

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.

Traton reaches new levels of profitability

Risk-appetite for high valuations has returned



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Lannebo Sverige Plus developed positively during March in line with a strong stock market as a whole. The appetite for risk has gradually returned during the past six months. Macro data shows a continued strong underlying economy, with, among other things, a surprisingly stable US labor market. The much talked about soft landing has so far been silky smooth. Inflation is slowing and currently the real interest rate is, reasonably enough, positive. Central banks have communicated that interest rate cuts will take place during the year, but they have become fewer and fewer in number.

Generally, companies' future views, based on annual reports, are quite bright; and, in correlation with this, the stock market's expectations are relatively high for continued good profitability development for the coming years. Valuations in several stocks have risen to high levels, which in relation to the current interest rate environment, are almost equal to those in 2021. At the same time, in the shadow are stocks and companies that are developing well and have a valuation in line with historical levels. With today's - and in our view also future - normalized yield requirements, we continue to see more attractive yield potential in the value segment.

Traton released its Q4 earnings in March. The company continued to show clear improvements in operations where the three truck brands increased operating margins compared to the same quarter last year. Price realization continued to be good and, together with volume development, made a positive contribution. For the full year, MAN made the biggest improvement with an adjusted operating margin that increased 6 percentage points compared to 2022. The outlook for 2024 is positive where the weighted turnover is expected to grow in the low single digits with an operating margin in the range of 8–9 per cent for the group. Internal improvements will drive profitability further, including more efficient production, reduced costs, and an improved

The fund's return*

■ 1 month
■ 1 year



Performance (%)	Fund	Index ¹
March 2024	5.3	5.7
YTD 2024	7.4	7.9
1 year	10.7	18.3
3 years	25.9	21.1
5 years	85.4	89.5
10 years	215.9	199.9
Since launch (12/11/08)	825.2	677.3
Average 24 months	12.7	7.4
2023 ¹	13.6	19.2
2022 ¹	-9.5	-22.8
2021 ¹	33.1	39.3
2020 ¹	11.7	14.8
2019 ¹	22.6	35.0

¹ The performance is based on closing prices.

*Net of fees

Jan	Feb	Mar	Apr	May	Jun
0.2	1.8	5.3	-	-	-
Jul	Aug	Sep	Oct	Nov	Dec
-	-	-	-	-	-

service offering. The valuation of the share is low both in terms of profits and cash flow. For the coming years, the cash flow, despite investments, is expected to generate a good dividend yield and clearly reduced indebtedness.

At the end of the month, Essity received the final payment for their former part-ownership in Chinese Vinda. Cash accounted for about SEK 19 billion, and an additional SEK 4 billion was removed from consolidated debt. In addition to the company significantly reducing purchases of paper pulp, we hope these proceeds will be used for share buy backs.

Largest holdings

Holding	Share of the fund (%)
Swedbank A	7.4
Ericsson B	7.3
Essity B	6.9
Millicom Int. Cellular SDB	6.3
Handelsbanken A	5.0
SEB A	5.0
Nordea	4.7
Nokia EUR	4.7
Getinge B	4.7
SKF B	4.6
Total ten largest holdings	56.6
Cash	5.5
Total number of holdings	32

Main changes

Bought	Sold
Swedbank	Trelleborg
Alfa Laval	Handelsbanken
SOBI	SCA

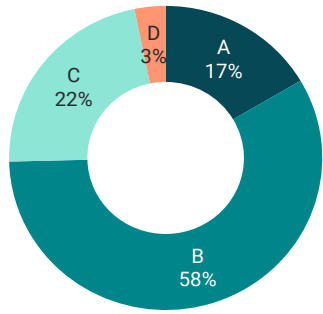
Sector allocation

Sector	Share of the fund (%)
Financials	22.1
Healthcare	15.5
Information technology	14.5
Industrials	14.1
Material	8.4
Consumer staples	6.9
Consumer discretionary	6.6
Communication services	6.3

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	17
■ B	58
■ C	22
■ D	3
■ E	0

Nomination committees

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

Company

Hexpol

Tobii Dynavox

Trelleborg

Voting

Share of the fund where Lannebo has voted at the general meeting.

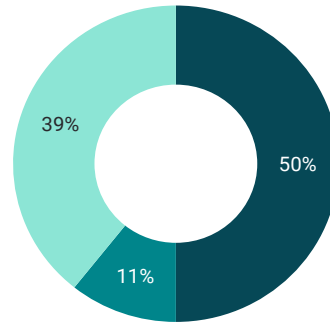
Share of the fund (%)

2024 YTD	45
2023	80
2022	75

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%



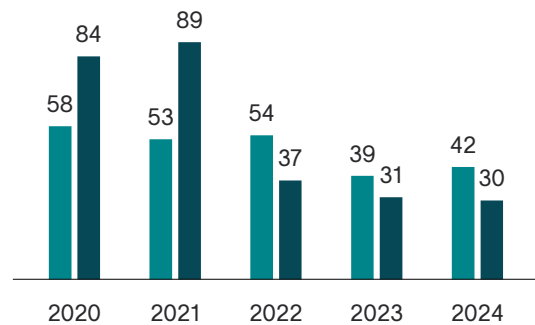
Share of the fund (%)

■ Validated SBT	50
■ Committed SBT	11
■ No SBT	39

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	37
Men	63

Financial ratios

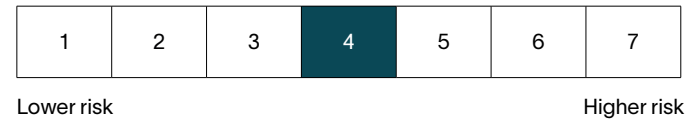
	Fund	Index
Sharpe ratio	0.8	0.4
Total risk (%)	16.4	20.6
Tracking error	9.1	
Information ratio	0.6	
Alpha	7.8	
Beta	0.7	
Portfolio turnover ratio	1.6	
Gross equity exposure (%)	104	
Net equity exposure (%)	94	
Active share (%)	84	

Fund facts

Fund managers	Martin Wallin & Robin Nestor
Launch date	12/11/08
NAV per unit	SEK 90.20
Fund size	SEKm 7,660
Management Fee	1%+20% variable on any excess return
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



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.

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

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.

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.

Total risk

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

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