

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
2021	3.2%	2.3%	1.1%	0.8%	0.9%	1.1%	0.8%	1.0%	0.3%	0.5%	0.2%		12.8%
2020	0.7%	-0.4%	-21.3%	4.8%	4.0%	4.1%	0.9%	1.8%	0.5%	-0.2%	2.9%	2.3%	-3.0%
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	15.4%
3-years	4.6%
5-years	7.5%
10-years	5.0%
Since inception of fund	5.8%

- 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,

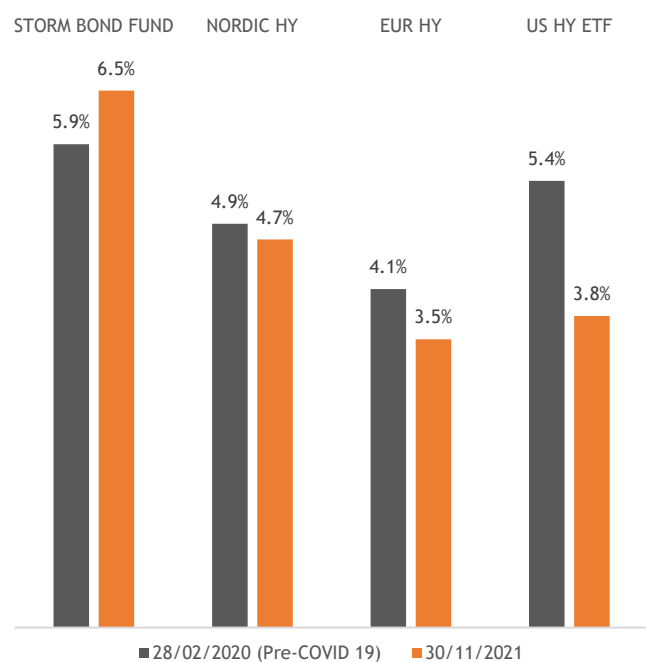
Storm Bond Fund posted a positive return of 0.2% in November and is up 12.8% YTD (institutional IC NOK share class: LU0840158496).

Global markets came under pressure towards the end of November mainly due to the discovery of a new covid variant of concern, labelled Omicron. Early reports indicate that the new variant may be more transmissible than the Delta variant. Uncertainty regarding vaccine efficacy and the severity of the variant combined with concerns that governments may reimpose restrictions in an attempt to slow the spread of infection weighed on investor sentiment. Equity markets reversed gains with S&P 500 and Euro Stoxx declining from approx. +2% and +3% to approx. -0.8% and -2.6% by end of month. In the credit markets, the concerns related to Omicron added to earlier worries in November related to more persistent inflation. Global investment grade bonds traded down -0.8% and US and European high yield -1% and -0.5% respectively.

The Nordic high yield market delivered positive returns during November with Storm Bund Fund generating +0.2%. The fund's performance was negatively impacted by the adverse market sentiment which resulted in wider credit spreads across our holdings. This was to some extent mitigated by the fund's coupon carry and the lower credit duration. The fund's largest positive contribution came from our positions in Stockmann which has continued its positive development on the back of very strong quarterly reports re-affirming the case. Our largest negative contribution came from our position in the Norwegian telecom operator Ice Group Scandinavia. In connection with the Q3 report, the company reported a new business plan which included the further need of capital in order to solve subordinated debt maturities and to fund more capex without the support from the main shareholders. We deem the latest development to have further increased the complexity and has also introduced somewhat more binarity to the case than before. Hence, we decided to exit our remaining position close to par during the month and will continue to monitor the development from the side-line going forward. Except this, our portfolio companies have now reported Q3 earnings, which in sum has been in-line with expectations.

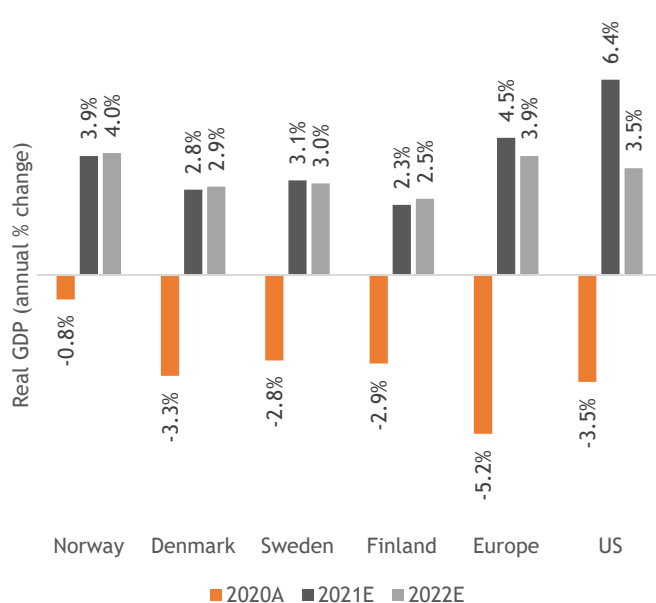
We continue to argue that the Nordic high yield market stands out in the fixed income universe with its higher credit spreads and lower duration located in one of the most stable political and economic regions globally. The region has managed through the pandemic with modest drawdowns and less restrictions on mobility. The strong financial position of the Nordic governments makes us comfortable that they will support the economies if the Omnicron variant results in new restrictions. The valuation in our portfolio remains attractive with a credit spread of 650bps, which is above historical averages and pre-pandemic levels. Furthermore, the portfolio is better protected in the event of potential higher interest rates going forward with majority of bonds being floating rate which translates to a modified duration of 0.6 years. We continue with our selective approach targeting attractive risk-adjusted returns through being exposed to a diversified portfolio of Nordic corporate bonds with attractive pricing, appealing implied valuations and sound credit metrics. This in combination with having access to liquidity through a solid cash position (5-10%) enables us to better manage through unforeseen volatility and to take opportunities.

CREDIT SPREAD - STORM BOND FUND VS. NORDIC, EUROPEAN & US HIGH YIELD (PRE-COVID VS. NOV'21)



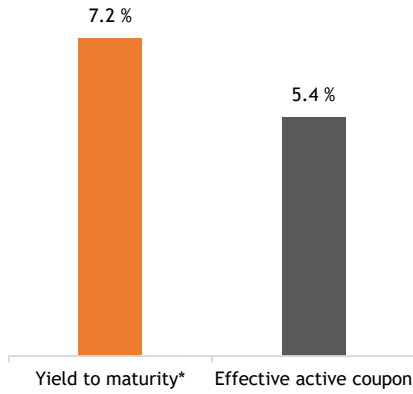
Source: Bloomberg, Storm Capital Management as of 30/11/2021. Storm Bond Fund: Includes cash and spreads on individual bonds capped at 30%. European HY (Bloomberg Barclays Pan-European High Yield TR Index, Bloomberg ticker: LP02TREU). US HY ETF (iShares iBoxx, Bloomberg ticker: IBOXHY).

REAL GDP (ANNUAL % CHANGE)



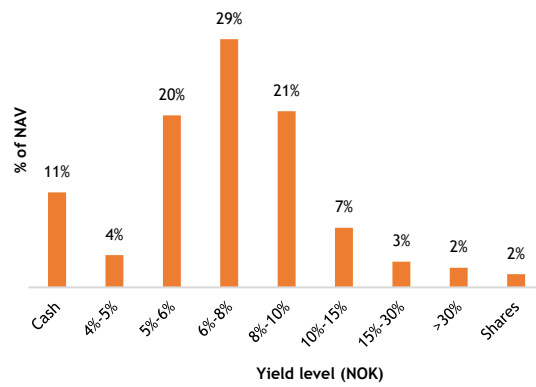
Source: IMF World Economic Outlook, April 2021.

YIELD LEVELS (NOK)

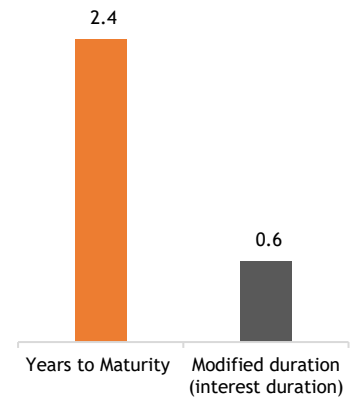


* individual bonds capped at 30% in calculation.

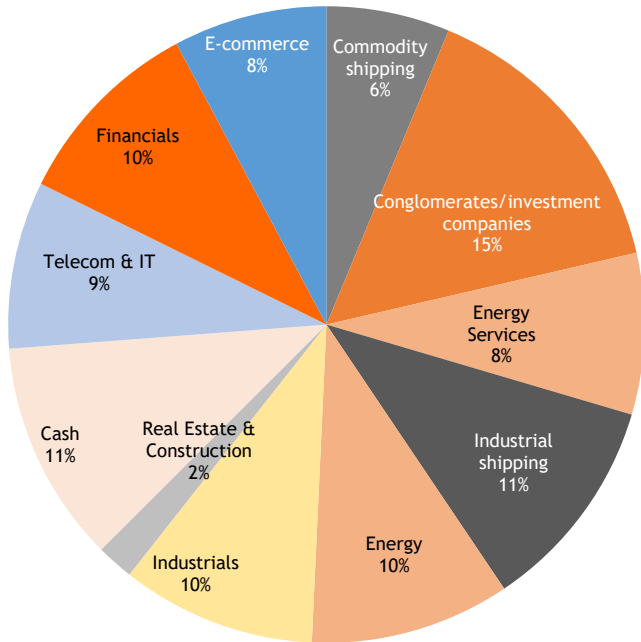
YIELD DISTRIBUTION (NOK)



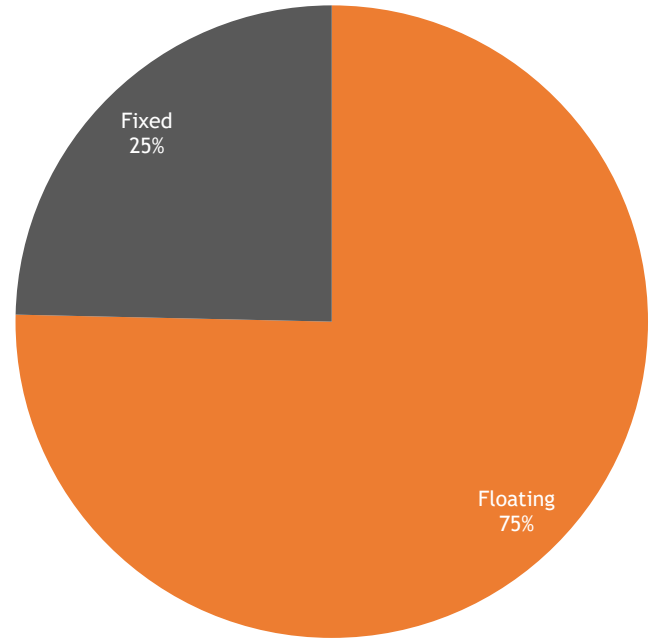
MATURITY / DURATION (YEARS)



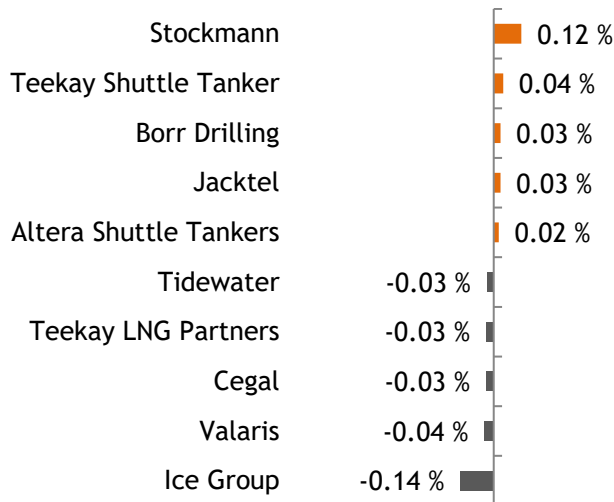
SECTOR ALLOCATION



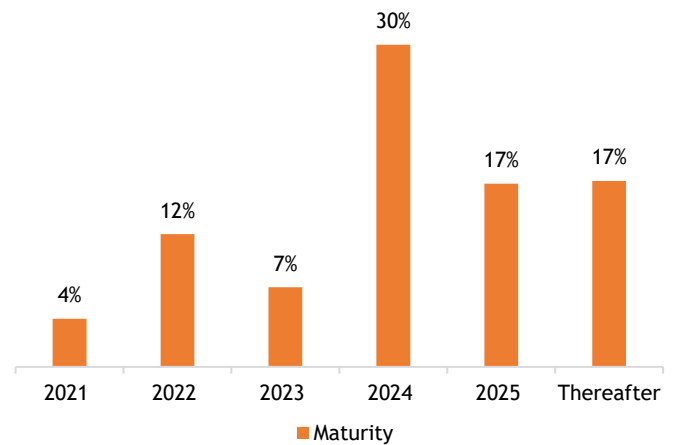
FLOATING VS. FIXED RATES



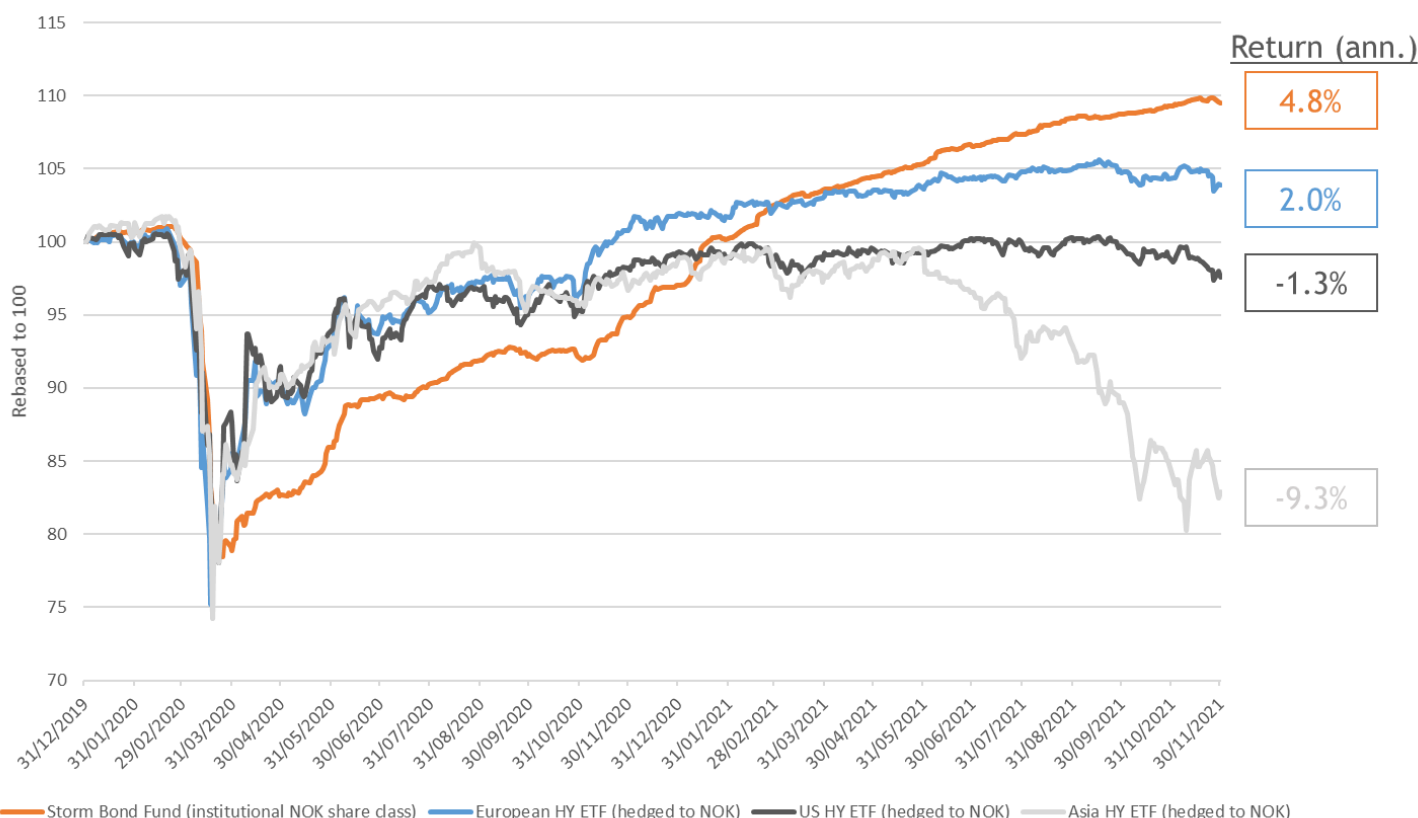
CONTRIBUTION ANALYSIS (top 5 / bottom 5)



MATURITY PROFILE



TOTAL RETURN - STORM BOND FUND VS. US & EUROPEAN HIGH YIELD (2020 - to date)



Source: Bloomberg as of 30/11/2021.
 Storm Bond Fund IC NOK (ISIN: LU0840158496).
 European HY ETF (hedged to NOK) (iShares European HY ETF, Bloomberg ticker: HIGHEUR EU equity).
 US HY ETF (hedged to NOK) (iShares iBoxx, Bloomberg ticker: IBOXHY).
 Asia HY ETF (hedged to EUR) (iShares USD Asia High Yield Bond ETF, Bloomberg ticker: AHYG SP Equity).

PRICES FOR DIFFERENT SHARE CLASSES

SHARE CLASSES	ISIN	PRICE
ACCUMULATION SHARE CLASSES		
Institutional NOK (ICN)	LU1382364716	143.38
Institutional NOK	LU0840158496	142.76
Institutional USD	LU0840159387	128.77
Institutional EUR	LU0840158900	116.64
Institutional SEK	LU0840159544	123.80
Institutional CHF	LU1076701652	109.71
Institutional GBP	LU0840159973	100.00*
Retail NOK (RCN)	LU1382364633	149.90
Retail NOK	LU0740578702	149.96
Retail SEK	LU0840159460	120.84
Retail GBP	LU0840159890	125.20
Retail EUR	LU0840158819	118.12
Retail CHF	LU1428000985	100.00*

DISTRIBUTION SHARE CLASSES**

Institutional NOK	LU1915698069	100.24
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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)
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	Institutional (NOK 15m)
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)	2 353

BOND PORTFOLIO - TOP 20

NAME	ISIN	PRICE	YIELD %	NAV %	SHORT DESCRIPTION
1 FNG Nordic AB 19-24	SE0012827996	103.4	6.3%	4.9%	FNG Nordic is a Swedish e-commerce company. 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, sound LTV levels and the nature of the business being less cyclical.
2 Kistefos AS 20-25 FRN	NO0010911845	105.0	6.3%	4.5%	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 -9bn, which implies LTV of less than 50%.
3 MPC Container Ships Invest B.V. 17-22 FRN	NO0010805872	101.9	5.5%	4.2%	Pure play container shipping company with 39 vessels under the bond silo. Listed on the Oslo Stock Exchange with an mcap of NOK 9.3bn. Senior secured bond with 1st priority in the fleet.
4 Ocean Yield ASA 19-24 Perp	NO0010861594	103.1	7.1%	4.0%	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 was recently taken over by KKR.
5 Chip Bidco (Cegal) AS 19-24	NO0010869761	100.8	6.1%	3.8%	Cegal is the leading provider of cloud services to the oil & gas sector. The credit benefits from having strong backlog protection, low churn and solid cash conversion. The bond is secured and implied valuation offers bondholders with substantial asset backing.
6 Siccar Point Energy Ltd 21-26	NO0010937501	102.8	9.0%	3.7%	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 significant hedging program, hence near to medium term protection against volatile oil prices.
7 Altera Shuttle Tankers LLC 19-24	NO0010866163	94.4	9.5%	3.6%	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. Altera is 100% controlled by Brookfield Asset Management. The credit benefit from having a leading market position, strong earnings visibility and solid owner backing.
8 Stockmann Oyj Abp EO-Notes 2017(17/22)	FI4000292719	97.8	9.4%	3.3%	Stockmann was established in 1862 and is a Finnish listed company with a market cap of EUR -310m. 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.
9 Golar LNG Ltd. 21-25	NO0011123432	98.4	8.1%	3.2%	Golar LNG is a leading integrated LNG company established 75 years ago with a market cap of USD -1.3bn. The credit is supported by a strong FLNG backlog, improving market fundamentals for its LNG carriers, solid liquidity position and debt service capacity.
10 Norske Skog ASA FRN 21-26	NO0010936065	102.0	6.4%	3.1%	Norske Skog is one of the leading global producers of newsprint and magazine paper. The group has about 8% market share for newsprint and -3-5% for magazine paper. The Company is listed on the Oslo Stock Exchange with an mcap of NOK 3.5bn. Norske Skog has one EUR 125m senior secured bond outstanding maturing in 2022 which is carrying a coupon of EURIBOR + 600bps. The credit benefits from having low leverage and solid cash conversion.
11 Desenio Holding AB 20-24	SE0015242839	95.5	8.1%	2.9%	Desenio Group AB is one of the leading e-commerce companies within affordable art. The company is listed on the Stockholm stock exchange with a market cap of SEK 2.4bn. The bond is 1st lien and has pledge in all shares. The credit benefits from strong cash conversion and modest financial leverage.
12 Stena Ab 14-24	USW8758PAK22	103.8	5.8%	2.8%	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 strenghts are substantial asset backing combined with a solid liquidity position.
13 Tidewater Inc. 21-26	NO0011129587	100.4	9.2%	2.7%	Tidewater is one of the largest providers of offshore supply vessels and marine support services globally with a market cap of USD 450m. The credit benefits from the company's strong market position paired with free cash flow and low debt levels in an improving market.
14 Rederiaktiebolaget Eckerö EO-FLR Notes 2021(24/26)	NO0011130148	102.1	7.9%	2.7%	Rederi Eckerö (est. 1962) owns and operates passenger, car and cargo ferries between Åland and Sweden and Helsinki and Tallinn. Eckerö was prior to covid profitable and low levered. As the region is reopening we expect earnings to normalize gradually which would significantly deleverage the company. The bonds are issued by the parent company and pledged in two of Eckerö's ferries with an estimated gross LTV of 77% adding another layer of defence in the event that the recovery would take materially longer time.
15 GasLog Ltd. 19-24 FRN	NO0010868953	103.9	5.7%	2.6%	Gaslog is an international owner and operator of LNG carriers. The company was recently acquired by BlackRock Global Energy & Power Infrastructure together with the Livanos family and Onassis Foundation.
16 Teekay LNG Partners L.P. NK-FLR Notes 2020(25)	NO0010891559	101.7	5.5%	2.6%	Teekay LNG is a leading LNG carrier company with long-term contracts with strong counterparties. On October 6th, Stonepeak announced that it has agreed to acquire Teekay LNG Partners for USD 6.2bn on an EV basis.
17 Abax Group AS 20-25	NO0010885312	104.2	5.7%	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 acutired 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.
18 Frontmatec Group FRN 19-24	DK0030452263	92.0	10.3%	2.4%	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 cyclicity.
19 SuperOffice Group AS 20-25 FRN	NO0010900129	104.1	6.2%	2.2%	SuperOffice is a leading provider of cloud-based CRM software to B2B-oriented companies in Europe. The bond is 1st lien and has share pledge in all shares. The company is owned by the Danish private equity company Axcel. The credit benefits from a strong market position, high degree of recurring revenues and modest financial leverage.
20 Altera Shuttle Tankers LLC 17-22	NO0010801707	102.0	6.3%	2.1%	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. Altera is 100% controlled by Brookfield Asset Management. The credit benefit from having a leading market position, strong earnings visibility and solid owner backing.
Sum				64.0%	

Total number of positions: 47.

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 & Partner*

- He has 14 years of experience from asset management and credit research
- 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 12 years of experience from investment banking and business development. Before he joined Storm he worked in the investment banking division at Citigroup in London
- Marcus is responsible for:
 - Business development/sales
 - 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 Vils 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 and non-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.