



Lannebo Corporate Bond

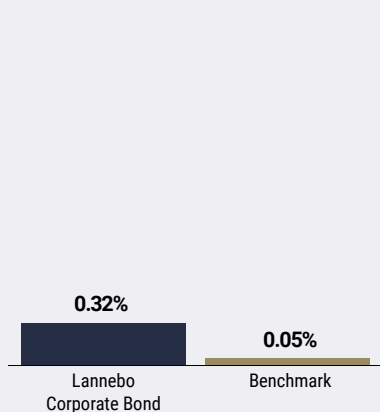
Swedish-registered fixed income fund, SEK

Monthly report August 2021

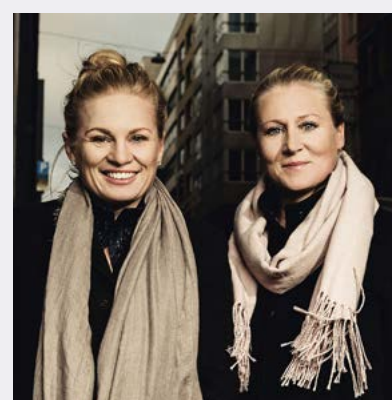
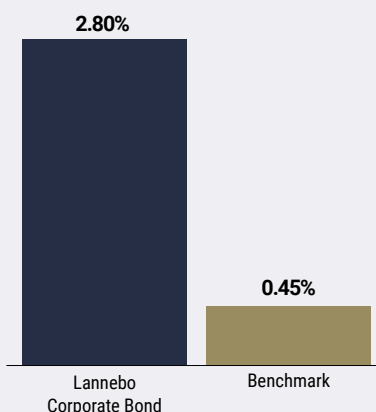
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

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



Katarina Ponsbach Carlsson and Karin Haraldsson

Several new bond issues following the summer break

Invested in Bewi's first Sustainability Linked Bond

The credit market opened on a positive note following the summer break. The primary market started for real at the end of the month and the fund participated in several new issues, including Bewi, Storebrand and Castellum's new issues. Norwegian Bewi is a new holding, but we were familiar with the company given it has been a Lannebo High Yield fund holding. The company manufactures EPS (polystyrene), which is used in, for example, packaging, insulation and by the automotive industry. The company issued a so-called sustainability-linked bond (SLB), which is a new bond type on the market where issuers pledge to achieve specific ESG goals. Should a company not meet the predetermined targets, bondholders receive financial compensation such as an increased redemption price or higher interest rate. This provides a clear incentive for companies to both set achievable goals and work to reach them. Bewi, through their SLB, undertakes to recycle 45,000 tons of used EPS by the end of 2024 while also investing in recycling centers. The bond has a five year maturity and a coupon of 3M EURIBOR + 3.15 per cent.

We also invested in the new issues by both Norwegian insurance company Storebrand, which is an existing holding, and the Swedish

Performance

	Lannebo Corporate Bond	Benchmark ¹
Performance (%)		
August 2021	0.3	0.0
Year-to-date 2021	2.8	0.5
3 years	3.1	2.9
5 years	8.7	4.8
Since launch (09/10/12)	21.9	21.0
Average annual return 24 months 2020 ²	0.7	0.6
2019 ²	-2.1	1.9
2018 ²	3.6	1.4
2017 ²	-0.3	0.0
2016 ²	3.4	1.3
2015 ²	3.7	3.0

¹ Before 06/01/20 the benchmark of the fund was Nasdaq OMX Credit SEK TR Index.

² The performance is based on closing prices.

Monthly performance %

Jan	Feb	Mar	Apr	May	Jun
0.6	0.4	0.4	0.4	0.2	0.2
Jul	Aug	Sep	Oct	Nov	Dec
0.2	0.3				

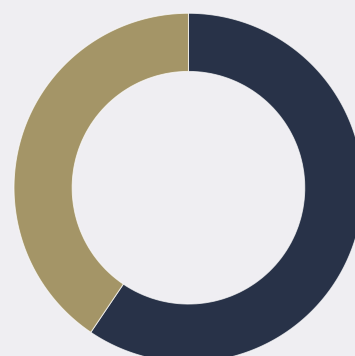
real estate company Castellum's first hybrid bond. At the beginning of August, Castellum bid on the Swedish real estate company Kungsliden. If the transaction is completed, the combined company will be one of the largest in the Nordic region with a property portfolio of almost SEK 160 billion. Castellum also acquired an additional 11.8 per cent of the shares in Norwegian Entra; Castellum now owns more than 30 per cent of the company. Norwegian Digiplex, which is another real estate-related company, was acquired and in connection with the transaction the bonds were prematurely redeemed at a premium.

The Q2 earnings season came to an end during the period and we can confirm the trend where earnings exceeded expectations continued during this quarter as well. Rising commodity prices and shipping costs, in addition to a lack of components such as semiconductors, have, to some extent, squeezed margins for some companies. The global economy continues to improve and the Swedish economy has recovered the entire downturn that followed in the wake of the coronavirus-pandemic.

We maintained the fund's structure. The credit duration, the average maturity of all holdings in the fund, was basically unchanged during the period. The interest rate duration, measured as the average fixed interest period, was also unchanged during the period. We maintain a low interest rate duration to protect the fund against rising long-term interest rates.

The rate of return is currently approximately 2.3 per cent before fees, assuming interest rates remain unchanged.

Credit rating distribution



	Credit scoring securities	% of the fund
Investment grade	AAA	0.0
	AA+/AA/AA-	0.0
	A+/A/A-	4.0
	BBB+/BBB/BBB-	46.2
High yield	BB+/BB/BB-	34.2
	B+/B/B-	0.0
	CCC/CC/C	0.0
Default	D	0.0
Cash/other		15.6

The share of the fund with an official credit rating amounted to 46.0 per cent.

10 largest holdings

Holding	% of the fund
Velliv	3.5
Tryg Forsikring A/S	3.2
Castellum	3.1
Jyske Bank	3.0
Småkraft AS	2.9
Storebrand Livsforsikring	2.8
DNB Bank	2.7
DFDS	2.5
Cargotec	2.5
Color Group	2.3
Total 10 largest issuers	28.6
Cash	15.6
Total number of issuers	49

Major changes during the month

Buy

Bewi
Storebrand
Castellum

Sell

Digiplex (redemption)

Risk and reward profile

Lower risk							Higher risk
1	2	3	4	5	6	7	

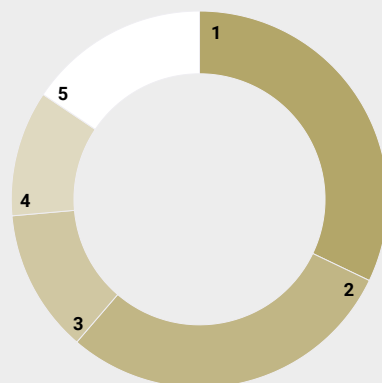
Financial ratios

	Lannebo Corporate Bond	Benchmark
Total risk (%)	8.8	2.0
Interest-rate duration (years)	0.7	
Credit duration (years)	2.7	
Portfolio turnover ratio (06/30/21)	0.7	

Maturity profile

	% of the fund
< 1 year	16
1-3 years	32
3-5 years	48
> 5 years	5

Country allocation



#	Country	% of the fund
1	Sweden	32.1
2	Norway	29.2
3	Denmark	12.3
4	Finland	10.8
5	Cash	15.6

Fund facts

Fund manager	Karin Haraldsson & Katarina Ponsbach Carlsson
Launch date	09/10/12
NAV per unit (SEK)	121.85
Fund size (SEKm)	1,321
Management fee	0.90%
Bankgiro	303-5318
ISIN	SE0004750396
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	5493006FC1DHI1YJE467

Risk information

Past returns are no guarantee of future returns. The money invested in the fund August 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 but at a lower risk than equity funds.
- Want exposure to corporate bonds with low to medium risk.
- Want an actively managed fund where a thorough company analysis creates long-term returns.

The fund's investment policy

Lannebo Corporate Bond is an actively managed long-term fixed income fund that mainly invests in Swedish but also other Nordic corporate bonds. The credit duration of the fund is normally 3-5 years. Lannebo Corporate Bond August invest more than 35 per cent of the fund's assets in bonds and other debt instruments issued or guaranteed by a Nordic state or municipality.

Explanations

Benchmark

Solactive SEK IG Credit Index.

Interest-rate duration

Weighted average life.

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

Total risk

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

Credit duration

Weighted average maturity.



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