

### 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](http://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 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 exposed to headwinds in March, which resulted in negative return for the second consecutive month. The bearish market movement was a consequence of the brewing US-China trade war and the potential implications of the US imposed tariffs on imports from China. The market is worried whether the trade war will spill over to the rest of the world. The performance of the fund was -4.6 per cent measured in EUR, which compared to the performance of the benchmark had a return of -1.7 per cent in EUR. The underperformance is mainly due to a profit warning from Greencore and a few worse than expected quarterly reports from our portfolio companies.

IMA, a producer of assembling machinery for packaging of pharmaceuticals, food, tobacco, etc, was the best contributor to performance in March. The company delivered solid FY 2017 results in line with consensus and guidance, where the pharma and tobacco packing machines witnessed solid growth. Furthermore, the guidance for 2018 looks supportive, which together with margin recovery in the food sector makes us believe that the solid picture of last year will continue into 2018.

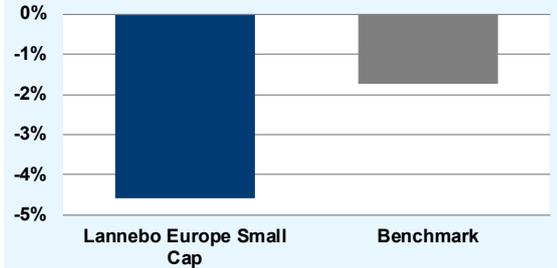
SimCorp is a provider of software for the asset management industry. The shares performed well as the company delivered a strong 4Q report where especially license sales to existing clients surprised positively. SimCorp's consultancy business is running at full speed and the outlook for 2018 is for organic growth in sales of 7-12 per cent, which is a bit better than what was expected by the market.

Greencore, which produces and supplies food-to-go in the UK and the US, issued a profit warning on March 13 that triggered a mid-single

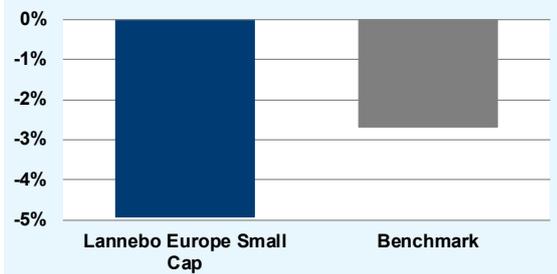
digit EPS reduction. As the US business continued to disappoint the investors' confidence in the company declined significantly. The share price dropped more than 30 per cent after the profit warning, mainly due to lack of confidence in management. The company needs to rebuild the trust of investors by delivering satisfactory results in the US and we believe that Greencore will be able to do this eventually.

Biffa is one of the UK's leading waste management companies. It issued results in line with the consensus forecasts. However, the share price dropped more than 10 per cent due to China paper recycle import restrictions. The negative implication for Biffa is approximately 7 per cent on EPS for 2018, however we believe the long-term impact will be minor.

### Performance for the month



### Performance year to date



Performance, %	Lannebo Europe Small Cap	Benchmark
March 2018	-4.6	-1.7
Year 2018	-4.9	-2.7
Since launch (10/17/2016)	16.9	22.1

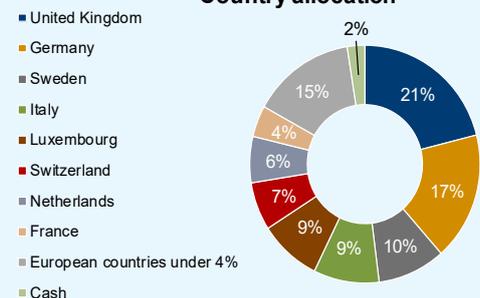
### Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
2.5	-2.8	-4.6			
Jul	Aug	Sep	Oct	Nov	Dec

Annual performance %	Lannebo Europe Small Cap*	Benchmark
2017	24.0	19.0

\* The annual performance of the fund is calculated from the NAV

### Country allocation



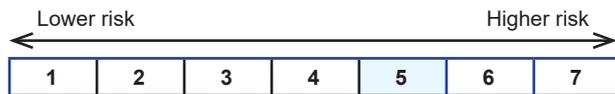
### 10 largest holdings

	% of the portfolio
Arrow Global Group	4.2
Beazley	4.1
BGEO Group	3.7
Stabilus	3.6
TKH Group	3.5
Dürr	3.2
Aurelius Equity Opportunities SE & Co KGaA	3.0
Corestate Capital Holding	3.0
Grenke	2.9
Aalberts Industries	2.8
Total 10 largest holdings	34.0
Cash	2.5
Total number of holdings	49

### Major changes during the month

Buy	Sell
Corestate Capital	-
Arrow Global Group	
CVS Group	
Dürr	

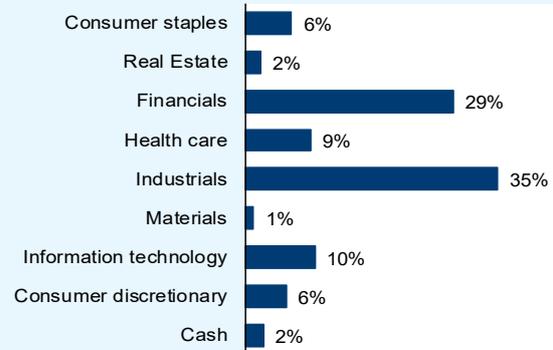
### Risk and reward profile



### Fund facts

<b>Fund manager</b>	Carsten Dehn & Ulrik Ellesgaard
<b>Launch date</b>	10/17/2016
<b>NAV per unit, EUR</b>	116.86
<b>Fund size, MEUR</b>	464
<b>Management fee</b>	1.6%
<b>Bankgiro</b>	5140-8037
<b>ISIN</b>	SE0008092290
<b>Trading frequency</b>	Daily
<b>Minimum investment amount</b>	100 EUR
<b>PPM number</b>	891 507
<b>Supervisory authority</b>	Finansinspektionen
<b>LEI</b>	549300L5238BIDO30341

### Sector allocation



### 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	
Alpha	N/A	
Beta	N/A	
Portfolio turnover ratio 12/31/2017	0.0	

### Explanations

<b>Benchmark</b>	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.
<b>Sharpe ratio</b>	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.
<b>Total risk</b>	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.
<b>Tracking error</b>	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.
<b>Information ratio</b>	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.
<b>Alpha</b>	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.
<b>Beta</b>	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.