

ABOUT THE FUND

Storm Bond Fund (UCITS) is a Nordic High Yield fund inceptioned in September 2008. The fund holds a diversified portfolio of quality issuers in the Nordic region. The investment process is based on a top-down market screening of the universe based on relative pricing and a detailed fundamental bottom-up analysis of the individual issuers. 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
2022	0.8%	-1.0%	1.8%	1.2%	-0.0%	-1.3%	0.4%	2.5%	-0.2%	0.3%			4.4%
2021	3.2%	2.3%	1.1%	0.8%	0.9%	1.1%	0.8%	1.0%	0.3%	0.5%	0.2%	0.7%	13.6%
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	5.3%
3-years	5.2%
5-years	4.7%
10-years	4.5%
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 0.3% in October and is up 4.4% YTD (institutional IC NOK share class: LU0840158496).

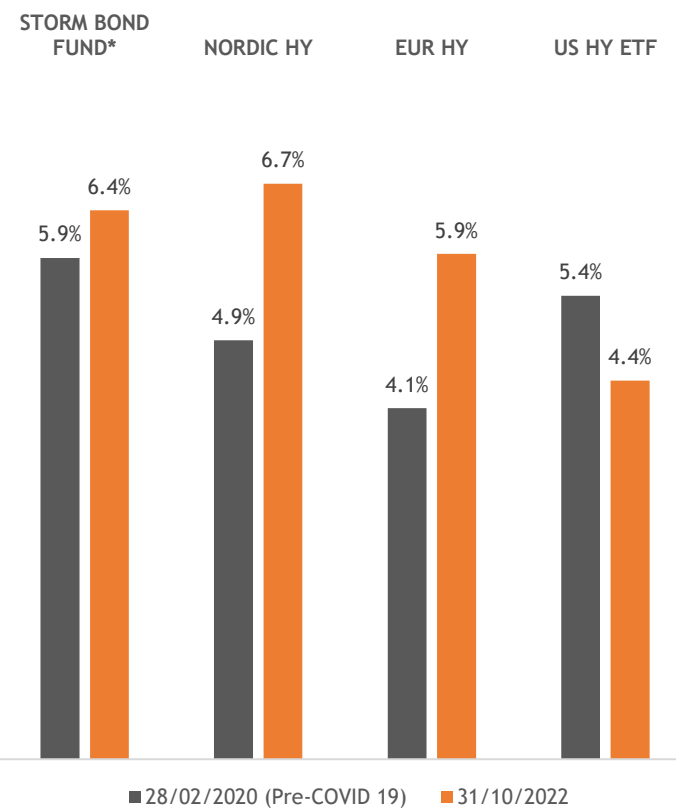
Global markets remained volatile during October with inflation numbers coming in hotter than expected. Despite this, investor sentiment improved during the month with markets gradually pricing in a FED (and ECB) pivot, well reflected by rallying stocks and declining bonds yields. Risk assets such as S&P 500 and Euro Stoxx 600 increased by +8.0% and +6.3%, while US and European HY markets rebounded slightly by +2.6% and +1.8%, respectively. The investment grade (IG) market was more muted with US and European IG returning -1.0% and +0.1%.

Nevertheless, the hopes of a FED pivot swiftly vanished after this week's FOMC meeting, suggesting that it is very premature to think about pausing rate hikes. The market now prices in a 57% chance of a 50bps rate hike December, up from 45% prior to the meeting. While the 2Y US treasury has moved to new highs at 4.72% vs 4.0% at the prior FOMC meeting.

The fund's performance came in at +0.3% for the month - largely driven by an attractive coupon carry. By month end, many of our portfolio companies have reported Q3 figures, which in sum has exceeded our expectations. We remain confident in our holdings cash flow visibility and debt service capacity which is increasingly important in periods of volatility, higher cost of capital and more persistent inflation. Among others, we added to our position in Odfjell Technology and initiated a new position in Bluewater Energy 2026. On our estimates, the company's credit profile benefits from strong cash flow visibility stemming from firm contracts through the lifetime of the bond and a well-structured bond agreement which is leaving bondholders with limited residual value risk.

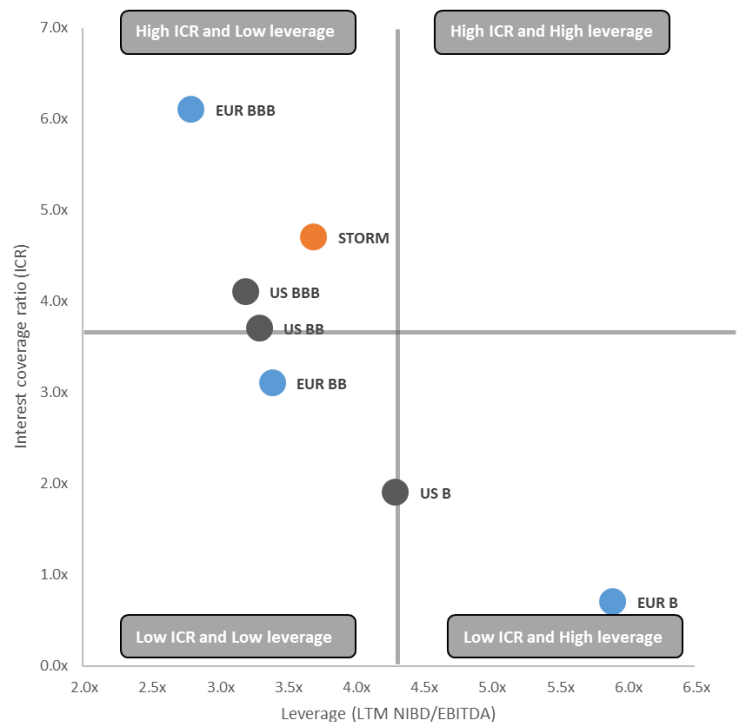
On a portfolio level, both credit and modified duration remains low at 1.9 years and 0.7 years, meaning we are well positioned for volatility in both spreads and inflation/interest rate expectations. The yield is currently at 9.1% in NOK - well above pre-pandemic levels and historical averages. We continue with our selective fundamental approach targeting well capitalized and renowned Nordic companies with solid cash flow prospects paired with sustainable capital structures. The weighted leverage level in the fund currently is at 3.7x (similar to a US BB-) while the interest coverage ratio is at 4.7x (similar to US BBB) leaving the companies with sufficient headroom should the inflationary environment persist. Furthermore, many of our portfolio companies have contracted cash flows beyond the lifetime of the bonds - hence lowering the refinance risk substantially. In addition, we hold a cash position of ~5-10% and a further ~5-10% in high grade bonds which enable us to manage through unforeseen volatility and continue to act on attractive investment opportunities which have emerged during the recent volatility in global financial markets.

CREDIT SPREAD - STORM BOND FUND VS. NORDIC, EUROPEAN & US HIGH YIELD (PRE-COVID VS. OCT'22)



Source: Bloomberg, Storm Capital Management as of 31/10/2022. *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).

LEVERAGE (LTM NIBD/EBITDA) VS. INTEREST COVERAGE RATIOS (ICR)

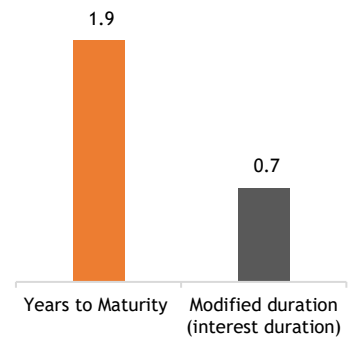
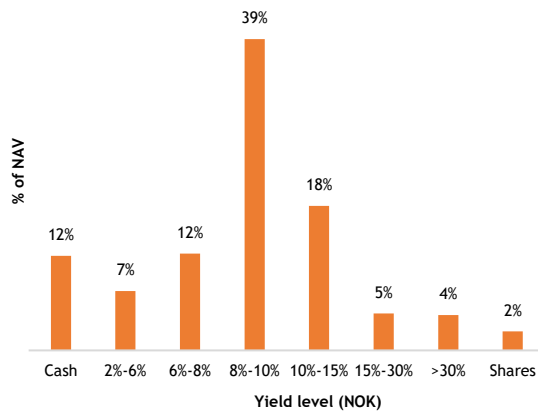
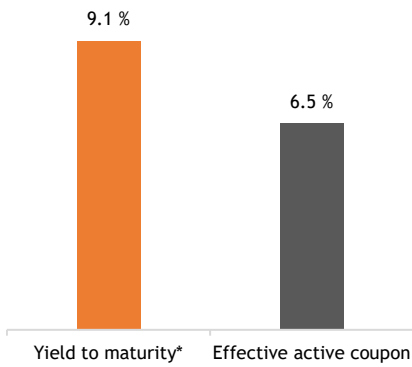


Source: Bloomberg, Storm Capital Management as of 30/09/2022. * Storm Bond Fund includes cash.

YIELD & COUPON (NOK)

YIELD DISTRIBUTION (NOK)

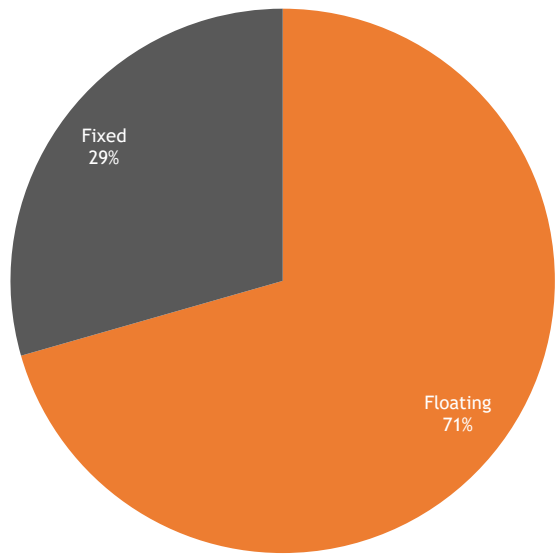
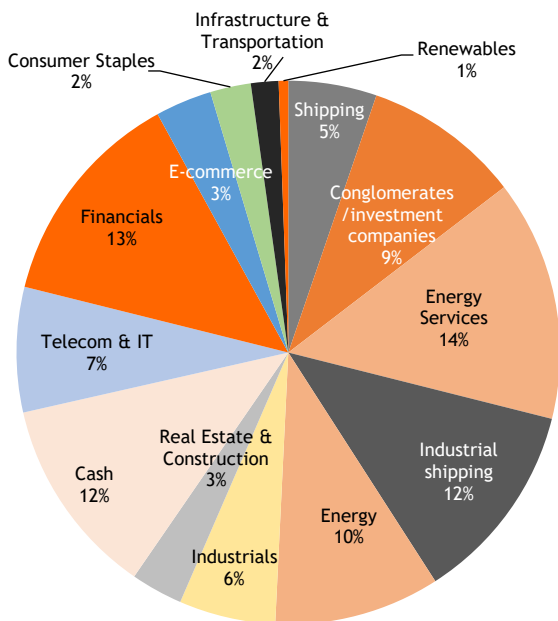
MATURITY / DURATION (YEARS)



* individual bonds capped at 30% in calculation.

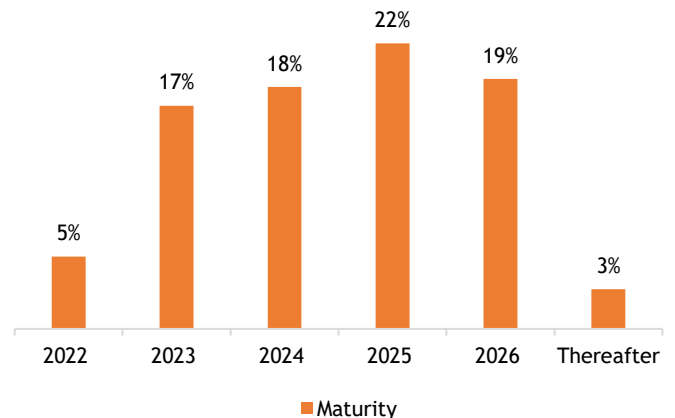
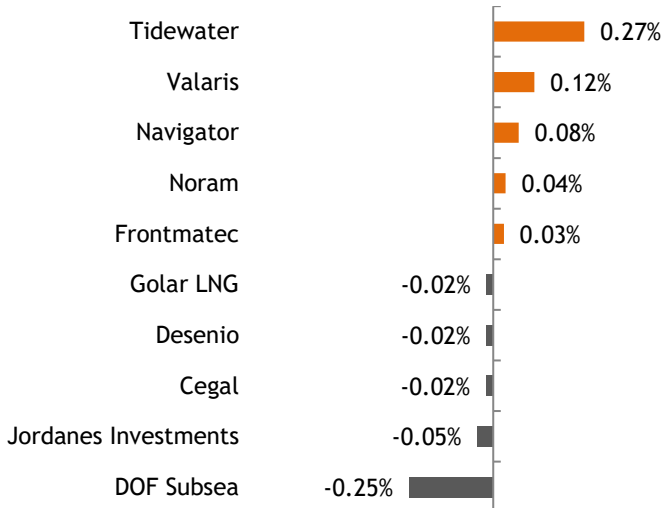
SECTOR ALLOCATION

FLOATING VS. FIXED RATES



CONTRIBUTION ANALYSIS (top 5 / bottom 5)

MATURITY PROFILE



TOTAL RETURN - STORM BOND FUND VS. US, EUROPEAN & ASIAN HIGH YIELD (LAST 4 YEARS)



Performance	Storm HY	European HY	US HY	Asian HY
YTD	4.4%	-11.2%	-15.7%	-39.8%
3-months	2.5%	-3.1%	-6.2%	-17.6%
1-year	5.3%	-10.0%	-15.5%	-42.0%
4-years (ann.)	4.7%	0.5%	-3.5%	-15.0%

Risk - 4 years (ann.)				
Vol. (std dev.)	4.5%	10.1%	11.0%	13.6%
Sharpe	1.0x	0.0x	n.m.	n.m.

Source: Bloomberg as of 31/10/2022.
 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 ETF, Bloomberg ticker: IBOXHY).
 Asia HY ETF (hedged to NOK) (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	150.86
Institutional NOK	LU0840158496	150.08
Institutional USD	LU0840159387	135.84
Institutional EUR	LU0840158900	121.24
Institutional SEK	LU0840159544	129.29
Institutional CHF	LU1076701652	113.59
Institutional GBP	LU0840159973	100.00*
Retail NOK (RCN)	LU1382364633	157.39
Retail NOK	LU0740578702	157.42
Retail SEK	LU0840159460	129.59
Retail GBP	LU0840159890	131.45
Retail EUR	LU0840158819	122.12
Retail CHF	LU1428000985	100.00*

DISTRIBUTION SHARE CLASSES**

Institutional NOK	LU1915698069	100.62
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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)	3 566

BOND PORTFOLIO - TOP 20

NAME	ISIN	PRICE	YIELD %	NAV %	SHORT DESCRIPTION
1 Ocean Yield ASA 19-24 Perp	NO0010861594	100.4	9.8%	3.0%	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 and the bond is callable in Sep-2024. We see a strong incentive for Ocean Yield to repay the bond in 2024/2025, given the significant coupon step-up of 500bps in Mar-25. As such, we find the coupon carry attractive both on a stand-alone and relative basis paired with low refinance risk.
2 Kistefos AS 20-25 FRN	NO0010911845	101.3	9.8%	2.9%	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 Golar LNG Ltd. 21-25	NO0011123432	94.5	8.0%	2.8%	Golar LNG is a leading integrated LNG company established 75 years ago with a market cap of -USD 3.0bn. The credit is supported by a strong FLNG backlog, improving market fundamentals for its LNG carriers, solid liquidity position and debt service capacity.
4 Odfjell Technology Ltd. 22-26 FRN	NO0012439480	101.2	9.9%	2.6%	Odfjell Technology is a leading offshore energy service and equipment company with a market cap. of -NOK 875m. The NOK 1.1bn 1st lien bonds carries a coupon of NIBOR + 700bps. LTM leverage is currently 1.9x and the company has a contracted revenue backlog of USD 1.5bn, which means that the EBITDA backlog stands at 1.7x.
5 FNG Nordic AB 19-24	SE0012827996	85.0	20.3%	2.5%	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.
6 Jordanes Investments AS 22-26 FRN	NO0012433301	94.5	11.0%	2.4%	Jordanes Investments is a consumer focused investment firm with exposure to robust and resilient non-discretionary consumer products. The company has a diversified portfolio of well-recognised consumer brands and restaurants in the Scandinavian market. The credit benefits from a strong and proven management team, resilient cash flow and strong cash conversion.
7 Stena Ab 14-24	USW8758PAK22	95.0	10.3%	2.4%	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.
8 Chip Bidco (Cegal) AS 19-24	NO0010869761	95.5	11.2%	2.4%	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.
9 Norske Skog ASA FRN 21-26	NO0010936065	99.2	9.1%	2.4%	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 market cap. of -NOK 5.8bn. 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.
10 Navigator Holdings Ltd. 20-25	NO0010891955	99.4	7.3%	2.3%	Navigator owns and operates the world's largest fleet of handysize gas carries with a market cap of -USD 982m. The fleet was recently expanded through the merger with Ultragas back in 2021 and the fleet is now comprised of 55 ships. The credit benefits from having strong credit metrics, significant debt service capacity and robust underlying market fundamentals.
11 Bluewater Holding B.V. 22-26	NO0012740234	94.0	13.6%	2.2%	Bluewater is a fully integrated FPSO provider and developer of SPM systems with operations dating back to the early 80s. Today, the company owns 5x FPSO, of which 3x are currently operating on firm contracts. The credit benefits from having strong cash flow visibility, solid operational track-record and a well structured bond agreement which limits residual value risk for bondholders.
12 United Camping AB SK-FLR Notes 19-23	SE0013409570	99.5	9.0%	2.2%	First Camp is the leading camp site owner and operator in the Nordic region and the estimated LTV is approx. 65% which we deem to be attractive combined with the assets unique locations and the company's stable and low cyclical earnings. We find bond pricing and its low credit duration paired with its leading market position, strong debt service capacity and substantial asset backing to offer solid risk/reward for bondholders.
13 Wallenius Wilhelmsen ASA 20-24 FRN	NO0010891971	101.4	8.3%	2.0%	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 -37.9bn. The company has flexibility on their fleet and a strong liquidity position in order to navigate through current challenging market.
14 Stolt-Nielsen Ltd. 20-23	NO0010886096	100.2	7.4%	2.0%	Stolt-Nielsen is the largest owner of chemical tankers internationally and is listed on the Oslo Stock Exchange with a market cap of NOK 15bn. The credit is supported by a robust balance sheet and a strong underlying market. Furthermore, the chemical market has historically proved to be resilient in times of slowing GDP growth
15 Teekay LNG Partners L.P. NK-FLR Notes 2020(25)	NO0010891559	94.8	10.6%	1.9%	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.
16 Aker ASA 18-23 FRN	NO0010814502	99.8	6.7%	1.8%	Aker is a listed Nordic industrial conglomerate with a market cap. of -NOK 57bn. The credit benefit from strong debt service capacity and substantial asset backing to offer solid risk/reward for bondholders.
17 GasLog Ltd. 19-24 FRN	NO0010868953	101.3	8.9%	1.8%	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.
18 Norwegian Energy Co. ASA 19-26	NO0010870900	97.8	8.8%	1.8%	Norwegian Energy Company is an Oslo Stock Exchange listed company with a market cap NOK 9.6bn. The company operates producing oil and gas assets in the North Sea. The company is well capitalized with strong cash flow and has high gas exposure.
19 Frontmatec Group FRN 19-24	DK0030452263	102.5	8.6%	1.8%	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 i senior secured through share pledges. The credit benefits from having sound leverage metrics, diversified cash flows and less cyclicality.
20 Tidewater Inc 21-26	NO0011129579	99.9	7.5%	1.8%	Tidewater is is one of the largest providers of offshore supply vessels and marine support services globally with a market cap. of -USD 1.5bn. The credit benefits from the company's strong market position paired with free cash flow and low debt levels in an improving market.
Sum				45.1 %	

Total number of positions: 60.

TEAM

PORTFOLIO MANAGEMENT



MORTEN E. ASTRUP

Chief Investment Officer & Founding Partner

- Founded Storm in 2006 and has over 25 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

- Joined Storm in 2015 and has over 15 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



GUSTAF AMLE

Portfolio Manager

- Joined Storm in 2022 and has 6 years of experience from investment banking and credit research
- Previous experience as a partner and credit research analyst at Fearnley Securities
- Gustaf is responsible for:
 - Portfolio management
 - Research and daily monitoring of investment universe
- Gustaf holds a BSc in Business and Economics from Lancaster University and a MSc in Economics from Imperial College London

BUSINESS DEVELOPMENT / SALES



MARCUS S. MOHR

Business Development & Partner

- Joined Storm in 2012 and has over 13 years of experience from investment banking and business development. Before 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



TORE ANDERSEN

CEO & Partner

- Joined Storm in 2012 and has over 25 years of experience in financial advisory and sales. Before 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

COMPLIANCE / OPERATIONS



DAGFINN SUNDAL

Compliance / CFO / Risk Management

- 10 years of auditing, compliance and controlling experience
- Previous experience from Schibsted and Ernst & Young
- Dagfinn is responsible for:
 - Compliance
 - Administration
 - Risk management
- Dagfinn holds a MSc in Business and Economics, and a MSc in Professional Accountancy from the Norwegian Business School (BI)



BERIT M. ISHAUG

Accounting / Back-office

- 25+ years of accounting and admin experience
- Previous experience from Arctic Securities
- Berit is responsible for:
 - Accounting
 - Back office
- Berit holds a BSc in Business and Economics from the Norwegian Business School (BI)

INDUSTRY AWARDS



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 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 Tellico 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.