

Monthly report October 2023

Lannebo Sverige Plus

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.

Stock markets performed poorly

An earnings season with big share price movements



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The Stockholm Stock Exchange was marked by a low appetite for risk and in most cases by falling share prices – just like the previous month. Economic uncertainty increased and industrial companies falling order volumes are beginning to show in Q3 earnings. The majority of companies presented their Q3 earnings during the month, and the reports continued to show a divided picture. Companies with exposure to consumer products are characterized by weak volumes and sharp earnings losses. On the other hand, most industrials are still achieving record results driven by price increases, a favorable exchange rate, and full order books.

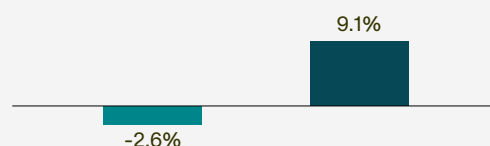
However, economic uncertainty for industrial companies increased during the month as falling order volumes began to appear in the sector's earnings reports. Banks continued to report strong earnings with improved net interest and commission income, together with continued cost controls. At a detailed level, it can be seen that some of the banks are taking into account a certain weakening in parts of their credit portfolios. Banks are currently well-capitalized with essentially non-existent credit losses in Q3.

A slowing economy combined with a high level of indebtedness means that companies are working to improve cash flow. This is an on-going process that has progressed differently across sectors. Telecom equipment is one example, where Ericsson is currently experiencing very weak demand in the US from its customers as they cut back on investments to meet the above-mentioned challenges.

The holding in both Essity and SSAB increased 8 per cent, outperforming the market as a whole. Essity's quarterly earnings were strong where the company maintained the trend of a better balance between income and costs. SSAB continued to deliver good profitability and strong cash flow in a slowing market. The company's

The fund's performance*

■ 1 month
■ 1 year



Performance (%)	Fund	Index ¹
October 2023	-2.6	-3.5
YTD 2023	3.5	0.9
1 year	9.1	5.4
3 years	41.5	22.6
5 years	59.7	55.7
10 years	204.2	158.3
Since launch (12/11/08)	687.2	510.3
Average 24 months	0.7	-8.7
2022 ¹	-9.5	-22.8
2021 ¹	33.1	39.3
2020 ¹	11.7	14.8
2019 ¹	22.6	35.0
2018 ¹	-0.7	-4.4

¹ The performance is based on closing prices.

*Net of fees

Jan	Feb	Mar	Apr	May	Jun
9.2	2.5	-1.9	0.8	-4.7	-0.5
Jul	Aug	Sep	Oct	Nov	Dec
1.8	-0.1	-0.5	-2.6	-	-

strong development has generated significant net cash and, in connection with the release of earnings, the company announced a share buyback program.

Viaplay and Tobii developed weaker than the market as a whole, falling 32 and 24 per cent respectively. Viaplay continued to develop poorly due to concerns over the company's capital situation. The company delayed the release of its quarterly report with reference to ongoing negotiations with its creditors. Tobii, which develops eye control software, fell on concerns over weak demand for Sony's Playstation VR headsets that incorporates Tobii's software, which is an important revenue stream for the company.

Largest holdings

Holding	Share of the fund (%)
Swedbank A	8.0
Handelsbanken A	7.3
Ericsson B	7.1
Millicom Int. Cellular SDB	5.9
Sandvik	5.3
SKF B	5.3
Trelleborg B	4.7
SEB A	4.6
Nokia EUR	4.5
Elekta B	4.5
Total ten largest holdings	57.2
Cash	3.7
Total number of holdings	29

Main changes

Bought	Sold
Hexpol	Industrivärden
Handelsbanken	Nordea
StoraEnso	SEB

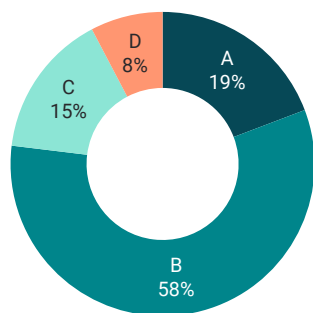
Sector allocation

Sector	Share of the fund (%)
Financials	23.4
Industrials	18.4
Healthcare	16.7
Information technology	14.9
Material	7.9
Communication services	6.8
Consumer staples	4.5
Consumer discretionary	3.8

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	19
B	58
C	15
D	8
E	0

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.

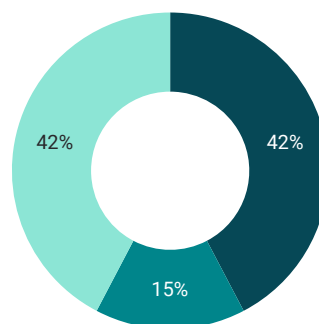
Share of the fund (%)

2023 YTD	83
2022	75
2021	100

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%



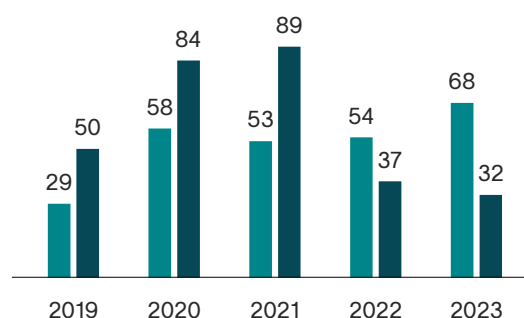
Share of the fund (%)

Validated SBT	42
Committed SBT	15
No SBT	42

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.

Fund Index



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
Sharpe ratio	0.0	-0.4
Total risk (%)	17.7	20.5
Tracking error	10.7	
Information ratio	0.9	
Alpha	7.2	
Beta	0.7	
Portfolio turnover ratio	1.8	
Gross equity exposure (%)	105	
Net equity exposure (%)	96	
Active share (%)	82	

Fund facts

Fund managers	Martin Wallin & Robin Nestor
Launch date	12/11/08
NAV per unit	SEK 76.74
Fund size	SEKm 6,712
Ongoing costs*	1.4%
Performance fee	20% of any excess return
Return threshold	SIX Portfolio Return Index
ISIN	SE0002686584
Trading frequency	Daily
Minimum investment amount	SEK 100
PPM number	490292
Supervisory authority	Finansinspektionen
LEI	549300W8FUNESQQE9448

* 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 EUR. In 2022, Lannebo changed data provider.

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.