

Risk information

Past returns are no guarantee of future returns. The money invested in the fund may increase or decrease in value and it is not certain that you will get back all the capital you have invested. The key investor information document and prospectus can be found at www.lannebofonder.se. Please note that Lannebo Fonder does not produce investment recommendations or other information recommending or suggesting an investment strategy. Information in this monthly report should not be seen as anything other than a statement of the fund's trading activities and holdings.

The fund's investment policy

Lannebo Europe Small Cap is an actively managed equity fund that invests in small and medium sized enterprises listed in Europe. The companies' market capitalization at the time of investment may not exceed EUR 5 bn. Equities are selected based on the fund manager's own assessments, therefore deviations from the benchmark index can be both larger and smaller over time. Investments are made with a long term horizon.

The fund targets those who:

- want to invest in small and medium-sized companies listed in Europe.
- want an actively managed fund with investments based on a clear understanding of each individual company.

Fund manager comment

The European equity markets were slightly down in June. That was also reflected in the MSCI Europe Small Cap Index, which decreased by 2.5% measured in EUR (3.7% in SEK). The poor performance was driven by profit taking in the market after a long period of strong performance. We believe that fundamentals in general are still strong and with reduced political risk in Europe, the market should have the building blocks for further positive development in 2017. The reporting season will start soon, which should boost the market.

The fund had a negative performance of 1.8% in EUR and 3.2% in SEK, equal to an outperformance of 0.7%-points for June. Year to date the excess return versus the benchmark is 8.1%-points.

Palfinger and TKH Group had a strong performance during June. Palfinger, one of the leading players within lifting solutions for use on commercial vehicles and in maritime applications, was one of the positive contributors. The company is enjoying strong order intake globally including China, which has been under pressure for a long period. We also expect that margins improve due to operational leverage and the divestment of a loss making unit in the US.

TKH Group was also a major positive contributor. TKH is a Dutch company which develops automated tire production facilities for the tire industry and security systems as well as connectivity systems for commercial buildings. We expect the biggest growth to come from the high margin tire business, which together with the other business areas should drive earnings up by 15% per year the next three years.

Negative contributors were MBB and CVS Group. MBB is invested in several companies

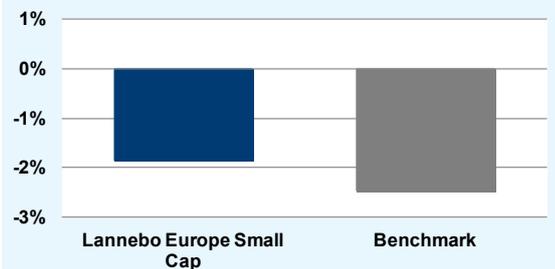
but the major part of the value is the stake in Aumann, which is a listed company operating within electrical vehicles. Aumann develops automated production facilities for the production of electrical motors. The share price performance of MBB has been strong in 2017, so the drop in June is more seen as some profit taking. MBB is now trading at a 20% discount to its NAV, which we believe is too high a discount.

CVS Group is the second largest veterinary service business in the UK with nearly 400 practices. There are no fundamental reasons behind the weak share price performance in June, the organic growth is strong and the acquisitions are running according to plan. We believe that this scenario will be intact in the coming months and margin expansion will also boost the earnings on top of the high top line growth.

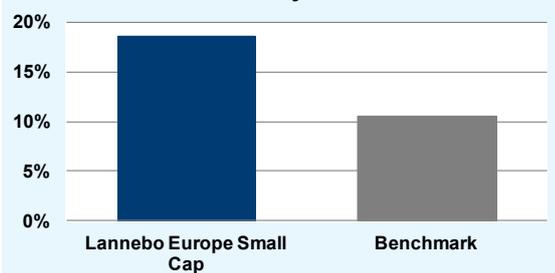
Nanogate's core business is within nanotechnology and is today a fully integrated coating specialist, with a focus on enhancing plastic and metal surfaces with multifunctional polymer and metal coatings. The company also increasingly manufactures entire plastic components. Nanogate is well positioned to benefit from an increasing number of design-oriented applications for its multifunctional and aesthetically appealing surface enhancements, mostly within the automotive sector, but also increasingly across the appliance, home interior, medical and healthcare industries.

The major changes in the weights in the portfolio are mainly passive and are therefore driven by the share price performance of the individual companies. However, the weight in Grencore, the UK food-to-go producer, was reduced actively as we want to see some more solid evidence of the positive development of the US expansion.

Performance for the month



Performance year to date

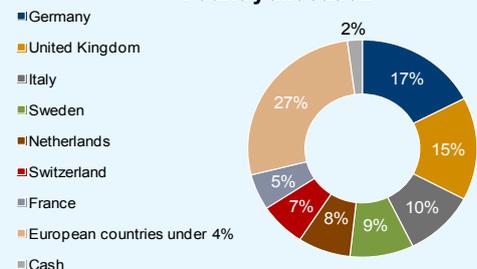


Performance, %	Lannebo Europe Small Cap	Benchmark
June 2017	-1.8	-2.5
Year-to-date 2017	18.6	10.5
Since inception 161017	17.5	16.5

Monthly performance, %

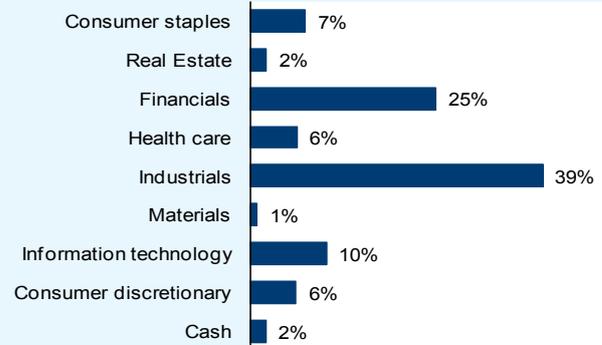
Jan	Feb	Mar	Apr	May	Jun
3.0	2.2	4.1	6.2	3.9	-1.8
Jul	Aug	Sep	Oct	Nov	Dec

Country allocation



10 largest holdings	% of the portfolio
Arrow Global Group	4.4
Dürr	4.0
TKH Group	3.9
Beazley	3.7
BGEO Group	3.6
Stabilus	3.6
dorma+kaba	3.6
Aalberts Industries	3.5
Greencore Group	3.2
Palfinger	3.1
Total 10 largest holdings	36.7
Cash	2.1
Total number of holdings	41

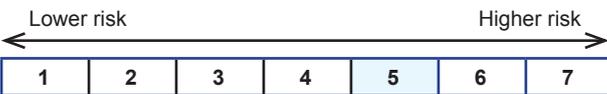
Sector allocation



Major changes during the month

Buy	Sell

Risk and reward profile



Financial ratios	Lannebo Europe Small Cap	Benchmark
Sharpe ratio	N/A	N/A
Total risk, %	N/A	N/A
Tracking error	N/A	
Information ratio	N/A	
Alfa	N/A	
Beta	N/A	
Portfolio turnover ratio	N/A	

Fund facts

Fund manager	Carsten Dehn & Ulrik Ellesgaard
Launch date	10/17/2016
NAV per unit, EUR	117.54
Fund size, MEUR	215
Management fee	1.6%
Bankgiro	5140-8037
ISIN	SE0008092290
Trading frequency	Daily
Minimum investment amount	100 EUR
PPM number	891 507
Supervisory authority	Finansinspektionen

Explanations

Benchmark	MSCI Europe Small Cap Index. The unit price of the fund is set before the price of the index is calculated. This can sometimes result in a misleading comparison between the two.
Sharpe ratio	A measure of the fund's return taking into account the total risk the fund has had during the period. Calculated as the ratio between the fund's return minus the risk-free rate of return and the fund's total risk (standard deviation). The information is based on monthly data and relates to the latest 24 months.
Total risk	Given as the standard deviation of variations in the total return of the fund or index. The information is based on monthly data and relates to the latest 24 months.
Tracking error	A measure that describes how closely the performance of the fund tracks the performance of the benchmark index. Calculated as the standard deviation of the difference between the return on the fund and a benchmark index. The information is based on monthly data and relates to the latest 24 months.
Information ratio	A measure of risk-adjusted return. This is measured as the active return divided by the portfolio's active risk. The information is based on monthly data and relates to the latest 24 months.
Alpha	Describes the effect of the portfolio manager's decisions on the return of the fund. A positive alpha value is the extra return which an investor receives for having taken greater risks than the market. The information is based on monthly data and relates to the latest 24 months.
Beta	Describes the sensitivity of the fund's value to changes in the market's value. The beta value reports how much the fund's value changes in percentage terms when the market's value changes by one percentage point. The information is based on monthly data and relates to the latest 24 months.