



Lannebo Sverige

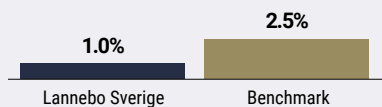
Swedish-registered equity fund

Monthly report May 2021

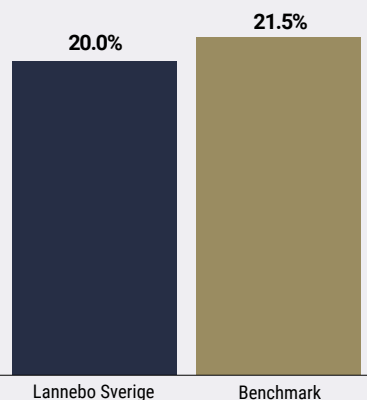
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

| | | | | | | | | | | | |
|----------|----------|----------|----------|-----------------|----------|----------|----------|----------|----------|----------|----------|
| Jan 2021 | Feb 2021 | Mar 2021 | Apr 2021 | May 2021 | Jun 2021 | Jul 2021 | Aug 2021 | Sep 2021 | Oct 2021 | Nov 2021 | Dec 2021 |
|----------|----------|----------|----------|-----------------|----------|----------|----------|----------|----------|----------|----------|

Monthly performance



Performance YTD



Martin Wallin & Robin Nestor

Performance

| Performance, % | Lannebo Sverige | Benchmark |
|---------------------------------|-----------------|-----------|
| May 2021 | 1.0 | 2.5 |
| Year-to-date 2021 | 20.0 | 21.5 |
| 3 years | 52.6 | 73.5 |
| 5 years | 86.3 | 116.3 |
| 10 years | 206.8 | 247.0 |
| Since launch (08/04/00) | 639.1 | 520.1 |
| Average annual return 24 months | 24.2 | 29.1 |
| 2020 ¹ | 10.4 | 14.8 |
| 2019 ¹ | 21.9 | 35.0 |
| 2018 ¹ | -1.2 | -4.4 |
| 2017 ¹ | 7.4 | 9.5 |
| 2016 ¹ | 11.0 | 9.6 |

¹ The performance is based on closing prices.

Economic recovery continues

Earnings improvement for Traton

The Stockholm Stock Exchange continued to go higher during the month, increasing 2.5 per cent. Long-term interest rates fell slightly and many growth stocks increased during the month.

The stock market's risk appetite continues to be significant reflected through the high market activity. IPO's continued at a high pace. The rate of acquisitions by the listed companies also remains high and several directed new issues were carried out during the month, driven by an economic recovery in combination with sustained negative real interest rates. Macro indicators released during the month continued to show economic recovery and inflationary tendencies. Concerns over inflation and rising long-term interest rates, despite strong growth figures, appear to have eased since the beginning of the year.

The US Fed assesses current inflationary trends as transient and Fed representatives continue to argue for the current level of economic stimulus. The big question is, of course, how long this policy can be pursued as it leads to a risks of overheating if it turns out that price trends and supply bottlenecks are more persistent than the market currently believes.

Monthly performance,%

| Jan | Feb | Mar | Apr | May | Jun |
|-----|-----|-----|-----|-----|-----|
| 5.0 | 2.9 | 7.5 | 2.3 | 1.0 | |
| Jul | Aug | Sep | Oct | Nov | Dec |
| | | | | | |

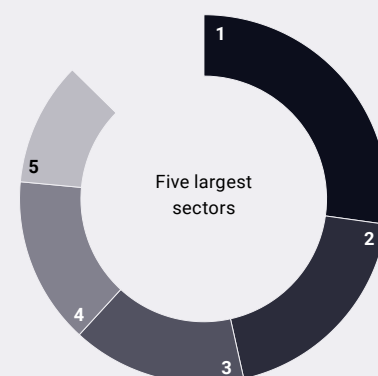
On the other hand, it appears in China they are decreasing the credit impulse and instead concerns are being voiced over the significant raw materials price increases seen over the past six months. Shares in cyclical sectors saw a slightly weaker share price development during the month, with Nordic forestry companies, among others, falling back on concerns the current high pulp prices in China will not last.

The holdings in Traton and Millicom developed better than the market as a whole and the share prices rose by 15 and 11 per cent, respectively. Truck manufacturer Traton increased following a strong quarterly earnings report and an increased full-year earnings forecast. Millicom's share price developed strongly during the month after the company presented a positive quarterly earnings report with improved prospects for the business; the share was hard hit during the pandemic in 2020.

Ericsson's share price developed poorly during May. Concerns increased that Ericsson's Chinese operations will be negatively affected should Chinese authorities instruct the country's mobile operators to reduce equipment purchases from Ericsson following Sweden's decision to shut down Chinese equipment suppliers during the expansion of its 5G network. Ericsson's 5G equipment market share in China is currently around 10 per cent. Our assessment is that the market share potential for Ericsson and Nokia in the European market outweighs the risk of a continued weakened market position in China.

Trelleborg's share price developed poorly during the month, as did several other industrial shares. This is due to concerns the industrial economy is close to a peak and where the current, unusually strong, demand situation will normalize.

Sector allocation



| # | Sector | % of the fund |
|----|------------------------|---------------|
| 1. | Industrials | 26.5 |
| 2. | Financials | 18.8 |
| 3. | Consumer discretionary | 14.9 |
| 4. | Information technology | 14.3 |
| 5. | Health care | 10.6 |
| 6. | Communication services | 6.4 |
| 7. | Consumer staples | 5.3 |
| 8. | Materials | 0.6 |
| | Cash | 2.7 |

10 largest holdings

| Holding | % of the fund |
|----------------------------------|---------------|
| Ericsson B | 6.7 |
| Nordea | 5.9 |
| SEB A | 5.8 |
| H&M B | 5.6 |
| Nokia SEK | 5.6 |
| SKF B | 5.2 |
| Trelleborg B | 4.7 |
| AstraZeneca | 4.7 |
| Swedbank A | 4.6 |
| Volvo B | 4.1 |
| Total 10 largest holdings | 52.9 |
| Cash | 2.7 |
| Total number of holdings | 28 |

Major changes during the month

Buy

Tele2
Volvo
Electrolux

Sell

Boliden
AlfaLaval
Essity

Risk and reward profile

| | | | | | | |
|------------|---|---|---|---|-------------|---|
| Lower risk | | | | | Higher risk | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

Financial ratios

| | Lannebo Sverige | Benchmark |
|-------------------------------------|-----------------|-----------|
| Sharpe ratio | 1.1 | 1.5 |
| Total risk (%) | 22.4 | 17.9 |
| Tracking error | 7.1 | |
| Information ratio | -0.7 | |
| Alpha | -0.7 | |
| Beta | 1.2 | |
| Active share | 72 | |
| Portfolio turnover ratio (12/31/20) | 1.6 | |

Fund facts

| | |
|---------------------------|---|
| Fund manager | Martin Wallin & Robin Nestor |
| Launch date | 08/04/00 |
| NAV per unit (SEK) | 55.63 |
| Fund size (SEKm) | 3,393 |
| Management fee (%) | 1.6 |
| Bankgiro | 5563-4604 |
| ISIN | SE0000740680 |
| Trading frequency | Daily |
| Minimum investment amount | SEK 100 |
| PPM number | 806 869 |
| Supervisory authority | Finansinspektionen |
| LEI | 549300GJSC541WIWX079 |

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 to take part in developments on the Swedish equity market.
- Want an actively managed fund with investments based on a clear understanding of each individual company.

The fund's investment policy

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

Explanations

Benchmark SIX Portfolio Return Index. 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.

Active share A measure of the proportion of the portfolio that differ from the benchmark.

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



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