

Lannebo High Yield

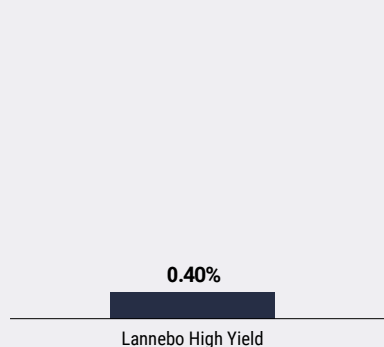
Swedish-registered fixed income fund

Monthly report June 2021

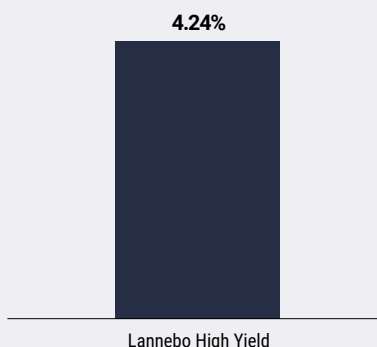
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

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 year-to-date



Katarina Ponsbach Carlsson & Karin Haraldsson

High market activity and several new holdings

Invested in VNV Global

The positive market tone continued during June, including a sustained high activity level in the primary market prior to the summer holidays. Concerns that rising inflation would force central banks to raise interest rates have not rooted and instead long-term market rates across all maturities were virtually unchanged during the month. Central banks are also holding the line as they continue to signal unchanged policy rates for the foreseeable future.

The Riksbank announced at its last meeting that the economic outlook appears brighter. The spread of infection has decreased and inflationary pressures remain moderate, and, therefore, the Riksbank continued with its expansive monetary policy in order to achieve their inflation target. Earlier this year, the Riksbank expanded and extended the program for support purchases of corporate bonds through Q3 2021. Since September 2020, the Riksbank has only bought corporate bonds for a total of SEK 10 bn; however, we still see this as positive that the Riksbank has the opportunity to increase purchases should the market become volatile.

Performance

Performance (%)	Lannebo High Yield
June 2021	0.4
Year-to-date 2021	4.2
3 years	5.4
5 years	16.3
Since launch (01/30/15)	20.4
Average annual return 24 months	1.2
2020 ¹	-3.8
2019 ¹	5.0
2018 ¹	1.0
2017 ¹	5.1
2016 ¹	5.6

¹ The performance is based on closing prices.

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
1.1	0.8	0.7	0.9	0.3	0.4
Jul	Aug	Sep	Oct	Nov	Dec

We invested in several new holdings during the period. The Swedish real estate company Cibus owns and manages properties primarily for food retailers in Finland and Sweden. The company's largest customers are Kesko, Tokmani and Coop. Cibus issued a so-called hybrid-capital bond, which is subordinated to ordinary senior bonds and therefore gives a slightly higher return. Our assessment is that Cibus, with its exposure to the grocery trade along with long lease agreements with reputable tenants, is a stable company. The hybrid bond provides an interest rate of Euribor + 4.75 per cent and the possibility of redemption in 5.25 years.

We also participated in Norwegian Lakers new issue. Lakers is a comprehensive supplier of pump services operating in northern Europe. Lakers issued a Sustainability linked bond, SLB, which is comprised of three KPIs, including a 25% reduction of its scope 1 and 2 emissions. Lakers issued a four-year bond with an interest rate of Nibor + 5.5 per cent.

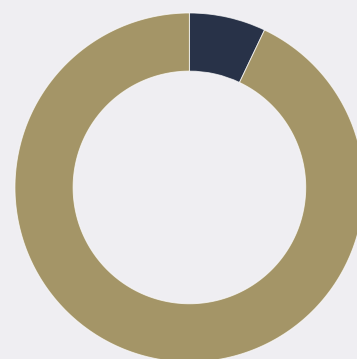
We also invested in a bond issued by VNV Global, which is a listed Swedish investment company that focuses on investing in new technology companies benefiting from network effects, such as Hemnet and the digital healthcare company Babylon. VNV Global has low borrowing, which provides a significant cushion for bond investors should the valuations of the holdings decrease. The company issued a new bond with a three-year maturity and a fixed interest rate of 5.5 per cent.

We divested the entire holding in Caverion, which has traded up since its new issue and we saw limited potential.

We maintained the funds structure, where both the credit duration, the average maturity of all holdings in the fund, and the interest rate duration, measured as the average fixed interest period, were basically unchanged during the period.

The current rate of return is approximately 4.9 per cent before fees, given interest rates remain unchanged.

Credit rating distribution



	Credit scoring securities	% of the fund
Investment grade	AAA	0.0
	AA+/AA/AA-	0
	A+/A/A-	0.0
	BBB+/BBB/BBB-	6.6
High yield	BB+/BB/BB-	24.9
	B+/B/B-	60.4
	CCC/CC/C	1.7
Default	D	0.0
Cash/other		6.4

The share of the fund with an official credit rating amounted to 19,7 per cent.

10 largest holdings

Holding	% of the fund
SEB	2.8
Intrum	2.8
Color Group	2.7
Ocean Yield	2.6
Jacob Holm & Sonner	2.3
DLF Seeds	2.2
FNG Nordic	2.2
Wallenius Wilhelmsen	2.2
Teekay LNG Partners	2.1
Momox Holding	2.1
Total 10 largest issuers	24.1
Cash	6.4
Total number of issuers	60

Major changes during the month

Buy

Cibus
Lakers SLB
VNV Global

Sell

Caverion

Risk and reward profile

Lower risk						Higher risk
1	2	3	4	5	6	7

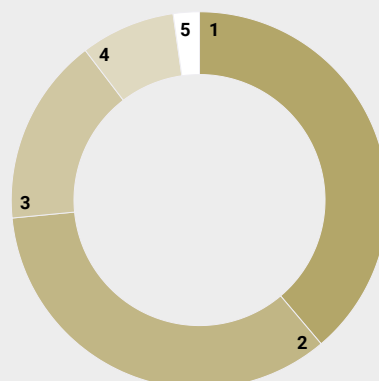
Financial ratios

	Lannebo High Yield
Total risk (%)	12.7
Interest-rate duration (years)	0.7
Credit duration (years)	2.8
Portfolio turnover ratio (06/30/21)	0.5

Maturity profile

	% of the fund
< 1 year	12
1-3 years	36
3-5 years	50
> 5 years	1

Country allocation



#	Country	% of the fund
1	Sweden	36.3
2	Norway	32.4
3	Denmark	15.1
4	Finland	7.6
5	Germany	2.1
6	Cash	6.4

Fund facts

Fund manager	Karin Haraldsson & Katarina Ponsbach Carlsson
Launch date	01/30/15
NAV per unit (SEK)	120.42
Fund size (SEKm)	901
Management fee	0.90%
Bankgiro	584-9369
ISIN	SE0006421855
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	549300XRFONRDKE3IM10

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 higher return than traditional fixed income funds and who are willing to take on a slightly higher risk.
- Want an actively managed fund where a thorough company analysis creates long-term returns.
- Want a well-diversified fund of corporate bonds.

The fund's investment policy

Lannebo High Yield is an actively managed fixed income fund that primarily invests in High Yield corporate bonds predominantly from issuers in the Nordic region. High Yield bonds are securities issued by companies with a lower credit rating. The average maturity of the fund's holdings is 3-5 years, but may at times deviate from this range. Investments in foreign currency are always hedged.

Explanations

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

Interest-rate duration Weighted average life.

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

Credit duration

Weighted average maturity.



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