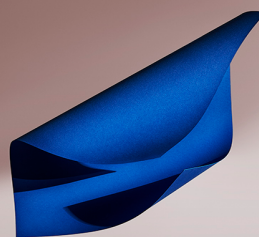


Lannebo Sverige



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.

Good profit development in some portfolio companies

The Stock Exchange moves sideways



Martin Wallin
martin.wallin@lannebo.se



Robin Nestor
robin.nestor@lannebo.se

July was an intensive month, as always, with earnings releases, where companies that deviated from market forecasts saw major share price movements. The Stockholm Stock Exchange developed sideways over the month, and since mid-April has traded at current levels with only small percentage deviations. It is unusual for the market as a whole to move without a positive or negative trend with only small changes towards the average. For various segments of the market our continued assessment is that, with a normalized interest rate environment, there is a discrepancy in the valuation of profits.

The holdings in Tobii Dynavox, NCC and Autoliv performed better than the market as a whole with gains of 21, 20 and 14 per cent respectively. Tobii Dynavox, which offers assistive communication technology, continued to develop in a positive direction - similar to the previous quarter. Organic revenue increased by 20 per cent while the gross margin increased by approximately 400 basis points to 38 per cent. Price and volume increases made a positive contribution, but, above all, falling costs for components and logistics strengthened profitability. Adjusted for acquisition costs, the operating margin was 9.2 per cent, which is still low considering the expected scalability of future sales growth.

NCC reported a stable order intake and improved operating profit compared to the same period last year. The operating margin in industrial operations developed positively with an increase to 8.1 per cent. Improved pricing for asphalt and stone materials, in addition to lower operational costs, accounted for the margin increase. The profit and margin within the construction business fell due to earlier project write-downs in the order book.

Autoliv reported a sales increase of 27 per cent while the adjusted operating margin rose to 8.0 per cent (6.0%). Autoliv also improved

The fund's performance*

■ 1 month
■ 1 year



Performance (%)	Fund	Index ¹
July 2023	1.0	-0.3
YTD 2023	8.0	10.9
1 year	8.4	6.0
3 years	43.4	37.3
5 years	53.2	63.1
10 years	193.8	197.4
Since launch (08/04/00)	674.7	509.1
Average 24 months	0.3	-4.8
2022 ¹	-12.1	-22.8
2021 ¹	32.3	39.3
2020 ¹	10.4	14.8
2019 ¹	21.9	35.0
2018 ¹	-1.2	-4.4

¹ The performance is based on closing prices.

* Net of fees

Jan	Feb	Mar	Apr	May	Jun
9.3	3.4	-1.3	1.3	-4.5	-0.9
Jul	Aug	Sep	Oct	Nov	Dec
1.0	-	-	-	-	-

its gross margin due to improved price compensation from customers together with falling logistics costs. Car manufacturers' production stabilized during the year with better visibility, which reduced demand volatility and improved profitability for Autoliv. In June, the company announced a major cost-cutting program that will reduce the workforce by approximately 11 per cent and enable the company's profitability to improve in the coming year.

Viaplay and Electrolux underperformed the market as a whole falling 26 and 12 per cent respectively. Viaplay presented its new strategy, which in many ways was as expected. However, both the cash flow forecast was more negative and cost inflation on sports rights for 2024 was higher than we expected. There is currently a lot happening, and will happen, in Viaplay, which makes future forecasts highly uncertain. The most value-creating activity management can enforce now is to significantly reduce the cost base through divestments or collaborations.

Electrolux reported a decrease in organic revenue of 8.4 per cent due to lower sales volumes. Weakened consumers choose lower price segments where Electrolux is either not present or has lower profitability. Price realization in the quarter remained positive in all areas except North America, where marketing campaigns increased sharply. The cost savings program continues according to plan and should reduce costs by approximately SEK 5 billion this year and, accumulated, SEK 7 billion during 2024. The savings effect was positive by SEK 1.4 billion in the quarter but was neutralized by lower profitability from the reduced sales volumes. Following the coming quarters, the sale of white goods in Europe and the US will have fallen for over two years and will be down to levels where the market can begin to stabilize. Cost adjustments and better production efficiency should then contribute to higher profitability.

Largest holdings

Holding	Share of the fund (%)
Swedbank A	8.3
Ericsson B	7.6
Handelsbanken A	6.9
Millicom Int. Cellular SDB	6.1
SKF B	5.6
Nokia SEK	4.7
Nordea	4.7
SEB A	4.7
Electrolux B	4.5
Autoliv SDB	4.3
Total ten largest holdings	57.4
Cash	2.6
Total number of holdings	23

Main changes

Bought	Sold
Essity	Autoliv
Industrivärden	SSAB
Trelleborg	NCC

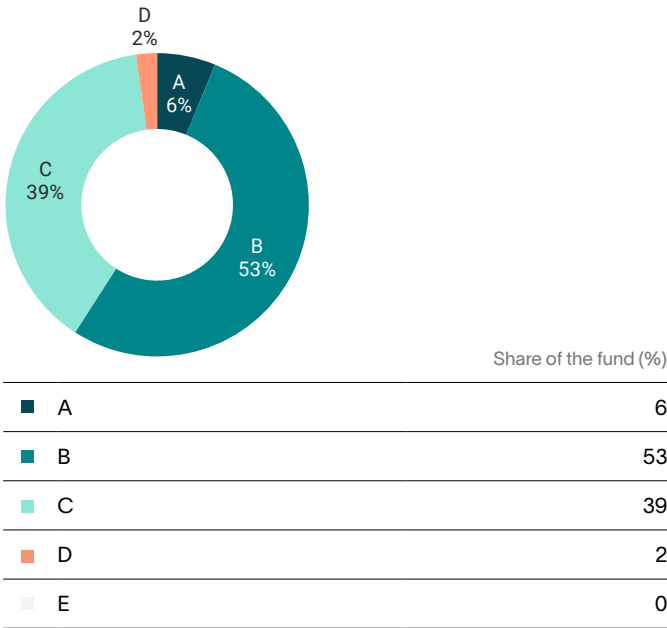
Sector allocation

Sector	Share of the fund (%)
Financials	28.6
Industrials	17.6
Information technology	16.0
Healthcare	14.3
Consumer discretionary	8.9
Communication services	7.9
Consumer staples	4.2

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.



Nomination committees 2023

Lannebo participate in nomination committees to contribute to competent boards with relevant experience for the companies.

Company
Tobii
Trelleborg

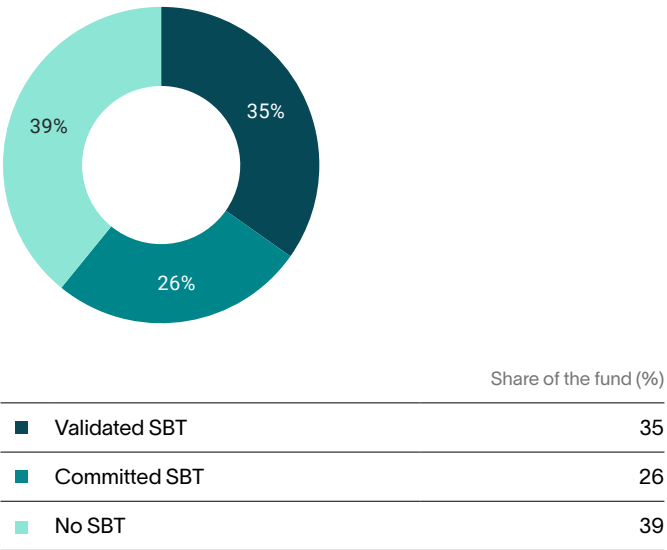
Voting

	Share of the fund where Lannebo has voted at the general meeting.
2023 YTD	79
2022	94
2021	81

Climate target

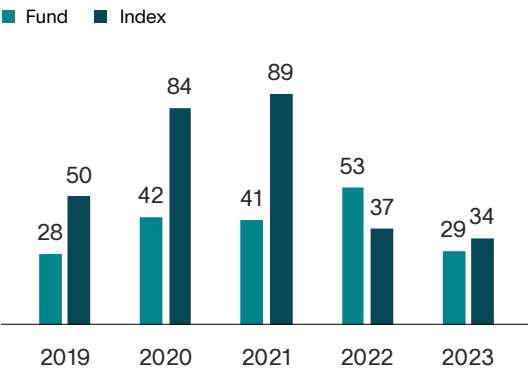
Lannebo has committed to a climate target that requires the companies in material sectors within its portfolios to establish science-based emissions reduction targets, SBT.

Year 2040: 100% Year 2030: 50%



Carbon footprint

Carbon footprint, measured as the weighted average carbon intensity, shows the fund’s exposure to companies with high carbon intensity. Higher carbon intensity is an indication of higher climate change-related risks.



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	37
Men	63

Financial ratios

	Fund	Index
Sharpe ratio	0.0	-0.2
Total risk (%)	18.2	21.0
Tracking error	10.7	
Information ratio	0.5	
Alpha	4.0	
Beta	0.7	
Portfolio turnover ratio	1.6	
Active share (%)	79	

Fund facts

Fund managers	Martin Wallin & Robin Nestor
Launch date	08/04/00
NAV per unit	SEK 58.31
Fund size	SEKm 3,695
Ongoing costs*	2.0%
ISIN	SE0000740680
Trading frequency	Daily
Minimum investment amount	SEK 100
Supervisory authority	Finansinspektionen
LEI	549300GJSC541WIX079

* 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).

Risk indicator

1	2	3	4	5	6	7
Lower risk						Higher risk

Explanations*

Active share

A measure of the proportion of the portfolio that differ from the benchmark.

Alpha

Describes the effect of the portfolio manager's decisions on the return of the fund. A positive alpha value is the riskadjusted excess return relative to the return of the benchmark.

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.

Beta

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.

Carbon footprint

The weighted average carbon intensity is calculated by multiplying the portfolio company's weight in the fund by the portfolio company's emissions (scope 1 and 2) in relation to its revenue in millions of SEK.

Information ratio

A measure of riskadjusted return. This is measured as the active return divided by the portfolio's active risk.

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.

Sharpe ratio

A measure of risk adjusted return. Calculated as the ratio of the fund's excess return above the riskfree 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

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.

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