

Monthly report October 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



Positive shifts in Green Transition

Lindab and Renew Holdings – Top Performers



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The Eurozone's Consumer Price Index exhibited a deceleration, marking its slowest pace since July 2021, coupled with a slight contraction in GDP. This scenario hints at a potential recession, evident from the increased number of profit warnings. A natural consequence will be an increase in unemployment followed by interest rate cuts. This scenario bodes well for European Small Cap equities, particularly in terms of performance both in absolute terms and relative to the European Large Cap Index. Lannebo Europe Green Transition, with its strategic positioning, is rightly placed to benefit from these market conditions.

Key policy developments took place in October, with the EU Council's endorsement on October 17 of a robust stance ahead of COP 28 and the IEA's World Energy Outlook published on October 24 that underscored a global shift towards renewable energy and efficiency improvements. Furthermore, the EU Commission's initiatives unveiled on October 24, including the 2040 climate target and the European wind power package, are poised to bolster the green transition momentum.

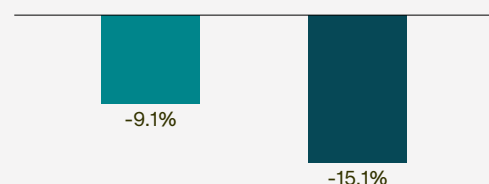
Lindab and Renew Holdings emerged as the two most positive contributors to performance in October.

Lindab, a manufacturer of products and systems for simplified construction and improved indoor climate, was the most positive contributor in October. Lindab released its Q3 report at the end of October, showcasing much stronger than expected margins and EPS. The performance solidifies confidence in Lindab's potential to capitalize on the global focus for indoor climate improvements and the reduction of CO2 in buildings.

Renew Holdings, the UK-based multidisciplinary engineering services provider, emerged as one of the most positive contributors in October. The acquisition of TIS Cumbria in October doubled manufacturing

The fund's performance*

- 1 month
- 1 year



Performance (%)	Fund	Index ¹
October 2023	-9.1	-5.5
YTD 2023	-18.0	-6.9
1 year	-15.1	-2.2
Since launch (09/19/22)	- 17.0	- 4.8
2022 ¹	0.9 ²	2.3 ²

¹ The performance is based on closing prices.

² 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	-2.9	-9.1	-	-

capacity, aligning with its strategic goals, and funded through existing cash reserves. A trading update at the start of the month highlighted the company's continued momentum, with fiscal year end results expected to marginally exceed expectations. This positions Renew Holdings well to benefit from the UK's committed infrastructure spend, instilling confidence in its future prospects.

Renewi and Genuit were the two most negative contributors to performance in October.

Renewi, the waste management company with focus on recycling, negatively contributed to performance. In September Macquarie announced that it was considering a possible cash offer equal to a premium of 52%. In light of this, we took a proactive stance, engaging directly with Macquarie to thoroughly understand their perspective and share our positions. The board rejected the indicative offer and they were not even open to engage in dialogue with Macquarie. Obviously, the board was putting pressure on Macquarie to increase the possible cash offer. Unfortunately, this was a miscalculation - Macquarie "walked away" at the end of October. Consequently, the share price decreased. The board has not been able to present an alternative plan for shareholders, and we have therefore started engagement meetings with management.

Genuit is operating within piping and ventilation for buildings. In our opinion, the company is a quality company but is of course cyclical in nature. The share price is flat year to date, but there has been profit taking in October due to the cyclicity.

Largest holdings

Holding	Share of the fund (%)
Arcadis	5.5
Renew Holdings	5.4
SPIE	5.2
Trainline	4.9
Renewi	4.8
Salcef Group	4.4
Belimo	4.3
Lindab	4.3
DiscoverIE	3.9
Nexans	3.9
Total ten largest holdings	46.6
Cash	4.0
Total number of holdings	32

Main changes

Bought	Sold
-	-
-	-
-	-

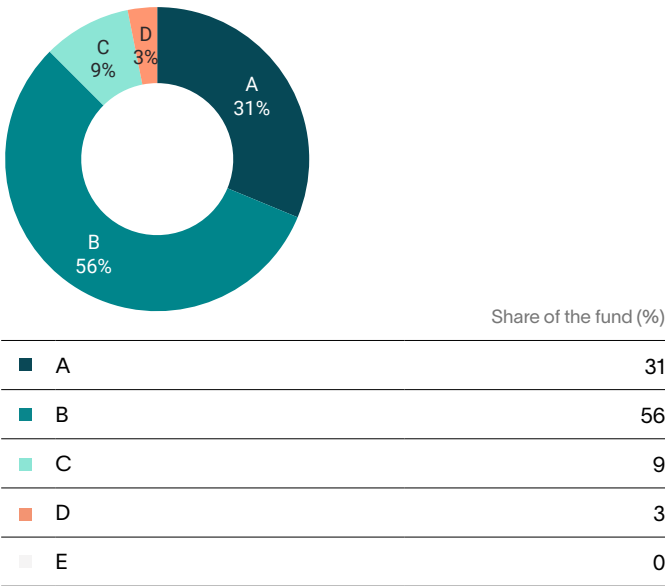
Sector allocation

Sector	Share of the fund (%)
Industrials	70.7
Energy	10.3
Consumer discretionary	7.4
Information technology	4.1
Real estate	3.5

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

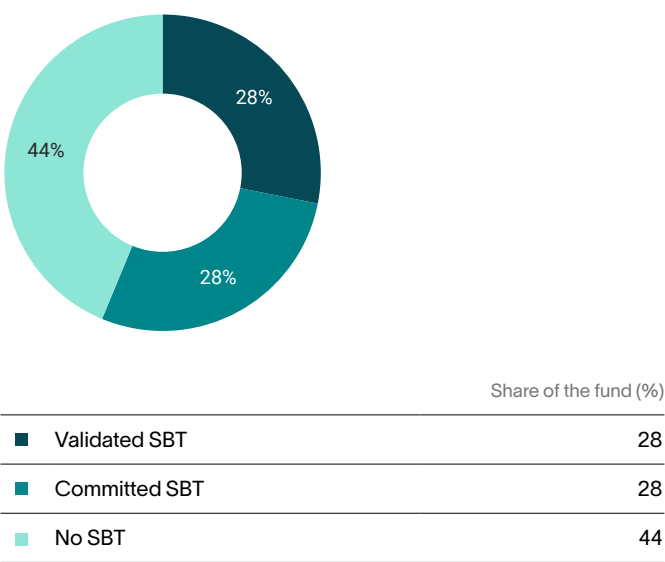
Voting

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

Climate target

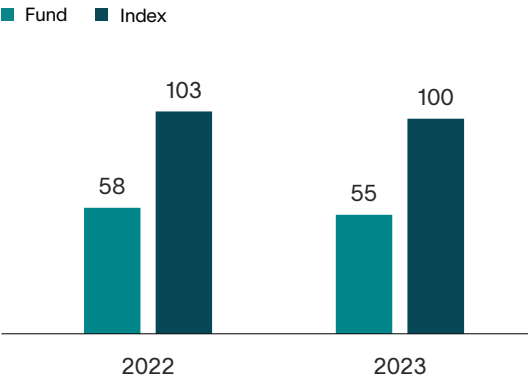
Lannebo has committed to a climate target that requires the companies in material sectors within its portfolios to establish science-based emissions reduction targets, SBT.

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	38
Men	62

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	31.5
France	11.7
Netherlands	11
Italy	10.4
Sweden	10
Other	21.2

Fund facts

Fund managers	Carsten Dehn, Ulrik Ellesgaard & Philip Andreasen
Launch date	09/19/22
NAV per unit	EUR 82.96
Fund size	EURm 11
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	39
Renew Holdings	25
SPIE	42
Trainline	100
Renewi	65
Salcef Group	85
Belimo	80
Lindab	49
DiscoverIE	76
Nexans	48

Explanations*

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.

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.

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.

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

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.

Information ratio

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