

# Lannebo Småbolag

Swedish-registered equity fund, SEK  
Monthly report March 2022

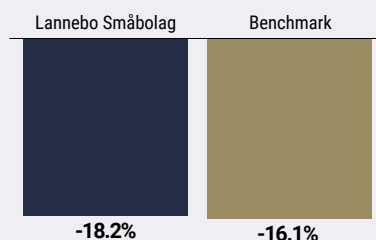
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2022	Feb 2022	<b>Mar 2022</b>	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



Per Trygg & Hjalmar Ek

## Performance

Performance. %	Lannebo Småbolag	Benchmark
March 2022	2.8	3.0
Year-to-date 2022	-18.2	-16.1
3 years	53.1	77.2
5 years	86.3	111.3
10 years	382.0	439.1
Since launch (08/04/00)	1 831.2	1 437.9
Average annual return 24 months	32.5	36.3
2020 <sup>1</sup>	18.0	23.0
2019 <sup>1</sup>	40.4	43.2
2018 <sup>1</sup>	-1.7	-0.2
2017 <sup>1</sup>	12.7	8.8
2016 <sup>1</sup>	9.7	12.2

<sup>1</sup> The performance is based on closing prices.

## Geopolitics in focus

### Trelleborg completes a large transaction

March was marked by continued geopolitical unrest as a result of the war in Ukraine, but, despite this tragedy, the stock market recovered somewhat during the month. The war has given rise to further significant disruptions in already strained supply chains as well as rising commodity prices. During the month, several companies issued profit warnings as a result of the deteriorating supply of important components.

Industrial company Trelleborg at the end of the month announced that its Wheel Systems division would be divested for approximately SEK 22 billion to Japanese Yokohama Rubber. We view the transaction positively as the proceeds provide Trelleborg with substantial financial resources for acquisitions, investments and share repurchases. It also means that Trelleborg, in our opinion, will be a more attractive company following the transaction with a higher return on capital, higher margins, higher growth potential and improved profit stability. In addition, CO2 emissions are significantly reduced. Trelleborg's share price increased 14 per cent during the month.

Polymer group Nolato issued a profit warning during the month due to a lack of components. The shortages made it difficult to obtain certain inputs and also led to several of Nolato's customers limiting

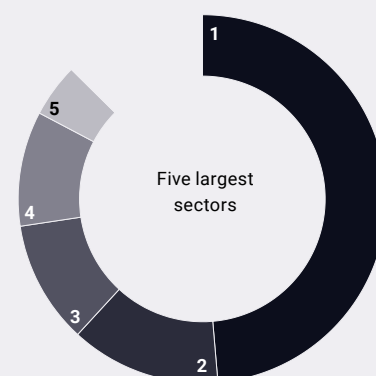
## Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
-12.8	-8.8	2.8	-	-	-
Jul	Aug	Sep	Oct	Nov	Dec
-	-	-	-	-	-

production. Nolato expects sales to be unchanged compared with the same quarter last year, while the margin is expected to be negatively affected. We do not consider these problems as company-specific, but rather indicative of the challenging supply situation across several industries. The Nolato share price fell 22 per cent.

The holdings in Sagax, Addlife and Lagercrantz were increased. The holding in Alimak was divested, while the holdings in Storebrand and NCC were reduced.

## Sector allocation



#	Sector	% of the fund
1.	Industrials	48.7
2.	Health care	13.2
3.	Real estate	10.8
4.	Information technology	10.1
5.	Consumer discretionary	4.7
6.	Communication services	4.3
7.	Materials	2.5
8.	Financials	2.5
	Cash	3.3

## 10 largest holdings

Holding	% of the fund
Trelleborg B	6.6
Addtech B	6.3
Nolato B	4.1
Bufab	3.6
Lindab	3.1
Nyfosa	3.1
Beijer Alma B	3.0
Hexpol B	2.8
AddLife B	2.7
Bravida	2.7
<b>Total 10 largest holdings</b>	<b>38.0</b>
Cash	3.3
Total number of holdings	54

## Marchor changes during the month

### Buy

Sagax  
Addlife  
Lagercrantz

### Sell

Alimak  
Storebrand  
NCC

## Risk and reward profile

Lower risk					Higher risk	
1	2	3	4	5	6	7

## Financial ratios

	Lannebo Småbolag	Benchmark
Sharpe ratio	1.3	1.6
Total risk (%)	23.5	21.6
Tracking error	4.9	
Information ratio	-0.8	
Alpha	-0.4	
Beta	1.1	
Active share (%)	71	
Portfolio turnover ratio (12/31/21)	0.3	

## Fund facts

Fund manager	Per Trygg & Hjalmar Ek
Launch date	08/04/00
NAV per unit (SEK)	159.10
Fund size (SEKm)	28,425
Ongoing charges (%)	1.63
Bankgiro	5563-4620
ISIN	SE0000740698
Trading frequency	Daily
Minimum investment amount	SEK 100
PPM number	842 690
Supervisory authority	Finansinspektionen
LEI	549300JC5787N3394631

## Risk information

Past returns are no guarantee of future returns. The money invested in the fund March 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](http://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 invest in small and medium-sized companies listed on the Swedish and other Nordic stock markets.
- Want an actively managed fund with investments based on a clear understanding of each individual company.

## The fund's investment policy

Lannebo Småbolag is an actively managed equity fund that invests in small and medium sized enterprises listed in the Nordic region, primarily in Sweden. The fund invests in companies with a market capitalisation amounting to a maximum of 1 per cent of the total Swedish market capitalisation. At the end of the mid-year 2021, this meant a market capitalisation of around SEK 106 billion.

## Explanations

**Benchmark** Carnegie Small Cap Sweden 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.

