

ABOUT THE FUND

Storm Bond Fund (UCITS) is a Nordic corporate bond 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 the Nordic corporate bond market 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
2023	1.8%	1.0%	-0.3%	1.5%	0.5%								4.4%
2022	0.8%	-1.0%	1.8%	1.2%	-0.0%	-1.3%	0.4%	2.5%	-0.2%	0.3%	1.2%	1.3%	7.1%
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	8.8%
3-years	12.7%
5-years	5.6%
Since inception of fund	6.0%

- 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 0.5% in May and is up 4.4% YTD (institutional IC NOK share class: LU0840158496).

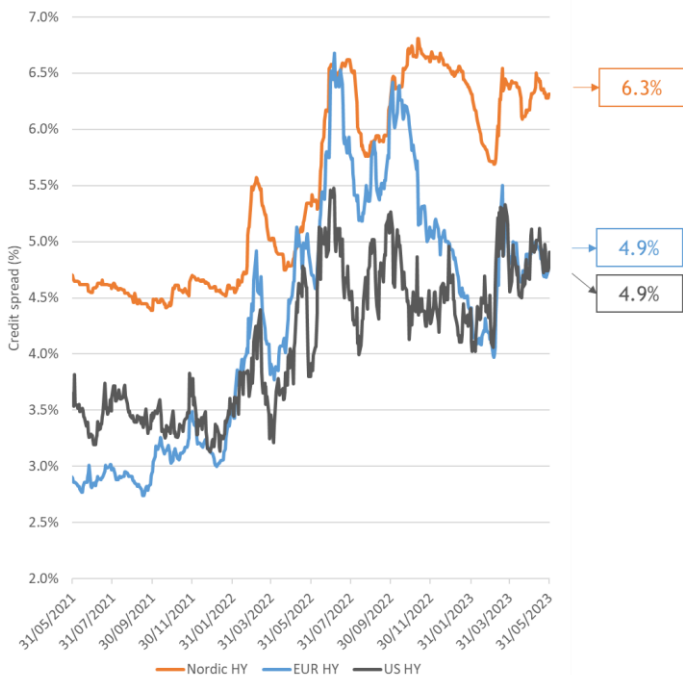
Global markets were rather directionless during May, as investors waited for the final decision around the US debt ceiling, while risk sentiment in tech improved on the back of changed outlook for AI. Risk assets measured by the Nasdaq, S&P and Stoxx 600 returned +5.8%, +0.2% and -3.2%. On interest rates, FED fund futures increased from 4.6% to 4.9% during the month, as FOMC speakers stated that markets price rate cuts too soon. In the corporate bond market, credit spreads were trading sideways for both IG and HY. European and US high yield returned +0.7% and -0.9%.

The fund's performance was mainly impacted by the coupon carry as credit spreads remained more or less unchanged in May. During the month we initiated a new position in Odfjell Drilling's EUR 390m 1st lien notes. The company is the leading provider of harsh environment drilling in the North Sea and is listed with a USD 575m market cap. The bond carries a fixed coupon of 9.25% with five-year maturity and amortizes USD 40m per year. The credit benefits from a strong collateral package comprised of two high spec rigs under longer-term contracts with Equinor. Further, the current EBITDA backlog of the collateral rigs covers the bond by more than 100%, resulting in strong cash flow visibility and debt service capabilities. We estimate 60% LTV at issuance and 35% at maturity. Adding to the case is Odfjell Drilling's ownership base and long track-record coupled with a best-in-class ESG rating within its peer group.

Furthermore, we took profits in Danske Bank AT1's as the bond reached our price target. We initiated the position during the sell-down in Oct-2022 and the position returned -10% during our holding period. Moreover, we continued to high grade our portfolio at attractive risk-adjusted yields during the month.

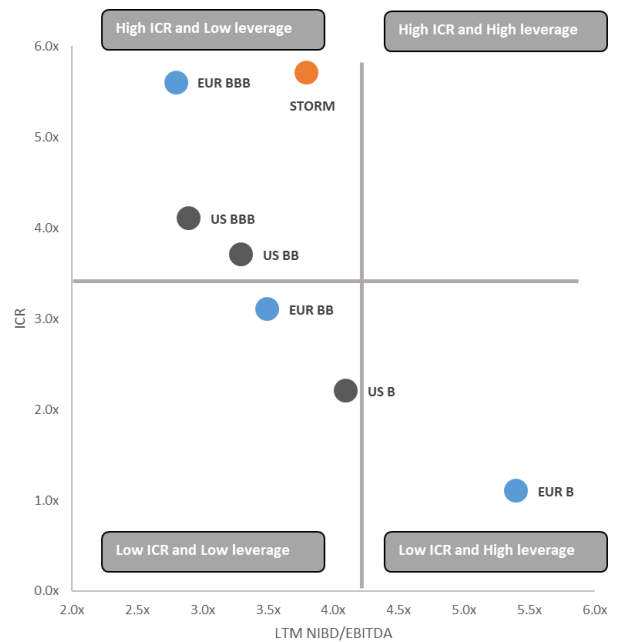
The yield level in the portfolio is currently at 7.8% in NOK (including ~11% in cash), indicating an attractive spread premium between Nordic HY and international HY markets (illustrated in bottom left chart). As described in previous monthly reports, we continue with our selective thorough approach targeting companies with strong debt service capacity and sensible capital structures. We have high-graded the portfolio substantially during the last 9-months and the credit quality in the portfolio is robust and resilient. This is illustrated by our portfolio holdings having a weighted leverage level and interest coverage ratio of ~3.8x (similar to US BB-) and ~5.7x (similar to US BBB+). We therefore believe that current bond prices/yield levels paired with the credit quality are compelling and more than compensating us for recession risks in today's environment. The credit and modified duration are currently at 2.0 years and 0.9 years, respectively, which gives less sensitivity to changes in credit spreads and interest rates. Central to our risk management approach is also a robust liquidity buffer which enables us to manage through unforeseen volatility and continue to act on attractive investment opportunities in today's environment.

CREDIT SPREAD DEVELOPMENT (LAST 2-YEARS)



Source: Bloomberg, as of 31/05/2023.
 Nordic HY (DNB's High Yield Index, Bloomberg ticker: DNBHYH Index),
 European HY ETF (iShares European HY ETF, Bloomberg ticker: HIGHEUR EU equity),
 US HY ETF (iShares iBoxx ETF, Bloomberg ticker: IBOXHY).

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

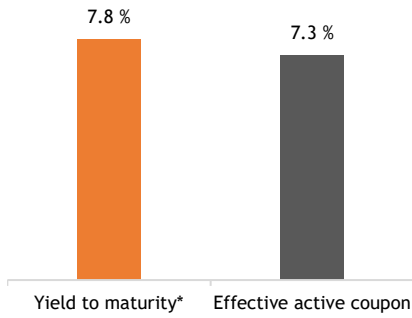


Source: Bloomberg, Storm Capital Management as of 28/04/2023.
 * For Storm cash above 10% is assumed invested at metrics equal to the unweighted avg. of the fund. In addition, some high-grade bonds with ICR of >60x has been excluded to not inflate the figures.

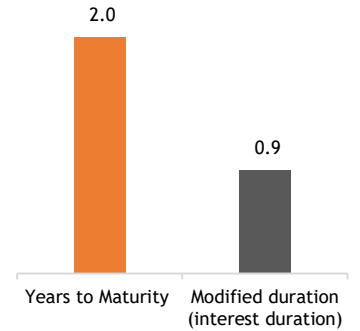
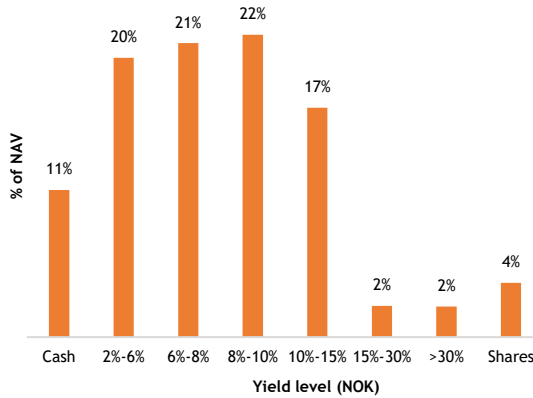
YIELD & COUPON (NOK)

YIELD DISTRIBUTION (NOK)

MATURITY / DURATION (YEARS)

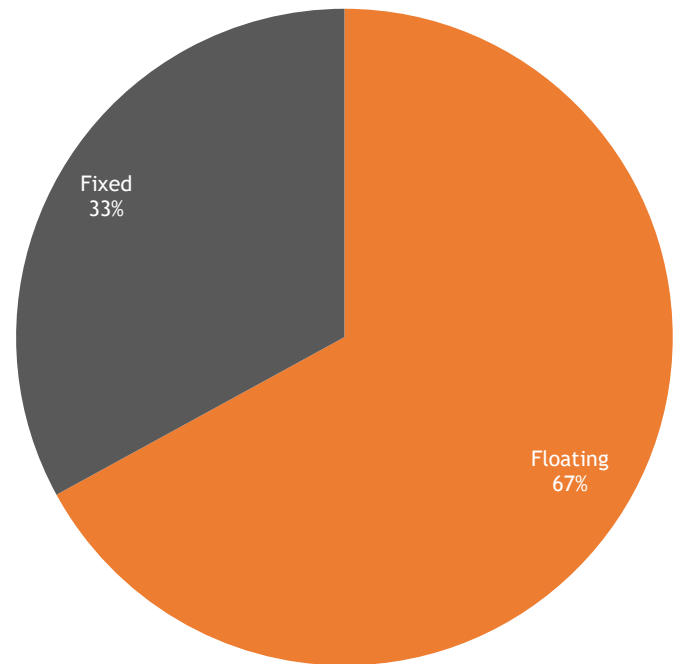
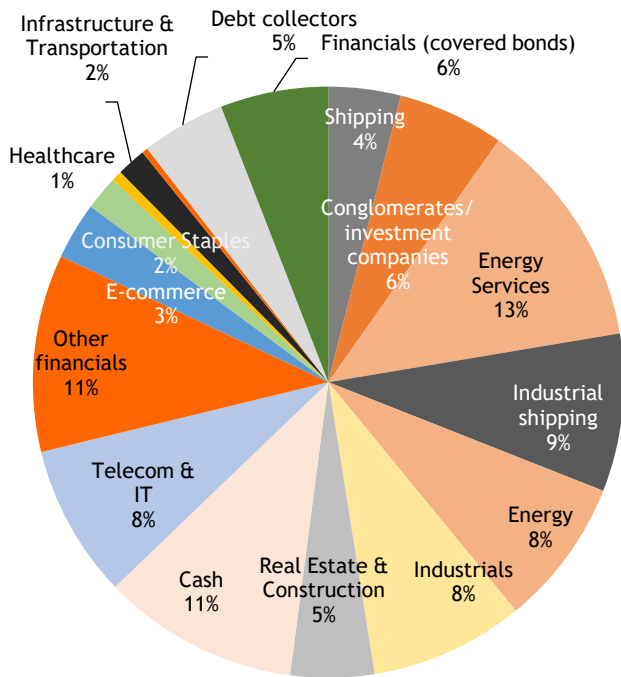


* individual bonds capped at 30% in calculation.



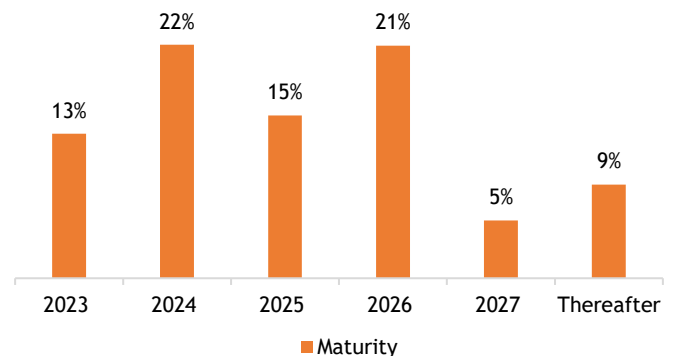
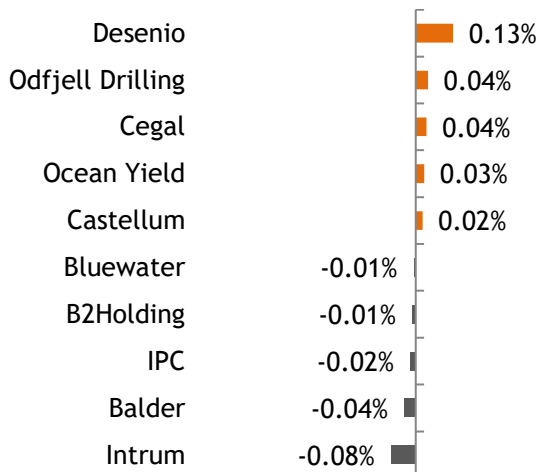
SECTOR ALLOCATION

FLOATING VS. FIXED RATES

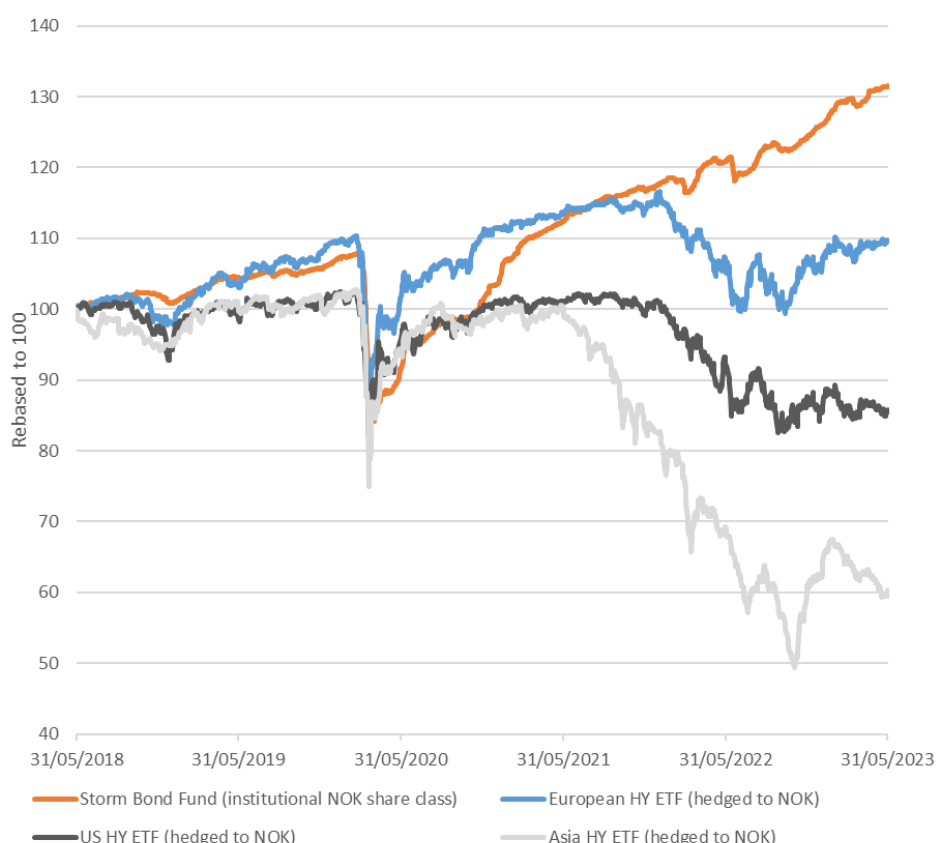


CONTRIBUTION ANALYSIS (top 5 / bottom 5)

MATURITY PROFILE



TOTAL RETURN - STORM BOND FUND VS. US, EUROPEAN & ASIAN HIGH YIELD (LAST 5-YEARS)



Performance	Storm HY	European HY	US HY	Asian HY
YTD	4.4%	3.3%	0.2%	-2.9%
1-year	8.8%	3.0%	-7.5%	-13.0%
3-year (ann.)	12.7%	2.6%	-3.6%	-13.8%
5-years (ann.)	5.6%	1.8%	-3.1%	-9.6%

Risk - 5 years (ann.)

Vol. (std dev.)	4.0%	9.4%	10.5%	13.2%
Sharpe	1.4x	0.2x	n.m.	n.m.

Source: Bloomberg as of 31/05/2023.
 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	161.54
Institutional NOK	LU0840158496	160.72
Institutional USD	LU0840159387	146.77
Institutional EUR	LU0840158900	128.84
Institutional SEK	LU0840159544	137.79
Institutional CHF	LU1076701652	119.83
Retail NOK (RCN)	LU1382364633	168.37
Retail NOK	LU0740578702	168.30
Retail SEK	LU0840159460	137.96
Retail GBP	LU0840159890	140.37
Retail EUR	LU0840158819	129.72

DISTRIBUTION SHARE CLASSES*

Institutional NOK	LU1915698069	105.45
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* share classes in 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)	5 798

BOND PORTFOLIO - TOP 20

NAME	ISIN	PRICE	YIELD %	NAV %	SHORT DESCRIPTION
1 American Tanker Inc. 20-25	N00010886328	96.4	8.3%	2.8%	American Shipping company owns 10x modern US Jones Act Tankers. The Company is listed on the Oslo Stock Exchange with an mcap of -NOK 2.9bn. All vessels chartered out on bareboat contracts. Estimated EBITDA backlog covers majority of net debt. Strong financial sponsor in Aker ASA.
2 Odfjell Drilling 23-28	N00012921172	100.9	7.4%	2.5%	Odfjell Drilling is a leading provider of energy services in the North Sea and is listed on Oslo Stock Exchange with a mcap of -NOK 6.5bn. The credit benefit from a strong collateral package comprised of two high spec rigs under long term contracts with Equinor. Further, the current EBITDA backlog of the collateral rigs covers the bond by more than 100%, resulting in strong cash flow visibility and debt service capabilities. We estimate 60% LTV at issuance, which will decline towards 35% at maturity through scheduled amortization. This combined with a strong ownership base, long track-record, ESG focus and strong outlook, is deemed to make the credit story attractive.
3 Ocean Yield ASA 19-24 Perp	N00010861594	104.5	6.9%	2.5%	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.
4 Stena Ab 14-24	USW8758PAK22	99.7	5.9%	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 strenghts are substantial asset backing combined with a solid liquidity position.
5 B2 Holding ASA FRN 22-26	N00012704107	98.0	11.5%	2.2%	B2 is a leading Nordic debt collector with a market cap. of -NOK 3bn. The credit case is backed by i) strong balance sheet with 2.4x leverage and a robust liquidity position exceeding NOK 3bn, ii) significant debt service capacity with ICR at -7x and iii) Nordic exposure and industry leading cash EBITDA margins of -70%.
6 Norske Skog ASA FRN 21-26	N00010936065	103.1	8.2%	2.0%	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 4.3bn. Norske Skog has one EUR 125m senior secured bond outstanding maturing in 2026 which is carrying a coupon of EURIBOR + 600bps. The credit benefits from having low leverage and solid cash conversion.
7 Chip Bidco (Cegal) AS 19-24	N00010869761	100.8	8.9%	1.9%	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.
8 Jordanes Investments AS 22-26 FRN	N00012433301	97.9	10.5%	1.9%	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.
9 INTRUM AB 22-28	XS2566291865	90.8	12.3%	1.9%	Intrum is a leading European debt collector listed in Stockholm with a market cap of -SEK 10bn. We deem the bond attractive due to i) all-time high cost of capital for Intrum, ii) similar spreads as lower quality debt collector's vs Intrum historically trading at steep discount in yields and iii) strong commentary from management that their key goal is to reduce leverage. Intrum LTM cash EBITDA sits at SEK 13.2bn, corresponding to -4x leverage and -6x ICR, while management targets to reach 3.5x leverage as soon as practically possible. On cash flow, Intrum recurring LTM cash flow sits close to USD 10bn, which further illustrates robust debt servicing capacity.
10 International Petroleum Corp 22-27	N00012423476	93.6	8.0%	1.9%	International Petroleum Corporation (IPC) is an international energy company with a portfolio of production assets. The company is listed in Sweden with a market cap. of -SEK 12bn. IPC is part of the Lundin Group of companies and the Lundin Family and management owns in excess of 30%. The bond is officially rated a B+ by S&P. The credit benefits from modest leverage levels, strong asset backing and free cash flow generation.
11 Kistefos AS 20-25 FRN	N00010911845	104.9	8.5%	1.8%	Norwegian investment company, which is 100% owned by Mr. 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 -14bn, which implies LTV of less than 40%.
12 GLX Holding AS 23/27 FRN	N00012838970	101.5	10.2%	1.7%	Glamox is a leading global provider of professional lightening systems. The bond is senior secured and carries a coupon of N+675bps. The credit profile is supported by moderate leverage, solid cash conversion and a leading market position. In addition it has solid financial sponsors in Triton and Mr. Erik Must.
13 Bluewater Holding B.V. 22-26	N00012740234	100.8	10.4%	1.7%	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.
14 DNB Bank ASA 19-24	XS2075280995	94.0	7.7%	1.6%	DNB is Norway's largest bank with a market capitalization of NOK -300bn and a CET1 ratio per end-Q1/23 of 18.76%. The AT1 bonds are subordinated with call date on November 11th, 2024. We see limited call risk on the back of the strong balance sheet, robust underlying profitability, and a well-diversified lending book.
15 Seapeak 20-25 FRN	N00010891559	101.8	8.2%	1.6%	Seapeak is one of the largest owner and operators of LNG transportation assets with 90 vessels. The company is 100% owned by Stonepeak. The credit benefits from having a moderate balance sheet paired with a significant revenue backlog.
16 Ellos Group AB 19-24	SE0012827996	78.5	30.0%	1.6%	Ellos Group is a Swedish e-commerce company. The bond structure is ring-fenced with no leakage. The credit story is deemed to be attractive due to the company's solid market position, strong cash generation, sound LTV levels and tight bond structure.
17 Navigator Holdings Ltd. 20-25	N00010891955	99.8	6.6%	1.6%	Navigator owns and operates the world's largest fleet of handysize gas carriers with a market cap of -USD 1bn. The fleet was recently expanded through the merger with Ultragas back in 2021 and the fleet is now comprised of 56 ships. The company plays a vital part in the liquefied gas supply chain. The credit benefits from having strong credit metrics, significant debt service capacity and robust underlying market fundamentals.
18 Sanoma OYJ 23-26	FI4000549563	102.3	12.1%	1.5%	Sanoma is Finland's #1 media corporation and the leading European supplier of K12 learning services. The company is listed on the Helsinki stock exchange with a market cap of -EUR 1.4bn. The hybrid notes carry a coupon of 8% and has a coupon step-up of 5% if not called. The credit is backed by its leading market position in Finland and Europe, solid cash conversion and moderate leverage metrics of 3.2x.
19 Floatel Int. Ltd. 11.25% 23/26	N00012862673	100.5	9.9%	1.4%	Floatel owns and operates five modern and high specification offshore accommodation assets. The super senior carries a coupon of 11.25% and has 1st lien pledge in all assets. We find the collateral coverage attractive, standing at 6% LTV on construction costs and 20% LTV on broker values. The market for accommodation rigs is improving, driven by a falling supply side coupled with strengthening demand prospects.
20 EnQuest PLC 22-27	USG315APAG37	94.3	11.8%	1.4%	EnQuest is a energy company listed in Sweden with a market cap - USD 350m. The company focus on production from mature fields in the North Sea. The credit benefit from low leverage and strong debt service, high FCF and de-leveraging capabilities, North Sea exposure, recently re-fi'ed, CEO aligned interest, Tax shield reduces impact of windfall tax, EnQuest is the operator of -80% of its barrels (Cost flexibility).
Sum				37.9%	

Total number of issuers: 61.

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 7 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 14 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



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

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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: Dronning Mauds gate 3, 0250 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.