thousands	1 848	597	1 087	339	359					
Transaction costs, %	0.1	0.1	0.1	0.0	0.1					
Research costs <sup>4</sup> , SEK thousands	924	600	477	123	44					
Research costs, %	0.0	0.0	0.0	0.0	0.0					
Ongoing charges, %	1.64	1.62	1.62	1.61	1.61					
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0					
Total costs										
– for a single purchase SEK 10 000	192	199	183	151	162					
– for monthly payments SEK 100	12	12	11	11	11					
<b>Turnover</b>										
Turnover ratio	0.2	0.1	0.2	0.2	0.2					
<b>Purchases and sales of financial instruments involving related parties</b>										
Trading with companies within the same group, %	0.0									
Trading involving funds managed by Lannebo Fonder, %	0.0									

1) MSCI World IT 10/40 Net TR is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange, with the restriction that no company may exceed 10 per cent and that companies comprising 5 per cent or more must not total more than 40% together (weighting restriction in accordance with UCITS). This means that the index reflects the fund's investment rules well.

2) Active share has not been calculated for the period since the cost of obtaining index data was assessed as unreasonably high in relation to the information value.

3) Refers to the costs for the last twelve months.

4) Research costs have previously been a component of transaction costs but as of January 1, 2015 research costs have been separated from transaction costs and are presented on a separate line.

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	5 964 576	4 062 064
<b>Total financial instruments with a positive market value (note 1)</b>	<b>5 964 576</b>	<b>4 062 064</b>
Investment in account with credit institution	238 261	305 307
<b>Total investment with a positive market value</b>	<b>6 202 837</b>	<b>4 367 371</b>
Cash and cash equivalents	94 332	66 435
Prepaid expenses and accrued income	2 008	1 140
Other assets	7 832	0
<b>Total assets</b>	<b>6 307 009</b>	<b>4 434 946</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-8 034	-5 970
Other liabilities	-10 198	0
<b>Total liabilities</b>	<b>-18 232</b>	<b>-5 970</b>
<b>Total net asset (note 2)</b>	<b>6 288 777</b>	<b>4 428 976</b>

## Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>4 428 976</b>	<b>3 052 485</b>
Unit issue	1 829 237	682 116
Unit redemption	-769 141	-558 408
Net result according to income statement	799 705	1 252 783
<b>Net asset at the end of the period</b>	<b>6 288 777</b>	<b>4 428 976</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA</b>				
<b>FINANCIALS</b>				
Prosus	NL/EUR	43 000	37 214	0.6
			<b>37 214</b>	<b>0.6</b>
<b>INFORMATION TECHNOLOGY</b>				
Adobe	US/USD	57 000	230 743	3.7
Advanced Micro Devices	US/USD	265 000	129 649	2.1
Amdocs	GG/USD	270 000	152 860	2.4
Apple	US/USD	126 740	429 955	6.8
Cisco Systems	US/USD	370 000	160 478	2.6
Citrix Systems	US/USD	111 000	152 678	2.4
F-Secure	FI/EUR	1 563 971	46 950	0.7
FireEye	US/USD	500 000	56 610	0.9
IBM	US/USD	207 000	232 479	3.7
Intel	US/USD	290 000	161 351	2.6
Intuit	US/USD	77 500	213 465	3.4
Mastercard	US/USD	58 000	159 490	2.5
MicroChip Technology	US/USD	220 000	215 450	3.4
Microsoft	US/USD	285 000	539 368	8.6
Mycronic	SE/SEK	368 537	64 752	1.0
Naspers Ltd	ZA/ZAR	43 000	72 931	1.2
Nvidia	US/USD	45 000	152 659	2.4
Oracle	US/USD	305 000	156 763	2.5
Palo Alto Networks	US/USD	55 000	117 469	1.9
Paypal Holdings	US/USD	113 000	183 086	2.9
Salesforce.com	US/USD	140 000	243 888	3.9
Sinch	SE/SEK	302 834	241 359	3.8
eBay	US/USD	310 000	151 204	2.4
			<b>4 265 637</b>	<b>67.8</b>
<b>COMMUNICATION SERVICES</b>				
Activision Blizzard	US/USD	205 000	144 694	2.3
Alphabet Class A	US/USD	24 800	327 038	5.2
Alphabet Class C	US/USD	7 526	98 935	1.6
Electronic Arts	US/USD	135 000	165 778	2.6
Facebook	US/USD	92 500	195 324	3.1
Netflix	US/USD	13 000	55 011	0.9
Nintendo	JP/JPY	20 000	82 769	1.3
Square Enix Holdings	JP/JPY	150 000	70 339	1.1
Walt Disney Co	US/USD	110 000	114 067	1.8
			<b>1 253 956</b>	<b>19.9</b>

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>CONSUMER DISCRETIONARY</b>				
Amazon.com	US/USD	14 500	372 003	5.9
Veoneer SDB	US/SEK	365 520	35 766	0.6
			<b>407 769</b>	<b>6.5</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA</b>				
			<b>5 964 576</b>	<b>94.8</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>				
Other assets and liabilities, net			324 201	5.2
<b>TOTAL NET ASSET</b>			<b>6 288 777</b>	<b>100.0</b>

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Teknik Småbolag** is an actively managed equity fund that invests in technology-driven growth companies in the global market. The criteria for a company's size is market capitalization, which at the time of investment may not exceed USD 5 bn or the equivalent amount in another currency. Up to 10 percent of assets may be placed in companies that are larger and/or not technology companies.

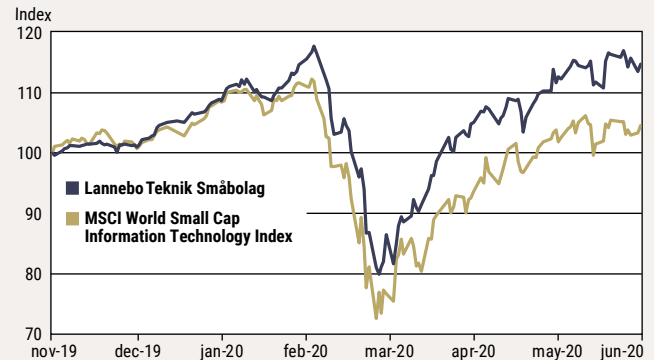
## The fund's performance

**Assets under management** increased from SEK 175 m at the beginning of the year to SEK 508 m at the end of June 2020. The net of inflows and outflows during the period amounted to SEK 311m. Lannebo Teknik Småbolag increased by 10.2 per cent during the period, while the benchmark index, MSCI World Small Cap Information Technology Index, converted to Swedish krona, increased by 1.6 per cent.

**+10.2%**  
year-to-date

**+14.8%**  
since start 07/11/19.  
The recommended  
investment horizon is  
more than five years

## Performance 07/11/19 – 30/06/20



## Management report

**Sinch, Ping Identity Holding and Absolute Software** were holdings that contributed most positively to performance.

Swedish Sinch is a global provider of cloud services for customer interactions. In addition to good organic growth and profitability, the company has an active acquisition strategy for expansion into new geographies and thereby generating volumes for its scalable software platform. So far in 2020, Sinch announced five acquisitions, all of which were strategic and clear steps for the company's development. The acquisitions have contributed to the share increasing 178 per cent during the period.

American Ping Identity Holding (Ping) has developed a digital identification and security solutions platform providing, for example, multi-factor authentication and other digital login functions. Ping's cloud-based platform also enables companies to administer employee access to IT systems. The company is well positioned with a strong brand and an attractive product platform. Demand for digital security solutions is likely to increase as more and more companies secure their digital infrastructure. Circumstances are positive for Ping to take market shares and develop positively in terms of both growth and profitability. The share increased 32 per cent during the period.

Canadian Absolute Software is active within digital security. The company develops software for client computer security, which are solutions to protect devices that connect to a central corporate network. These are mainly mobile or wireless devices, such as laptops, tablets and mobile phones. Absolute Software benefits from increased demand for digital security solutions. The share price increased 53 per cent during the period.

**FireEye, Veoneer and BTS Group** were holdings that contributed most negatively to performance.

American FireEye develops digital security solutions and offers a broad product portfolio. For some time, the company has faced operational challenges related to the transition to cloud solutions, which has also negatively affected profitability. This is reflected in the share price, which was down 27 per cent during the period. The company also announced that it is retracting its forecast for orders in 2020 due to the pandemic.

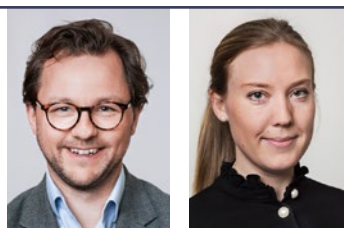
Swedish Veoneer develops car safety systems and driver assistance solutions. The share has developed poorly over a longer period, where during the first half of 2020 it was down 35 per cent. Weak passenger car sales have negatively affected the company and led to fewer orders and project delays. In addition, existing projects have become more complex and time-consuming as customers have requested additional functionality along the way. There has also been concern over the balance sheet and speculation that the company would need to raise capital.

Swedish BTS Group develops both digital and physical training tools for corporate strategy implementations. The company is well positioned after several years of investments in digital and virtual solutions, but the physical deliveries have suffered from Covid-19. This uncertainty is reflected in the share price, which was down 18 per cent during the period. At the same time, demand for digital and virtual solutions has increased due to the pandemic, which is positive for BTS Group longer term.

## FUND MANAGERS

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*"Ping Identity Holding **well positioned** with a strong brand and an attractive digital security platform"*

## Major changes during the year

- The share price of US **Upland Software** declined during the period, which was seen as an opportunity to increase the holding.
- Swedish **Karnov Group**, which has developed an information platform for, among others, legal information, is a new holding and as such a large net investment
- American **Verint Systems**' share price developed poorly during the period, largely due to Covid-19, and we saw it as a buying opportunity.
- The largest net sales during the period were **Isra Vision**, **Data Respons** and **First Sensor**. The holding in German Isra Vision was divested in its entirety following Atlas Copco's bid for the company. Norwegian Data Respons was also acquired during the period and disappeared from the fund. German First Sensor is also under acquisition and the majority of the holding has been sold.

## Top holdings

American **Upland Software** develops cloud-based business systems that enable organizations to plan, manage and execute projects. The company's software facilitates work processes and workflows providing customers increased project efficiencies.

American **Ping Identity Holding (Ping)** has developed a digital identification and security solutions platform, providing, for example, multi-factor authentication and other digital login functions. Ping's cloud-based platform also enables companies to administer employee access to IT systems. The company is well positioned with a strong brand and an attractive product platform.

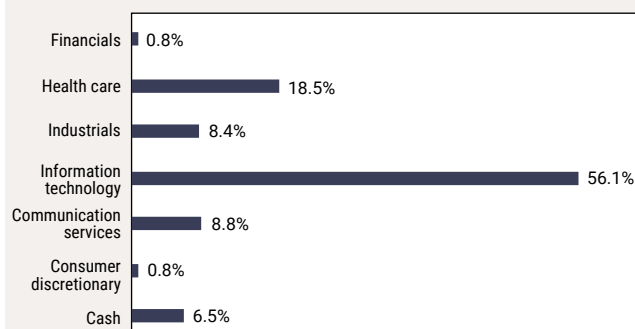
**Sinch** is a global provider of cloud services for customer interaction. Through Sinch's platform, and its direct contact with operators globally, companies can communicate with their customers in a secure and reliable way. In addition to good organic growth and profitability, the company has an active acquisition strategy to strengthen its market position.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Upland Software	21 496	4.2
Ping Identity Holding	21 441	4.2
Sinch	20 093	4.0
New Relic	18 901	3.7
Verint Systems	17 796	3.5

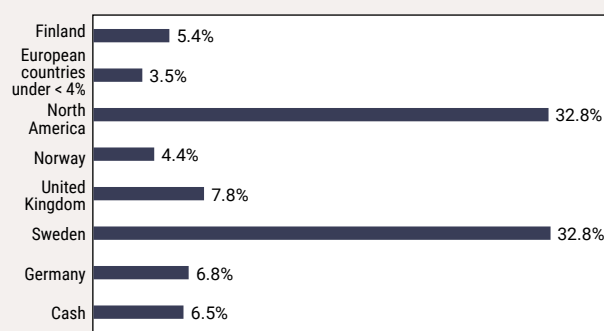
## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

## Sector allocation 30/06/20



## Geographic allocation 30/06/20



## MATERIALS RISKS

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies where the share prices do not move in exactly the same way; this is known as diversification.

The fund's concentration level has a very good margin to the permitted level according to the fund statutes. The portfolio has a very good diversification effect.

At the end of the period, the fund's currency exposure associated with the shareholdings was 31 per cent USD, 14 per cent Euro, 6 per cent British pounds, 4 per cent Norwegian kronor, 4 per cent Canadian dollar and 2 per cent Danish

kronor. Other holdings are denominated in Swedish kronor. The fund's currency risk is therefore not the least strongly linked to changes in exchange rates between the USD and European currencies, respectively, and the Swedish krona.

Together with the outcomes of regular stress tests, relevant risk levels are continually monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund was managed in accordance with the fund's risk profile during the period.



## Fund facts Lannebo Teknik Småbolag, reg no 515603-0503

Launch date 07/11/19.

### The fund's performance

	30/06/20	31/12/19
Net asset SEK thousands	507 901	175 051
NAV, SEK	115.73	105.01
Number of outstanding units, thousands	4 389	1 667
Dividend SEK per unit	0.00	0.00
Annual return, %	10.2	5.0 <sup>1</sup>
MSCI World Small Cap Information Technology Index <sup>2</sup> , %	1.6	2.9 <sup>1</sup>

### Risk and growth

Standard deviation, %	-	-
Standard deviation benchmark, %	-	-
Tracking error, %	-	-
Sharpe ratio	-	-

### Average annual return

24 months, %	-	-
5 years, %	-	-

### Costs<sup>1</sup>

Management fee, %	1.6	1.6
Compensation to the custodian, %	0.0	0.0
Transaction costs, SEK thousands	346	89
Transaction costs, %	0.1	0.1
Research costs, SEK thousands	27	2
Research costs, %	0.0	0.0
Ongoing charges, %	-	-
Sales and redemption fee, %	0.0	0.0
Total costs		
- for a single purchase SEK 10 000	-	-
- for monthly payments SEK 100	-	-

### Turnover

Turnover ratio	0.2	0.0
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.0

<sup>1</sup>) Refers to the period 07/11/19 – 31/12/19.

<sup>2</sup>) MSCI World Small Cap Information Technology Index small contains Small Cap companies in the IT sector from developed countries in different geographical markets. This means that the index reflects the fund's investment rules well.

# LANNEBO TEKNIK SMÅBOLAG

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	475 090	154 747
<b>Total financial instruments with a positive market value (note 1)</b>	<b>475 090</b>	<b>154 747</b>
Investment in account with credit institution	34 054	21 678
<b>Total investment with a positive market value</b>	<b>509 144</b>	<b>176 425</b>
Cash and cash equivalents	7 619	2 626
Prepaid expenses and accrued income	387	0
Other assets	4 150	0
<b>Total assets</b>	<b>521 300</b>	<b>179 051</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-639	-205
Other liabilities	-12 760	-3 795
<b>Total liabilities</b>	<b>-13 399</b>	<b>-4 000</b>
<b>Total net asset (note 2)</b>	<b>507 901</b>	<b>175 051</b>

Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>175 051</b>	<b>0</b>
Unit issue	509 799	176 950
Unit redemption	-198 793	-8 489
Net result according to income statement	21 844	6 590
<b>Net asset at the end of the period</b>	<b>507 901</b>	<b>175 051</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA</b>				
<b>FINANCIALS</b>				
VNV Global	SE/SEK	60 781	4 200	0.8
			<b>4 200</b>	<b>0.8</b>
<b>HEALTH CARE</b>				
Biotage	SE/SEK	113 703	15 839	3.1
CELLINK B	SE/SEK	46 000	5 502	1.1
MedCap	SE/SEK	119 767	16 528	3.3
Nexus	DE/EUR	26 482	10 831	2.1
Omnicell	US/USD	17 088	11 222	2.2
Revenio Group	FI/EUR	59 287	17 457	3.4
Sectra B	SE/SEK	15 230	8 072	1.6
Tabula Rasa Healthcare	US/USD	17 000	8 652	1.7
			<b>94 102</b>	<b>18.5</b>
<b>INDUSTRIALS</b>				
BTS Group B	SE/SEK	87 698	17 154	3.4
CTT Systems	SE/SEK	28 855	4 496	0.9
Talenom	FI/EUR	116 187	10 208	2.0
Tomra Systems	NO/NOK	21 700	7 376	1.5
			<b>39 234</b>	<b>7.7</b>
<b>INFORMATION TECHNOLOGY</b>				
Absolute Software Corporation	CA/CAD	115 000	10 853	2.1
Addnode B	SE/SEK	91 286	16 249	3.2
Basler	DE/EUR	19 976	12 453	2.5
CyberArk Software Ltd	IL/USD	12 800	11 816	2.3
Descartes Systems Group	CA/CAD	17 000	8 326	1.6
FireEye	US/USD	71 500	8 095	1.6
First Sensor	DE/EUR	3 000	1 218	0.2
HMS Networks	SE/SEK	27 894	4 848	1.0
Micro Systemation B	SE/SEK	184 583	4 301	0.8
Mimecast	JE/USD	26 500	10 266	2.0
Mycronic	SE/SEK	89 733	15 766	3.1
New Relic	US/USD	29 500	18 901	3.7
Nordic Semiconductor	NO/NOK	169 047	11 945	2.4
Pexip	NO/NOK	34 884	2 821	0.6
Ping Identity Holding	US/USD	71 849	21 441	4.2
RTX	DK/DKK	31 930	9 530	1.9
SPS Commerce	US/USD	11 500	8 034	1.6
Sinch	SE/SEK	25 211	20 093	4.0
Software AG	DE/EUR	27 148	10 194	2.0
Upland Software	US/USD	66 500	21 496	4.2

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
Verint Systems	US/USD	42 357	17 796	3.5
Viavi Solutions	US/USD	125 500	14 869	2.9
eBay	US/USD	10 000	4 878	1.0
			<b>266 190</b>	<b>52.4</b>
<b>COMMUNICATION SERVICES</b>				
Karnov Group	SE/SEK	287 144	15 936	3.1
MTG B	SE/SEK	29 732	3 006	0.6
			<b>18 942</b>	<b>3.7</b>
<b>CONSUMER DISCRETIONARY</b>				
Veoneer SDB	US/SEK	40 000	3 914	0.8
			<b>3 914</b>	<b>0.8</b>
<b>TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA</b>			<b>426 582</b>	<b>84.0</b>
<b>TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC</b>				
<b>INFORMATION TECHNOLOGY</b>				
Learning Technologies Group	GB/GBP	755 471	10 707	2.1
Solutions 30 SE	LU/EUR	62 000	8 275	1.6
			<b>18 982</b>	<b>3.7</b>
<b>COMMUNICATION SERVICES</b>				
Frontier Developments	GB/GBP	52 880	11 263	2.2
Paradox Interactive	SE/SEK	34 944	7 024	1.4
Team17 Group	GB/GBP	120 000	7 557	1.5
			<b>25 845</b>	<b>5.1</b>
<b>INDUSTRIALS</b>				
Nepa	SE/SEK	114 308	3 681	0.7
			<b>3 681</b>	<b>0.7</b>
<b>TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC</b>			<b>48 508</b>	<b>9.6</b>
<b>TOTAL FINANCIAL INSTRUMENTS</b>			<b>475 090</b>	<b>93.5</b>
Other assets and liabilities, net			32 811	6.5
<b>TOTAL NET ASSET</b>			<b>507 901</b>	<b>100.0</b>

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

**Lannebo Corporate Bond** is an actively managed fixed income fund that primarily invests in corporate bonds from issuers in the Nordic region. The average maturity of the fund's holdings is normally 3 – 5 years.

## The fund's performance

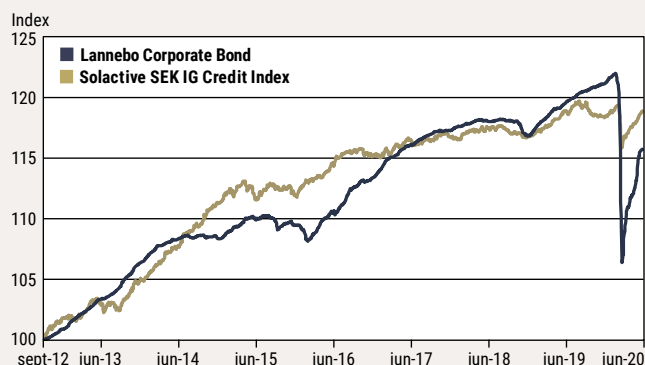
**Assets under management** decreased from SEK 2.2 bn at the beginning of 2020 to SEK 1.2 bn at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 908 m. The fund decreased during the period by 4.5 per cent, while the benchmark index increased by 0.5 per cent. The benchmark index' interest rate duration is significantly longer than in the fund, which means that the fund is not affected by changes in market interest rates to the same extent as the index.

**-4.5%**  
year-to-date

**-0.3%**  
during the recommended three-year investment horizon

*The fund has several share classes. Information regarding returns for share class SEK are described under "The fund's performance". Share class SEK C can be found in the fund facts box. Benchmark index was before 01/06/20 NOMX Credit SEK TR Index.*

## Performance 10/09/12 – 30/06/20



## Management report

**The period began with positive trends** in the credit market, with large inflows to corporate bond funds resulting in increased bond prices. At the end of February, the market took a sharp turn, when concerns about the pandemic's effects and spread became serious. For a few weeks, money flowed out of corporate bond funds where many players were sellers. This led to price declines – which in many cases were unjustifiably large in relation to the change in credit risk for the underlying companies. The global stock market decline and the shutdown of societies as a result of the pandemic were met with strong stimulus from both central banks and governments globally. In April, the market turned upwards and the focus was on the recovery for the remainder of the period. It is still too early to fully assess the long-term effects of the pandemic and the shutdowns. We follow developments closely and have reduced our exposure to holdings that we believe will be hardest hit, such as the travel sector.

**The primary market was completely** closed during the most volatile period. However, towards the end of Spring the primary market gradually opened, particularly for investment grade issues, but even a couple of high-yield issues took place. Green bonds, where proceeds are earmarked for environmental or climate-related investment projects, are still a growing trend. As a consequence of the pandemic, interest rates have fallen against the background that global growth has completely recovered. Three-month Stibor fell from 0.15 to 0.06 per cent. During the period, the Riksbank left the repo rate unchanged at zero per cent but introduced support purchases of municipal and mortgage bonds and

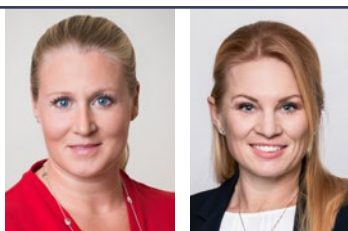
corporate certificates. At its meeting on June 30, the Riksbank resolved to increase the framework for asset purchases from SEK 300 bn to SEK 500 bn, and that from September onwards it would also include corporate bonds with an investment grade rating. The purchase of corporate bonds will amount to SEK 10 bn until June 2021. Several other central banks have introduced support purchase programs for corporate bonds, where the Central Bank of Norway has gone the furthest and established a fund that also buys high-yield bonds. The ECB increased the size of its existing program by EUR 600 bn and also extended the time horizon.

**During the turbulence,** our focus has been on maintaining the fund's structure, and at the end of the period the fund consisted exclusively of corporate bonds. The average maturity of all holdings in the fund, the credit duration, rose from 3.1 to 3.2 years. The credit duration measures how sensitive the fund is to a change in the creditworthiness of one or more of the issuers in the fund. The average credit rating for the fund's holdings was in the lower investment grade segment, BBB-. The interest rate duration, which measures the fund's sensitivity to a change in market interest rates, was 1.0 years at the end of the period. Maintaining short interest rates is a strategy to protect the fund against rising interest rates. The number of issuers at the end of the period was 45 and the geographical distribution was: Sweden 37 per cent, Norway 27 per cent, Finland 16 per cent and Denmark 12 per cent. The remaining 8 per cent was invested in other assets.

## FUND MANAGERS

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**Katarina Ponsbach Carlsson**  
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*"The pandemic was met with  
**strong stimulus** from both central banks  
and governments globally"*

## New holdings and major changes

- + We invested in a green bond issued by the Swedish real estate company **Cibus Nordic Real Estate**. The company focuses on properties for the food trade including some of Finnish Kesko, S-Group and Tokmanni's retail properties. During the period, the company acquired a portfolio in Sweden where Coop is the tenant. The proceeds from the issue will be used to finance the company's sustainably-certified properties and projects, including the installation of solar panels.
- + The fund also invested in the green bond issued by the Norwegian salmon company **MOWI**. The company produces along the entire value chain from salmon feed to ready-made meals with the ambition of driving the company forward in a sustainable way. We believe that MOWI is an interesting investment as salmon, compared to, for example, beef, is a more environmentally friendly and useful source of protein. A growing middle class globally is also increasing the demand for salmon.
- + A new holding is Finnish **Nokia**, which manufactures networks and other IT solutions.
- We reduced our holdings in the companies we assessed would be most affected by the corona crisis, including the ferry company **Color Group** and the vehicle transport company **Wallenius Wilhelmsen**. The holding in the energy service company **Aker Solutions**, which was negatively affected by a low oil price in the wake of the pandemic, was divested in its entirety.

## Top holdings

**Storebrand Livsforsikring** is a pension and life insurance company and is part of the Norwegian Storebrand Group. The company is one of the leading insurance companies in Norway and Sweden, under the name SPP Pension och Försäkring. Storebrand Livsforsikring has a high credit rating of A. Storebrand is listed on the Oslo Stock Exchange.

**Castellum** is one of the largest real estate companies in the Nordic region, value at SEK 96 bn. The real-estate portfolio consists of office, retail and warehouse / logistics properties. The company is geographically well diversified and is located in major Swedish growth cities as well as in Helsinki and Copenhagen. Castellum is listed on the Stockholm Stock Exchange and holds an Investment grade rating of Baa2.

**Velliv**, formerly Nordea Liv & Pension, is a Danish life and pension insurance company that was previously part of the Nordea Group. The company is a leading pension company in Denmark and, since 2019, is owned by its 350,000 customers. A strong balance sheet and good cash flow mean that we assess that Velliv has a credit rating equivalent to BBB+.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Storebrand Livsforsikring	50 804	4.2
Castellum	45 521	3.8
Velliv	45 310	3.8
Cargotec	41 632	3.5
Tryg Forsikring A/S	39 562	3.3

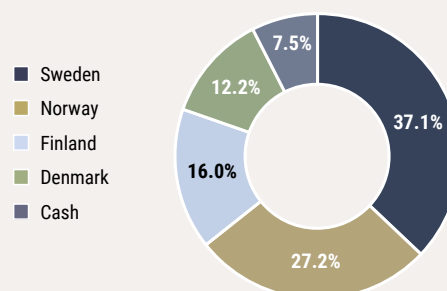
## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

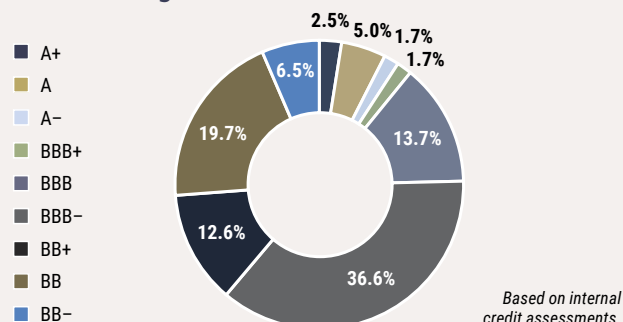
As of June 1, 2020, Solactive SEK IG Credit Index is the new benchmark index, following the closure at the end of May of Nasdaq's family of credit indices.

Concerns in the Nordic corporate bond market resulting from the spread of the coronavirus caused temporary difficulties with regards to valuation. In order to fulfill the fund's regulatory requirements for market valuation, together with the equal treatment and the safeguarding of the interests of all unit holders, the fund company resolved to postpone the sale and redemption of fund units for two days given it was not possible to ensure a reliable valuation of the fund.

## Geographic allocation 30/06/20



## Credit rating allocation 30/06/20



## MATERIALS RISKS

The greatest risk associated with the fund's assets is credit risk, which means the risk that the credit quality of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of an issuer changes for the worse, the market value of the holding will be lower. If an issuer becomes insolvent, in the worst-case scenario, may mean the holding is worthless. The credit risk in this type of fund is higher as the fund invests in corporate bonds. The fund invests in both corporate bonds with a high credit rating, so-called investment grade, and in bonds with a credit rating lower than investment grade or that lack a credit rating. The fund reduces this risk by having a good diversification between different issuers and issues.

Liquidity risk may be higher in a corporate bond fund than in money market funds or equity funds. Liquidity may vary due to changes in supply and demand, which results in a risk that holdings in corporate bonds may be harder to value or sell as a result of weak demand. Should market liquidity be limited or should market pricing be distorted, larger withdrawals from the fund can mean that holdings are sold at unfavorable prices, and, in exceptional

cases, can mean that withdrawals cannot be made immediately upon request. This puts greater demands on the management of the fund's liquidity risk.

The interest rate risk is higher in this type of fixed-income fund as the fund invests in securities with longer interest rate periods, which means greater price volatility than is the case with a money market fund. The fund's interest rate duration was less than one year, while credit duration was under five years.

The fund has not exercised, and does not intend to exercise, the option of investing more than 35 per cent of the fund's value in debt issued or guaranteed by a government, municipal authority or the equivalent within an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the period.

# LANNEBO CORPORATE BOND

## Fund facts Lannebo Corporate Bond, reg no 515602-5669

Launch date 10/09/12.

Share class B SEK was discontinued 26/02/19 and is included in the the historical net assets for share class SEK.

Share class SEK C was launched 26/02/19.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12
Net asset SEK thousands	1 198 457	2 183 817	1 605 696	1 778 078	1 611 729	1 670 580	1 355 506	690 865	86 780
Share class SEK	1 163 220	2 147 021	1 605 695	1 778 078	1 611 729	1 670 580	1 355 506	690 865	
Share class SEK C	35 249	36 808							
NAV, SEK									
Share class SEK	115.67	121.06	116.81	117.21	113.40	109.36	108.33	106.48	101.04
Share class SEK C	116.38	121.52							
Number of outstanding units, thousands	10 359	18 038	13 752	15 176	14 214	15 277	12 513	6 488	859
Share class SEK	10 056	17 735	13 752	15 176	14 214	15 277	12 513	6 488	
Share class SEK C	303	303							
Dividend SEK per unit									
Share class SEK	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share class SEK C	0.00	0.00							
Annual return, %									
Share class SEK	-4.5	3.6	-0.3	3.4	3.7	1.0	1.7	5.4	1.0
Share class SEK C	-4.2	3.2 <sup>1</sup>							
Solactive SEK IG Credit Index <sup>2</sup> , %	0.5 <sup>3</sup>	1.4	0.0	1.3	3.0	0.4	6.2	2.8	1.9

### Risk and growth

Standard deviation, %					
Share class SEK	8.8	0.9	0.9	1.2	1.6
Share class SEK C	-	-			
Standard deviation benchmark, %	0.7	0.9	0.9	1.1	1.5
Tracking error, %	7.0	0.9	0.9	1.7	1.9
Credit duration, years	3.2	3.1	3.4	3.3	3.4
Interest duration, years	1.0	0.8	0.7	0.7	0.9

### Average annual return

24 months, % share class SEK	-1.0	1.6	1.5	3.5	2.3
5 years, % share class SEK	1.0	2.2	1.9	-	-
24 months, % share class SEK C	-	-			
5 years, % share class SEK C	-	-			

### Costs <sup>4</sup>

Management fee share class SEK, %	0.9	0.9	0.9	0.9	0.9
Management fee share class SEK C, %	0.45	0.45			
Compensation to the custodian, %	0.0	0.0			
Transaction costs, SEK thousands	0	0	0	0	0
Transaction costs, %	0.0	0.0	0.0	0.0	0.0
Research costs, SEK thousands	68	72	85		
Research costs, %	0.0	0.0	0.0		
Ongoing charges share class SEK, %	0.92	0.91	0.90	0.90	0.90
Ongoing charges share class SEK C, %	0.47	-			
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
- for a single purchase SEK 10 000, share class SEK	91	93	90	89	91
- for a single purchase SEK 10 000, share class SEK C	45	-			
- for monthly payments SEK 100, share class SEK	6	6	6	6	6
- for monthly payments SEK 100, share class SEK C	3	-			

### Turnover

Turnover ratio	0.5	0.4	0.4	0.4	0.6
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.3

1) Refers to the period 26/02/19 – 31/12/19.

2) Solactive SEK IG Credit Index is an index that has been based to reflect developments in corporate bonds issued in SEK with high credit ratings, better known as investment grade. Benchmark index was before 01/06/20 Nasdaq Credit SEK Total Return Index.

3) Refers to the period 01/06/20 – 30/06/20. Performance before 01/06/20 refers to Nasdaq Credit SEK Total Return Index.

4) Refers to the costs for the last twelve months.



# LANNEBO CORPORATE BOND

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	1 103 642	1 972 618
OTC-derivatives with a positive market value	1 601	1 385
<b>Total financial instruments with a positive market value (note 1)</b>	<b>1 105 243</b>	<b>1 974 003</b>
Investment in account with credit institution	68 542	173 211
<b>Total investment with a positive market value</b>	<b>1 173 785</b>	<b>2 147 214</b>
Cash and cash equivalents	17 977	32 757
Prepaid expenses and accrued income	5 771	7 827
Other assets	3 966	3 810
<b>Total assets</b>	<b>1 201 499</b>	<b>2 191 608</b>
<b>Liabilities</b>		
OTC-derivatives with a negative market value	0	-6 133
<b>Total financial instruments with a negative market value</b>	<b>0</b>	<b>-6 133</b>
Accrued expenses and deferred income	-941	-1 658
Other liabilities	-2 101	0
<b>Total liabilities</b>	<b>-3 042</b>	<b>-7 791</b>
<b>Total net asset (note 2)</b>	<b>1 198 457</b>	<b>2 183 817</b>
<b>Memorandum</b>		
Collateral received for OTC-derivatives	2 100	-
% of total net asset	0.2	-
Pledged assets for OTC-derivatives	-	3 810
% of total net asset	-	0.2

## Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>2 183 817</b>	<b>1 605 696</b>
Unit issue	714 793	1 665 428
Unit redemption	-1 622 620	-1 151 262
Net result according to income statement	-77 533	63 955
<b>Net asset at the end of the period</b>	<b>1 198 457</b>	<b>2 183 817</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>FLOATING RATE NOTES (FRN)</b>				
Ahlstrom-Munksjö 1.875% Obl220609	FI/EUR	2 500 000	26 670	2.2
Akelius Residential 3.875% Obl231005	SE/EUR	1 700 000	17 903	1.5
Aker FRN241122	NO/NOK	19 000 000	17 394	1.5
Balder Green Bond FRN241206	SE/SEK	20 000 000	19 120	1.6
Bilia FRN231011	SE/SEK	16 000 000	15 541	1.3
Cargotec 1.25% Obl250123	FI/EUR	4 200 000	41 632	3.5
Castellum FRN230517	SE/SEK	46 000 000	45 521	3.8
Color Group FRN220923	NO/NOK	21 000 000	19 357	1.6
Color Group FRN231123	NO/NOK	9 000 000	8 087	0.7
Color Group FRN241002	NO/NOK	10 000 000	8 536	0.7
Coor FRN240320	SE/SEK	36 000 000	35 653	3.0
DFDS FRN220928	DE/NOK	34 000 000	31 710	2.6
Digiplex Norway FRN240430	NO/NOK	20 000 000	19 242	1.6
Fjord1 FRN221122	NO/NOK	20 000 000	19 230	1.6
Heimstaden FRN230531	SE/SEK	28 750 000	28 407	2.4
Hexagon Composites FRN230315	NO/NOK	32 000 000	30 088	2.5
If Försäkring Call FRN211201	SE/SEK	16 000 000	16 027	1.3
Jyske Bank Call FRN240409	DK/SEK	28 000 000	28 583	2.4
Klövern Green Bond FRN220404	SE/SEK	15 000 000	15 270	1.3
Länsförsäkringar Bank Call FRN210426	SE/SEK	20 000 000	20 149	1.7
Mowi Green FRN250131	NO/EUR	3 000 000	31 259	2.6
Nokia 2.375% OBL250515	FI/EUR	2 000 000	21 538	1.8
Nordax Bank Call FRN240528	SE/SEK	15 000 000	14 233	1.2
Ocean Yield FRN230525	NO/NOK	17 000 000	15 568	1.3
Ocean Yield FRN241212	NO/NOK	6 000 000	5 343	0.4
OP Bank Call FRN250603	FI/SEK	20 000 000	20 091	1.7
SBAB Bank Call FRN240905	SE/SEK	24 000 000	24 225	2.0
Sinch FRN241127	SE/SEK	21 250 000	21 139	1.8
Småkraft Green Bond FRN231102	NO/EUR	3 800 000	39 151	3.3
SSAB 2.875 % Obl230906	SE/EUR	1 000 000	10 533	0.9

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
SSAB FRN240626	SE/SEK	15 000 000	15 114	1.3
Stena Metall Finans Green Bond FRN230601	SE/SEK	10 000 000	9 933	0.8
Stora Enso Green Bond FRN250429	FI/SEK	30 000 000	30 800	2.6
Storebrand Livsforsikring Call FRN221121	NO/SEK	31 000 000	30 903	2.6
Storebrand Livsforsikring Call FRN240916	NO/SEK	20 000 000	19 901	1.7
Telia Company Call FRN221004	SE/SEK	5 000 000	5 076	0.4
Tryg Forsikring Call FRN251113	DK/NOK	40 000 000	39 562	3.3
Vattenfall Call FRN220319	SE/SEK	1 350 000	1 360	0.1
Volvo Treasury 4.85% Call Obl230310	SE/EUR	1 738 000	19 500	1.6
Wallenius Wilhelmsen FRN221012	NO/NOK	14 000 000	12 964	1.1
			<b>852 312</b>	<b>71.1</b>

## TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET

852 312 71.1

## TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC

### FLOATING RATE NOTES (FRN)

DNB 4.875% Call 241112	NO/USD	2 050 000	18 776	1.6
Logistri 4% Obl210520	SE/SEK	19 000 000	19 261	1.6
SEB 5.125% Call Obl250513	SE/USD	4 000 000	36 218	3.0
Telia Green 1.375 % call Obl260211	SE/EUR	2 000 000	19 794	1.7
Velliv Call FRN230608	DK/SEK	46 000 000	45 310	3.8
Volvo Car FRN230227	SE/SEK	10 000 000	9 827	0.8
			<b>149 187</b>	<b>12.4</b>

## TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC

149 187 12.4

## TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE

### FLOATING RATE NOTES (FRN)

Cibus Nordic Real Estate Green FRN230612	SE/SEK	22 500 000	22 747	1.9
Digiplex Norway FRN230512	NO/NOK	5 000 000	4 918	0.4
Stolt-Nielsen FRN230629	BM/NOK	10 000 000	9 671	0.8
Stolt-Nielsen FRN240220	BM/NOK	16 000 000	14 806	1.2
			<b>52 142</b>	<b>4.4</b>

## TOTAL TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE

52 142 4.4

## OTHER FINANCIAL INSTRUMENTS

### FLOATING RATE NOTES (FRN)

Vapo 2.125% Obl241007	FI/EUR	3 000 000	30 789	2.6
Y-Foundation 3.125% Obl231004	FI/EUR	1 800 000	19 212	1.6
			<b>50 001</b>	<b>4.2</b>

### CURRENCY FUTURES/OTC-DERIVATIVES

EUR/SEK S200929	SE/EUR	-26 751 407	385	0.0
NOK/SEK S200929	SE/NOK	-262 547 753	1 010	0.1
USD/SEK S200929	SE/USD	-5 866 344	205	0.0
			<b>1 601</b>	<b>0.1</b>

## TOTAL OTHER FINANCIAL INSTRUMENTS

51 601 4.3

### TOTAL FINANCIAL INSTRUMENTS

1 105 242 92.2

Other assets and liabilities, net	93 215	7.8
<b>TOTAL NET ASSET</b>	<b>1 198 457</b>	<b>100.0</b>

## TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES

SEB		5.5
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**Accounting principles**

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

**Valuation of financial instruments**

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Karin Haraldsson manages Lannebo's fixed income funds together with Katarina Ponsbach Carlsson.

**Lannebo High Yield** is an actively managed fixed income fund that primarily invests in high yield corporate bonds. The average maturity of the fund's holdings is normally 3–5 years.

## The fund's performance

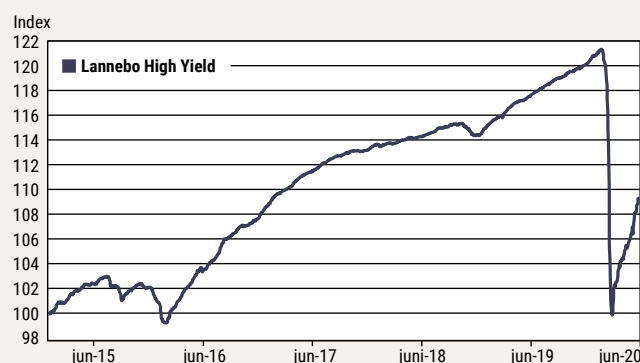
**Assets under management** decreased from SEK 1.3 bn at the beginning of 2020 to SEK 929 m at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 257 m. Lannebo High Yield fell during the period by 8.9 per cent. There is as of yet no relevant Nordic high yield index to compare the fund. Solactive SEK IG Credit Index, which is an index with a higher credit rating and longer interest rate duration increased by 0.5 per cent during the period.

*The fund has several share classes. Information regarding returns for share class SEK are described under "Management report". Share class SEK C can be found in the fund facts box.*

**-8.9%**  
year-to-date

**-1.9%**  
during the recommended three-year investment horizon

## Performance 30/01/15 – 30/06/20



## Management report

**The period began with positive trends** in the credit market, with large inflows to corporate bond funds resulting in increased bond prices. At the end of February, the market took a sharp turn, when concerns about the pandemic's effects and spread became serious. For a few weeks, money flowed out of corporate bond funds where many players were sellers. This led to price declines – which in many cases were unjustifiably large in relation to the change in credit risk for the underlying companies. The global stock market decline and the shutdown of societies as a result of the pandemic were met with strong stimulus from both central banks and governments globally. In April, the market turned upwards and the focus was on the recovery for the remainder of the period. It is still too early to fully assess the long-term effects of the pandemic and the shut-downs. We follow developments closely and have reduced our exposure to holdings that we believe will be hardest hit, such as the travel sector.

**The primary market was completely** closed during the most volatile period. However, towards the end of Spring the primary market gradually opened, particularly for investment grade issues, but even a couple of high-yield issues took place. Green bonds, where proceeds are earmarked for environmental or climate-related investment projects, are still a growing trend. As a consequence of the pandemic, interest rates have fallen against the background that global growth has completely recovered. Three-month Stibor fell from 0.15 to 0.06 per cent. During the period, the Riksbank left the repo rate unchanged at zero per cent but introduced support purchases of municipal and mortgage bonds and corporate certificates. At its meeting on June 30, the Riksbank resolved to increase the framework for asset purchases from SEK 300 bn to SEK

500 bn, and that from September onwards it would also include corporate bonds with an investment grade rating. The purchase of corporate bonds will amount to SEK 10 bn until June 2021. Several other central banks have introduced support purchase programs for corporate bonds, where the Central Bank of Norway has gone the furthest and established a fund that also buys high-yield bonds. The ECB increased the size of its existing program by EUR 600 bn and also extended the time horizon.

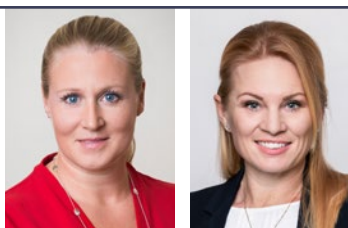
**Our focus during the turbulence** has been on maintaining the fund's structure. The average maturity of all holdings in the fund, the credit duration, was 2.7 years. The credit duration measures how sensitive the fund is to a change in the creditworthiness of one or more of the issuers in the fund. The average credit rating for the fund's holdings was BB-. The interest rate duration, which measures the fund's sensitivity to a change in market interest rates, was 0.5 years at the end of the period. Maintaining short interest rates is a strategy to protect the fund against rising interest rates. The number of issuers at the end of the period was 45 and the geographical distribution was: Sweden 44 per cent, Norway 26 per cent, Denmark 20 per cent and Finland 1 per cent. The remaining 9 per cent was invested in other assets.

**PWT is a Danish retail company** that was adversely affected by the societal closures in Denmark and the company, therefore, went into debt reconstruction. As a result, we wrote-down the value of our holding, which constituted a marginal share of the fund as a whole and at the end of the period represented approximately 0.5 per cent of the fund's assets.

## FUND MANAGERS

**Karin Haraldsson**  
karin.haraldsson@lannebo.se

**Katarina Ponsbach Carlsson**  
katarina.ponsbach-carlsson@lannebo.se



*"A chaotic Spring ended **more stable**"*



## New holdings and major changes

- + We participated in several new issues during the period, one of which was by the **Norwegian Abax Group**. The company provides digital solutions for vehicle fleets, such as electronic logbooks, tracking of trainee behavior and GPS tracking of both machines and tools.
- + Danish **SSG**, a leading Scandinavian player in claims management and real estate services, is also a new holding. Typical claims include fire and water damage, where the customer is an insurance company. This business is relatively non-cyclical and the company has a framework agreement with insurance companies, which provides stable income with high visibility.
- + We also invested in bonds issued by Swedish **SSAB** that we could purchase at attractive levels during the market turbulence.
- We reduced the holding in **SAS** and we divested the entire holding in **Oriflame**.

## Top holdings

**Jyske Bank** is one of Denmark's largest banks and holds an A+ credit rating issued by S&P. The Group's business areas are banking services, loans, financing, insurance, leasing, real estate and asset management for both private and institutional customers. Jyske Bank is listed on the Copenhagen Stock Exchange.

**BewiSynbra** is Europe's largest vertically integrated producer of EPS, which is used in, among other things, insulation and packaging, and is 100 per cent recyclable. A leading market position, modest indebtedness and a diversified product mix mean that our assessment is that the company's credit rating corresponds to BB-.

**SEB** is one of Sweden's largest banks and holds a high credit rating of A with stable prospects. The product portfolio includes advisory services, banking services, financing and asset management for both private and institutional clients. SEB is listed on the Stockholm Stock Exchange.

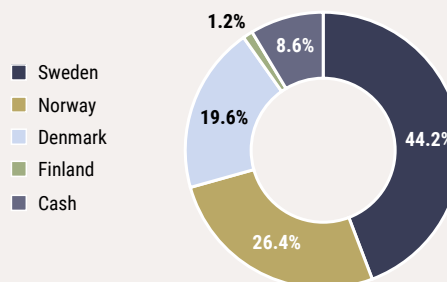
TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Jyske Bank	33 741	3.6
BewiSynbra Group	32 342	3.5
SEB	28 975	3.1
Color Group	27 348	2.9
European Energy	26 760	2.9

## OTHER INFORMATION

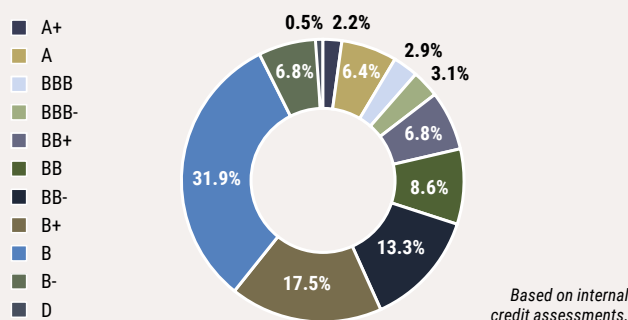
During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

Concerns in the Nordic corporate bond market resulting from the spread of the coronavirus caused temporary difficulties with regards to valuation. In order to fulfill the fund's regulatory requirements for market valuation, together with the equal treatment and the safeguarding of the interests of all unit holders, the fund company resolved to postpone the sale and redemption of fund units for two days given it was not possible to ensure a reliable valuation of the fund.

## Geographic allocation 30/06/20



## Credit rating allocation 30/06/20



## MATERIALS RISKS

The greatest risk associated with the fund's assets is credit risk, which means the credit quality of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of the issuer changes for the worse, the market value of the holding will be lower. If the issuer becomes insolvent, this may, in the worst-case scenario, mean the holding is worthless. The credit risk in these types of funds is higher as the fund invests in high yield corporate bonds issued by companies with lower credit ratings. The fund invests mainly in corporate bonds with lower credit ratings rather than investment grade, or in corporate bonds that do not have a credit rating. The fund reduces this risk by having a good diversification between different issuers and issues.

Liquidity risk may be higher in a corporate bond fund than in a money market fund or equity funds. Liquidity may vary due to changes in supply and demand, which results in a risk that holdings in corporate bonds may be harder to value or sell as a result of weak demand. Should market liquidity be limited or should market pricing be distorted, larger withdrawals from the fund can mean that holdings are sold at unfavorable prices, and, in exceptional

cases, can mean that withdrawals cannot be made immediately upon request. This puts greater demands on the management of the fund's liquidity risk.

The interest rate risk is higher in this type of fixed-income fund as the fund invests in securities with longer interest rate periods, which means greater price volatility than is the case with a money market fund. The fund's interest rate duration was less than one year, while credit duration was under five years.

The fund has not exercised, and does not intend to exercise, the option of investing more than 35 per cent of the fund's value in debt issued or guaranteed by a government, municipal authority or the equivalent within an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the period.



## Fund facts Lannebo High Yield, reg no 515602-7228

Launch date 30/01/15.

Share class SEK C was launched 06/05/19.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15
Net asset SEK thousands	928 502	1 300 846	719 289	555 345	218 249	240 000
Share class SEK	927 572	1 299 322				
Share class SEK C	940	1 282				
NAV, SEK						
Share class SEK	109.38	120.07	114.38	113.17	107.70	101.98
Share class SEK C	109.95	120.43				
Number of outstanding units, thousands	8 489	10 832	6 288	4 907	2 026	2 353
Share class SEK	8 480	10 821				
Share class SEK C	9	11				
Dividend SEK per unit						
Share class SEK	0.00	0.00	0.00	0.00	0.00	0.00
Share class SEK C	0.00	0.00				
Annual return, %						
Share class SEK	-8.9	5.0	1.0	5.1	5.6	2.0
Share class SEK C	-8.7	2.9 <sup>1</sup>				

### Risk and growth <sup>2</sup>

Standard deviation, %						
Share class SEK	12.5	0.9	1.1	2.4	-	
Share class SEK C	-	-				
Standard deviation benchmark, %	-	-	-	-	-	
Credit duration, years	2.7	2.7	2.7	3.0	3.1	
Interest duration, years	0.5	0.4	0.5	0.7	1.0	

### Average annual return

24 months, % share class SEK	-2.2	3.0	3.0	5.3	-	
5 years, % share class SEK	1.3	-	-	-	-	
24 months, % share class SEK C	-	-				
5 years, % share class SEK C	-	-				

### Costs <sup>3</sup>

Management fee share class SEK	0.9	0.9	0.9	0.9	0.9	
Management fee share class SEK C	0.45	0.45				
Compensation to the custodian, %	0.01	0.01	0.01	0.01	0.02	
Transaction costs, SEK thousands	0	0	0	0	0	
Transaction costs, %	0.0	0.0	0.0	0.0	0.0	
Research costs, SEK thousands	82	77	63			
Research costs, %	0.0	0.0	0.0			
Ongoing charges share class SEK, %	0.92	0.92	0.92	0.91	0.92	
Ongoing charges share class SEK C, %	0.47	-				
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0	
Total costs						
- for a single purchase SEK 10 000, share class SEK	90	94	92	90	93	
- for a single purchase SEK 10 000, share class SEK C	45	-				
- for monthly payments SEK 100, share class SEK	6	6	6	6	6	
- for monthly payments SEK 100, share class SEK C	3	-				

### Turnover

Turnover ratio	0.5	0.3	0.3	0.5	0.5	
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0					
Trading involving funds managed by Lannebo Fonder, %	0.0					

1) Refers to the period 06/05/19 – 31/12/19.

2) Currently there is no relevant Nordic high yield index to compare the fund with.

3) Refers to the costs for the last twelve months.

# LANNEBO HIGH YIELD

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	842 226	1 160 155
OTC-derivatives with a positive market value	1 279	735
<b>Total financial instruments with a positive market value (note 1)</b>	<b>843 505</b>	<b>1 160 890</b>
Investment in account with credit institution	29 560	68 402
<b>Total investment with a positive market value</b>	<b>873 065</b>	<b>1 229 292</b>
Cash and cash equivalents	46 425	65 042
Prepaid expenses and accrued income	6 719	8 662
Other assets	4 884	1 860
<b>Total assets</b>	<b>931 093</b>	<b>1 304 856</b>
<b>Liabilities</b>		
OTC-derivatives with a negative market value	0	-3 018
<b>Total financial instruments with a negative market value</b>	<b>0</b>	<b>-3 018</b>
Accrued expenses and deferred income	-691	-992
Other liabilities	-1 900	0
<b>Total liabilities</b>	<b>-2 591</b>	<b>-4 010</b>
<b>Total net asset (note 2)</b>	<b>928 502</b>	<b>1 300 846</b>
<b>Memorandum</b>		
Collateral received for OTC-derivatives	1 900	-
% of total net asset	0.2	-
Pledged assets for OTC-derivatives	-	1 860
% of total net asset	-	0.1
Commitments (note 3)	11 506	-
% of total net asset	1.2	-

Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>1 300 846</b>	<b>719 289</b>
Unit issue	663 988	958 128
Unit redemption	-921 459	-423 456
Net result according to income statement	-114 873	46 885
<b>Net asset at the end of the period</b>	<b>928 502</b>	<b>1 300 846</b>

## Note 3 Commitments

Purchase of issue Momox Green FRN251007	
Amount to which the commitments relates	11 506
% of total net asset	1.2

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>FLOATING RATE NOTES (FRN)</b>				
B2 FRN221114	NO/EUR	1 600 000	14 686	1.6
B2 FRN230523	NO/EUR	600 000	5 431	0.6
BewiSynbra FRN220419	SE/EUR	800 000	8 284	0.9
BewiSynbra FRN231122	SE/EUR	2 400 000	24 058	2.6
BMST FRN220619	SE/SEK	24 000 000	23 580	2.5
Catella FRN220615	SE/SEK	25 000 000	24 688	2.7
Color Group FRN220923	NO/NOK	13 000 000	11 983	1.3
Color Group FRN241002	NO/NOK	18 000 000	15 365	1.7
Corem FRN230227	SE/SEK	18 750 000	17 992	1.9
DSV Miljø FRN210510	DK/EUR	2 000 000	19 978	2.2
Ekornes FRN231002	NO/NOK	15 000 000	14 143	1.5
European Energy Green Bond FRN230920	DK/EUR	2 500 000	26 760	2.9
Fjord1 FRN221122	NO/NOK	6 500 000	6 250	0.7
FNG Nordic FRN240725	SE/SEK	19 000 000	18 066	1.9
Georg Jensen FRN230515	DK/EUR	2 400 000	20 585	2.2
Hedin Bil FRN221005	SE/SEK	13 000 000	12 244	1.3
Heimstaden Call FRN241011	SE/SEK	16 250 000	15 790	1.7
Hexagon Composites FRN230315	NO/NOK	26 500 000	24 916	2.7
Hoist Group FRN210629	SE/SEK	23 000 000	19 627	2.1
If Försäkring Call FRN230322	SE/SEK	8 000 000	7 922	0.9
Jacob Holm FRN220331	DK/SEK	2 000 000	20 118	2.2
Jyske Bank Call FRN210916	DK/SEK	10 000 000	10 262	1.1
Jyske Bank Call FRN240409	DK/SEK	23 000 000	23 479	2.5
Landshypotek Bank Call FRN220329	SE/SEK	19 000 000	19 144	2.1
Nivika Fastigheter FRN211129	SE/SEK	26 000 000	26 272	2.8

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
Ocean Yield Call FRN240910	NO/USD	1 725 000	14 822	1.6
Ocean Yield FRN230525	NO/NOK	10 000 000	9 158	1.0
SAS Call FRN241023	SE/SEK	6 250 000	3 438	0.4
Sergel FRN220709	SE/SEK	16 250 000	12 431	1.3
SFL FRN240604	BM/NOK	25 000 000	23 062	2.5
Slättö Fastpartner FRN230401	SE/SEK	22 500 000	21 206	2.3
SSAB FRN240626	SE/SEK	10 000 000	10 076	1.1
Strömma Turism & Sjöfart FRN210527	SE/SEK	16 000 000	12 500	1.3
Teekay LNG FRN230829	MH/NOK	19 000 000	18 125	2.0
Wallenius Wilhelmsen FRN221012	NO/NOK	22 500 000	20 835	2.2
Zengun Group FRN220523	SE/SEK	20 490 600	20 286	2.2
Ziton FRN221003	DK/EUR	1 995 000	15 963	1.7
			<b>613 522</b>	<b>66.1</b>

**TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET** **613 522** **66.1**

## TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC

<b>FLOATING RATE NOTES (FRN)</b>				
Dilasso Timber FRN230708	SE/SEK	21 850 000	21 522	2.3
DLF Seeds Call 6.375 % Obl221127	DK/EUR	2 000 000	20 491	2.2
DNB 4.875% Call 241112	NO/USD	2 000 000	18 318	2.0
SEB 5.125% Call Obl250513	SE/USD	3 200 000	28 975	3.1
SSG FRN241021	DK/EUR	1 700 000	16 626	1.8
United Camping FRN230605	SE/SEK	22 500 000	21 825	2.4
			<b>127 757</b>	<b>13.8</b>

**TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC** **127 757** **13.8**

## TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE

<b>FLOATING RATE NOTES (FRN)</b>				
ABAX FRN250623	NO/NOK	25 000 000	24 248	2.6
Cambio FRN240926	SE/SEK	20 000 000	20 050	2.2
Cibus Nordic Real Estate Green FRN230612	SE/SEK	17 500 000	17 692	1.9
Digiplex Norway FRN230512	NO/NOK	5 000 000	4 918	0.5
			<b>66 908</b>	<b>7.2</b>

**TOTAL TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE** **66 908** **7.2**

## OTHER FINANCIAL INSTRUMENTS

<b>FLOATING RATE NOTES (FRN)</b>				
Læringsverkstedet FRN220601	NO/NOK	19 000 000	17 925	1.9
PWT FRN221018	DK/DKK	12 000 000	5 045	0.5
Ziton PIK FRN221003	DK/EUR	39 838	319	0.0
Caverion 6.75% Call Obl230515	FI/EUR	1 000 000	10 750	1.2
			<b>34 039</b>	<b>3.7</b>

<b>CURRENCY FUTURES/OTC-DERIVATIVES</b>				
DKK/SEK H200929	SE/DKK	-3 600 000	15	0.0
EUR/SEK H200929	SE/EUR	-19 543 941	301	0.0
NOK/SEK H200929	SE/NOK	-190 660 119	773	0.1
USD/SEK H200929	SE/USD	-6 625 305	189	0.0
			<b>1 279</b>	<b>0.1</b>

**TOTAL OTHER FINANCIAL INSTRUMENTS** **35 317** **3.8**

**TOTAL FINANCIAL INSTRUMENTS** **843 504** **90.8**  
Other assets and liabilities, net 84 998 9.2  
**TOTAL NET ASSET** **928 502** **100.0**

**TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES**  
SEB 5.4  
Svenska Handelsbanken 0.1

## Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

## Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market den senaste tidsperioden.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Maria Nordqvist is Head of Responsible Investments at Lannebo and works closely with the Fund Managers.

**Lannebo Likviditetsfond** is an actively managed fixed income fund that focuses on investments in Swedish fixed-income securities. The credit duration and interest-rate duration of the fund's holdings is a maximum of two years.

## The fund's performance

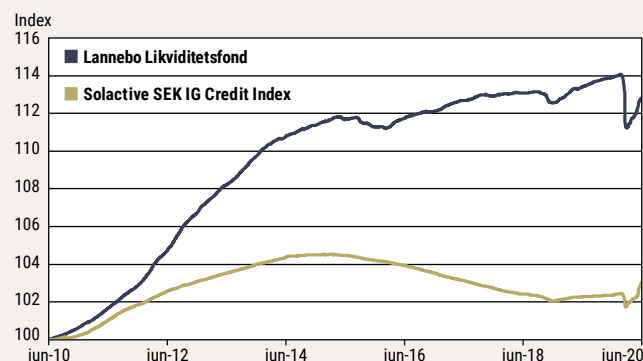
**Assets under management** decreased from SEK 9.5 bn at the beginning of 2020 to SEK 4.5 bn at the end of June 2020. The net of inflows and outflows during the period amounted to minus SEK 5 bn. Lannebo Likviditetsfond fell during the period by 0.9 per cent, while the benchmark index increased 0.7 per cent.

*The fund has several share classes. Information regarding returns for share class SEK are described under "The fund's performance". Share class SEK C can be found in the fund facts box. Benchmark index was before 01/06/20 Nasdaq OMX Credit SEK Rated FRN 1-18M. Benchmark index was before 01/04/18 OMRX Treasury Bill Index.*

**-0.9%**  
year-to-date

**-0.5%**  
during the recommended one-year investment horizon

## Performance 30/06/10 – 30/06/20



## Management report

**The period began with positive trends** in the credit market, with large inflows to corporate bond funds resulting in increased bond prices. At the end of February, the market took a sharp turn, when concerns about the pandemic's effects and spread became serious. For a few weeks, money flowed out of corporate bond funds where many players were sellers. This led to price declines – which in many cases were unjustifiably large in relation to the change in credit risk for the underlying companies. The global stock market decline and the shutdown of societies as a result of the pandemic were met with strong stimulus from both central banks and governments globally. In April, the market turned upwards and the focus was on the recovery for the remainder of the period. It is still too early to fully assess the long-term effects of the pandemic and the shut-downs. We follow developments closely and have reduced our exposure to holdings that we believe will be hardest hit, such as the travel sector.

**The primary market was completely closed** during the most volatile period. However, towards the end of Spring the primary market gradually opened, particularly for investment grade issues, but even a couple of high-yield issues took place. Green bonds, where proceeds are earmarked for environmental or climate-related investment projects, are still a growing trend. As a consequence of the pandemic, interest rates have fallen against the background that global growth has completely recovered. Three-month Stibor fell from 0.15 to 0.06 per cent. During the period, the Riksbank left the repo rate unchanged at zero per cent but introduced support purchases of municipal and mortgage bonds and

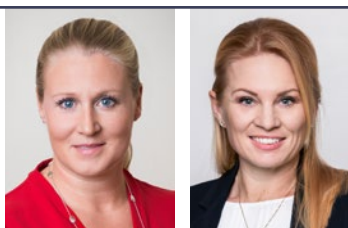
corporate certificates. At its meeting on June 30, the Riksbank resolved to increase the framework for asset purchases from SEK 300 bn to SEK 500 bn, and that from September onwards it would also include corporate bonds with an investment grade rating. The purchase of corporate bonds will amount to SEK 10 bn until June 2021. Several other central banks have introduced support purchase programs for corporate bonds, where the Central Bank of Norway has gone the furthest and established a fund that also buys high-yield bonds. The ECB increased the size of its existing program by EUR 600 bn and also extended the time horizon.

**Some structural changes were made** to the fund during the period. The share of bonds, where the majority are FRN loans with variable interest rates, was 91 per cent at the beginning of the period and increased to 96 per cent at the end of the period. The interest rate duration, which measures the fund's sensitivity to a change in market interest rates, was maintained at a low level and amounted to 0.2 years at the end of the period. The strategy is to keep interest rates short to protect the fund against rising interest rates. The credit duration, which measures the fund's sensitivity to a change in credit spreads, was 1.9 years at the end of the period. The fixed interest rate on FRN loans is in most cases three months, but bonds normally give a higher return than certificates with the same fixed interest period. To achieve a higher return at a limited risk, the fund invested in interest-bearing instruments issued by companies with a high credit rating. The average of the assessed credit ratings of the fund's holdings was BBB at the end of the period.

## FUND MANAGERS

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**Katarina Ponsbach Carlsson**  
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*"Riksbank resolves to support purchase of bonds and commercial paper"*



## New holdings and major changes

- The real estate company **Stenvalvet** is a new holding that is also new in the credit market. Stenvalvet's properties house community services such as nursing homes, the judiciary, healthcare services and schools. The company is owned by Kyrkans Pensionskassa, Kåpan Pensioner and the Stiftelsen för Strategisk Forskning.
- Another new holding is the ball bearing manufacturer **SKF**, which for the first time in a long time issued bonds on the Swedish market.
- We also invested in bonds issued by the investment company **Kinnevik**, CyberKnife manufacturer Elekta and the investment company Latour - all of which are current holdings.
- The holdings in **Telenor** and **Heimstaden Bostad** were divested in their entirety during the period.

## Top holdings

**Castellum** is one of the largest real estate companies in the Nordic region, valued at SEK 96 bn. The real-estate portfolio consists of office, retail and warehouse / logistics properties. The company is geographically well diversified and is located in major Swedish growth cities as well as in Helsinki and Copenhagen. Castellum is listed on the Stockholm Stock Exchange and holds an Investment grade rating of Baa2.

**Balder** is a real estate company that owns and manages residential, commercial and other properties in major cities in the Nordic region. The property portfolio is valued to about SEK 150 bn, which makes it one of the larger real estate companies in the Nordic region. The company is listed on the Stockholm Stock Exchange and has an investment grade rating of BBB.

**BillerudKorsnäs** is a world leading producers of new fiber-based packaging materials. The company manufactures materials for liquid and packaging board and sack paper, among other things, but also develops sustainable and efficient packaging solutions that can replace, for example, plastic. The company has a favorable market position, good margins and a balanced indebtedness, which means that we assess the company's creditworthiness corresponding to BBB.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Castellum	214 698	4.8
Balder	211 995	4.8
BillerudKorsnäs	198 245	4.4
Volvo Treasury	179 017	4.0
Atruim Ljungberg	165 089	3.7

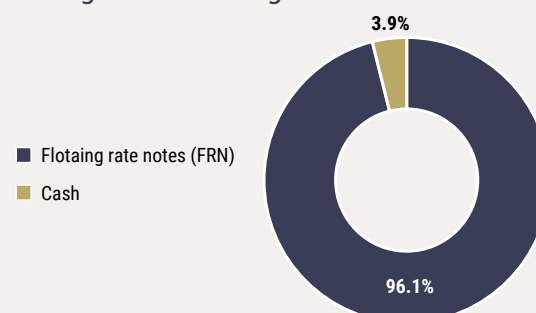
## OTHER INFORMATION

During the period, Lannebo updated its policy for sustainable investments and introduced expanded exclusion criteria. The industries affected by the extended exclusion criteria are tobacco, cannabis, alcohol, gambling, pornography, weapons and fossil fuel. More information is available on the fund company's website.

As of June 1, 2020, the fund's new benchmark index is Solactive SEK IG Credit Index, following the closure at the end of May of Nasdaq's family of credit indices.

Concerns in the Nordic corporate bond market resulting from the spread of the coronavirus caused temporary difficulties with regards to valuation. In order to fulfill the fund's regulatory requirements for market valuation, together with the equal treatment and the safeguarding of the interests of all unit holders, the fund company resolved to postpone the sale and redemption of fund units for two days given it was not possible to ensure a reliable valuation of the fund.

## Statistisk fördelning 30/06/20



## MATERIALS RISKS

The greatest risk associated with the fund's assets is credit risk, which means the credit quality of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of an issuer changes for the worse, the market value of the holding will be lower. If an issuer becomes insolvent, this may, in the worst-case scenario, mean the holding is worthless. Likviditetsfonden only invests in interest-bearing transferable securities and money market instruments with an assessed high credit rating to limit this risk. In addition, the fund has a good diversification between different issuers and issues, which further reduces credit risk.

Likuidity risk may be higher in corporate bond funds than in equity funds. Liquidity can vary as a result of changes in demand and supply, which entails a risk that holdings in corporate bonds may be more difficult to value or sell as a result of weak demand. In the event of limited liquidity or distorted market pricing, larger withdrawals from the fund may mean that holdings are sold at unfavorable prices and, in exceptional cases, mean

that withdrawals cannot take place immediately upon request. This places greater demands on the management of the liquidity risk in the fund.

The duration may not exceed two years. The interest rate duration in the fund is less than one year, while the duration is less than two years. The interest rate risk is thus low.

The fund has not exercised, and does not intend to exercise, the option of investing more than 35 per cent of the fund's value in debt issued or guaranteed by a government, municipal authority or the equivalent within an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Likviditetsfond, reg no 504400-9388

Launch date 2001-11-12.

Share class SEK C was launched 30/10/18.

The fund's performance	30/06/20	31/12/19	31/12/18	31/12/17	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Net asset SEK thousands	4 460 473	9 526 049	10 599 134	7 487 696	5 940 612	7 095 225	3 627 063	3 251 137	3 103 964	5 996 422
Share class SEK	4 431 945	9 479 719	10 573 665							
Share class SEK C	28 571	46 415	25 470							
NAV, SEK										
Share class SEK	114.71	115.79	114.43	114.80	113.97	113.11	113.24	111.57	108.52	107.25
Share class SEK C	114.91	115.93	114.45							
Number of outstanding units, thousands	38 884	82 271	92 627	65 226	52 125	62 727	32 031	29 141	28 602	55 910
Share class SEK	38 635	81 870	92 404							
Share class SEK C	249	400	223							
Dividend SEK per unit										
Share class SEK	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.66	1.22
Share class SEK C	0.00	0.00								
Annual return, %										
Share class SEK	-0.9	1.2	-0.3	0.7	0.8	-0.1	1.5	2.8	3.7	2.2
Share class SEK C	-0.9	1.3	-0.4							
Solactive SEK IG Credit Index <sup>1</sup> , %	0.7 <sup>2</sup>	0.3	-0.7	-0.8	-0.7	-0.3	0.5	0.9	1.2	1.6

### Risk and growth

Standard deviation, %					
Share class SEK	1.9	0.4	0.3	0.2	0.3
Share class SEK C	-	-	-		
Standard deviation benchmark, %	0.7	0.2	0.0	0.0	0.1
Tracking error	1.3	0.2	0.3	0.2	0.3
Credit duration, years	1.9	1.7	1.8	1.8	1.7
Interest duration, years	0.2	0.2	0.3	0.1	0.1

### Average annual return

24 months share class SEK, %	-0.1	0.4	0.2	0.7	0.3
5 years share class SEK, %	0.2	0.4	0.5	1.1	1.7
24 months share class SEK C, %	-	-	-		
5 years share class SEK C, %	-	-	-		

### Costs <sup>3</sup>

Management fee share class SEK, %	0.2	0.2	0.2	0.2	0.2
Management fee share class SEK C, %	0.1	0.1	0.1		
Fee charged by the custodian	0.0	0	0	0	0
Transaction costs, SEK thousands	0	0	0	0	0
Transaction costs, %	0.0	0.0	0.0	0.0	0.0
Research costs, SEK thousands	54	55	51		
Research costs, %	0.0	0.0	0.0		
Ongoing charges share class SEK, %	0.21	0.20	0.20	0.20	0.20
Ongoing charges share class SEK C, %	0.11	0.10	-		
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
- for a single purchase SEK 10 000, share class SEK	21	20	20	20	20
- for a single purchase SEK 10 000, share class SEK C	10	10	-		
- for monthly payments SEK 100, share class SEK	1	1	1	1	1
- for monthly payments SEK 100, share class SEK C	1	1	-		

### Turnover

Turnover ratio	0.4	0.4	0.6	0.5	0.6
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.1

<sup>1</sup> Solactive SEK IG Credit Index is an index that has been based to reflect developments in corporate bonds issued in SEK with high credit ratings, better known as investment grade.

Benchmark index was before 01/06/20 Nasdaq OMX Credit SEK Rated FRN 1-18M. Benchmark index was before 01/04/18 OMRX Treasury Bill Index.

<sup>2</sup> Refers to the period 01/06/20 – 30/06/20. Performance before 01/06/20 refers to Nasdaq OMX Credit SEK Rated FRN 1-18M.

<sup>3</sup> Refers to the costs for the last twelve months.

# LANNEBO LIKVIDITETSFOND

## Balance sheet, SEK thousands

	30/06/20	31/12/19
<b>Assets</b>		
Transferable securities	4 283 318	8 611 968
Money market instruments	0	599 660
<b>Total financial instruments with a positive market value (note 1)</b>	<b>4 283 318</b>	<b>9 211 628</b>
Investment in account with credit institution	105 981	164 735
<b>Total investment with a positive market value</b>	<b>4 389 299</b>	<b>9 376 363</b>
Cash and cash equivalents	66 907	142 891
Prepaid expenses and accrued income	5 200	8 502
<b>Total assets</b>	<b>4 461 406</b>	<b>9 527 756</b>
<b>Liabilities</b>		
Accrued expenses and deferred income	-933	-1 707
<b>Total liabilities</b>	<b>-933</b>	<b>-1 707</b>
<b>Total net asset (note 2)</b>	<b>4 460 473</b>	<b>9 526 049</b>

## Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>9 526 049</b>	<b>10 599 134</b>
Unit issue	2 007 861	4 595 136
Unit redemption	-6 972 227	-5 786 178
Net result according to income statement	-101 210	117 957
<b>Net asset at the end of the period</b>	<b>4 460 473</b>	<b>9 526 049</b>

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>FLOATING RATE NOTES (FRN)</b>				
AFRY FRN230620	SE/SEK	42 000 000	40 686	0.9
AFRY FRN240627	SE/SEK	56 000 000	54 690	1.2
Akelius Residential FRN231003	SE/SEK	46 000 000	45 587	1.0
Atrium Ljungberg Green Bond FRN210709	SE/SEK	50 000 000	49 770	1.1
Atrium Ljungberg Green Bond FRN210906	SE/SEK	116 000 000	115 319	2.6
Balder FRN230119	SE/SEK	49 000 000	48 223	1.1
Balder Green Bond FRN230206	SE/SEK	100 000 000	97 657	2.2
Balder Green Bond FRN240605	SE/SEK	38 000 000	37 435	0.8
Balder Green Bond FRN241206	SE/SEK	30 000 000	28 680	0.6
Bilia FRN210329	SE/SEK	85 000 000	85 449	1.9
Bilia FRN231011	SE/SEK	80 000 000	77 704	1.7
BillerudKorsnäs FRN210608	SE/SEK	50 000 000	50 016	1.1
BillerudKorsnäs FRN220221	SE/SEK	98 000 000	98 548	2.2
BillerudKorsnäs FRN230320	SE/SEK	50 000 000	49 682	1.1
Castellum FRN220414	SE/SEK	77 000 000	77 324	1.7
Castellum FRN220901	SE/SEK	67 000 000	67 658	1.5
Castellum FRN230828	SE/SEK	22 000 000	21 695	0.5
Castellum FRN250213	SE/SEK	50 000 000	48 021	1.1
Elekta FRN220328	SE/SEK	38 000 000	38 323	0.9
Elekta FRN250313	SE/SEK	50 000 000	48 709	1.1
Ellevio FRN231209	SE/SEK	60 000 000	61 236	1.4
Fabege Green Bond FRN230830	SE/SEK	82 000 000	80 961	1.8
Hexagon FRN210901	SE/SEK	70 000 000	69 723	1.6
Hexagon FRN241126	SE/SEK	40 000 000	38 541	0.9
Husqvarna FRN210503	SE/SEK	34 000 000	34 250	0.8
Husqvarna FRN230214	SE/SEK	27 000 000	26 835	0.6
ICA Gruppen FRN250228	SE/SEK	26 000 000	25 258	0.6
Ikano Bank FRN210126	SE/SEK	39 000 000	39 049	0.9
Ikano Bank FRN210621	SE/SEK	76 000 000	75 637	1.7
Indutrade FRN220225	SE/SEK	90 000 000	89 080	2.0
Indutrade FRN230223	SE/SEK	30 000 000	29 486	0.7
Kinnevik FRN250219	SE/SEK	70 000 000	68 320	1.5
Lantmännen FRN201207	SE/SEK	99 000 000	99 405	2.2
Latour FRN210913	SE/SEK	100 000 000	99 911	2.2
Latour FRN230327	SE/SEK	50 000 000	49 574	1.1
Lifco FRN211206	SE/SEK	62 000 000	61 720	1.4
LKAB Green Bond FRN250310	SE/SEK	32 000 000	31 235	0.7
Loomis FRN230918	SE/SEK	102 000 000	99 816	2.2
MTG FRN201005	SE/SEK	42 000 000	42 062	0.9
NCC Treasury Green Bond FRN220930	SE/SEK	110 000 000	108 500	2.4
NENT FRN220523	SE/SEK	98 000 000	96 926	2.2

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
Nibe Industrier FRN210621	SE/SEK	61 000 000	61 017	1.4
Nibe Industrier FRN230904	SE/SEK	52 000 000	51 125	1.1
Nibe Industrier FRN240603	SE/SEK	26 000 000	25 428	0.6
Norsk Hydro FRN201109	NO/SEK	74 000 000	73 890	1.7
Olav Thon Eiendomsselskap FRN210308	NO/SEK	110 000 000	109 361	2.5
Olav Thon Eiendomsselskap FRN220510	NO/SEK	50 000 000	49 189	1.1
PostNord FRN210913	SE/SEK	70 000 000	70 001	1.6
Sampo FRN220523	FI/SEK	73 000 000	73 174	1.6
Scania CV 0.33% Obl210223	SE/SEK	50 000 000	49 656	1.1
Scania CV FRN220822	SE/SEK	113 000 000	109 941	2.5
SFF Green Bond FRN210531	SE/SEK	50 000 000	49 954	1.1
Skanska Financial Services Green Bond FRN201124	SE/SEK	61 000 000	61 008	1.4
Stenvalvet FRN240205	SE/SEK	40 000 000	39 007	0.9
Stockholm Exergi FRN200917	SE/SEK	50 000 000	50 043	1.1
Stora Enso Green Bond FRN240220	FI/SEK	41 000 000	41 049	0.9
Södra Skogsägarna Green Bond FRN210607	SE/SEK	96 000 000	96 749	2.2
Tele2 FRN210511	SE/SEK	40 000 000	40 404	0.9
Tele2 FRN250610	SE/SEK	28 000 000	28 231	0.6
Trelleborg Treasury FRN210118	SE/SEK	113 000 000	113 243	2.5
Vacse Green Bond FRN220607	SE/SEK	38 000 000	38 080	0.9
Vacse Green Bond FRN230912	SE/SEK	68 000 000	67 868	1.5
Volvo Treasury FRN200917	SE/SEK	30 000 000	29 996	0.7
Volvo Treasury FRN210920	SE/SEK	100 000 000	99 625	2.2
Volvo Treasury FRN231213	SE/SEK	50 000 000	49 397	1.1
Volvofinans Bank FRN220309	SE/SEK	40 000 000	39 966	0.9
Volvofinans Bank Green Bond FRN220516	SE/SEK	20 000 000	19 996	0.4
Wallenstam FRN201123	SE/SEK	96 000 000	96 011	2.2
Wallenstam Green Bond FRN210524	SE/SEK	30 000 000	29 925	0.7
			<b>4 172 036</b>	<b>93.5</b>

**TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET** **4 172 036** **93.5**

### OTHER FINANCIAL INSTRUMENTS

<b>FLOATING RATE NOTES (FRN)</b>				
Arla Foods Finance FRN210531	DK/SEK	21 000 000	21 190	0.5
			<b>21 190</b>	<b>0.5</b>

**TOTAL OTHER FINANCIAL INSTRUMENTS** **21 190** **0.5**

### TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC

<b>FLOATING RATE NOTES (FRN)</b>				
Arla Foods Finance FRN230703	DK/SEK	36 000 000	35 786	0.8
			<b>35 786</b>	<b>0.8</b>

**TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC** **35 786** **0.8**

### TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE

<b>FLOATING RATE NOTES (FRN)</b>				
SKF FRN240610	SE/SEK	54 000 000	54 306	1.2
			<b>54 306</b>	<b>1.2</b>

**TOTAL TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE** **54 306** **1.2**

<b>TOTAL FINANCIAL INSTRUMENTS</b>	<b>4 283 318</b>	<b>96.0</b>
Other assets and liabilities, net	177 155	4.0
<b>TOTAL NET ASSET</b>	<b>4 460 473</b>	<b>100.0</b>

**Accounting principles**

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

**Valuation of financial instruments**

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3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Karin Haraldsson and Katarina Ponsbach Carlsson manage the new fund Lannebo Sustainable Corporate Bond.



# LANNEBO SUSTAINABLE CORPORATE BOND

**Lannebo Sustainable Corporate Bond** is an actively managed fixed income fund that primarily invests in corporate bonds from issuers in the Nordic region and to some extent in the rest of Europe. The fund invests in green bonds, corporate bonds from issuers that are producing environmental solutions or from companies that themselves are graded as highly sustainable. The average maturity of the fund's holdings is normally 3–5 years.

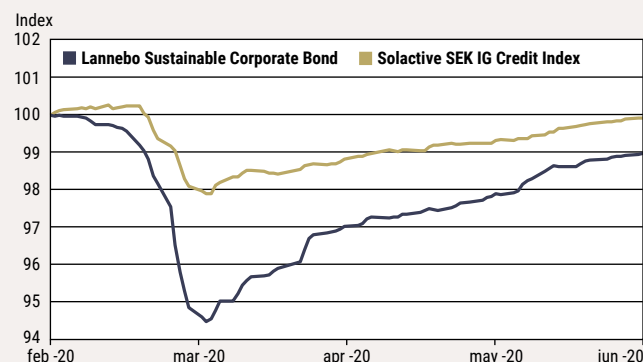
## The fund's performance

**The fund was started** on February 18, 2020. Assets under management amounted to SEK 76 m at the end of June 2020. The net of inflows and outflows during the period amounted to SEK 77 m. Lannebo Sustainable Corporate Bond fell by 1.3 per cent, and the benchmark index decreased 0.1 per cent. The interest rate duration in the benchmark index is significantly longer than in the fund, which means that the fund is not affected by changes in market interest rates to the same extent as the index.

Benchmark index was before 01/06/20  
NOMX Credit SEK TR Index.

**-1.3%**  
since start (18/02/18)

## Performance 18/02/20 – 30/06/20



## Management report

**The period began with positive trends** in the credit market, with large inflows to corporate bond funds resulting in increased bond prices. At the end of February, the market took a sharp turn, when concerns about the pandemic's effects and spread became serious. For a few weeks, money flowed out of corporate bond funds where many players were sellers. This led to price declines – which in many cases were unjustifiably large in relation to the change in credit risk for the underlying companies. The global stock market decline and the shutdown of societies as a result of the pandemic were met with strong stimulus from both central banks and governments globally. In April, the market turned upwards and the focus was on the recovery for the remainder of the period. It is still too early to fully assess the long-term effects of the pandemic and the shut-downs. We follow developments closely and have reduced our exposure to holdings that we believe will be hardest hit, such as the travel sector.

**The primary market was completely** closed during the most volatile period. However, towards the end of Spring the primary market gradually opened, particularly for investment grade issues, but even a couple of high-yield issues took place. Green bonds, where proceeds are earmarked for environmental or climate-related investment projects, are still a growing trend. As a consequence of the pandemic, interest rates have fallen against the background that global growth has completely recovered. Three-month Stibor fell from 0.15 to 0.06 per cent. During the period, the Riksbank left the repo rate unchanged at zero per cent but

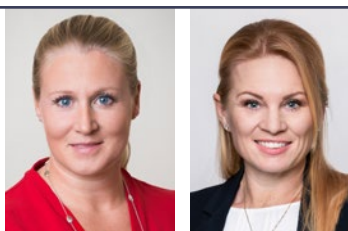
introduced support purchases of municipal and mortgage bonds and corporate certificates. At its meeting on June 30, the Riksbank resolved to increase the framework for asset purchases from SEK 300 bn to SEK 500 bn, and that from September onwards it would also include corporate bonds with an investment grade rating. The purchase of corporate bonds will amount to SEK 10 bn until June 2021. Several other central banks have introduced support purchase programs for corporate bonds, where the Central Bank of Norway has gone the furthest and established a fund that also buys high-yield bonds. The ECB increased the size of its existing program by EUR 600 bn and also extended the time horizon.

**The fund has been built up** during the period, where we took the opportunity to buy bonds that were traded at attractive levels during the market turbulence. The average maturity of all holdings in the fund, the credit duration, was 3.2 years at the end of the period. The credit duration measures how sensitive the fund is to a change in the creditworthiness of one or more of the issuers. The average of the assessed credit rating for the fund's holdings was BBB-. The interest rate duration, which measures the fund's sensitivity to a change in market interest rates, was a low 0.6 years. The strategy is to maintain short interest rates in order to protect the fund against rising interest rates. The number of issuers at the end of the period was 33 and the geographical distribution was: Sweden 57 per cent, Norway 14 per cent, Denmark 9 per cent, Finland 8 per cent and the US 3 per cent.

## FUND MANAGERS

**Karin Haraldsson**  
karin.haraldsson@lannebo.se

**Katarina Ponsbach Carlsson**  
katarina.ponsbach-carlsson@lannebo.se



*"Green bonds remain  
a strong growth trend"*

## New holdings and major changes

- The fund invested in the green bond issued by the Norwegian salmon company **MOWI**. The company produces everything in the value chain from salmon feed to ready-made meals with the ambition of driving the company forward sustainably. We believe that MOWI is an interesting investment as salmon, compared to, for example, beef, is a more environmentally friendly and useful source of protein. The demand for salmon is increasing due to a growing middle class globally.
- The bond issued by **IDA**, the International Development Association that is part of the World Bank, is another exciting holding. IDA's main mission is to combat extreme poverty in its member countries - 76 of the world's poorest. Proceeds from the bond will help countries that have suffered the most from humanitarian and financial hardship from Covid-19 through loans to support various projects. IDA has the highest rating, AAA, from the rating agencies.
- The Swedish electricity network company **Ellevio** also issued a green bond. The proceeds will finance the transition to a climate-neutral society in accordance with the government's goals by developing the electricity grid for increased fluctuations in the flow, as well as managing increased demand for charging stations for electric cars, etc..

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## Top holdings

**SBAB Bank** is a Swedish bank focused on savings and loan services to private individuals, residential associations and real estate companies in Sweden. SBAB is wholly owned by the Swedish state and has a high credit rating of A.

**Stena Metall Finans** is a Swedish recycling company and is wholly owned by Stenasfären. The company's market-leading position, stable earnings and declining indebtedness mean that we assess that the company's creditworthiness corresponds to BB+. The fund invested in a green bond issued to finance Stena Metall's new modern recycling center in Halmstad.

**Cibus Nordic Real Estate** is a Swedish real estate company that owns and manages retail properties in Finland and Sweden. The dominant tenant in Sweden is Coop and in Finland the primary customers are Kesko, S-Group and Tokmanni. The company is listed on Nasdaq First North Premier in Stockholm. Long-term contracts, reasonable indebtedness and stable tenants mean that we assess that the company's creditworthiness corresponds to BB. The fund owns a green bond that, among other things, finances solar panel facilities on the properties.

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
SBAB Bank	4 007	5.3
Stena Metall Finans	2 980	3.9
Cibus Nordic Real Estate	2 527	3.3
Sanolium	2 506	3.3
International Development Association	2 503	3.3

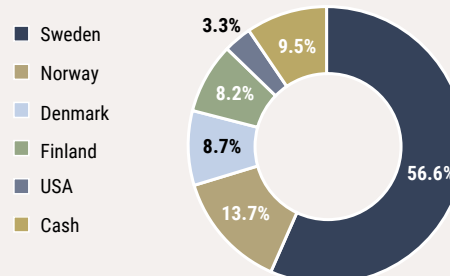
## OTHER INFORMATION

On June 29, 2020, the fund rules for Lannebo Sustainable Corporate Bond were changed. The decision was made with the aim of harmonizing the exclusion criteria that apply to the fund company's funds focused on sustainability. More information is available on the fund company's website.

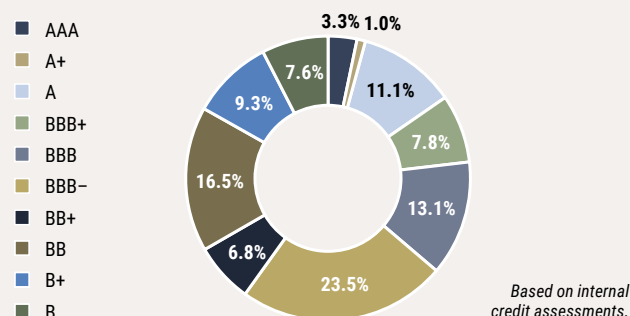
As of June 1, 2020, Solactive SEK IG Credit Index is the new benchmark index, following the closure at the end of May of Nasdaq's family of credit indices.

The Nordic corporate bond market experienced issues resulting from the spread of the coronavirus, which caused temporary difficulties with regards to valuation. In order to fulfill the fund's regulatory requirements for market valuation, together with the equal treatment and the safeguarding of the interests of all unit holders, the fund company resolved to postpone the sale and redemption of fund units for two days given it was not possible to ensure a reliable valuation of the fund.

## Geographic allocation 30/06/20



## Credit rating allocation 30/06/20



## MATERIALS RISKS

The greatest risk associated with the fund's assets is credit risk, which means the risk that the credit quality of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of an issuer changes for the worse, the market value of the holding will be lower. If an issuer becomes insolvent, in the worst-case scenario, may mean the holding is worthless. The credit risk in this type of fund is higher as the fund invests in corporate bonds. The fund invests in both corporate bonds with a high credit rating, so-called investment grade, and in bonds with a credit rating lower than investment grade or that lack a credit rating. The fund reduces this risk by having a good diversification between different issuers and issues.

Liquidity risk may be higher in a corporate bond fund than in money market funds or equity funds. Liquidity may vary due to changes in supply and demand, which results in a risk that holdings in corporate bonds may be harder to value or sell as a result of weak demand. Should market liquidity be limited or should market pricing be distorted, larger withdrawals from the fund can mean that holdings are sold at unfavorable prices, and, in exceptional

cases, can mean that withdrawals cannot be made immediately upon request. This puts greater demands on the management of the fund's liquidity risk.

The interest rate risk can be higher in this type of fixed-income fund as the fund invests in securities with longer interest rate periods, which means greater price volatility than is the case with a money market fund. The fund's interest rate duration was less than one year, while credit duration was under five years.

The fund has not exercised, and does not intend to exercise, the option of investing more than 35 per cent of the fund's value in debt issued or guaranteed by a government, municipal authority or the equivalent within an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the period.

## Fund facts Lannebo Sustainable Corporate Bond, reg no 515603-0651

Launch date 18/02/20.

The fund's performance <sup>1</sup>	30/06/20
Net asset SEK thousands	76 264
NAV, SEK	98.75
Number of outstanding units, thousands	772
Dividend SEK per unit	0.00
Annual return, %	-1.3
Solactive SEK IG Credit Index <sup>2</sup> , %	-0.1 <sup>3</sup>

### Risk and growth

Standard deviation, %	-
Standard deviation benchmark, %	-
Tracking error, %	-
Credit duration, years	3.2
Interest duration, years	0.6

### Average annual return

24 months, %	-
5 years, %	-

### Costs <sup>1</sup>

Management fee, %	0.9
Compensation to the custodian, %	0.0
Transaction costs, SEK thousands	0
Transaction costs, %	0.0
Research costs, SEK thousands	1
Research costs, %	0.0
Ongoing charges, %	-
Sales and redemption fee, %	0.0
Total costs	
- for a single purchase SEK 10 000	-
- for monthly payments SEK 100	-

### Turnover

Turnover ratio	0.1
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### Purchases and sales of financial instruments involving related parties

Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	25.9

1) Refers to the period 18/02/20 – 30/06/20.

2) Solactive SEK IG Credit Index is an index that has been based to reflect developments in corporate bonds issued in SEK with high credit ratings, better known as investment grade. Benchmark index was before 01/06/20 Nasdaq Credit SEK Total Return Index.

3) Refers to the period 01/06/20 – 30/06/20. Performance before 01/06/20 refers to Nasdaq Credit SEK Total Return Index.

# LANNEBO SUSTAINABLE CORPORATE BOND

## Balance sheet, SEK thousands

	30/06/20
<b>Assets</b>	
Transferable securities	68 769
OTC-derivatives with a positive market value	64
<b>Total financial instruments with a positive market value (note 1)</b>	<b>68 833</b>
Investment in account with credit institution	6 154
<b>Total investment with a positive market value</b>	<b>74 987</b>
Cash and cash equivalents	1 144
Prepaid expenses and accrued income	270
<b>Total assets</b>	<b>76 401</b>
<b>Liabilities</b>	
Accrued expenses and deferred income	-57
Other liabilities	-80
<b>Total liabilities</b>	<b>-137</b>
<b>Total net asset (note 2)</b>	<b>76 264</b>
<b>Memorandum</b>	
Collateral received for OTC-derivatives	80
% of total net asset	0.1
Pledged assets for OTC-derivatives	-
% of total net asset	-
Commitments (note 3)	2 092
% of total net asset	2.7

## Note 1 See holdings in financial instruments below

## Note 2 Change in net asset

<b>Net asset in the beginning of the year</b>	<b>0</b>
Unit issue	79 566
Unit redemption	-2 473
Net result according to income statement	-829
<b>Net asset at the end of the period</b>	<b>76 264</b>

## Note 3 Commitments

Purchase of issue Momox Green FRN251007	
Amount to which the commitments relates	2 092
% of total net asset	2.7

## Investment in financial instruments as at 30/06/20

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
<b>TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET</b>				
<b>FLOATING RATE NOTES (FRN)</b>				
AFRY FRN240627	SE/SEK	2 000 000	1 953	2.6
Balder Green Bond FRN240605	SE/SEK	2 000 000	1 970	2.6
Castellum FRN230828	SE/SEK	2 000 000	1 972	2.6
Caverion 3.25% Obl230328	FI/EUR	200 000	2 064	2.7
Digiplex Norway FRN240430	NO/NOK	2 000 000	1 924	2.5
Elektro FRN250313	SE/SEK	2 000 000	1 948	2.6
Ellevio FRN270611	SE/SEK	2 000 000	2 004	2.6
European Energy Green Bond FRN230920	DK/EUR	200 000	2 141	2.8
Fabege Green Bond FRN230830	SE/SEK	2 000 000	1 975	2.6
Fjord1 FRN221122	NO/NOK	2 000 000	1 923	2.5
Georg Jensen FRN230515	DK/EUR	200 000	1 715	2.2
IDA 0.25% Obl250625	US/SEK	2 500 000	2 503	3.3
Klövern Green Bond FRN220404	SE/SEK	2 000 000	2 036	2.7
Länsförsäkringar Bank Call FRN240410	SE/SEK	2 000 000	2 019	2.6
Mowi Green FRN250131	NO/EUR	200 000	2 084	2.7
NCC Treasury Green Bond FRN220930	SE/SEK	2 000 000	1 973	2.6
SBAB Bank Call FRN240905	SE/SEK	2 000 000	2 019	2.6
SBAB Bank Green Bond FRN240620	SE/SEK	2 000 000	1 988	2.6
Skanska Financial Services Green Bond FRN201124	SE/SEK	2 000 000	2 000	2.6
Småkraft Green Bond FRN231102	NO/EUR	200 000	2 061	2.7
Stena Metall Finans Green Bond FRN230601	SE/SEK	3 000 000	2 980	3.9
Stockholm Exergi Green FRN230911	SE/SEK	2 000 000	1 980	2.6
Stora Enso Green Bond FRN240220	FI/SEK	2 000 000	2 002	2.6

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
Södra Skogsägarna Green Bond FRN210607	SE/SEK	2 000 000	2 016	2.6
Tranor Sustainable Call FRN230417	SE/SEK	2 000 000	1 993	2.6
Vacse Green Bond FRN230912	SE/SEK	2 000 000	1 996	2.6
Ziton FRN221003	DK/EUR	95 000	760	1.0
			<b>53 999</b>	<b>70.8</b>

**TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET** **53 999** **70.8**

### TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC

<b>FLOATING RATE NOTES (FRN)</b>				
Telia Green 1.375 % call Obl260211	SE/EUR	200 000	1 979	2.6
United Camping FRN230605	SE/SEK	1 250 000	1 213	1.6
Velliv Call FRN230608	DK/SEK	2 000 000	1 970	2.6
			<b>5 162</b>	<b>6.8</b>

**TOTAL TRANSFERABLE SECURITIES DEALT IN ON ANOTHER REGULATED MARKET OPEN TO THE PUBLIC** **5 162** **6.8**

### TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE

<b>FLOATING RATE NOTES (FRN)</b>				
ABAX FRN250623	NO/NOK	2 500 000	2 425	3.2
Cambio FRN240926	SE/SEK	2 500 000	2 506	3.3
Cibus Nordic Real Estate Green FRN230612	SE/SEK	2 500 000	2 527	3.3
			<b>7 459</b>	<b>9.8</b>

**TOTAL TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE** **7 459** **9.8**

### OTHER FINANCIAL INSTRUMENTS

<b>FLOATING RATE NOTES (FRN)</b>				
Y-Foundation 3.125% Obl231004	FI/EUR	200 000	2 135	2.8
Ziton PIK FRN221003	DK/EUR	1 898	15	0.0
			<b>2 150</b>	<b>2.8</b>
<b>CURRENCY FUTURES/OTC-DERIVATIVES</b>				
EUR/SEK S200929	SE/EUR	-1 426 529	41	0.1
NOK/SEK S200929	SE/NOK	-6 242 581	24	0.0
			<b>64</b>	<b>0.1</b>

**TOTAL OTHER FINANCIAL INSTRUMENTS** **2 199** **2.9**

**TOTAL FINANCIAL INSTRUMENTS** **68 834** **90.3**  
Other assets and liabilities, net **7 431** **9.7**  
**TOTAL NET ASSET** **76 264** **100.0**

**TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES**  
SEB **1.0**

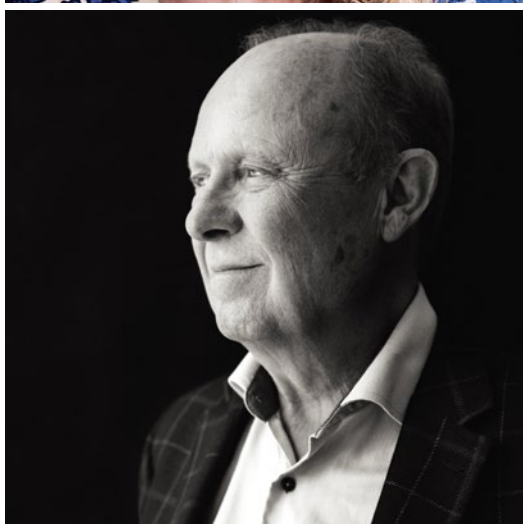
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