

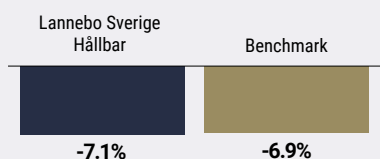
# Lannebo Sverige Hållbar

Swedish-registered equity fund  
Monthly report February 2022

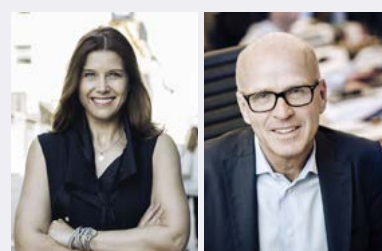
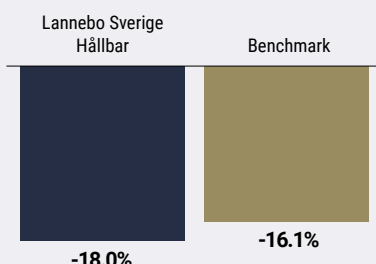
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2022	<b>Feb 2022</b>	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022
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## Monthly performance



## Performance YTD



Charlotta Faxén and Peter Lagerlöf.

## Performance

Performance. %	Lannebo Sverige Hållbar <sup>1</sup>	Benchmark <sup>2</sup>
February 2022	-7.1	-6.9
Year-to-date 2022	-18.0	-16.1
3 years	49.1	61.8
5 years	68.4	81.9
10 years	220.3	252.4
Since launch (01/10/10)	233.6	269.3
Average annual return 24 months	15.4	19.3
2021 <sup>3</sup>	23.0	39.3
2020 <sup>3</sup>	24.1	14.8
2019 <sup>3</sup>	34.2	35.0
2018 <sup>3</sup>	-0.7	-4.4
2017 <sup>3</sup>	5.0	9.5

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

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

<sup>3</sup> The performance is based on closing prices.

## A dramatic month with Ukraine in focus Renewable energy companies benefit

February was a dramatic month – which ended in the most gloomiest humanly imaginable. The worst case scenario for Russian aggression a sudden reality that upended the entire European security system. How it all ends is impossible to say.

Duly justified and comprehensive sanctions have now been imposed by Western countries against Russia, and the consequences of these are difficult to assess. It will take some time for companies to understand the full impact of these measures and we are now entering a period where supply chains will be affected thereon it will be difficult for companies to operate. We have already seen a number of large Nordic export companies close their Russian operations or in other ways cease business with Russian counterparties.

Turning our focus to the companies and the just-concluded Q4 earnings season, the conflict comes on the heels of a period of good economic conditions globally. The Q4 earnings reports disclosed good sales growth, record orders and companies expressed optimism for the coming year. Profit margins, however, did not continue to improve. This is of course due to the fact that

## Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
-11.8	-7.1	-	-	-	-
Jul	Aug	Sep	Okt	Nov	Dec
-	-	-	-	-	-

the past year has been marked by sharp price increases for many raw materials together with increased transport costs. Margins increased to record levels during the corona pandemic, where costs were kept in check, companies received financial support and expansive fiscal policy lifted consumption of goods to unimaginable heights.

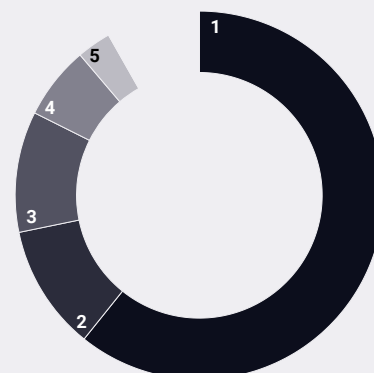
How do we then manage the portfolios during these uncertain times? It may seem heartless, but the fact is valuations of many shares have come down to attractive levels. Given the events in Ukraine, we believe that the risk of sharp interest rate increases has decreased, which is positive for equities as an asset class. Central banks are unlikely to sharply tighten when economic and security policy developments are as uncertain as they are today.

We also note that many of our holdings with a focus on renewable energy and energy efficiency developed strongly during February. This applies to, among others, Ørsted, OX2 and Nibe, which is completely logical in light of what is happening in the outside world. No country will want to be dependent on Russian natural gas, thereby driving development towards alternative sources.

Hexagon is a new holding. The valuation is now attractive and the company delivered a strong quarterly earnings report and the profit estimate was upwards adjusted. Most of Hexagon's products optimize material use for industry and support urban planners create smart cities. We also increased our holdings in Alfa Laval and Balco.

We reduced our holdings in Essity and SCA. Essity's profit margins continued to be pressured due to rising commodity prices. SCA benefits from the same, but the share price is already trading at a near all-time high. The holding in AstraZeneca was also reduced, which is still one of the fund's largest holdings.

## Sector allocation



#	Sector	% of the fund
1.	Industrials	60.7
2.	Energy	11.0
3.	Health care	10.6
4.	Consumer discretionary	6.4
5.	Information technology	3.0
6.	Materials	1.9
7.	Consumer staples	1.6
	Cash	4.7

## 10 largest holdings

Holding	% of the fund
Atlas Copco B	8.5
Alfa Laval	6.7
AstraZeneca	5.6
OX2	4.8
ABB	4.8
Inwido	4.7
Bravida	4.6
Thule	4.5
Systemair	4.4
Rejlers B	4.2
Total 10 largest holdings	52.8
Cash	4.7
Total number of holdings	26

## Major changes during the month

### Buy

Hexagon  
Alfa Laval  
Balco

### Sell

Essity  
SCA  
AstraZeneca

## Risk and reward profile

Lower risk					Higher risk	
1	2	3	4	5	6	7

## Financial ratios <sup>1</sup>

	Lannebo Sverige Hållbar	Benchmark
Sharpe ratio	0.7	1.0
Total risk (%)	23.5	20.9
Tracking error	7.6	
Information ratio	-0.5	
Alpha	-0.3	
Beta	1.1	
Active share (%)	80	
Portfolio turnover ratio (12/31/21)	0.5	

## Fund facts

Fund manager	<b>Charlotta Faxén &amp; Peter Lagerlöf</b>
Launch date	<b>01/10/10</b>
Launch date share class	<b>20/12/18</b>
NAV per unit (SEK)	<b>2 229.54</b>
Fund size (SEKm)	<b>1,367</b>
Management fee (%)	<b>1.60</b>
Bankgiro	<b>5314-3772</b>
ISIN	<b>SE0011973684</b>
Trading frequency	<b>Daily</b>
Minimum investment amount	<b>SEK 100</b>
Supervisory authority	<b>Finansinspektionen</b>
LEI	<b>549300Y41WZFFONEIE996</b>

## Risk information

Past returns are no guarantee of future returns. The money invested in the fund November 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](http://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 November 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.

