

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 Småbolag is an actively managed equity fund that invests in small and medium sized enterprises listed in the Nordic region, primarily in Sweden. The fund invests in companies with a market capitalisation amounting to a maximum of 1 per cent of the total Swedish market capitalisation. At the end of the year 2016, this meant a market capitalisation of around EUR 6 billion.

The fund targets those who:

- want to invest in small and medium-sized companies listed on the Swedish and other Nordic stock markets
- want an actively managed fund with investments based on a clear understanding of each individual company

Fund manager comment

The equity market was characterized by continued low volatility during June - even though oil prices dropped significantly during the first half of the month, which by the end of the month was largely recovered. The US Federal Reserve raised interest rates in mid-June, which the market had expected and as such there were no direct movements in the fixed income and equities markets. However, interest rates did increase during the month due to several statements from heads of central banks towards the end of the month.

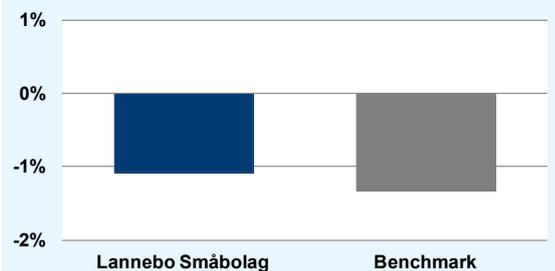
World stock markets were mixed in June. The Nordic equity markets fell back during the month, as did many other European equity markets. The MSCI World Index (Global Index) increased by 0.2 per cent, and the US S&P 500 increased by 0.6 per cent during the period. In Europe, the STOXX Europe 600 decreased 2.5 per cent. The Stockholm Stock Exchange (SIX-PRX) decreased by 2.0 per cent, and the Small Cap index (Carnegie Small Cap Return Index) decreased 1.3 per cent. Lannebo Småbolag decreased by 1.1 per cent during June.

There was relatively little company-specific news in June, following the flood of earnings reports released in May. One company that did report earnings was Elekta, which missed market expectations, including a considerably lower than expected margin and weaker than expected sales growth. The share fell on the release of the report and was down a little more than 8 per cent in June. Share performance going forward is dependent on a successful product launch of Elekta's forthcoming "Atlantic-project".

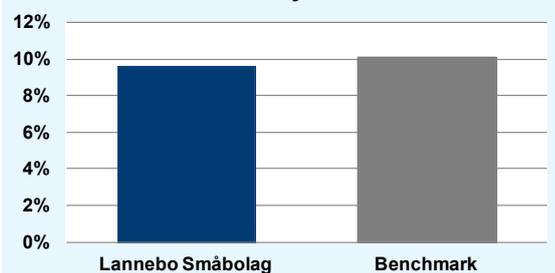
The best-performing holdings during the month were investment company Latour (5%), the healthcare company Ambea (5%) and the casino game provider NetEnt (4%). The weakest performing shares were kitchen manufacturer Nobia (-10%) and the medical technology companies Elekta (-8%) and Addlife (-6%).

In June, the holdings in NIBE Industrier, Bravida and Securitas were increased. The share price in NIBE Industrier has fallen despite a particularly strong Q1 earnings report. As a result, we determined that the timing was good to increase the holding in this well-managed company. Bravida should be able to continue to make value-creating acquisitions of smaller installers in the Nordic region and has a broad exposure to different market segments. Securitas can increase margins over the long term due to the increased technology content in its service offering. The holding in Nobia was slightly reduced as we believe there are increased uncertainties regarding the British construction market. The holding in Kindred was also marginally reduced.

Performance for the month



Performance year-to-date



Performance, %	Lannebo Småbolag	Benchmark
June 2017	-1.1	-1.3
Year-to-date 2017	9.6	10.1
3 years*	58.4	59.8
5 years*	165.2	163.1
10 years*	185.0	163.4
Since inception (08/04/2000)*	850.7	573.5
Average annual return 24 months*	16.4	17.6

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
1.3	1.9	1.4	5.1	0.7	-1.1
Jul	Aug	Sep	Oct	Nov	Dec

Annual performance, %	Lannebo Småbolag	Benchmark
2016*	5.1	7.6
2015*	33.7	33.2
2014*	15.4	14.3
2013*	40.4	32.9
2012*	13.6	16.6

*Performance of the fund before start of the asset class (05/02/2016) is simulated from the SEK-asset class.

10 largest holdings % of the portfolio

Company	% of the portfolio
Trelleborg B	6.1
Huhtamäki	5.6
Husqvarna	4.4
Castellum	3.7
Securitas B	3.6
NIBE Industrier B	3.4
Intrum Justitia	3.2
Holmen B	3.0
Fagerhult	3.0
Addtech B	2.9
Total 10 largest holdings	39.0
Cash	5.7
Total number of holdings	45

Major changes during the month

Buy	Sell
Nibe	Nobia
Bravida	Kindred
Securitas	

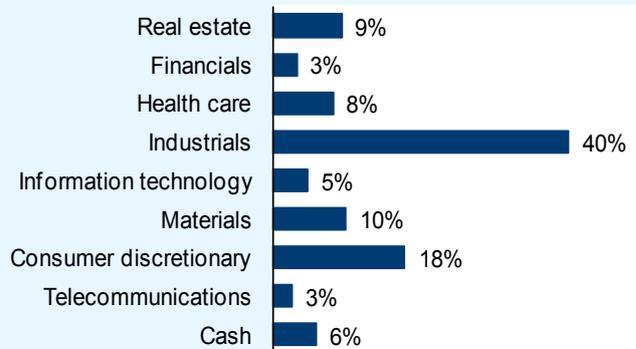
Risk and reward profile



Fund facts

Fund manager	Johan Ståhl
Launch date	05/02/2016
NAV per unit, EUR	116.80
Fund size, MEUR	2,459
Management fee	1.6%
Bankgiro	5563-4620
ISIN	SE0008040885
Trading frequency	Daily
Minimum investment amount	100 EUR
PPM number	842 690
Supervisory authority	Finansinspektionen

Sector allocation



Financial ratios	Lannebo Småbolag	Benchmark
Sharpe ratio	1.2	1.2
Total risk, %	14.4	15.2
Tracking error	3.6	
Information ratio	-0.3	
Alfa	0.0	
Beta	0.9	
Active share, %	67	
Portfolio turnover ratio 06/30/2017	0.2	

Explanations

Benchmark	Carnegie Small Cap Sweden Return Index, recalculated in EUR. 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.
Active share	A measure of the proportion of the portfolio that differ from the benchmark.