

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 Sverige Plus is an actively managed equity fund that primarily invests in shares on the Swedish stock market. The fund is similar to a traditional equity fund, but with more flexible investment rules. The "Plus" label reflects the fund's ability to invest more than 100 per cent of the fund's assets. For example, the fund can invest 130 per cent in shares that the fund managers are positive about and balance this by reducing its equity exposure by 30 per cent through the sale of shares that the fund does not own, i.e. short selling.

The fund targets those who:

- want a Swedish equity fund with greater opportunities
- want an actively managed fund with investments based on a clear understanding of each individual company

Fund manager comment

The Stockholm Stock Exchange fell by 0.1 per cent in May (SIXPRX). Leading indicators for order intake and industrial manufacturing signified a slowdown in the US and Europe. Despite the weaker than expected outcome, statistics still imply economic expansion. The US PMI for Manufacturing fell to 57.3 from 59.3 the previous month. The Eurozone's corresponding figure also dropped. However, Chinese industrial production exhibited expansion and exceeded market expectations. The equity market is still resistant to geopolitical events – shaking-off uncertainty factors. Italy faces political instability, where Euro-sceptics and populist parties received increased support. The US is discussing and simultaneously dictating trade and import duty terms with, and on, China, North Korea and Europe. Government bond yields reflected increased risk premiums and increased risk aversion.

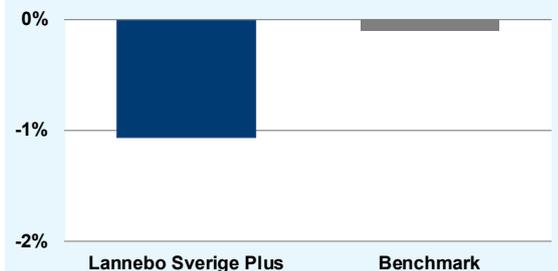
Lannebo Sverige Plus decreased by 1.1 per cent in May, while the benchmark index SIXPRX decreased by 0.1 per cent. The World Index, MSCI AC World, increased during the same period by 0.9 per cent, and in the US the S&P 500 increased by 2.4 per cent. The Euro STOXX 50 decreased by 2.1 per cent.

Autoliv, Nobia and AstraZeneca were holdings that developed better than the market as a whole, with share price increases of 10, 5 and 5 per cent respectively. Automotive safety company Autoliv is following their communicated financial objectives, where a division of the company is expected in early July. During the month the active safety business area, Venoneer, announced it would develop and produce a camera system for a leading car manufacturer as of 2022. Kitchen

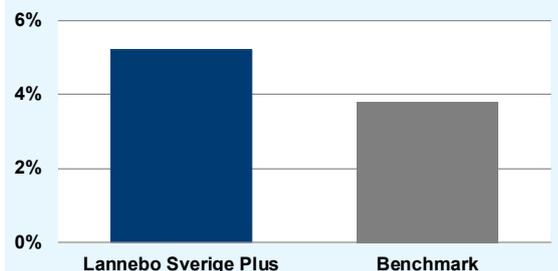
manufacturer Nobia continues to be affected by economic uncertainties in the UK, while the company is also working on internal improvements - particularly measures to streamline production. The company is also focusing on customizing and improving dealer networks and product offerings in order to return to sales growth. AstraZeneca presented its quarterly earnings report during the month. Product sales increased four per cent, while earnings per share were almost halved compared with the previous year. On the positive side was strong sales for products expected to drive the company's growth going forward. Within the field of oncology, Lynparza and Tagrisso grew by 109 and 98 per cent respectively. AstraZeneca maintained its full-year forecast.

H&M and SEB were holdings that developed weaker than the market as a whole with share price performance of -11 and -4 per cent respectively. H&M faces a tough market due primarily to continued weak sales in the company's physical stores. Restructuring of the business is expected to take time, where initiated measures have delivered varying outcomes. Online sales, as well as newly established brands, continue to develop well. The company's balance sheet is still strong and return on capital is good. Together with the entire European banking sector, SEB's share price performed poorly during the month. Uncertainties remain surrounding changes in mortgage lending, technology developments, regulation and cost levels. Even after the market downgraded earnings estimates, the return is still good.

Performance for the month



Performance year-to-date



Performance, %	Lannebo Sverige Plus	Benchmark
May 2018	-1.1	-0.1
Year 2018	5.2	3.8
3 years	21.1	17.1
5 years	108.2	77.6
Since launch (12/11/2008)	387.2	293.6
Average annual return 24 months	12.8	11.7

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
0.8	1.2	-0.9	5.2	-1.1	
Jul	Aug	Sep	Oct	Nov	Dec

Annual performance, %	Lannebo Sverige Plus*	Benchmark
2017	8.8	9.5
2016	13.3	9.6
2015	13.4	10.5
2014	23.4	15.9
2013	28.2	28.0

* The annual performance of the fund is calculated from the NAV per unit in the final accounts.

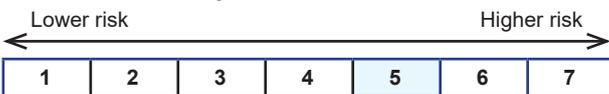
10 largest holdings

	% of the portfolio
Investor B	7.8
Telia	7.4
Volvo B	7.1
H&M B	5.9
Swedbank A	5.8
Autoliv SDB	4.9
AstraZeneca	4.8
Securitas B	4.8
Nokia EUR	4.7
Skanska B	4.6
Total 10 largest holdings	57.8
Cash	9.9
Total number of holdings	30

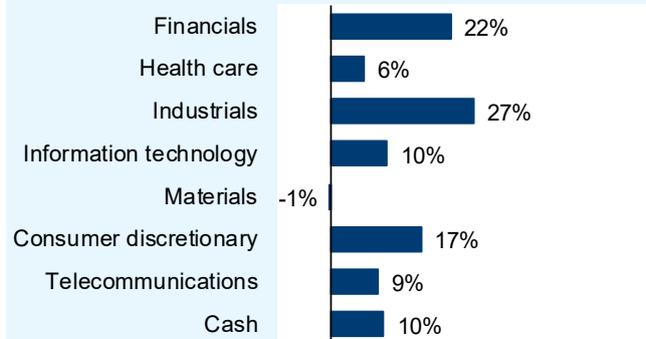
Major changes during the month

Buy	Sell
Electrolux	Sandvik
Autoliv	SOBI

Risk and reward profile



Sector allocation



Financial ratios	Lannebo Sverige Plus	Benchmark
Sharpe ratio	1.2	1.3
Total risk, %	11.5	9.3
Tracking error	4.3	
Information ratio	0.3	
Alpha	-0.1	
Beta	1.1	
Active share, %	62	
Gross equity exposure, %	99	
Net equity exposure, %	90	
Portfolio turnover ratio 12/31/2017	1.6	

Fund facts

Fund manager	Robin Pettersson & Martin Wallin
Launch date	12/11/2008
NAV per unit, SEK	47.50
Fund size, MSEK	6,095
Management fee	1.0% + 20% of any excess return
Return threshold	SIX Portfolio Return Index
Bankgiro	346-3585
ISIN	SE0002686584
Trading frequency	Daily
Minimum investment amount	100 SEK
PPM number	490 292
Supervisory authority	Finansinspektionen
LEI	549300W8FUNESQQE9448

Explanations

Benchmark	SIX Portfolio Return 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 risk-adjusted excess return relative to the return of the benchmark. 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.