

Lannebo Teknik

Swedish-registered equity fund

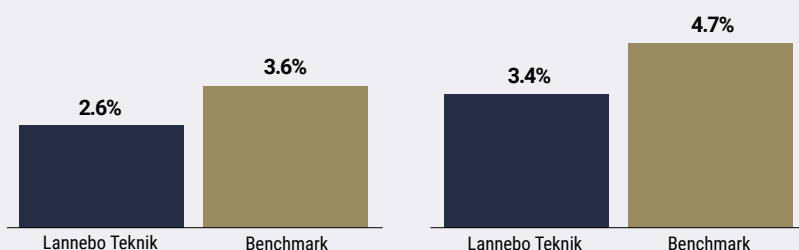
Monthly report February 2021

The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021
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Monthly performance

Performance YTD



Inflation, rotation and mutation

Disney and Mastercard positively surprised.

We have previously stated that, short-term, the worst thing for the market is likely a light in the tunnel together with the start of an economic recovery – exactly what we witnessed at the end of the month. Inflationary signs and optimism over vaccinations led to higher market interest rates. This in turn pressured technology shares and high valued growth stocks, where profitability lies further ahead.

The month was also marked by the release of quarterly earnings reports, which continued to follow previous patterns with better than expected results, especially in terms of profits. However, share price development was mixed despite the fact that most earnings reports came in better than expected.

Swedish Sinch was not affected by inflationary concerns. The holding was once again the most positive contributor to performance following a major acquisition and a strong earnings report. The acquisition of American Inteliquent establishes Sinch as one of the largest players in what is called CPaaS, cloud-based communication services. Sinch is a market leader of messaging services, and now, with the acquisition, the company will also be one of the leading players in voice services. Inteliquent's platform processes more than 300 billion minutes of voice calls per year



Johan Nilke and Helen Broman

Performance

Performance, %	Lannebo Teknik	Benchmark
February 2021	2.6	3.6
Year-to-date 2021	3.4	4.7
3 years	84.4	90.2
5 years	167.2	227.0
10 years	568.1	573.3
Since launch (08/04/00)	43.5	155.7
Average annual return 24 months	26.8	27.5
2020 ¹	29.5	23.0
2019 ¹	40.6	50.8
2018 ¹	7.3	6.1
2017 ¹	16.3	24.2
2016 ¹	10.7	20.2

¹ The performance is based on closing prices.

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
0.8	2.6				
Jul	Aug	Sep	Oct	Nov	Dec

and has an operator network that reaches 94 per cent of the US population. The acquisition takes Sinch to a whole new level - similar to the 2016 Mblox acquisition. Sinch also released a strong Q4 earnings report where organic gross profit grew 37 per cent.

We were also glad over the strong earnings reports released by Disney and Mastercard - two new holdings in 2020 - where both holdings made a positive contribution to performance in February. Disney beat expectations in terms of both revenue and earnings; however, most important was the better than expected number of Disney + subscribers. The service now has a total of 95 million users. Mastercard's earnings report was also better than expected, where the most positive aspect was the improvement in high margin cross border transactions.

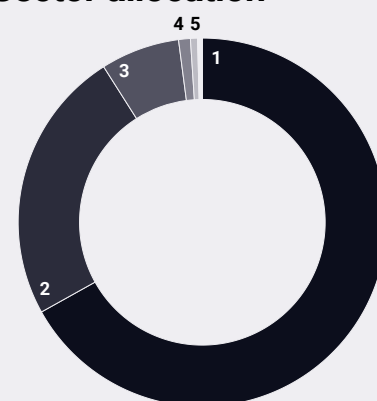
Despite a quarterly earnings report that beat expectations, Apple traded down 8 per cent driven primarily by a company statement regarding weaker sales growth for certain product categories. We likely also witnessed some profit-taking during February given the share has been very strong over the past year. Demand for the Iphone 12, however, remains strong and there is confidence that the upgrade to 5G and service sales will boost growth in the coming years.

During February, we increased our position in Veeva Systems after the share price came down in connection with the market rotation based on growth stocks. We also increased our position in InPost, which is currently a small holding that provides good exposure to e-commerce. The company recently signed an agreement with Amazon, prior to Amazon's launch in Poland; the agreement provides InPost a good spread of risk and demonstrates the company's strong position given their largest customer, Allegro, is considered Poland's equivalent to Amazon.

We chose to sell down our holding in Sinch in order to adjust the fund's risk level after the share traded at an all-time high. We continue to believe in the company, which remains a major holding. The sale of shares in Alphabet were also related to portfolio risk adjustments following the 13 per cent share price increase since the beginning of the year.

Electronic Arts (EA), which is a Teknik fund holding, made a bid for the mobile game developer Glu Mobile at a bid premium of 36 per cent. Glu Mobile is a relatively new holding in our sister fund, Teknik Småbolag. Even if Teknik Småbolag loses a holding where we saw long term potential given the strong content in mobile games, it is positive that the business continues as part of EA. The bid was met with positive responses for both companies.

Sector allocation



#	Sector	% of the fund
1.	Information technology	64.7
2.	Communication services	23.3
3.	Consumer discretionary	6.7
4.	Health care	1.0
5.	Financials	0.6
6.	Industrials	0.4
Cash		3.3

10 largest holdings

Holding	% of the fund
Microsoft	8.6
Alphabet	7.3
Amazon.com	5.8
Apple	5.6
Salesforce.com	4.2
MicroChip Technology	4.1
Palo Alto Networks	4.0
Sinch	4.0
Walt Disney Co	3.3
Mastercard	3.3
Total 10 largest holdings	50.3
Cash	3.3
Total number of holdings	35.0

Major changes during the month

Buy

Veeva Systems
InPost
Mastercard

Sell

Sinch
Alphabet

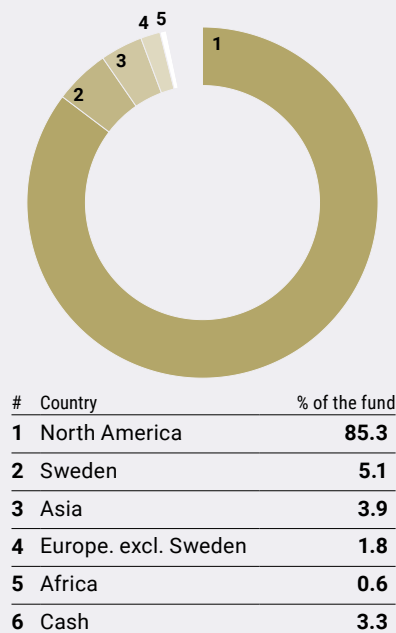
Risk and reward profile

Lower risk			Higher risk		
1	2	3	4	5	6

Financial ratios

	Lannebo Teknik	Benchmark
Sharpe ratio	1.5	1.5
Total risk (%)	17.0	18.2
Tracking error	8.2	
Information ratio	-0.1	
Alpha	0.3	
Beta	0.8	
Portfolio turnover ratio (12/31/20)	0.2	

Geographical split



Fund facts

Fund manager	Johan Nilke & Helen Broman
Launch date	08/04/00
NAV per unit (SEK)	13.52
Fund size (SEKm)	7,086
Management fee (%)	1.6
Bankgiro	5563-4638
ISIN	SE0000740672
Trading frequency	Daily
Minimum investment amount	SEK 100
PPM number	771 030
Supervisory authority	Finansinspektionen
LEI	549300Y3UW5Y5DPJS002

Risk information

Past returns are no guarantee of future returns. The money invested in the fund may increase or decrease in value and it is not certain that you will get back all the capital you have invested. The key investor information document and prospectus can be found at lannebo.se/en. Please note that Lannebo does not produce investment recommendations or other information recommending or suggesting an investment strategy. Information in this monthly report should not be seen as anything other than a statement of the fund's trading activities and holdings.

The fund is suitable for those who

- Want a global exposure to growth companies primarily in the technology sector.
- Believe in active management and investments based on a clear understanding of each individual company.

The fund's investment policy

Lannebo Teknik is an actively managed equity fund that invests globally in equities in companies with a high content of technology, but can operate in different lines of business. Since the sector is dominated by US companies, most of the fund's assets are normally invested in the US.

Explanations

Benchmark MSCI World IT 10/40 Net Total Return Index calculated in SEK. The unit price of the fund is set before the price of the index is calculated. This can sometimes result in a misleading comparison between the two.

Sharpe ratio Sharpe ratio is a measure of risk adjusted return. Calculated as the ratio of the fund's excess return above the risk-free rate of return and the fund's total risk.

Total risk Given as the standard deviation of variations in the total return of the fund or index.

Tracking error Tracking error is a measure of active risk in a fund. Calculated as the standard deviation of the difference between the return of the fund and its benchmark.

Information ratio A measure of risk-adjusted return. This is measured as the active return divided by the portfolio's active risk.

Alpha Describes the effect of the portfolio manager's decisions on the return of the fund. A positive alpha value is the risk-adjusted excess return relative to the return of the benchmark.

Beta Beta is a measure of a fund's sensitivity to market movements. The beta value reports how much the fund's value changes in percentage terms when the market's value changes by one percentage point.

All financial ratios are calculated according to guidelines of the Swedish Investment Fund Association.



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