

**Simplicity.**

**ANNUAL REPORT**

SIMPLICITY FÖRETAGSOBLIGATIONER

**2020**





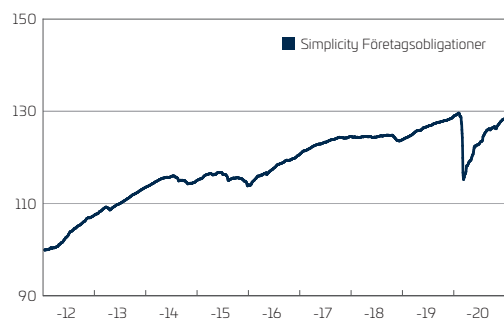
Simplicity.



# Management report **Simplicity Företagsobligationer**

## The Fund's development during the year

Simplicity Företagsobligationer generated a return of -0.07% after management fees in 2020. The fund's benchmark index S&P Sweden Investment Grade Corporate Bond Index Total Return rose by 2.03% over the same period.



Fund development since inception 2012.03.30.

The fund's negative return was mainly caused by sharply rising credit spreads in both the Nordic and international corporate bond markets at the end of February and most of March. Although the credit market subsequently recovered, this recovery was not large enough to compensate for the weak performance in the first quarter. The Fund has risen by 28.44% since inception in 2012 and the effective, average annual return since the start of the fund has been 2.90%. During the year, the fund has had a short duration that averaged approximately one year. The time to maturity has been longer, averaging approximately three years. The short duration and relatively limited time to maturity have been adapted to create a balanced risk in the portfolio. The average return rate, which at the beginning of the year was around 1.9% rose slightly and was at the end of the year at a level around 2.1% after management fees. The higher rate of return is mainly explained by rising credit spreads as the Swedish interbank rate, the three-month Stibor, which is the reference rate for a large portion of the Fund's floating rate bonds, fell from 0.149% to -0.046%.

Volatility in the fund has been high due to the turbulent market. A large proportion of the fund's holdings negatively affected the return during the general downturn that prevailed at the end of February and March. The holdings that affected the return the most have been the fund's holdings in the airline SAS and in the Norwegian cruise line Hurtigruten. Liquidity in the market was very strained for a period in March but subsequently gradually improved during the rest of the year.

## The fixed income markets

Developments in the fixed income market were dominated in the spring by the spread of the covid-19 pandemic. The virus's establishment in Europe resulted in most European countries choosing to impose different types of restrictions to prevent further spread and limit the number of cases.

The same type of measures was subsequently introduced in several non-European countries such as the US. The effects of these closures became immediate and led to major negative consequences for economic growth. Some industries, such as the travel industry, was particularly impacted when travel basically ceased completely for a period. With a few exceptions, the vast majority of industries and companies were negatively affected. The market also reacted to this and during the end of February and the beginning of March most stock markets collapsed while the credit spreads for both Investment Grade and High Yield bonds rose sharply with falling rates on corporate bonds as a result. Interest rates on various types of risk-free investments such as government bonds and Treasury bills fell as investors moved their capital to safe asset classes. For a few weeks in mid-March there was prominent sell pressure in virtually all risky asset classes. This led to a strained liquidity in the market and an unclear price picture, which made it difficult to make an accurate valuation of certain assets and thus also to calculate correct NAV rates for certain funds. This development led to several fund companies, including Simplicity, being forced to postpone trading in its companies' fixed income funds. However, in Simplicity's case, trading could resume after a day when market pricing became clearer. Some other fund companies chose to postpone trading in their funds for an extended period. The major turbulence led both politicians and central banks to launch major financial and monetary stimulus packages. In the US, the US Central Bank cut its key interest rate by a total of 1.50 percentage points to the range of 0.00%-0.25%, while simultaneously launching a very large asset purchase program covering a variety of asset classes, including corporate bonds. Similar measures were introduced by, among others, the ECB, the European Central Bank. Also, in Sweden, the Riksbank began to buy commercial paper in the spring. During the autumn, these purchases were extended to include individual corporate bonds. Together with the comprehensive fiscal stimulus packages, these measures supported the market and from the end of March credit spreads began to decline and the rates of corporate bonds recovered a shorter rebound at the end of October when concerns about an increased spread of infection and uncertainty linked to the US election created some pessimism in the market. However, news that a vaccine against Covid-19 was about to be approved caused the market to regain optimism and the year ended on a strong note. In the primary market for corporate bonds, there was initially good activity with many transactions from companies in different industries. When the Corona crisis broke out, activity slowed down completely, and no new issues were carried out for a few weeks. As the risk appetite returned to the market, activity resumed, however, due to greater caution on the part of investors and a certain amount of anticipation on the part of the companies. During the autumn the number of new issues increased again as there was a pent-up need

for companies to issue new bonds. This development was supported by the positive market climate and an increased risk-appetite among investors. A pattern has emerged that indicates investors are more reactive on news and reports, which leads to increased volatility.

### **Risk management and key performance indicators**

Over the past two years, the Fund has had a standard deviation of 7.73% and over the past 12 months of 11.14%. This means that the standard deviation has risen sharply during the last year because of the turbulence in the market this spring. Our assessment is that it is reasonable to assume that it will be significantly lower over a longer period. The company-specific risk is managed by diversifying the portfolio with holdings in several bonds with a relatively short average time to maturity. The Fund has had a short credit duration throughout the year, which helped to keep the credit risk at a low level. At year-end it amounted to 1.18 years. The average maturity of the portfolio was at the same time 3.24 years. The distribution between companies with an official rating and companies without an official rating amounted to approximately 61% and 32%. Cash and cash equivalents respectively represented approximately 7% of the fund's value. The fund's activity rate is described with the key figure active risk - a measure of how much the difference in the performance of the fund and its benchmark index varies over time. The Fund's benchmark index is the S&P Sweden Investment Grade Corporate Bond Index Total Return, which is deemed relevant as it provides a good representation of the fund's long-term investment orientation in terms of, among other things, asset class, maturity, and currency. The fund's active risk over the past 2 years has been 5.79%. The activity rate is high as the fund is actively managed and often deviates from its benchmark index in terms of sectoral distribution, geographical allocation, and weighting in specific bonds.

### **Holdings and positions**

Since the start of the fund, the management strategy has been to invest in high yielding bonds, issued by companies with good credit scores. This type of investment has in the year amounted to around 60% of the assets in the fund. In terms of geographical exposure, the share of Swedish companies has been a large part of the portfolio and at year-end amounted to approximately 56% of the portfolio. The remainder was mainly invested in the other Nordic countries and to some extent in the rest of Europe. Sector-wise, the largest industry exposures have been companies in the banking, finance, and real estate sectors.

### **Development of fund assets**

During the year, the Fund had a net outflow of SEK 2,615 million and assets under management amounted to SEK 5,286 million as of December 31, 2020.

### **Derivatives**

To effectively manage and protect the fund's assets against exchange rate and currency risks, the Fund may trade in options and forward contracts. The Fund has exercised this possibility by securing its holdings in foreign currency and the fund was fully currency hedged to SEK at year-end.

### **Significant events**

The fund management company chose to postpone trading in the fund on Friday 20 March. Trading resumed on Monday 23 March. Simplicity changed the benchmark index for the fund during the year and the new index consists of the S&P Sweden Investment Grade Corporate Bond Index Total Return. The reason for the change of benchmark index was that Nasdaq OMX stopped calculating the previous benchmark Nasdaq OMX Credit SEK Index at the end of May.

### **Sustainability and responsibility**

Simplicity has signed the UN-supported initiative for responsible investments, PRI and is affiliated with the Swedish trade association, Swesif. Simplicity cooperates with the consulting company Sustainalytics regarding sustainability. Sustainalytics conducts a continuous screening of all holdings in the funds to inform about any incidents regarding sustainability that the companies have been involved in. If it is noticed that a company has been involved in an incident, Simplicity primarily initiates a dialogue with the company with the aim of influencing it in a more sustainable direction. All Simplicity's funds have also adopted an exclusion policy by companies in certain industries. Simplicity Företagsobligationer exclude companies whose revenue is more than five percent attributable to the production or sale of goods and services linked to arms, alcohol, tobacco, gambling, pornography, and energy sector companies (GICS sector code 10)

### **Sustainability information**

- Sustainability aspects are taken into account in the management of the fund.
- Sustainability aspects are not taken into account in the management of the fund.

### **Sustainability aspects taken into account in the management of the Fund**

- Environmental aspects (e.g. the companies' environmental and climate impact).
- Social aspects (e.g. human rights, labour rights and equal treatment)
- Corporate governance aspects (e.g. shareholders' rights, issues relating to remuneration for senior executives, and anti-corruption work).
- Other sustainability aspects.

### **Methods used for sustainability work**

- Positive screening

- Sustainability aspects are crucial for the manager's choice of companies.

The fund has specific and explicit criteria for positive selection of companies, based on environmental, social and business ethics issues. An analysis of the companies' sustainability work is critical to the selection of the companies in the fund.

- The manager of the fund take sustainability issues into account.

Sustainability issues are taken into account in the context of corporate economic analyses and investment decisions and play a part, but not necessarily a crucial one, in determining which companies are selected for inclusion in the fund.

#### Other

- Another method of positive screening used by the fund.
- The fund manager's comment

#### Negative screening

The fund does not invest in companies that are involved in the following products and services. A maximum of 5% of the turnover in the company in which the investment is made may entail operations attributable to the specified product or service.

#### Products and services

- Cluster bombs, landmines  
The fund manager's comment: The Fund Management Company does not invest in companies with operations related to cluster bombs and landmines.
- Chemical and biological weapons  
The Fund Management Company's comment: The Fund Management Company does not invest in companies with activities related to chemical and biological weapons.
- Nuclear weapons  
The Fund Management Company's comment: The Fund Management Company does not invest in companies with operations related to nuclear weapons.
- Weapons and/or munitions
- Alcohol
- Tobacco
- Commercial gambling operations
- Pornography
- Fossil fuels (oil, gas, coal)  
The Fund Manager's comment: The fund excludes all companies that have a GICS sector classification 10.

#### International norms

International norms refer to international conventions, laws and agreements such as the UN Global Compact and OECD guidelines for multinational companies that relate to issues concerning the environment, human rights, labour practices, and business ethics.

- The fund does not invest in companies which do not address identified problems or where the fund makes

the assessment that the company will not address the problems within a time frame deemed reasonable in that specific case.

#### Countries

- For sustainability reasons, the fund does not invest in companies involved in certain countries/interest-bearing securities issued by certain states.

#### Other

- Other

#### The fund management company influences

The fund management company exercises its investor influence to influence companies on sustainability issues.

The fund management company engages with companies with a view to influencing them to adopt a more sustainable approach.

- In-house investor influence

#### Follow-up of sustainability work

In 2020, Sustainalytics has screened the fund's holdings for incidents related to environmental, social and corporate governance aspects. In total, they reported on incidents in two new case concerning suspicions of money laundering. At the end of the year, there were three current incidents linked to holdings in the portfolio relating to suspicions of money laundering, bribery and breaches of environmental legislation. Simplicity has been in contact with all companies and received satisfactory feedback. All matters have been discussed in Simplicity's internal sustainability committee, which has decided to continue to monitor the respective companies, but that no immediate action needs to be taken at this time.

As part of the sustainability work, Simplicity also strives to make proactive investments in its fixed income funds, taking sustainability aspects into account in the analysis and selection of potential investments. A particular focus is placed on companies deemed to make a positive contribution to the achievement of the 17 global goals adopted by the world's political leaders at the 2015 UN Summit, specifically objectives 7, 9, 11 and 13. An example of proactive investment is investment in green and social bonds. Green bonds are a type of bond in which the capital raised in connection with the issue is earmarked for various types of environmental improvement projects, while the capital issued through social bonds is to be used for various projects deemed to have positive social effects. At mid-year, green and social bonds accounted for approximately 13% of the fund's assets under management.

Simplicity have also, as a collaboration with other Swedish corporate bond investors, started to influence Nordic bond issuers within the high yield segment to improve their sustainability accounting.

## Performance

	2020.12.31	2019.12.31	2018.12.31	2017.12.31	2016.12.31	2015.12.31	2014.12.31	2013.12.31	2012.12.31
Net assets, SEK thousands	5,286,169	8,032,723	6,289,104	5,359,411	3,852,676	3,156,768	3,375,736	1,938,165	525,845
Share class A	4,789,410	7,261,164	6,054,532	5,294,608	3,827,485	3,155,169			
Share class B	89,767	127,935	91,231	64,803	25,191	1,599			
Share class C	406,992	643,624	143,341						
NAV, SEK class A	128.44	128.53	123.65	124.28	119.85	115.49	114.39	112.42	106.18
NAV, SEK class B	112.15	115.64	114.59	119.63	119.85	115.49			
NAV, SEK class C	104.50	104.12	99.84						
Trading NAV*, SEK class A	128.44	128.53	123.66	124.29	119.85	115.49	114.39	112.44	106.18
Trading NAV*, SEK class B	112.16	115.64	114.59	119.64	119.85	115.49			
Trading NAV*, SEK class C	104.50	104.12	99.85						
Number of outstanding units									
Share class A	37,915,994	57,454,203	49,230,723	42,621,251	31,932,801	27,320,382	29,509,924	17,239,642	4,952,562
Share class B	710,655	1,012,291	741,822	521,663	210,168	13,845			
Share class C	3,222,004	5,092,695	1,165,536						
Dividend per share, Share Class B	3.17	3.32	4.43	4.53					
Annual return, %									
Share class A	-0.07%	3.95%	-0.51%	3.70%	3.78%	0.96%	1.73%	5.90%	6.20%
Share class B	-0.04%	3.88%	-0.54%	3.70%	3.78%	-1.08%			
Share class C	0.36%	4.29%	-0.16%						
Annual return benchmark, %	2.03%	-0.54%	-0.81%	-0.77%	-0.65%	-0.27%	0.47%	0.90%	0.90%
Active risk**	5.8%								

\* NAV for the last trading day of the period 2020.12.30.

\*\* As the fund did not have a benchmark index prior to 2020-01-01 Active Risk is not presented for the period before that date. The portfolios Active Risk is high as a result of active management and large deviations between the fund portfolio and its benchmark index concerning both sectors and specific bonds. The ways in which the portfolio deviates from its benchmark index will also vary over time.

## Key ratios

	2020.12.31
Average net assets, SEK thousands	6,210,931
Total return since inception	284%
Average annual return last 2 years	19%
Average annual return last 5 years	2.1%
Turnover ratio	0.6
<b>Benchmark</b>	S&P Sweden Investment Grade Corporate Bond Index TR
Benchmarks return since the fund's inception	71%
Average annual return last 2 years benchmark	19%
Average annual return last 5 years benchmark	1.6%
<b>RISK*</b>	
Correlation	0.92
Standard deviation	7.73%
Standard deviation benchmark	2.17%
Duration	1.08
Spread exposure	9.80
<b>COSTS</b>	
Fund company, Share class A & B %	0.8%
Fund company, Share class C %	0.4%
Fund company, SEK thousands	47,892
Depository, SEK thousands	1,202
Financial Supervisory Authority, SEK thousands	37
Audit, SEK thousands	73
<b>TRANSACTION COSTS</b>	
Transaction costs, SEK thousands	103
% of total turnover	0.00%
<b>RESEARCH COSTS</b>	
Research costs, SEK thousands	155

<b>TOTAL COSTS</b>	
Total cost, SEK thousands	49,462
Total cost of average net assets	0.80%
<b>Ongoing Charges – Share class A &amp; B</b>	0.82%
<b>Ongoing Charges – Share class C</b>	0.42%
<b>PURCHASES AND SALES OF FINANCIAL INSTRUMENTS INVOLVING RELATED PARTIES</b>	
Trading with companies within the same group, %	0.00%
Trading involving funds managed by Simplicity, %	2.92%

\*The key ratios are calculated using the last 24 months data, in accordance with the Swedish Investment Fund Associations guidelines.

## Total and management costs

The following table shows costs, expressed in SEK, for a single purchase of SEK 10,000 at the beginning of the year and for monthly payments of SEK 100/month. The monthly payment is calculated as per the first day of each month.

	Total cost	Including cost of fund management	Value as of 2020.12.31
Single purchase SEK 10,000, Share class A	80	78	9,993
Monthly payments SEK 100, Share class A	5	5	1,238
Single purchase SEK 10,000, Share class B	80	78	9,996
Monthly payments SEK 100, Share class B	5	5	1,238
Single purchase SEK 10,000, Share class C	42	39	10,036
Monthly payments SEK 100, Share class C	3	3	1,241

## Change in net assets

	2020.12.31
Net assets in the beginning of the year, SEK thousands	8,032,723
Unit issue, SEK thousands	2,554,580
Unit redemption, SEK thousands	-5,169,421
<b>Net result according to income statement, SEK thousands</b>	<b>-129,187</b>
Dividend SEK per unit	-2,526
<b>Net assets, SEK thousands</b>	<b>5,286,169</b>

## Income statement

	Not	2020	2019
		SEK thousands	SEK thousands
<b>INCOME AND CHANGE IN VALUE</b>			
Change in value of transferable securities and money market instruments	1	-202,579	430,227
Change in value of other derivatives	1	-2,987	-1,822
Change in value of OTC-derivatives	1	44,872	-32,939
<b>Total change in value</b>		<b>-160,694</b>	<b>395,466</b>
Interest income		109	493
Exchange rate gains and losses net		80,933	-62,779
<b>Total income and change in value</b>		<b>-79,652</b>	<b>333,180</b>
<b>COSTS</b>			
<b>Management costs</b>			
Compensation to the fund management company		-47,892	-55,976
Compensation to the depository		-1,202	-1,350
Compensation to the Financial Supervisory Authority		-37	-87
Compensation to the auditor		-73	-56
<b>Total management costs</b>		<b>-49,204</b>	<b>-57,469</b>
Interest costs		-91	-135
Other costs		-240	-225
<b>Total costs</b>		<b>-49,535</b>	<b>-57,829</b>
<b>Net result</b>		<b>-129,187</b>	<b>275,351</b>

## Balance sheet

	Not	2020.12.31	2019.12.31
		SEK thousands	SEK thousands
<b>ASSETS</b>			
Transferable securities		4,660,702	7,499,683
Money market instrument		258,781	252,070
OTC-derivatives with a positive market value		31,961	0
<b>Total financial instruments with a positive market value</b>		<b>4,951,444</b>	<b>7,751,753</b>
<b>Total investments with a positive market value</b>		<b>4,951,444</b>	<b>7,751,753</b>
Cash and cash equivalents		360,427	303,472
Prepayments and accrued income	2	4,457	5,042
Other assets		64	68
<b>Total assets</b>		<b>5,316,392</b>	<b>8,060,335</b>
<b>LIABILITIES</b>			
OTC-derivatives with a negative market value		0	9,923
<b>Total financial instruments with a negative market value</b>		<b>0</b>	<b>9,923</b>
Accrued expenses and prepaid income	3	3,332	5,214
Other liabilities		26,891	12,475
<b>Total liabilities</b>		<b>30,223</b>	<b>27,612</b>
<b>NET ASSET</b>		<b>5,286,169</b>	<b>8,032,723</b>

### Note 1 Change in value

#### Change in value of transferable securities and money market instruments

Capital gains		270,941	351,306
Capital losses		-288,314	-66,680
Unrealized gains/losses		-185,206	145,601
<b>Total</b>		<b>-202,579</b>	<b>430,227</b>

#### Change in value of other derivatives

Capital losses		0	-1,987
Unrealized gains/losses		-2,987	165
<b>Total</b>		<b>-2,987</b>	<b>-1,822</b>

#### Change in value of OTC-derivatives

Unrealized gains/losses		44,872	-32,939
<b>Total</b>		<b>44,872</b>	<b>-32,939</b>
<b>Total change in value</b>		<b>-160,694</b>	<b>395,466</b>

### Note 2 Prepayments and accrued income

Accrued interests		4,457	5,042
<b>Total</b>		<b>4,457</b>	<b>5,042</b>

### Note 3 Accrued expenses and prepaid income

Accrued management fee		3,328	5,208
Accrued interest		4	6
<b>Total</b>		<b>3,332</b>	<b>5,214</b>

### Accounting and valuation principles

This annual report has been prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9 and the Swedish Investment Fund Associations guidelines.

### Financial instruments

Realized earnings consist of the difference between the sales value and the original acquisition value. When calculating realized earnings, the average method has been used. Transaction costs are included in the acquisition value and are deducted from the sales value. Financial instruments have been valued at market value corresponding to the current closing price on the closing date.



## Holdings as of 2020.12.31

### FINANCIAL INSTRUMENTS

Transferable securities admitted to trading on a regulated market

	Quantity	Market value (tSEK)	% of net asset
<b>CORPORATE BONDS</b>			
4Finance 220223 (LV) <sup>36</sup>	2,600,000	25,674	0.5%
Akelius 241112 (SE) <sup>1</sup>	21,000,000	21,068	0.4%
Akelius 260217 (SE) <sup>1</sup>	3,700,000	38,157	0.7%
Allianz 260430 (DE) <sup>2</sup>	1,000,000	8,444	0.2%
Allianz 310430 (DE) <sup>2</sup>	1,600,000	16,638	0.3%
Arion 231122 (IS)	50,000,000	48,411	0.9%
Assemb 250515 (SE)	2,895,000	29,303	0.6%
Atrium Ljungb 230503 (SE)	15,000,000	15,082	0.3%
B2 Holding 221114 (NO)	2,150,000	21,543	0.4%
Balder 230307 (SE) <sup>34</sup>	2,000,000	21,111	0.4%
Balder 240306 (SE) <sup>34</sup>	30,000,000	30,525	0.6%
Balder 250314 (SE) <sup>34</sup>	1,400,000	15,008	0.3%
Bank Norweg 221212 (NO)	26,000,000	26,149	0.5%
Bayport 220614 (MU) <sup>4</sup>	3,600,000	29,765	0.6%
Bayport 221219 (MU) <sup>4</sup>	3,000,000	22,512	0.4%
Bbva 230924 (ES)	1,000,000	10,557	0.2%
Bewi 231122 (SE)	4,200,000	42,695	0.8%
Bilia 231011 (SE)	4,200,000	41,788	0.8%
Boliden 240619 (SE)	30,000,000	30,038	0.6%
Castellum 240521 (SE) <sup>5</sup>	10,000,000	10,129	0.2%
Castellum 250819 (SE) <sup>5</sup>	20,000,000	20,536	0.4%
Compactor 230924 (SE) <sup>7</sup>	33,750,000	33,837	0.6%
Corem Prop 230227 (SE) <sup>8</sup>	15,000,000	14,886	0.3%
Corem Prop 240429 (SE) <sup>8</sup>	12,500,000	12,620	0.2%
Danske Bank 250902 (DK)	800,000	8,260	0.2%
DDM 220408 (CH) <sup>9</sup>	1,500,000	14,557	0.3%
Digiplex 230512 (NO)	30,000,000	29,925	0.6%
Dilasso 230708 (SE)	39,330,000	40,854	0.8%
Epiroc 260518 (SE)	20,000,000	20,167	0.4%
EU Nrgy 230920 (DK) <sup>11</sup>	4,700,000	48,848	0.9%
EU Nrgy 230922 (DK) <sup>11</sup>	3,700,000	38,368	0.7%
Fabege 231003 (SE) <sup>12</sup>	26,000,000	26,409	0.5%
Fabege 250903 (SE) <sup>12</sup>	20,000,000	20,379	0.4%
Fastpartner 240328 (SE) <sup>7</sup>	54,900,000	56,794	1.1%
FNGBB 240725 (SE)	58,000,000	58,482	1.1%
Frontmtc 241010 (DK)	2,000,000	19,616	0.4%
Garfunkel 251101 (LU) <sup>33</sup>	1,000,000	10,466	0.2%
Garfunkel 260501 (LU) <sup>33</sup>	1,000,000	10,181	0.2%
Genova 240909 (SE)	2,500,000	2,494	0.0%
Georg Jensen 230515 (DK)	2,800,000	25,274	0.5%
GN Store 231206 (DK)	2,100,000	21,207	0.4%
Golden Hei 220308 (SE)	26,125,000	26,682	0.5%
Grieg 250625 (NO)	15,000,000	13,970	0.3%
Heims Bostad 230905 (SE) <sup>15</sup>	3,000,000	31,993	0.6%
Heims Bostad 250225 (SE) <sup>15</sup>	40,000,000	40,475	0.8%
Heims Bostad 260121 (SE) <sup>15</sup>	3,000,000	31,582	0.6%
Heimstaden 230531 (SE) <sup>15</sup>	56,250,000	56,487	1.1%
Heimstaden 241110 (SE) <sup>15</sup>	40,000,000	40,174	0.8%
Heimstaden 251015 (SE) <sup>15</sup>	37,500,000	37,734	0.7%
Hemso 270507 (SE)	50,000,000	50,298	1.0%
Hemso 280523 (SE)	50,000,000	50,397	1.0%
Hexagon 261207 (SE)	24,000,000	24,003	0.5%
Hoist 220519 (SE) <sup>16</sup>	937,000	9,117	0.2%
Hoist 230901 (SE) <sup>16</sup>	1,000,000	9,822	0.2%
Hoist 241127 (SE) <sup>16</sup>	1,800,000	18,153	0.3%
ICA 250228 (SE)	8,000,000	7,996	0.2%
IF 211201 (FI) <sup>27</sup>	18,000,000	18,212	0.3%
Intea 250901 (SE)	20,000,000	20,160	0.4%
Intrum 230703 (SE) <sup>17</sup>	28,700,000	28,754	0.5%
Intrum 250815 (SE) <sup>17</sup>	3,200,000	33,579	0.6%

Intrum 250912 (SE) <sup>17</sup>	32,000,000	32,551	0.6%
Intrum 260715 (SE) <sup>17</sup>	2,000,000	20,339	0.4%
Intrum 270915 (SE) <sup>17</sup>	500,000	4,907	0.1%
Jernhusen 250423 (SE)	14,000,000	14,692	0.3%
Jyske Bank 230907 (DK) <sup>18</sup>	28,000,000	28,281	0.5%
Jyske Bank 240409 (DK) <sup>18</sup>	19,000,000	20,061	0.4%
Jyske Bank 251015 (DK) <sup>18</sup>	1,200,000	12,141	0.2%
Kinnevik 250219 (SE)	20,000,000	19,965	0.4%
Klarna 220815 (SE)	26,000,000	26,047	0.5%
Klövern 240416 (SE)	100,000,000	101,289	1.9%
Kungsleden 240917 (SE) <sup>19</sup>	24,000,000	24,013	0.5%
Kungsleden 250827 (SE) <sup>19</sup>	26,000,000	26,339	0.5%
Landsbankinn 220221 (IS)	1,000,000	1,007	0.0%
Landsbankinn 231019 (IS)	45,000,000	45,467	0.9%
Leaseplan 230505 (NL) <sup>20</sup>	37,000,000	36,732	0.7%
Leaseplan 230914 (NL) <sup>20</sup>	30,000,000	29,915	0.6%
Leaseplan 240529 (NL) <sup>20</sup>	5,000,000	55,407	1.0%
M2 Asset Mgt 221219 (SE) <sup>21</sup>	18,750,000	18,563	0.4%
M2 Asset Mgt 230710 (SE) <sup>21</sup>	27,500,000	28,216	0.5%
Magnolia 240402 (SE)	3,750,000	3,765	0.1%
Millicom 240515 (LU)	24,000,000	24,180	0.5%
Mowi 250131 (NO)	2,300,000	23,442	0.4%
NCC 240930 (SE)	48,000,000	47,455	0.9%
Nent 250626 (SE)	26,000,000	26,897	0.5%
Nordax 230123 (SE)	20,000,000	19,952	0.4%
Nordea 230519 (FI) <sup>22</sup>	30,000,000	30,637	0.6%
Nordea 230627 (FI) <sup>22</sup>	6,000,000	6,129	0.1%
Nordea 230926 (SE) <sup>22</sup>	66,000,000	66,512	1.3%
Nordisk Berg 230626 (SE)	20,000,000	19,863	0.4%
Norsk Hydro 250411 (NO)	2,613,000	27,411	0.5%
Nya Sff 240311 (SE)	20,000,000	19,810	0.4%
Nyfosa 220522 (SE)	20,000,000	20,347	0.4%
Offentligahus 230327 (SE) <sup>12</sup>	11,250,000	11,849	0.2%
Offentligahus 240412 (SE) <sup>12</sup>	10,000,000	10,432	0.2%
Polygon 230223 (SE)	2,000,000	20,499	0.4%
Posten Norden 240528 (SE)	22,000,000	22,265	0.4%
Resurs Bank 230228 (SE) <sup>24</sup>	46,000,000	46,057	0.9%
Resurs Bank 231124 (SE) <sup>24</sup>	54,000,000	54,204	1.0%
Sagax 230616 (SE) <sup>25</sup>	18,000,000	17,917	0.3%
Sagax 240117 (SE) <sup>25</sup>	2,000,000	21,394	0.4%
SAS 251023 (SE)	28,000,000	21,546	0.4%
Sato 230407 (FI) <sup>14</sup>	1,500,000	16,027	0.3%
SBAB 240620 (SE)	19,000,000	19,192	0.4%
SBAB 250603 (SE)	18,000,000	18,715	0.4%
SBB Norden 250128 (SE) <sup>26</sup>	14,000,000	14,022	0.3%
SBB Norden 251218 (SE) <sup>26</sup>	30,000,000	29,999	0.6%
SCA 250923 (SE)	14,000,000	14,050	0.3%
Scancon 241108 (SE)	13,750,000	13,679	0.3%
Scania EUR 231006 (SE) <sup>37</sup>	500,000	5,092	0.1%
Sergel 220709 (SE)	11,250,000	9,158	0.2%
SFSS 221122 (SE) <sup>30</sup>	10,000,000	10,310	0.2%
SFSS 240630 (SE) <sup>30</sup>	12,500,000	13,172	0.2%
SGL 241104 (DK)	2,800,000	28,110	0.5%
SHB 230302 (SE) <sup>33</sup>	3,000,000	31,148	0.6%
SHB 250415 (SE) <sup>33</sup>	1,100,000	11,686	0.2%
Sirius Int. 220922 (BM)	51,000,000	49,898	0.9%
SKF 240610 (SE)	28,000,000	28,491	0.5%
Socgen 230223 (FR) <sup>29</sup>	2,000,000	20,690	0.4%
Storebrand 221121 (NO) <sup>31</sup>	50,000,000	50,178	0.9%
Storebrand 240916 (NO) <sup>31</sup>	34,000,000	34,200	0.6%
Sve Hyppen 240122 (SE)	38,000,000	37,380	0.7%
Svea 240620 (SE) <sup>6</sup>	20,000,000	19,034	0.4%
Svea 250910 (SE) <sup>6</sup>	15,000,000	15,093	0.3%
Swedbank 230508 (SE) <sup>32</sup>	50,000,000	50,757	1.0%
Swedbank 250505 (SE) <sup>32</sup>	1,500,000	15,699	0.3%

Swissre 220815 (CH)	1,000,000	8,500	0.2%
Tele2 271103 (SE) <sup>34</sup>	40,000,000	40,443	0.8%
Tele2 Frn 250610 (SE) <sup>34</sup>	14,000,000	14,375	0.3%
Telia 230404 (SE) <sup>35</sup>	4,000,000	43,252	0.8%
Tornator 261014 (FI)	2,500,000	25,956	0.5%
Transcom 230322 (SE)	1,100,000	10,716	0.2%
Trelleborg 241017 (SE)	62,000,000	61,945	1.2%
Tryg 251113 (DK)	10,000,000	10,040	0.2%
Tvo 241029 (FI)	33,750,000	31,984	0.6%
Vacse 240603 (SE)	14,000,000	14,395	0.3%
Walwil 240909 (NO)	26,000,000	25,566	0.5%
Varbergs Spar 221205 (SE)	22,000,000	22,073	0.4%
Vattenfall Fix 220319 (SE)	54,000,000	56,421	1.1%
Volvo Finans 230411 (SE)	2,000,000	2,005	0.0%
Volvo Treasur 231213 (SE)	40,000,000	40,683	0.8%
Vostok New 221004 (SE)	28,750,000	29,509	0.6%
VW Finans 220913 (NI) <sup>37</sup>	20,000,000	20,069	0.4%
Zengun 241019 (SE)	2,500,000	2,540	0.0%
ÅF 240627 (SE)	46,000,000	45,837	0.9%
<b>Total Corporate bonds</b>	<b>3,758,927</b>	<b>71.1%</b>	
<b>Total Transferable securities admitted to trading on a regulated market</b>	<b>3,758,927</b>	<b>71.1%</b>	
<b>OTHER FINANCIAL INSTRUMENTS ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF EES</b>			
<b>MONEY MARKET INSTRUMENTS</b>			
DDM 211211 (CH) <sup>9</sup>	680,000	6,904	0.1%
DNB 211231 (NO) <sup>10</sup>	700,000	4,960	0.1%
Goodvalley 210526 (DK)	2,900,000	28,758	0.5%
Islandsbanki 210705 (IS)	30,000,000	29,982	0.6%
Resurs Bank 220117 (SE) <sup>24</sup>	5,000,000	5,075	0.1%
SHB 210301 (SE) <sup>33</sup>	5,827,000	50,291	1.0%
Socgen 220125 (FR) <sup>29</sup>	30,000,000	30,157	0.6%
<b>Total Money market instruments</b>	<b>156,126</b>	<b>3.0%</b>	
<b>Total Other financial instruments admitted to trading on a regulated market or equivalent market outside of EES</b>	<b>156,126</b>	<b>3.0%</b>	
<b>TRANSFERABLE SECURITIES SUBJECT TO REGULAR TRADE ON ANOTHER MARKET THAT IS REGULATED AND OPEN FOR THE PUBLIC</b>			
<b>CORPORATE BONDS</b>			
4Finance 220501 (LV) <sup>36</sup>	6,300,000	43,691	0.8%
Abax 250623 (NO)	7,500,000	7,289	0.1%
DLF 221127 (DK)	4,146,000	44,078	0.8%
DNB Bank 241112 (NO) <sup>10</sup>	3,490,000	29,970	0.6%
Fertib 251222 (ES)	3,300,000	33,651	0.6%
Heims Bostad 250219 (SE) <sup>15</sup>	5,000,000	53,288	1.0%
Mandatum 241004 (FI) <sup>27</sup>	4,000,000	41,460	0.8%
Momox 250710 (DE)	3,100,000	31,881	0.6%
Nordea 240923 (FI) <sup>22</sup>	2,780,000	25,462	0.5%
Nordea 250312 (FI) <sup>22</sup>	2,000,000	21,431	0.4%
Nykredit 260415 (DK)	1,000,000	10,720	0.2%
Oriflame 240801 (CH)	3,300,000	29,884	0.6%
RSA 220327 (GB)	20,000,000	20,628	0.4%
Santan 250319 (ES) <sup>3</sup>	1,000,000	10,109	0.2%
Santan 260114 (ES) <sup>3</sup>	1,000,000	10,211	0.2%
SBB Treasury 281214 (FI) <sup>26</sup>	2,000,000	19,911	0.4%
SEB 220513 (SE) <sup>28</sup>	2,800,000	23,978	0.5%
SEB 250513 (SE) <sup>28</sup>	5,600,000	48,481	0.9%
SHB 270301 (SE) <sup>33</sup>	1,000,000	8,710	0.2%
Solis 240106 (IE)	2,100,000	21,184	0.4%
Superoffice 251105 (NO)	26,250,000	26,181	0.5%
Swedbank 220317 (SE) <sup>32</sup>	200,000	1,728	0.0%
Swissre 240904 (CH)	1,000,000	8,758	0.2%
Telia 260211 (SE) <sup>35</sup>	1,600,000	16,499	0.3%
Ubs 230131 (CH)	1,000,000	8,657	0.2%

Volvo Car 230227 (SE) <sup>38</sup>	42,000,000	42,686	0.8%
Volvo Car 220307 (SE) <sup>38</sup>	11,000,000	11,392	0.2%
<b>Total Corporate bonds</b>	<b>651,915</b>	<b>12.3%</b>	
<b>Total Transferable securities subject to regular trade on another market that is regulated and open for the public</b>	<b>651,915</b>	<b>12.3%</b>	
<b>OTHER FINANCIAL INSTRUMENTS ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF EES</b>			
<b>MONEY MARKET INSTRUMENTS</b>			
Nordea 210913 (FI) <sup>22</sup>	6,261,000	53,399	1.0%
Santander 210911 (ES) <sup>3</sup>	3,000,000	31,044	0.6%
<b>Total Money market instruments</b>	<b>84,443</b>	<b>1.6%</b>	
<b>Total Other financial instruments admitted to trading on a regulated market or equivalent market outside of EES</b>	<b>84,443</b>	<b>1.6%</b>	
<b>TRANSFERABLE SECURITIES WHICH WILL BE ADMITTED TO OFFICIAL LISTING WITHIN A YEAR</b>			
<b>CORPORATE BONDS</b>			
Desenio 241216 (SE)	31,250,000	31,502	0.6%
Link Mobility 251215 (NO)	4,000,000	40,592	0.8%
Scania 250417 (SE) <sup>37</sup>	13,000,000	14,209	0.3%
<b>Total Corporate bonds</b>	<b>86,302</b>	<b>1.6%</b>	
<b>Total Transferable securities which will be admitted to official listing within a year</b>	<b>86,302</b>	<b>1.6%</b>	
<b>OTHER FINANCIAL INSTRUMENTS</b>			
<b>UNLISTED TRANSFERABLE SECURITIES</b>			
Boreal 251003 (NO)	25,102,271	24,045	0.5%
Niam Vi 250305 (LU)	7,700,000	78,782	1.5%
Velliv P & L 230608 (DK)	78,000,000	78,941	1.5%
<b>Total Other financial instruments unlisted transferable securities</b>	<b>181,769</b>	<b>3.4%</b>	
<b>OTC- DERIVATIVES</b>			
EUR/SEK 210121	-141,800,000	23,531	0.4%
NOK/SEK 210121	-138,200,000	262	0.0%
USD/SEK 210121	-48,540,000	8,168	0.2%
<b>Total OTC-derivatives</b>	<b>31,961</b>	<b>0.6%</b>	
<b>Total Other financial instruments</b>	<b>213,730</b>	<b>4.0%</b>	
<b>TOTAL FINANCIAL INSTRUMENTS</b>	<b>4,951,444</b>	<b>93.7%</b>	
<b>OTHER ASSETS AND LIABILITIES, NET</b>	<b>334,725</b>	<b>6.3%</b>	
<b>TOTAL NET ASSET</b>	<b>5,286,169</b>	<b>100.0%</b>	

(BM) Bermuda, (CH) Switzerland, (DK) Denmark, (ES) Spain, (FI) Finland, (FR) France, (GB) Great Britain, (IE) Ireland, (IS) Iceland, (LU) Luxembourg, (LV) Latvia, (MU) Mauritius, (NL) Netherlands, (NO) Norway, (SE) Sweden.

- <sup>1</sup> Included in the group Akelius Foundation and constitutes 1.12 %
- <sup>2</sup> Included in the group Allianz SE and constitutes 0.47 %
- <sup>3</sup> Included in the group Banco Santander SA and constitutes 0.97 %
- <sup>4</sup> Included in the group Bayport Management Ltd and constitutes 0.99 %
- <sup>5</sup> Included in the group Castellum AB and constitutes 0.58 %
- <sup>6</sup> Included in the group Change Group International Hol and constitutes 0.65 %
- <sup>7</sup> Included in the group Compactor Fastigheter AB and constitutes 1.71 %
- <sup>8</sup> Included in the group Corem Property Group AB and constitutes 0.52 %
- <sup>9</sup> Included in the group DDM Holding AG and constitutes 0.41 %
- <sup>10</sup> Included in the group DNB ASA and constitutes 0.66 %
- <sup>11</sup> Included in the group European Energy Holding ApS and constitutes 1.65 %
- <sup>12</sup> Included in the group Fabege AB and constitutes 0.89 %
- <sup>13</sup> Included in the group FASTATOR AB and constitutes 0.42 %
- <sup>14</sup> Included in the group Fastighets AB Balder and constitutes 1.56 %
- <sup>15</sup> Included in the group Fredensborg Eiendomsselskap AS and constitutes 5.52 %
- <sup>16</sup> Included in the group Hoist Finance AB and constitutes 0.7 %
- <sup>17</sup> Included in the group Intrum AB and constitutes 2.27 %
- <sup>18</sup> Included in the group Jyske Bank A/S and constitutes 1.14 %
- <sup>19</sup> Included in the group Kungsleden AB and constitutes 0.95 %
- <sup>20</sup> Included in the group Lincoln TopCo Pte Ltd and constitutes 2.31 %
- <sup>21</sup> Included in the group M2 Asset Management AB and constitutes 0.88 %
- <sup>22</sup> Included in the group Nordea Bank Abp and constitutes 3.85 %
- <sup>23</sup> Included in the group Permira Holdings LLP and constitutes 0.39 %
- <sup>24</sup> Included in the group Resurs Holding AB and constitutes 1.99 %
- <sup>25</sup> Included in the group Sagax AB and constitutes 0.74 %
- <sup>26</sup> Included in the group Samhallsbyggnadsbolaget i Nord and constitutes 1.21 %
- <sup>27</sup> Included in the group Sampo Oyj and constitutes 1.13 %
- <sup>28</sup> Included in the group Skandinaviska Enskilda Banken and constitutes 1.37 %
- <sup>29</sup> Included in the group Societe Generale SA and constitutes 0.96 %
- <sup>30</sup> Included in the group Stillfront Group AB and constitutes 0.44 %
- <sup>31</sup> Included in the group Storebrand ASA and constitutes 1.6 %
- <sup>32</sup> Included in the group Swedbank AB and constitutes 1.29 %
- <sup>33</sup> Included in the group Svenska Handelsbanken AB and constitutes 1.93 %
- <sup>34</sup> Included in the group Tele2 AB and constitutes 1.04 %
- <sup>35</sup> Included in the group Telia Co AB and constitutes 1.13 %
- <sup>36</sup> Included in the group Tirona Ltd and constitutes 1.31 %
- <sup>37</sup> Included in the group Volkswagen AG and constitutes 0.74 %
- <sup>38</sup> Included in the group Zhejiang Geely Holding Group C and constitutes 1.02 %

# Simplicity.

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