

Lannebo Sverige Hållbar

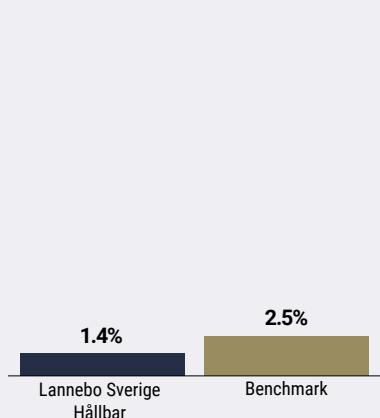
Swedish-registered equity fund

Monthly report May 2021

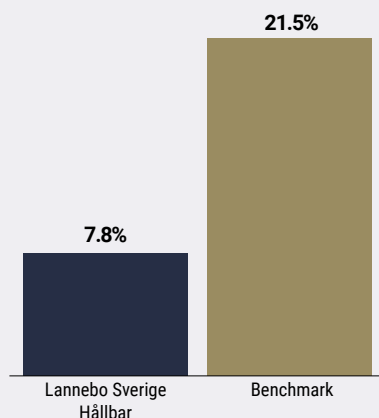
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

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



Charlotta Faxén and Peter Lagerlöf.

Performance

Performance, %	Lannebo Sverige Hållbar ¹	Benchmark ²
May 2021	1.4	2.5
Year-to-date 2021	7.8	21.5
3 years	70.9	73.5
5 years	97.9	116.3
10 years	230.7	246.2
Since launch (01/10/10)	259.0	284.0
Average annual return 24 months	25.4	29.1
2020 ³	24.1	14.8
2019 ³	34.2	35.0
2018 ³	-0.7	-4.4
2017 ³	5.0	9.5
2016 ³	8.3	9.6

¹ Performance of the fund before 20/12/18 is based on Lannebo Utdelningsfond.

² Before 10/12/18 the benchmark of the fund was SIX Return Index.

³ The performance is based on closing prices.

Strong earnings reports send markets higher Alfa Laval a new holding

Stock markets continued to climb higher in May, driven primarily by strong quarterly earnings reports. All Nordic stock exchanges increased, where Norway was the strongest and Finland increased the least. Consumer goods and Technology were among the strongest sectors, while raw materials and telecom were the weakest.

We can summarize the Q1 earnings releases by affirming companies delivered clearly better than expected results. This was, as in previous quarters, primarily due to lower than expected costs, but sales were also slightly better than expected. Many companies also reported a significant increase in order intake that confirms the notion of a broad and strong economic upturn, which of course bodes well for the coming quarters.

Globally, the share prices of many "green" companies have developed poorly in 2021, following a fantastic share price development in 2020. However, underlying investment activity to transition from fossil based energy to renewables has accelerated

Monthly performance, %

Jan	Feb	Mar	Apr	Maj	Jun
-1,4	-1,2	6,3	2,7	1,4	
Jul	Aug	Sep	Okt	Nov	Dec

in 2021. This was seen not least in the reports from GARO and NIBE Industrier, where products with a clear sustainable characteristic - such as charging posts for electric cars and heat pumps - continued to develop strongly.

On a macro level, we note a strong focus on inflation data rather than growth indicators. There is a growing concern that rising commodity prices, low inventory levels and bottlenecks among subcontractors, including transport, risk triggering a rise in inflation that will force central banks to raise interest rates to defend their inflation targets. However, inflation concerns have not really taken hold in either the stock market or fixed income markets. Bond yields were virtually unchanged over all maturities during the month. Central banks also remain idle, signaling unchanged policy rates for the foreseeable future. Continued low interest rates are - all other things being equal - positive for risk assets such as equities.

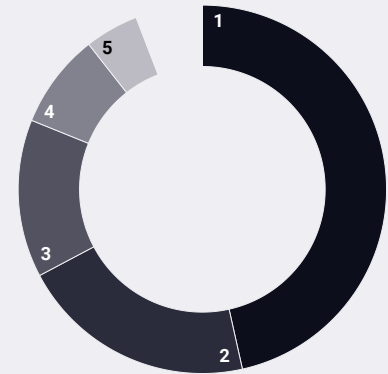
The success of the coronavirus vaccination programs is of course critical for the global 2021 economic outlook. The roll-out in the US and Europe, among others, is on-going at a rapid pace, which has meant that most countries are planning to return to normal after the summer. Given this, it is not surprising that nearly all economic indicators point sharply upwards and that forecasters have had to significantly adjust their growth forecasts.

There are early indicators that commodity prices are about to turn down again. For example, trading prices for raw materials delivery later in the year have declined, which indicates that global logistics issues resulting from the corona-pandemic are close to being mitigated; should this occur, existing possible inflationary concerns are likely to lessen.

Alfa Laval is a new holding. The company has largely restructured its operations away from a dependency on orders from oil companies. Alfa Laval has now positioned itself to supply products for more environmental friendly fuels, for example, green diesel and biofuels. We also increased our holdings in Garo and Absolent.

We chose to reduce our position in NIBE Industrier following a strong share price increase; however, the holding is still significant. We also reduced the holdings in SCA and AstraZeneca. AstraZeneca, nonetheless, remains the fund's largest holding.

Sector allocation



#	Sector	% of the fund
1.	Industrials	45.3
2.	Consumer discretionary	20.2
3.	Health care	13.5
4.	Energy	8.1
5.	Consumer staples	4.6
6.	Real estate	3.9
7.	Materials	1.8
	Cash	2.6

10 largest holdings

Holding	% of the fund
AstraZeneca	7.5
AFRY B	6.3
Atlas Copco B	4.7
Essity B	4.7
SKF B	4.5
Thule	4.3
JM	4.1
Instalco	4.0
Castellum	4.0
NIBE Industrier B	3.9
Total 10 largest holdings	47.9
Cash	2.6
Total number of holdings	31

Major changes during the month

Buy

Alfa Laval
Garo
Absolent

Sell

NIBE Industrier
SCA
AstraZeneca

Risk and reward profile

Lower risk					Higher risk	
1	2	3	4	5	6	7

Financial ratios ¹

	Lannebo Sverige Hållbar	Benchmark
Sharpe ratio	1.2	1.5
Total risk (%)	20.7	17.9
Tracking error	7.2	
Information ratio	-0.5	
Alpha	-0.4	
Beta	1.1	
Active share (%)	82	
Portfolio turnover ratio (31/12/20)	0.6	

Fund facts

Fund manager	Charlotta Faxén & Peter Lagerlöf
Launch date	01/10/10
Launch date share class	20/12/18
NAV per unit (SEK)	2 398.79
Fund size (SEKm)	2,185
Management fee (%)	1.60
Bankgiro	5314-3772
ISIN	SE0011973684
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	549300Y41WZFN0E996

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.com. 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 invest in companies that have the best sustainable business practices and contribute to a more sustainable society through their products and services.
- Believe in active management and investments based on a clear understanding of each individual company.
- Want to avoid investments in fossil fuel, tobacco, alcohol, weapons, gambling or pornography.

The fund's investment policy

Lannebo Sverige Hållbar is an actively managed equity fund that mainly invests in the Swedish stock market but may invest up to 10 percent in stock markets outside Sweden. The fund is a so-called all-cap fund that can invest in all sizes of listed companies. Lannebo Sverige Hållbar follows specific sustainability criteria in its investments. This means that the fund, in addition what is required for all of Lannebo funds, actively invests in companies based on three main areas: A better environment, a healthier lifestyle and a better world.

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 active risk in a fund. 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.

