

# Lannebo Småbolag

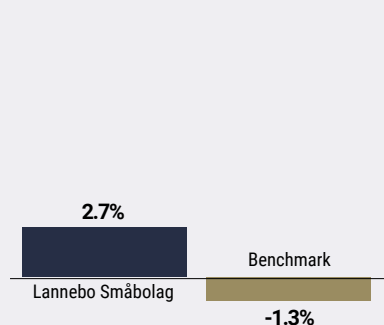
Swedish-registered equity fund. SEK

Monthly report March 2023

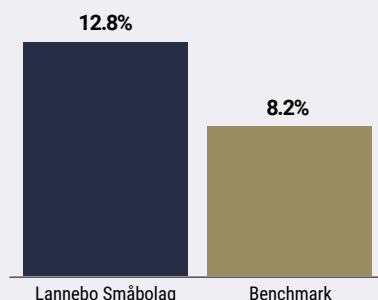
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2023   Feb 2023   **Mar 2023**   Apr 2023   May 2023   Jun 2023   Jul 2023   Aug 2023   Sep 2023   Oct 2023   Nov 2023   Dec 2023

## Monthly performance



## Performance YTD



Per Trygg & Hjalmar Ek

## Performance\*

Performance. %	Lannebo Småbolag	Benchmark
March 2023	2.7	-1.3
Year-to-date 2023	12.8	8.2
3 years	68.3	64.2
5 years	63.1	82.6
10 years	314.7	315.9
Since launch (08/04/00)	1 751.5	1 259.8
Average annual return 24 months	-19	-25
2022 <sup>1</sup>	-31.2	-31.4
2021 <sup>1</sup>	29.5	37.1
2020 <sup>1</sup>	18.0	23.0
2019 <sup>1</sup>	40.4	43.2
2018 <sup>1</sup>	-1.7	-0.2

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

\*Net of fees

## Increased focus on quality companies

### Divested Biotage

During March, concerns over global financial stability emerged as several US regional banks faced substantial withdrawals. However, it appears that the risk of further deterioration were managed by the relevant authorities - and, as always, it is important to be humble with regards to complex events.

We continued to focus on investing in well-managed companies that we believe have the potential to create long-term value irrespective of macroeconomic events. During the month, the stock market rewarded companies with strong balance sheets and good profitability, which fared much better than those lacking these attributes.

There was little company-specific news during the month, although several of our holdings carried out minor acquisitions. There is less competition in the bidding process given the environment of higher interest rates, which in turn provides opportunities for companies that are moderately indebted.

During the month, we participated in Beijer Ref's preferential rights issue, which will finance the acquisition of American Heritage Distribution that was mentioned in our December update. We also

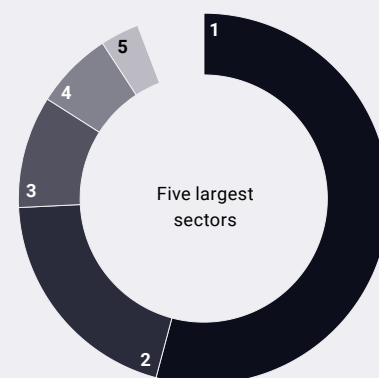
## Monthly performance. %

Jan	Feb	Mar	Apr	May	Jun
7.3	2.3	2.7	-	-	-
Jul	Aug	Sep	Oct	Nov	Dec
-	-	-	-	-	-

continued to increase our holdings in Axfood and the printed-circuit-board supplier NCAB. At the same time, we divested the holding in the medical technology company Biotage given we consider the company's large acquisition of Astrea Bioseparations has significantly increased risk.

We also continued to reduce our holdings in ALK-Abelló and Terveystalo.

## Sector allocation



#	Sector	% of the fund
1.	Industrials	54.2
2.	Information technology	20.1
3.	Real estate	9.8
4.	Consumer staples	6.8
5.	Health care	3.4
6.	Financials	3.1
	Cash	2.7

## 10 largest holdings

Holding	% of the fund
Trelleborg B	7.0
Addtech B	6.5
Beijer Ref B	5.8
Lifco B	5.1
Lagercrantz B	4.6
Hexpol B	3.8
AAK	3.7
Mycronic	3.6
Sagax B	3.5
Addnode B	3.5
<b>Total 10 largest holdings</b>	<b>47.1</b>
Cash	2.7
<b>Total number of holdings</b>	<b>41</b>

## Major changes during the month

### Buy

Beijer Ref  
NCAB  
Axfood

### Sell

Biotage  
ALK-Abelló  
Terveystalo

## Risk and reward profile

Lower risk					Higher risk		
1	2	3	4	5	6	7	

## Financial ratios

	Lannebo Småbolag	Benchmark
Sharpe ratio	0.1	0.0
Total risk (%)	27.7	25.9
Tracking error	5.3	
Information ratio	0.1	
Alpha	0.1	
Beta	1.0	
Active share (%)	68	
Portfolio turnover ratio (12/31/22)	0.4	

## Fund facts

Fund manager	Per Trygg & Hjalmar Ek
Launch date	08/04/00
NAV per unit (SEK)	152.53
Fund size (SEKm)	26303
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 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](https://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 year 2022, this meant a market capitalisation of around SEK 92 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.



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**LANNEBO**