

LANNEBO

Lannebo High Yield

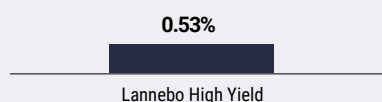
Swedish-registered fixed income fund

Monthly report December 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	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

Lannebo High Yield

-2.11%

**Katarina Ponsbach Carlsson & Karin Haraldsson**

The credit market continued to develop positively

An increasing rate of return during the year

The credit market continued with its positive tone during December and the primary market was active right up to the Christmas break. The year has otherwise been characterized by rising interest rates and diverging credit spreads, not least in the real estate sector. Although the fund has a negative return for the year, it has performed well compared to rival funds and has recovered well in recent months. The rate of return for the fund is a whopping 9.5 per cent given an unchanged interest rate.

Inflation was in focus and the Fed continued on its path, delivering its seventh interest rate hike this year when it raised its policy rate by 50 basis points to 4.50 per cent. The Riksbank held its last meeting for the year in November when it raised its key interest rate by 0.75 percentage points to 2.5 per cent, which was fully in line with market expectations. The forecast shows that the policy rate will likely be raised further at the beginning of 2023 to just under 3 per cent. The 3-month Stibor, which is the basis for setting interest rates on our Swedish floating-rate bonds, increased during December from 2.5 to 2.7 per cent.

Performance*

Performance (%)	Lannebo High Yield
December 2022	0.5
Year-to-date 2022	-2.1
3 years	0.1
5 years	6.2
Since launch (01/30/15)	20.2
Average annual return 24 months	2.0
2022 ¹	-2.1
2021 ¹	6.2
2020 ¹	-3.8
2019 ¹	5.0
2018 ¹	1.0

¹ The performance is based on closing prices.

*Net of fees

Monthly performance, %

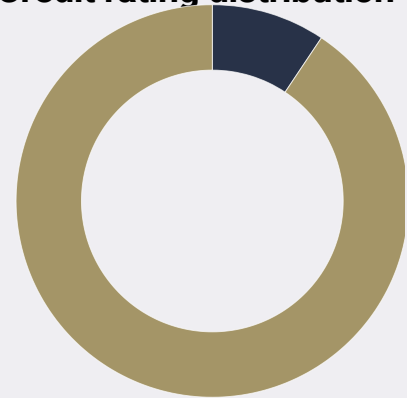
Jan	Feb	Mar	Apr	May	Jun
0.2	-1.7	0.4	0.6	-0.9	-2.1
Jul	Aug	Sep	Oct	Nov	Dec
0.4	1.4	-1.7	0.0	0.8	0.5

Long-term market rates, which have risen sharply during the year, continued to go higher during December. The interest rate on a 5-year Swedish government bond rose from around 2.0 to 2.5 per cent. The 2-year interest rates continued to trade higher than the 5-year rates, which indicates a belief in a recession and lower interest rates in the future. Basically, we believe that interest rates that are not too low are healthy. To protect the fund against rising interest rates we maintain a low interest duration by investing in floating rate bonds.

The fund did not participate in any new issues, despite the fact that there were many new Nordic high yield bonds issued during the month.

We maintained the funds structure. Both the credit duration, the average maturity of all holdings in the fund, and the interest duration, measured as the average fixed interest period, were basically unchanged during the period. We continued to limit our exposure to real estate companies, which had a tough time during the year due to rising interest rates. At the end of the month, holdings in real estate companies accounted for less than 15 per cent of fund assets.

Credit rating distribution



	Credit scoring securities	% of the fund
Investment grade	AAA	0.0
	AA+/AA/AA-	0.0
	A+/A/A-	0.0
	BBB+/BBB/BBB-	8.2
High yield	BB+/BB/BB-	32.3
	B+/B/B-	45.9
	CCC/CC/C	1.1
Default	D	0.0
Cash/other		13.2

The share of the fund with an official credit rating amounted to 29.8 per cent.

10 largest holdings

Holding	% of the fund
Cibus Nordic Real Estate	3.7
Sbab Bank	3.6
Aktia Bank	3.2
Color Group	3.1
Open Infra	3.0
Ocean Yield	2.9
Seapeak	2.8
Link Mobility Group Holding Asa	2.7
Arwidsro	2.5
Carucel Property As	2.4
Total 10 largest holdings	29.9
Cash	13.2
Total number of holdings	45

Major changes during the month

Buy

-

Sell

-

Risk and reward profile



Financial ratios

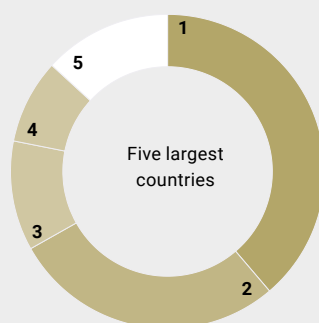
	Lannebo High Yield
Total risk (%)	3.1
Interest-rate duration (years)	0.5
Credit duration (years)	3.0
Portfolio turnover ratio (12/31/22)	0.2

Maturity profile*

	% of the fund
< 1 year	5
1-3 years	43
3-5 years	20
> 5 years	0

*The maturity profile of the fund excludes cash.

Country allocation



#	Country	% of the fund
1	Sweden	38.8
2	Norway	28.1
3	Finland	11.3
4	Denmark	8.7
5	Cash	13.2

Fund facts

Fund manager	Karin Haraldsson & Katarina Ponsbach Carlsson
Launch date	01/30/15
NAV per unit (SEK)	120.17
Fund size (SEKm)	488
Ongoing charges	0.92%
Bankgiro	584-9369
ISIN	SE0006421855
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	549300XRFDNRDKE3IM10

Risk information

Past returns are no guarantee of future returns. The money invested in the fund December 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 December 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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