

ABOUT THE FUND

Storm Bond Fund (UCITS) is a Nordic High Yield fund inceptioned in September 2008. The fund seeks to hold a diversified portfolio of the best risk-adjusted high yield bonds in the Nordics. The investment process is based on a top-down market screening of the universe and a detailed bottom-up analysis of the individual companies. The management team has extensive experience in Nordic High Yield and is among the largest investors in the fund.

NET MONTHLY RETURN HISTORY (INSTITUTIONAL IC NOK SHARECLASS³, NET OF FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	0.7%	-0.4%	-21.3%	4.8%	4.0%	4.1%	0.9%	1.8%	0.5%	-0.2%	2.9%		-5.1%
2019	1.0%	0.9%	0.8%	0.9%	-0.1%	0.1%	0.7%	-0.2%	-0.1%	0.3%	0.4%	0.9%	5.9%
2018	1.0%	0.5%	-0.4%	0.4%	0.7%	0.7%	0.1%	0.6%	0.4%	0.5%	-0.4%	-1.1%	3.1%
2017	3.4%	3.0%	2.1%	1.3%	0.6%	-1.0%	0.8%	1.2%	1.1%	0.3%	-0.2%	0.4%	13.6%
2016	-1.8%	-3.1%	6.0%	4.1%	-0.4%	0.6%	1.8%	3.3%	-0.4%	1.2%	0.1%	5.8%	18.1%
2015	-2.7%	-1.2%	-0.1%	1.5%	2.2%	0.4%	0.4%	-3.7%	-2.7%	1.3%	-0.7%	-4.2%	-9.4%
2014	1.2%	1.0%	1.0%	0.7%	0.7%	0.9%	0.7%	0.1%	-1.3%	-5.5%	-0.3%	-11.2%	-12.4%
2013	1.5% ³	0.6%	1.0%	1.0%	1.6%	0.2%	1.1%	1.0%	1.2%	0.1%	1.4%	0.9%	12.1%
2012	2.7% ²	1.7%	1.1%	1.0%	0.2%	1.0%	0.8%	1.2%	0.7%	-1.0%	1.5%	1.6%	13.0%
2011	1.9%	2.3%	2.0%	1.4%	-1.7%	-2.4%	1.0%	-2.3%	-2.6%	1.4%	0.0%	0.6%	1.5%
2010	6.2% ¹	0.8%	2.0%	3.8%	-3.4%	1.3%	1.4%	2.2%	2.8%	1.5%	1.1%	-1.0%	19.9%

Annualised returns (net of fees)

1-year	-4.3%
3-years	1.3%
5-years	5.9%
10-years	3.5%
Since inception	5.0%

From 1 Sep 2008 to 31 Dec 2009, base currency EUR (unhedged).

1) From 1 Jan 2010, base currency EUR (hedged).

2) From 1 Jan 2012, base currency NOK (hedged).

3) From 1 Jan 2013, base currency NOK (hedged), based on institutional IC NOK share class (LU0840158496).

Past performance is no guarantee for future performance.

COMMENT BY PORTFOLIO MANAGERS

Dear investor,

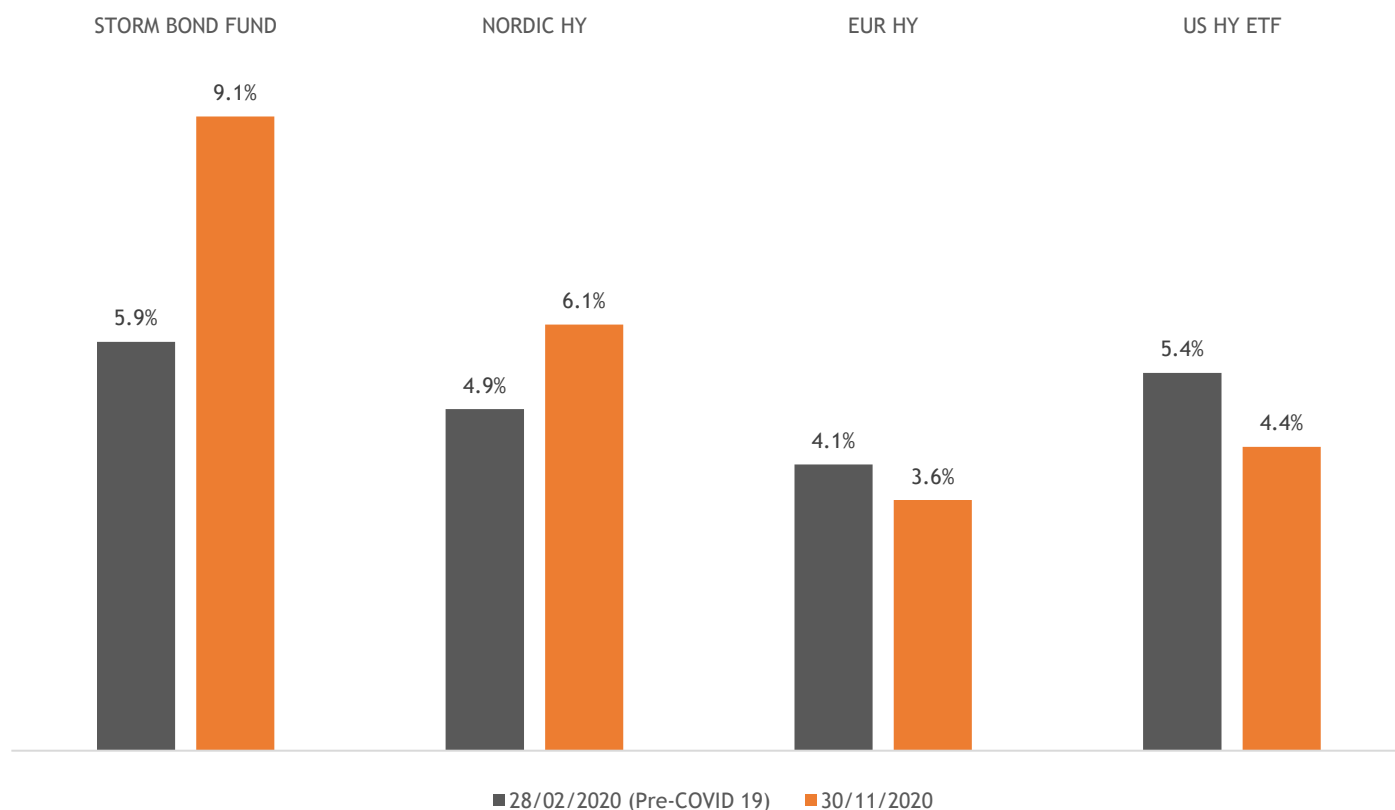
Storm Bond Fund posted a positive return of 2.9% in November and is down 5.1% YTD (institutional IC NOK share class: LU0840158496).

In November markets across most asset classes produced strong returns as further evidence of vaccines being effective against COVID-19 was announced. Equity markets experienced one of its best months in many years with economically sensitive industries leading way. In the credit market, the positive market sentiment resulted in corporate bonds outperforming government bonds, whereas high yield bonds outperformed investment grade. The Nordic high yield market advanced and Storm Bond Fund generated a return of 2.9% during the month. In the energy market, Brent crude oil experienced an increase of ~25% as vaccine optimism boosted confidence in the economic recovery and consequently energy demand.

The fund's performance in November was positively impacted by credit spread contraction across the portfolio due to the aforementioned vaccine-driven market recovery and in particular re-pricing of sectors and companies directly linked to an eventual rebound in economic fundamentals. The fund's largest positive contribution came from our secured shipping exposure in Songa Container and MPC. The initial lockdown due to the covid-19 pandemic depressed rates to near operating levels which together with the market sell-off pushed bond pricing down to levels where the bonds was more or less covered by the steel values of the collateral assets. However, on the back of a sharp recovery in global trade and catch-up effects leading to bottlenecks in international trade, the container shipping market is currently experiencing the most upbeat market over the last decade. Dayrates are currently ~100% higher than pre-pandemic levels, and lack of tonnage availability have also increased the duration on time charters. These effects have led to a dramatical increase in ship values and a reduction in credit risk across all containership issuers which is still yet to be fully discounted in bond prices. By end-November the majority of our holdings have reported their Q3/20 figures which in sum has met our expectations.

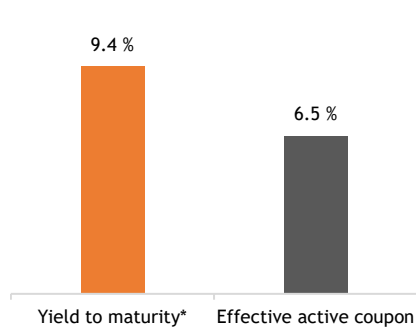
Despite a challenging winter ahead for the global economy, vaccine news throughout the month signals that there is light at the end of the tunnel. During the month we witnessed the largest sector rotation (i.e. US), where value outperformed growth by the largest one-day difference on record. If the reopening of the global economy eventually gets a foothold, a sector rotation is deemed to continue as companies linked to a rebound in economic activity is likely to outperform. Our credits do not depend on this scenario entirely, as we hold a well-diversified portfolio across sectors/issuers with on average strong asset backing, robust balance sheets and comfortable interest coverage ratios, but it will surely help and is likely to exaggerate the re-pricing. The bond prices across the portfolio is weighted approx. 10% below pre-COVID levels and in addition has a carry of close to 7%, combined representing a solid potential. Furthermore, the portfolio is currently spreading 9.1% vs. 5.9% pre-COVID, more than double that of the US and European High Yield markets. The weighted maturity is unchanged at 2.5 years and pull-to-par expected to follow as bonds progress closer to maturity (as we evidently have seen among several of our portfolio credits YTD). In a scenario of a rebound in economic activity, where eventually inflation may once again enter the arena, we find it comfortable with a modified duration of 0.7 years.

CREDIT SPREAD - STORM BOND FUND VS. NORDIC, EUROPEAN & US HIGH YIELD (PRE-COVID VS. NOVEMBER)



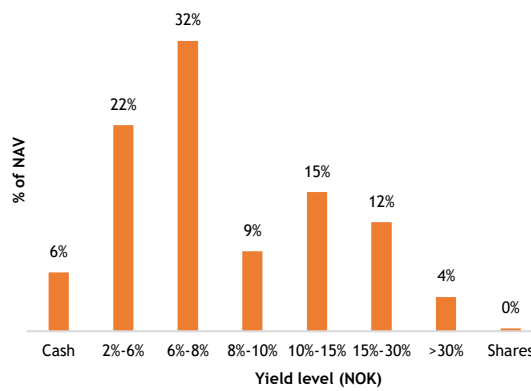
Source: Bloomberg, Storm Capital Management as of 30.11.2020.
 Storm Bond Fund: Includes cash and spreads on individual bonds capped at 30%.
 European HY (Bloomberg Barclays Pan-European High Yield TR Index, Bloomberg ticker: LP02TREU). US HY ETF (iShares iBoxx, Bloomberg ticker: IBOXHY).

YIELD LEVELS (NOK)

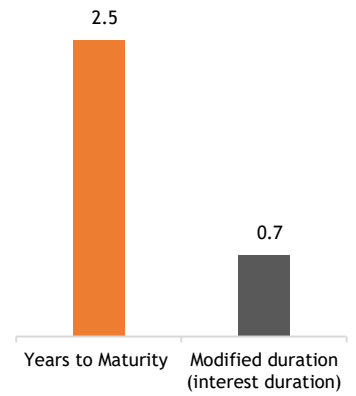


* individual bonds capped at 30% in calculation.

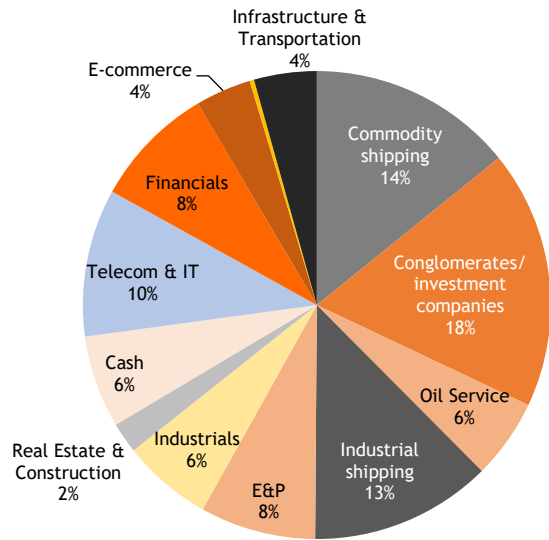
YIELD DISTRIBUTION (NOK)



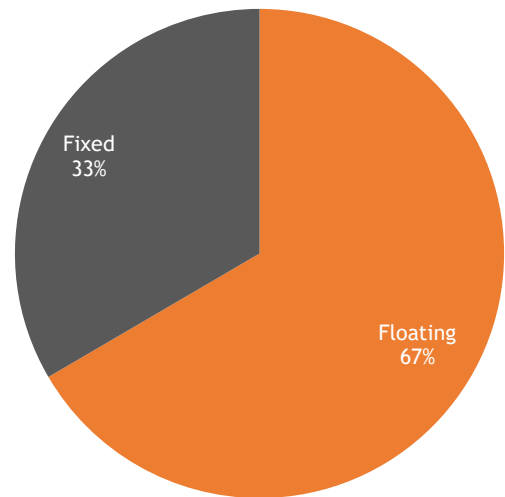
MATURITY / DURATION (YEARS)



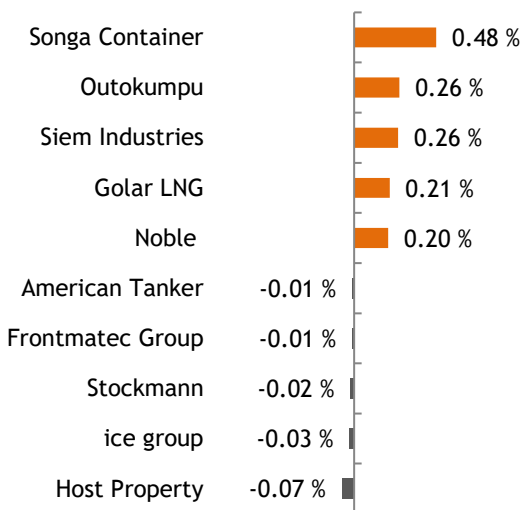
SECTOR ALLOCATION



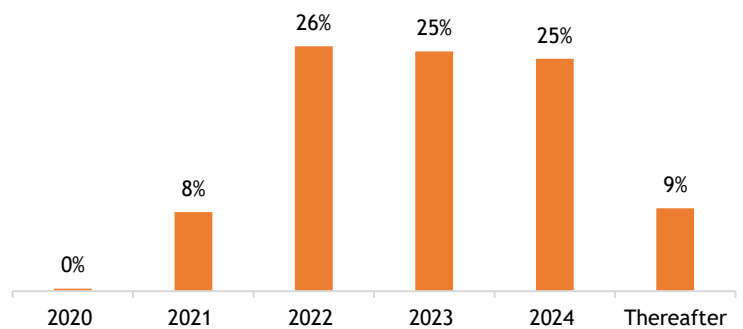
FLOATING VS. FIXED RATES



CONTRIBUTION ANALYSIS (top 5 / bottom 5)*



MATURITY PROFILE



*based on market prices (interest/accrued not included)

TOTAL RETURN - STORM BOND FUND VS. US & EUROPEAN HIGH YIELD (YTD)



Source: Bloomberg as of 30.11.2020. Hedged to USD.
 Storm Bond Fund IC NOK (ISIN: LU0840158496, Bloomberg ticker: STBONIC LX equity).
 US HY ETF (iShares iBoxx, Bloomberg ticker: IBOXHY). European HY (Bloomberg Barclays Pan-European High Yield TR Index, Bloomberg ticker: LP02TREU).

PRICES FOR DIFFERENT SHARE CLASSES

SHARE CLASSES	ISIN	PRICE
ACCUMULATION SHARE CLASSES		
Institutional NOK (ICN)	LU1382364716	124.09
Institutional NOK	LU0840158496	123.69
Institutional USD	LU0840159387	111.65
Institutional EUR	LU0840158900	101.98
Institutional SEK	LU0840159544	106.83
Institutional CHF	LU1076701652	95.97
Institutional GBP	LU0840159973	100.00*
Retail NOK (RCN)	LU1382364633	129.51
Retail NOK	LU0740578702	130.20
Retail SEK	LU0840159460	102.46
Retail GBP	LU0840159890	108.67
Retail EUR	LU0840158819	103.33
Retail CHF	LU1428000985	100.00*

DISTRIBUTION SHARE CLASSES**

Institutional NOK	LU1915698069	90.29
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*to be opened with first investment in share class.

** other currencies to be opened on demand from investors.

OTHER INFORMATION

Share classes	NOK, SEK, EUR, USD, GBP, CHF (all hedged)
Anticipated Distribution yield (current quarter)	6.0% - 6.5% p.a. (in NOK)
Domicile	Luxembourg
Investment Manager	Storm Capital Management AS
Administrator	Hauck & Aufhäuser Asset Management Services
Custodian Bank	Hauck & Aufhäuser Fund Platforms S.A.
Management Fee	Retail: 0.75% Institutional: 0.5%
Performance Fee	10% (high water mark)
Redemption Fee	0.25% (accrues to the fund)
Minimum Investment	Retail (50,000 NOK) Institutional (15,000,000 NOK)
Liquidity	Daily
Auditor	KPMG
VPS-registered	For Norwegian clients
Ethical guidelines	Follow the ethical guidelines as defined by Norway's sovereign wealth fund (formal name: Government Pension Fund Global) and a signatory of United Nation's Principles of Responsible Investments (UNRPI)
AUM (NOKm)	2 215

BOND PORTFOLIO - TOP 20

NAME	ISIN	PRICE	YIELD %	NAV %	SHORT DESCRIPTION
1 Stockmann Oyj Abp EO-Notes 2017(1:F14000292719		86.1	20.1%	4.8%	Stockmann was established in 1862 and is a Finnish listed company with a market cap of EUR 76m. The company is owner of shopping malls in Finland and in the Baltics and is engaged in retail through Lindex and Stockmann department stores. The secured bond maturing in 2022 is pari passu with the bank debt. On our estimates, the secured debt is covered by the real estate assets alone.
2 Siccar Point Energy Bonds PLC DL-No N00010815053		97.0	10.9%	4.9%	Siccar Point holds stakes in some of the largest oilfields in the UK sector. The company have significant production today with very long production profiles. The company is well capitalized and have solid sponsors in Blackstone and BlueWater Energy. The company has hedged approx 70% of 2020 production at -67/bbl and 1/3 of 2021 production at -62/bbl. Hence, the company has near term protection against volatile oil prices.
3 Stena Ab 14-24	USW8758PAK22	98.2	7.8%	4.2%	Swedish conglomerate which is 100% controlled by Sten Olsson family. Stena key operations are diversified and involve ferries, shipping, real estate, drilling and private equity investments. The key credit strengths are substantial asset backing combined with a solid liquidity position.
4 Altera Shuttle Tankers LLC 17-22	N00010801707	100.9	7.4%	4.1%	Established in Jul 17 as a carve out from Teekay Offshore, Altera Shuttle Tankers is the world's largest owner and operator of shuttle tankers. TST is 100% controlled by Brookfield Asset Management. The credit benefit from having a leading market position, strong earnings visibility and solid owner backing.
5 FNG Nordic AB 19-24	SE0012827996	99.4	7.4%	3.9%	FNG NV acquired the Swedish e-commerce company Ellos Group AB in July 2019. In connection with the acquisition FNG NV partly financed the transaction with a senior secured 5 year SEK 1,500m bond at STIBOR + 675bps. The bond is secured in Ellos AB which is one of Sweden's retail e-commerce companies. The bond structure is ring-fenced with no leakage and has a 100% parent guarantee from FNG NV. The credit story is deemed to be attractive due to the company's solid market position, strong cash generation with no cash leakage, sound LTV levels and the nature of the business being less cyclical.
6 Wallenius Wilhelmsen ASA 20-24 FRN N00010891971		101.9	5.6%	3.7%	The Wallenius Wilhelmsen group is a market leader in RoRo shipping and vehicle logistics, transporting cars, trucks, rolling equipment and breakbulk around the world. The company is listed on the Oslo Stock Exchange with a market cap of NOK -9.6bn. The company has flexibility on their fleet and a strong liquidity position in order to navigate through current challenging market.
7 Ice Group Scandinavia Holdings AS 1 N00010864002		101.4	7.8%	3.6%	Ice Group Scandinavian Holdings ("ICE") is the third largest telecom company in Norway. The company is listed on the Oslo Stock Exchange with a market cap of NOK 3.4bn, majority owned by Access Industries (owned by Leonard Blavatnik). The credit benefits from strong asset backing, increasing market share in Norway and solid owners. We estimate that the company's Norwegian telecom licenses, nationwide infrastructure and customer base to be sufficient to cover the bond.
8 Havilafjord AS 18-23 FRN	N00010825284	100.1	5.3%	3.4%	The bond has 1st lien pledge in 50.1% of Fjord-1 which is a Norwegian ferry/infrastructure company which have multiple electrical ferries under construction and have long-term contracts with the Norwegian government. Havila and Vision Ridge owns 88.8% of the company and have expressed an interest in buying the remaining 11.2% share and de-list the company. A de-listing of Fjord-1 would trigger a mandatory prepayment event at an early redemption price of 106.9% of par according to the loan agreement.
9 MPC Container Ships Invest B.V. 17-2 N00010805872		95.1	9.3%	3.3%	Pure play container shipping company with 39 vessels under the bond silo. Listed on the Oslo Stock Exchange with an mcap of NOK 2.0bn. Senior secured bond with 1st priority in the fleet.
10 Songa Container AS 18/21	N00010837248	93.6	10.1%	2.9%	Songa Container AS was established in 2017 and is an asset play focusing on the recovery of the container feeder market. The Company has acquired a fleet of 15 feeder vessels with an average age of 9 years, with sizes ranging from 1,000 TEU - 5,000 TEU. The Company is backed by experienced ship-owner Arne Blystad which is deemed to be a strong sponsor. The bond is senior secured.
11 Ocean Yield ASA 19-24 Perp	N00010861594	95.8	7.2%	2.7%	Ocean Yield is an owner of maritime assets with long-term contracts to solid counterparties. The company has a strong and diversified contract backlog which provides the credit with solid visibility. Ocean Yield is listed on the Oslo Stock Exchange with a market capitalization of NOK 4.5bn. Aker ASA (market cap NOK 37.5bn) is the largest shareholder holding 61.6% of the company.
12 Abax Group AS 20-25	N00010885312	101.0	6.2%	2.5%	ABAX is a leading provider of telematics solutions primarily focusing on the SMB segment. Its clients subscribe to vehicle tracking systems, including hardware and software for fleet management and equipment control. Investcorp acquired the company from Norvestor in 2017 for NOK 1.8bn (or -18 EV/EBITDA). The credit benefits from strong underlying market growth, balance sheet being well capitalized and a strong cash conversion.
13 Golar LNG Partners LP 17-22 FRN	N00010786056	81.1	22.5%	2.5%	Golar LNG Partners is an international owner of LNG and FSRU tonnage listed at the NYC stock exchange with a market cap of USD 200m. The credit benefits from having decent revenue visibility, potential to cut dividend and a fairly strong backlog. The company needs to address dividends and the upcoming bond maturity in order to see improved bond pricing.
14 Kistefos AS 19-23 FRN	N00010850654	99.8	5.5%	2.5%	Norwegian investment company, which is 100% owned by Christen Sveeas. Kistefos holds investments within financial services, Telecom & IT, commercial real estate, offshore services and other financial investments. GAV is estimated to be Nok -6bn, which implies LTV of less than 50%.
15 Frontmatec Group FRN 19-24	DK0030452263	96.5	7.7%	2.5%	Frontmatec is owned by the PE firm Axcel and is one of the leading manufacturers of red meat processing equipment globally. The bond carries a coupon of EURIBOR + 575bps and is senior secured through share pledges. The credit benefits from having sound leverage metrics, diversified cash flows and less cyclicality.
16 Altera Shuttle Tankers LLC 19-24	N00010866163	94.3	8.6%	2.4%	Established in Jul 17 as a carve out from Teekay Offshore, Altera Shuttle Tankers is the world's largest owner and operator of shuttle tankers. TST is 100% controlled by Brookfield Asset Management. The credit benefit from having a leading market position, strong earnings visibility and solid owner backing.
17 Golar LNG Ltd. 2018/2022	US38046YAB74	87.5	14.6%	2.3%	Shipping and infrastructure company listed on the New York Stock Exchange with a market cap of USD 950m. The company has a complex capital structure, but credit benefits from solid earnings visibility. We believe the capital structure have additional debt capacity which reduce refinancing risk of the unsecured out of the money CB.
18 Siem Industries Inc. 16-21	N00010766546	102.0	3.1%	2.2%	Siem Industries is an conglomerate/investment company founded by Mr. Kristian Siem in 1980. The Company currently holds a diversified portfolio of industrial and financial holdings. The bond features a 1st priority pledge in the company's shares in Subsea 7 (an energy services company listed on Oslo Stock Exchange with a market capitalisation of -NOK 25bn). At current share price of Subsea7 (-20% YTD) the bond is well covered by the 1st lien pledge alone.
19 Outokumpu Oyj EO-Conv.-Bonds 2020XS2200501653		103.9	5.0%	2.2%	Leading producer of stainless-steel in Europe. The company is listed on the Helsinki Stock Exchange with a market cap of EUR 1.1bn. The Finnish state is the largest shareholder.
20 American Tanker Inc. 20-25	N00010886328	100.4	7.9%	1.2%	American Shipping company owns 10x modern US Jones Act Tankers. The Company is listed on the Oslo Stock Exchange with an mcap of NOK 1.7bn. All vessels chartered out on bareboat contracts to OSG. These rates are sufficient to cover debt service and dividends. The counterpart risk in OSG is reduced through improved market fundamentals and newly refinanced balance sheet. Strong financial sponsor in Aker ASA.
Sum				61.6%	

Total number of bond positions: 54 (from 49 issuers). Total number of shares: 1.

TEAM

PORTFOLIO MANAGEMENT

**MORTEN E. ASTRUP***Chief Investment Officer & Founding Partner*

- He has over 20 years of financial and asset management experience including several board positions
- Morten is responsible for:
 - Portfolio management
 - Restructuring processes
- He holds a Master in Business and Economics from the Norwegian School of Management/City University London and is authorised and regulated by the FCA

**MORTEN VENOLD***Portfolio Manager/ Analyst & Partner*

- He has 12 years of experience from research and finance
- Before Storm he worked as a credit research analyst, covering the Nordic high yield market at Arctic Securities in Oslo and before that he worked at ABG Sundal Collier and DNB in London
- Morten is responsible for:
 - Portfolio management
 - Research and daily monitoring of investment universe
- He holds a BSc in Business & Economics from the Norwegian School of Management and a MSc in Finance from Cass Business School in London

BUSINESS DEVELOPMENT / SALES

**TORE ANDERSEN***CEO & Partner*

- He has over 20 years of experience in financial advisory and sales. Before he joined Storm he founded Axir ASA (1995), which was sold in 2010
- Tore is responsible for:
 - Sales and marketing activity
 - Investor relations
- Tore holds a bachelor in Business and Economics from the Norwegian School of Management and is authorized as a financial advisor, AFR and is also authorized through Norwegian Securities Dealers Association

Contact details: +47 920 35 908 or tore@stormcapital.no

**MARCUS S. MOHR***Business Development & Partner*

- He has over 11 years of experience from investment banking and sales. Before he joined Storm he worked in the investment banking division at Citigroup in London
- Marcus is responsible for:
 - Sales and marketing activity
 - Investor relations
- Marcus holds a Master in Finance and Economics from the University of Strathclyde (Scotland) with distinction

Contact details: +47 951 35 853 or marcus@stormcapital.no

AWARDS



Winner of the Allocator/CNBC Investors Choice Awards as the Long Only Credit Fund of 2016 in the EMEA & APAC. The awards were judged by a distinguished panel of institutional investors in funds and they took into account a set of qualitative criteria covering the investment process, risk management framework and depth of research team, as well as a set of quantitative performance measures including annualized returns, volatility and maximum drawdown.

IMPORTANT INFORMATION

The material contained in this document is not to be regarded as an offer to buy or sell fund shares. The information in this document is general in nature and does not constitute legal, tax, or investment advice. Potential investors are urged to consult their professional advisers on the implications of making an investment in, holding or disposing of shares of, and the receipt of distribution from any investment. Past performance is not indicative of future results. This document has been prepared by Storm Capital Management AS and should not be considered impartial research and the views expressed may not be supported by independent analysis. The author of this document may be remunerated as a result of transactions generated by this information. Storm Capital Management AS is regulated by the Financial Supervisory Authority of Norway (org. number: 989 309 439). Its registered office is: Haakon VII's gate 5, 0161 Oslo, Norway.

Storm Fund II - Storm Bond Fund is domiciled in Luxembourg and in addition the fund is registered for distribution in Norway, Sweden, Finland, UK, Switzerland, Germany and Spain.

The fund may only be offered and this factsheet may only be distributed in Switzerland to qualified investors. Home country of the fund: Luxembourg. The representative in Switzerland is 1741 Fund Solutions AG, Burggraben 16, CH-9000 St. Gallen. Swiss Paying Agent in Switzerland is Telco AG, Bahnhofstrasse 4, CH-6430 Schwyz. The prospectus, the Key Investor Information Document, the articles of association as well as the annual [and semi-annual] reports may be obtained free of charge from the representative. In respect of the units distributed in and from Switzerland, the place of performance and jurisdiction is the registered office of the Representative.