

Lannebo Europe Small Cap

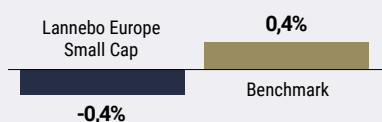
Swedish-registered equity fund, A EUR

Monthly report January 2021

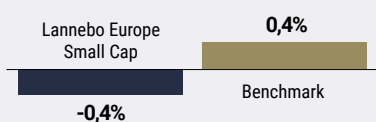
The money you invest in a fund can both increase and decrease in value and it is not certain that you will get back the full amount invested.

Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021
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Monthly performance



Performance YTD



Carsten Dehn and Ulrik Ellesgaard

A good start to the reporting season

DFV and Accell Group new holdings.

The European equity market was clearly affected by the end-of-month global sell-off due to concerns over high valuations and worries over the spread of coronavirus variants. The reporting season in Europe just started, and initial reports suggest a slight overweight of better than expected earnings. So far holdings have reported better than, or in-line with, expectations, with no companies reporting worse than expected.

The fund underperformed the market in January, where performance was -0.4 per cent measured in EUR, compared with the benchmark's return of 0.4 per cent in EUR.

Somero Enterprises and Volution Group were the best contributors to performance.

Somero Enterprises, a UK worldwide manufacturer of precision concrete placing and levelling equipment, was the strongest performer in January. Somero released a trading update that disclosed a strong finish to 2020, which exceeded their previous guidance. This was mainly driven by robust activity in their

Performance

Performance. %	Lannebo Europe Small Cap	Benchmark
January 2021	-0.4	0.4
Year-to-date 2021	-0.4	0.4
3 years	-2.4	12.7
Since launch (10/17/16)	24.6	45.8
Average annual return 24 months	12.4	12.6
2020 ¹	3.6	4.6
2019 ¹	31.6	31.4
2018 ¹	-25.3	-15.9
2017 ¹	24.0	19.0

¹ The performance is based on closing prices.

Monthly performance, %

Jan	Feb	Mar	Apr	May	Jun
-0.4					
Jul	Aug	Sep	Oct	Nov	Dec

largest market, North America. Cost-cutting measures amid the pandemic also improved the group's overall profitability. Further, the company's newest product innovations have been well received by the market.

Volution Group, a UK manufacturer of ventilation systems for domestic and commercial buildings, was a strong performer in January without any company specific news. Volution Group recently released a trading update that disclosed good margin development and organic growth. We believe that supportive regulation and increasing focus on indoor air quality will generate stronger demand for Volution's premium product offering.

John Menzies and Soltec Power contributed most negatively to performance.

UK based John Menzies provides ground handling and fueling services to the airline industry world-wide. Investors took home profits during January after the share price more than doubled in Q4 on the back of promising data from vaccine trials. The company expects that activity will start to pick up in Q2 from the current very low level; we believe the company will emerge from the pandemic crisis with a stronger market position than previously.

Soltec, which is based in Spain, produces solar trackers and develops solar parks. The share price in-creased more than 100% following the company's IPO October 2020; during January, the share price fell back slightly without company specific news as investors general demand for green stocks curbed a bit.

Changes to our portfolio during January:

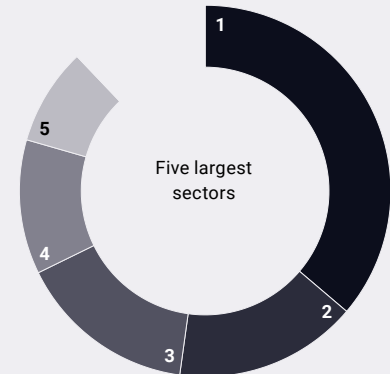
Deutsche Familienversicherung (DFV) is a new holding. DFV is a German fully digital insurance provider offering supplementary health insurance. DFV is, in our opinion, a market disrupter and highly rated by consumers, and as such, we expect the company will be able to grow premiums by more than 20% yearly.

Accell Group is a Dutch company that produces traditional bikes and e-bikes. Accell is one of the leading companies in Europe in what is otherwise a fragmented market. We believe that the market for e-bikes will grow rapidly in the coming years, driven in part by enormous infrastructure investments in bike lanes in major cities in Europe, together with changing consumer behaviour. Accell should also be able to improve margins through changes in its product mix and economies of scale.

We have divested Tecan, the Swiss MedTech company that focuses on automated liquid handling & life science solutions. The share price has been very strong driven by COVID-19. However, given our assumption that the pandemic will soon be under control, we are concerned that the valuation is too aggressive.

Corestate, the German real estate asset manager, was sold in January. Due to poor disclosure about a new main shareholder in the company we believe the corporate governance is no longer up to our standards.

Sector allocation



#	Sector	% of the fund
1.	Industrials	35.6
2.	Health care	15.7
3.	Financials	15.3
4.	Information technology	11.5
5.	Consumer discretionary	8.3
6.	Consumer staples	5.9
7.	Communication services	3.8
8.	Energy	2.2
	Cash	1.8

10 largest holdings

Holding	% of the fund
Volution Group	5.8
Medios	4.5
TKH Group	3.9
Sumo Group Plc	3.8
Keywords Studios Plc	3.6
Interpump Group	3.5
Dürr	3.4
Inwido	3.3
Solutions 30 SE	3.2
Biffa	3.2
Total 10 largest holdings	38.1
Cash	1.8
Total number of holdings	43

Major changes during the month

Buy

DFV

Accell Group

Sell

Tecan

Corestate Capital

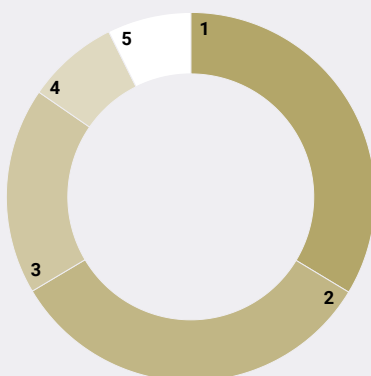
Risk and reward profile

Lower risk							Lower risk	
1	2	3	4	5	6	7		

Financial ratios

	Lannebo Europe Small Cap	Benchmark
Sharpe ratio	0.6	0.6
Total risk (%)	25.0	23.9
Tracking error	5.5	
Information ratio	-0.0	
Alpha	-0.0	
Beta	1.0	
Portfolio turnover ratio (12/31/20)	0.1	

Geographical split



#	Country	% of the fund
1.	United Kingdom	33.0
2.	Other European countries	32.2
3.	Germany	17.8
4.	Netherlands	7.9
5.	Italy	7.4
6.	Cash	1.8

Fund facts

Fund manager	Carsten Dehn & Ulrik Ellesgaard
Launch date	10/17/16
NAV per unit (EUR)	124.58
Fund size (EURm)	119
Management fee	1.6%
Bankgiro	5140-8037
ISIN	SE0008092290
Trading frequency	Daily
Minimum investment amount	EUR 100
Supervisory authority	Finansinspektionen
LEI	549300L5238BID030341

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 lannebo.se/en. Please note that Lannebo 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 is suitable for 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.

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 5bn. 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.

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 Sharpe ratio is a measure of risk adjusted return. Calculated as the ratio of the fund's excess return above the risk-free rate of return and the fund's total risk.

Total risk Given as the standard deviation of variations in the total return of the fund or index.

Tracking error Tracking error is a measure of active risk in a fund. Calculated as the standard deviation of the difference between the return of the fund and its benchmark.

Information ratio A measure of risk-adjusted return. This is measured as the active return divided by the portfolio's active risk.

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.

Beta Beta is a measure of a fund's sensitivity to market movements. The beta value reports how much the fund's value changes in percentage terms when the market's value changes by one percentage point.

All financial ratios are calculated according to guidelines of the Swedish Investment Fund Association.



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