

Monthly report August 2023

# Lannebo Europe Green Transition EUR

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



## Excellent result from Salcef No impact from Orsted profit warning



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The European equity market was volatile during August as focus remained on the various components of inflation coming down from high levels. This should eventually give the central banks enough confidence to begin a series of rate cuts which will be a positive trigger for equities. Towards the end of the month Orsted sent shock waves across the green energy- and infrastructure stocks with an unexpected profit-warning related to supplier issues and higher interest rates. We are not invested in Orsted and see little read across to our holdings from this warning, however.

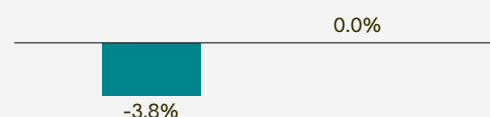
Arcadis is an engineering, consulting and design service company based in the Netherlands. The solid results for the first half increased the appetite for the shares in August. Arcadis delivered a 33 percent growth in sales and an even higher growth in profits, combined with improved cashflow. The company's focus on environmental restauration, zero energy buildings and intelligent infrastructure and public transportation means ample growth opportunities and makes Arcadis a long term winner in our view.

Salcef is an Italian company with strong expertise within railway maintenance and renovation. The company has shown outstanding growth in Q2 where strong demand both in Italy and abroad saw revenues up by more than 50% on an organic basis while margins improving to above 20% on the EBITDA level. Recent acquisitions deliver the budgeted margin improvements and strengthens the company's ability to compete abroad. We see the rail market as a clear benefactor of the EU Green Deal subsidies, offering structural growth opportunities for many years to come for Salcef.

Alfen is a Dutch company with expertise with smart electricity grid, electric vehicle charging and energy storage. In August the shares dropped as the company warned the market that sales is expected to be about 11 percent lower than previously guided. The decline is mainly driven by weak demand and inventory destocking among

## The fund's performance\*

- 1 month
- YTD 2023



Performance (%)	Fund	Index <sup>1</sup>
August 2023	-3.8	-3.0
YTD 2023	-7.0	2.4
Since launch (09/19/22)	-5.9	4.7
2022 <sup>1</sup>	0.9 <sup>2</sup>	2.3 <sup>2</sup>

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

<sup>2</sup> Refers to the period 19/09/22-31/12/22.

\* Net of fees

Jan	Feb	Mar	Apr	May	Jun
4.8	-1.9	-2.8	-1.0	-3.1	0.2
Jul	Aug	Sep	Oct	Nov	Dec
0.8	-3.8	-	-	-	-

clients in the EV charging division, which also is Alfens most profitable. We note that sale of electric vehicles continues to rise in Europe and therefore the charger market should remain attractive in the longer term.

Trainline is the largest independent rail and bus booking platform in Europe. Its platform offers hassle-free ticket booking for trains and busses across different operators and is therefore a key enabler of public transportation in Europe. The company's shares were weak in August without any negative news, but likely hit by investors which generally seemed to avoid small cap stocks. We think Trainline could emerge as a clear market leader in a consolidating industry which is growing due to several industry drivers, such as demographics, cleaner transportation and digitalization.

## Largest holdings

Holding	Share of the fund (%)
Arcadis	5.3
SPIE	5.2
Renew Holdings	4.9
Belimo	4.7
Aalberts	4.3
LU-VE	4.3
Genuit Group	4.2
DiscoverIE	4.2
Trainline	4.0
Nexans	4.0
<b>Total ten largest holdings</b>	<b>45.1</b>
Cash	3.2
Total number of holdings	32

## Main changes

Bought	Sold
-	-
-	-
-	-

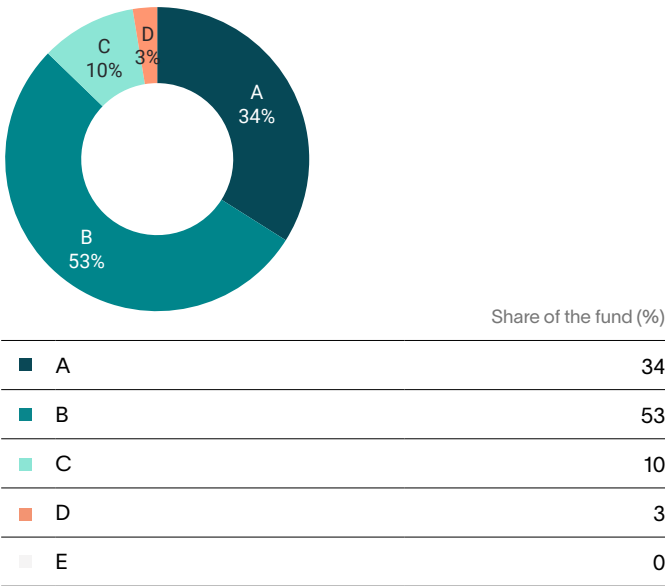
## Sector allocation

Sector	Share of the fund (%)
Industrials	71.4
Energy	10.9
Consumer discretionary	6.9
Information technology	4.4
Real estate	3.2

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
Inwido

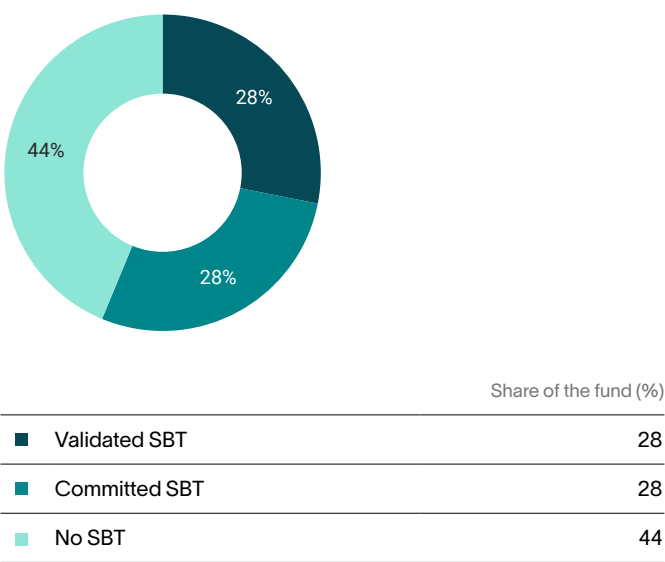
Voting

	Share of the fund (%)
2023 YTD	68
2022	6

Climate target

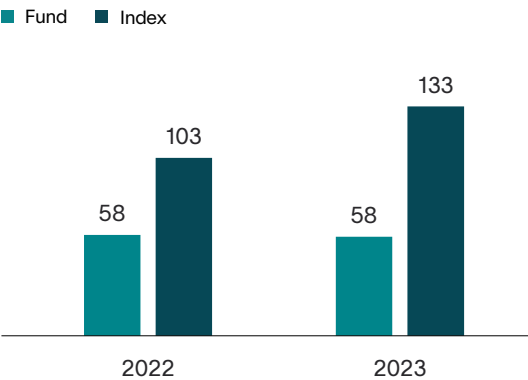
Lannebo has committed to a climate target that requires the companies in material sectors within its portfolios to establish science-based emissions reduction targets, SBT.

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

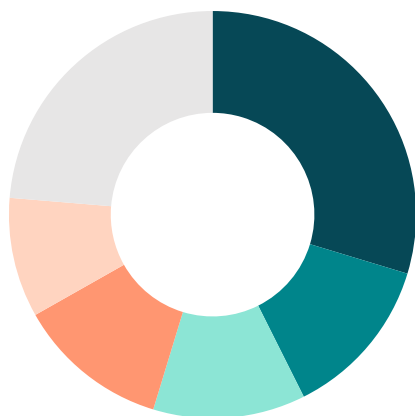
The objective is to ensure greater gender representation by aiming for a minimum of 40 percent representation of the under-represented gender among board members on average.

	Share (%)
Women	37
Men	63

## Financial ratios

	Fund	Index
Sharpe ratio	n/a	n/a
Total risk (%)	n/a	n/a
Tracking error	n/a	
Information ratio	n/a	
Alpha	n/a	
Beta	n/a	
Portfolio turnover ratio	n/a	

## Country allocation



Country	Share of the fund (%)
United Kingdom	28.7
Netherlands	12.5
Italy	11.7
France	11.7
Sweden	9.2
Other	22.9

## Fund facts

Fund managers	Carsten Dehn, Ulrik Ellesgaard & Philip Andreasen
Launch date	09/19/22
NAV per unit	EUR 94.07
Fund size	EURm 13
Ongoing costs*	2.2%
ISIN	SE0017885056
Trading frequency	Daily
Minimum investment amount	EUR 100
Supervisory authority	Finansinspektionen
LEI	549300VN56CF0Z4NTW62

\* 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

## Green Revenue

Holding	Green revenue (%)
Arcadis	71
SPIE	42
Renew Holdings	89
Belimo	95
Aalberts	39
LU-VE	57
Genuit Group	43
DiscoverIE	29
Trainline	99
Nexans	37

## Explanations\*

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### 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.

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### 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. In 2022, Lannebo changed data provider.

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### Benchmark

MSCI Europe Small Cap Climate Paris Aligned 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.

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### 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.

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### 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

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### 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](http://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.

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### Information ratio

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

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### Total risk

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

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### 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.