

Lannebo High Yield

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.

The fund continued to develop strongly

Foxway and Hedin Mobility new holdings



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The fund's positive return during the month was largely due to the fund's high running yield. However, there were other contributing factors as well, which included PWT - one of our Danish holdings that operates within the men's fashion industry. The company had major problems during the corona crisis, but PWT is now back on track delivering really good results and are now paying dividends on their convertible bond for the second year in a row. Another of our holdings, the Swedish company Lakers, redeemed its bond early at a premium.

As usual, the Nordic primary market was on summer vacation during July. Nonetheless, two new Swedish bonds entered the fund during the month, Foxway and Hedin Mobility. Foxway is a supplier of "circular tech" that offers companies circular services to sustainably manage cellphones, computers, and other technical equipment. The company issued a bond with a five-year term and a coupon of just over 10 per cent. We also invested in the car dealer Hedin Mobility that was a previous holding; the bond has a three-year term and a 9.5 per cent coupon.

Central banks continued their fight against stubbornly high inflation, and as expected, both the Fed and the ECB raised their key rates by 0.25 percentage points. The Fed is keeping the door open for another hike in September. As is well known, in June the Riksbank raised for the sixth consecutive time its key interest rate to 3.75 per cent and is also increasing the pace of government bond sales to strengthen the weak krona.

The interest rate on a Swedish 5-year government bond fell slightly during the period from 2.8 to 2.7 per cent. The 2-year yields continue to trade higher than the 5-year yields, which indicates a belief in a coming recession and lower interest rates further down the line. The 3-month Stibor rate, which is the basis for interest rate setting on our

The fund's performance*

■ 1 month
■ 1 year



Performance (%)	Fund	Index ¹
July 2023	1.0	0.7
YTD 2023	6.6	5.3
1 year	7.6	7.6
3 years	16.2	-
5 years	11.8	-
Since launch (01/30/15)	28.1	-
Average 24 months	2.9	-
2022 ¹	-2.1	0.0
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

Jan	Feb	Mar	Apr	May	Jun
1.5	1.7	-0.9	1.1	1.4	0.6
Jul	Aug	Sep	Oct	Nov	Dec
1.0	-	-	-	-	-

Swedish floating-rate bonds, continued to increase during the period from 3.8 to 3.9 per cent.

Higher interest rates and wide credit spreads are now producing historically high yields on corporate bonds. Given unchanged interest rates, the fund's annual rate of return is currently around 8.5 per cent after fees.

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 have low interest duration to protect the fund from rising interest rates. We hedge all foreign currency exposure to Swedish kronor.

Largest holdings

Holding	Share of the fund (%)
DNB Bank	4.0
SEB	3.6
European Energy	3.3
Castellum	3.1
Fastpartner	2.5
Cibus Nordic	2.4
Intrum	2.4
Link Mobility	2.4
Storskogen Group	2.3
Balder	2.1
Total ten largest issuers	28.1
Cash	16.4
Total number of issuers	58

Main changes

Bought	Sold
Foxway	Lakers (redemption)
Hedin Group	-
-	-

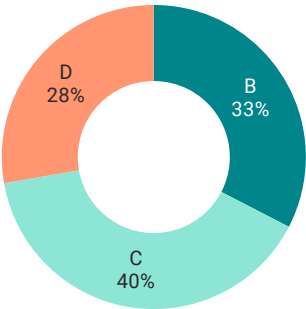
Sector allocation

Sector	Share of the fund (%)
Industrials	22.6
Real estate	18.4
Financials	15.4
Consumer discretionary	6.9
Information technology	5.7
Communication services	5.5
Energy	3.3
Healthcare	2.6
Consumer staples	1.6
Material	1.2

We work actively to take advantage of business opportunities and avoid risks related to the environment, social sustainability and corporate governance.

Sustainability grade

Lannebo’s sustainability analysis identifies and grades the portfolio holdings’ management of sustainability risks, environmental impact, and sustainability in the business model. A is the highest grade and E the lowest.



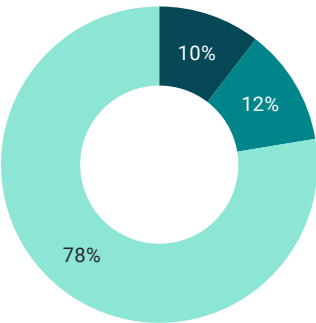
Share of the fund (%)

A	0
B	33
C	40
D	28
E	0

Climate target

Lannebo has committed to a climate target that requires the companies in material sectors within its portfolios to establish science-based emissions reduction targets, SBT.

Year 2040: 100% Year 2030: 50%



Share of the fund (%)

Validated SBT	10
Committed SBT	12
No SBT	78

Gender equality on boards

The objective is to ensure greater gender representation by aiming for a minimum of 40 percent representation of the under-represented gender among board members on average.

	Share (%)
Women	36
Men	64

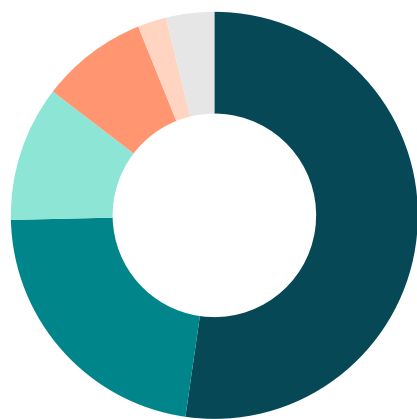
Financial ratios

	Fund	Index
Total risk (%)	3.6	70.9
Interest-rate duration (years)	0.6	
Credit duration (years)	2.6	
Portfolio turnover ratio	0.3	

Credit rating distribution

	Credit rating	% of the fund
Investment grade	AAA	0.0
	AA+/AA/AA-	0.0
	A+/A/A-	0.0
	BBB+/BBB/BBB-	13.1
High yield	BB+/BB/BB-	38.2
	B+/B/B-	32.3
	CCC/CC/C	0.0
Default	D	0.0
Cash		16.4
Offical credit rating		36.5

Country allocation



Country	% of the fund
Sweden	43.7
Norway	18.7
Finland	9.0
Denmark	7.1
Bermuda	1.9
Other	3.2

Fund facts

Fund managers	Karin Haraldsson & Katarina Carlsson
Launch date	01/30/15
NAV per unit	SEK 128.11
Fund size	SEKm 895
Ongoing costs*	1.5%
ISIN	SE0006421855
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	549300XRFONRDKE3IM10

* Ongoing costs consist of management fees and other administrative or operating costs (an estimate based on actual costs over the past year) and transaction costs (an estimate of costs incurred when a fund buys and sells securities).

Maturity profile

	% of the fund
< 1 år	8
1-3 år	47
3-5 år	26
> 5 år	3

The maturity profile of the fund excludes cash.

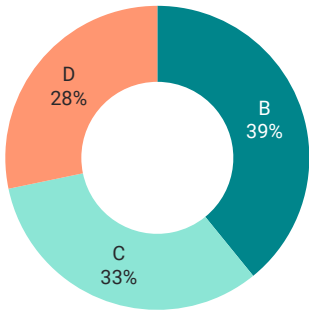
Risk indicator

1	2	3	4	5	6	7
Lower risk						Higher risk

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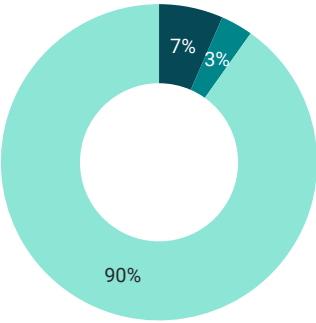


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Explanations*

Total risk

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

Interest-rate duration

Weighted average life.

Credit duration

Weighted average maturity.

Benchmark

NBP Nordic HY Aggregated Index SEK
Hedged. 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.

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 en.lannebo.se.

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.

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