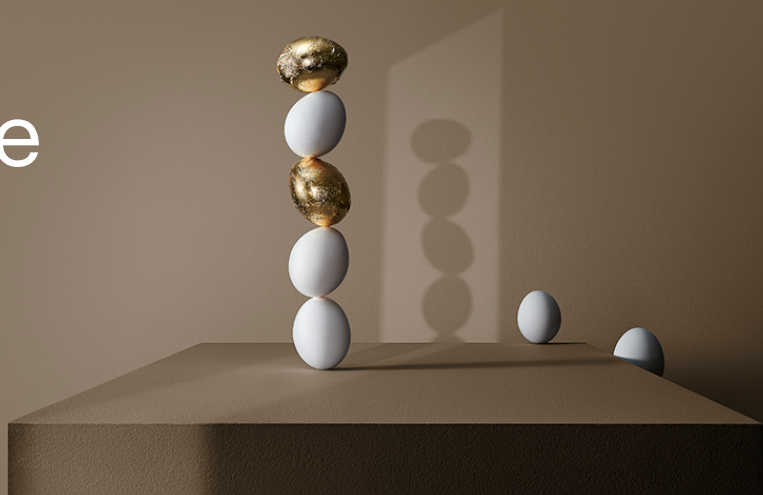


# Lannebo Europe Small Cap EUR

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.



## Europe in political turmoil But the parade of bids and buyouts continues



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The European small cap market was marked by a lower risk appetite and falling share prices in June. European Parliamentary elections caused political ripples in both France and Germany that left a mark on the stock market. MSCI's index for French small cap companies fell more than 10 per cent in EUR and the German equivalent lost more than 6 per cent. The threat of a new Euro crisis surfaced as a tail risk that cannot be completely ignored as a European investor. With elections in both the UK and France in the coming weeks, we can hopefully put the worst political tumult in Europe behind us after the summer holidays – just in time for the American political circus to kick into high gear.

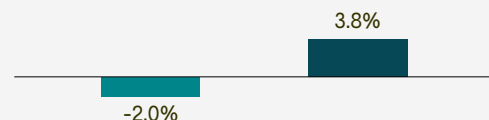
Politics aside, inflation expectations in Europe appear to be continuing downward at a healthy pace. What remains now is for central banks to parry with interest rate cuts to land their economy's in reasonable conditions.

One of the fund's two clear winners was Austrian Do & Co (EUR 1.8bn), which is a catering company focused on delivering high-quality solutions for aircraft food and airport lounges. The company has had a flying start to the year and the latest annual report that was released last week showed good growth and results exceeding market expectations. The share price increased 20 per cent in June; however, the valuation appears attractive even after the price increase considering the expected growth given the industry's increased focus on quality and premium in-cabin services. The holding contributed 0.5 per cent to the fund's monthly return.

The other performance winner was British drinks maker Britvic (EUR 3.5bn), an investment we made in April that we have not yet presented. The company primarily produces juices, sports drinks, non-alcoholic carbonated- and still drinks where the main market is the UK, but with successful international expansion in, for example, Brazil. The company is the subject of repeated takeover offers from beverage giant

### The fund's return\*

- 1 month
- 1 year



Performance (%)	Fund	Index <sup>1</sup>
June 2024	-2.0	-3.3
YTD 2024	3.6	5.0
1 year	3.8	12.0
3 years	-6.0	-1.6
5 years	22.1	34.9
Since launch (10/17/16)	32.9	64.9
Average 24 months	3.5	9.3
2023 <sup>1</sup>	-0.4	12.7
2022 <sup>1</sup>	-20.1	-22.6
2021 <sup>1</sup>	29.4	23.9
2020 <sup>1</sup>	3.6	4.6
2019 <sup>1</sup>	31.6	31.4

<sup>1</sup> The performance is based on closing prices.

\* Net of fees

Jan	Feb	Mar	Apr	May	Jun
-0.7	-0.7	2.2	0.5	4.3	-2.0
Jul	Aug	Sep	Oct	Nov	Dec
-	-	-	-	-	-

Carlsberg, but the bids have so far been rejected citing that the bid levels do not reflect the company's higher valuation. The expectation is that Carlsberg will return with a final bid where the level needs to be above 13 GBP per share for the board to accept; the previous bid was 12.50 GBP. At the time of writing, the stock was trading at 11.92GBP and we see that there is some upside left for a potential final bid. The share price increase in June contributed 0.4 per cent to the fund's return.

The worst performing holding was biotechnology company Medincell (EUR 0.4 billion, France), which we presented in our April monthly report. The share has performed very strongly, but gave back some of the gains during June when it fell 19 per cent; the holding is, however, still one of the biggest winners for the quarter. No significant company news was released during the month, and the price movement is assessed a natural break/profit taking after the previous increase in combination with a weak French stock market.

A couple of holdings in the industrial sector also developed relatively poorly. Aalberts (EUR 4.2 billion, Netherlands) fell 12 per cent, while Duerr (EUR 1.4 billion, Germany) fell 15 per cent and lost momentum after the price peak that coincided with the strong earnings report the company released in mid-May. The companies are active within, among other things, construction and car manufacturing, two cyclical industries where the future outlook is uncertain.

We also want to present Man Group (EUR 3.5bn, UK), which is another recent investment that we made in April. Man Group is a well-diversified asset manager with a wide range of funds spanning different styles and asset classes, with a particular focus on alternative investment strategies, such as hedge funds. The stock is undervalued - similar to the UK stock market generally - and we also believe that the positive optionality in their earnings in the form of performance-based fees is valued at close to zero, even though in some years it accounts for a significant share of earnings. The conditions for alternative strategies are more favorable than in a long time given a more dynamic market environment and a higher interest rate situation. Our holding in Man Group is 2.2 per cent of fund assets.

## Largest holdings

Holding	% of the fund
DO & CO	3.2
Volution	3.1
Neoen	3.0
LU-VE	3.0
GVS	2.7
Banca Farmafactoring SpA	2.7
Rotork	2.7
BAWAG	2.7
Spar Nord Bank	2.7
Catena	2.6
<b>Total ten largest holdings</b>	<b>28.4</b>
Cash	2.0
Total number of holdings	46

## Main changes

Bought	Sold
-	-
-	-
-	-

## Sector allocation

Sector	% of the fund
Industrials	29.2
Financials	16.6
Information technology	13.9
Real estate	9.1
Healthcare	8.9
Consumer discretionary	6.9
Material	5.5
Consumer staples	5.1
Energy	3

## We work actively to take advantage of business opportunities and avoid risks related to the environment, social sustainability and corporate governance.

### Nomination committees

Lannebo participate in nomination committees to contribute to competent boards with relevant experience for the companies.

Company

Inwido

### Voting

Share of the fund where Lannebo has voted at the general meeting.

Share of the fund (%)

2024 YTD	59
2023	48
2022	25

### Gender equality on boards

The objective is to ensure greater gender representation by aiming for a minimum of 40 percent representation of the under-represented gender among board members on average.

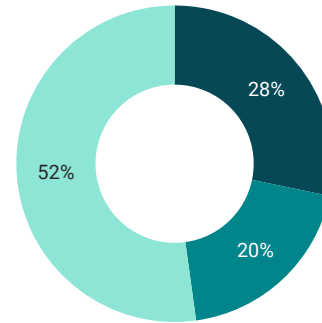
Share (%)

Women	39
Men	61

### Climate target

Lannebo has committed to a climate target that requires the companies in material sectors within its portfolios to establish science-based emissions reduction targets, SBT.

Year 2040: 100%    Year 2030: 50%



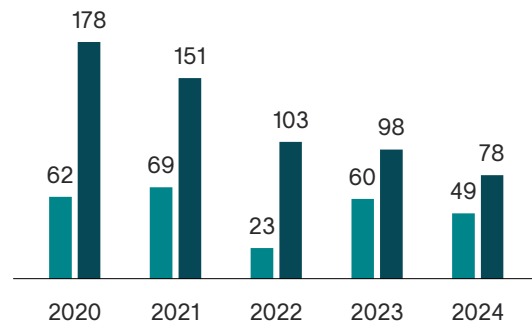
Share of the fund (%)

Validated SBT	28
Committed SBT	20
No SBT	52

### Carbon footprint

Carbon footprint, measured as the weighted average carbon intensity, shows the fund's exposure to companies with high carbon intensity. Higher carbon intensity is an indication of higher climate change-related risks.

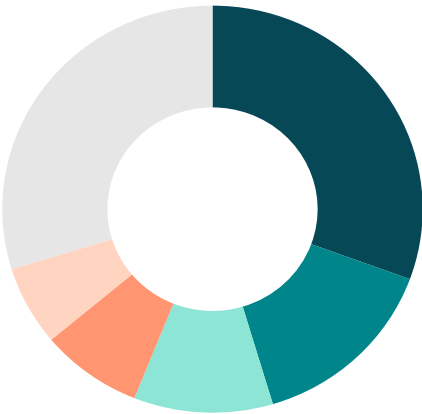
Fund    Index



## Financial ratios

	Fund	Index
Sharpe ratio	0.2	0.5
Total risk (%)	18.5	19.0
Tracking error	5.0	
Information ratio	-1.3	
Alpha	-5.9	
Beta	0.9	
Portfolio turnover ratio	0.5	

## Country allocation



Country	Share of the fund (%)
United Kingdom	30
Italy	14.5
Germany	10.5
France	7.7
Netherlands	6.2
Other	29.2

## Fund facts

Fund managers	Andreas Mattson and Anna Eliason (outsourcing agreement with Öhman Fonder)
Launch date	10/17/16
NAV per unit	EUR 132.92
Fund size	EURm 97
Management Fee	1.6%
Ongoing costs*	1.9%
ISIN	SE0008092290
Trading frequency	Daily
Minimum investment amount	EUR 100
Supervisory authority	Finansinspektionen
LEI	549300L5238BIDO3O341

\* Ongoing costs consist of management fees and other administrative or operating costs (an estimate based on actual costs over the past year) and transaction costs (an estimate of costs incurred when a fund buys and sells securities).

## Risk indicator



## Explanations\*

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### Alpha

Describes the effect of the portfolio manager's decisions on the return of the fund. A positive alpha value is the riskadjusted excess return relative to the return of the benchmark.

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### Beta

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.

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### Information ratio

A measure of riskadjusted return. This is measured as the active return divided by the portfolio's active risk.

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### Carbon footprint

The weighted average carbon intensity is calculated by multiplying the portfolio company's weight in the fund by the portfolio company's emissions (scope 1 and 2) in relation to its revenue in millions of EUR. In 2022, Lannebo changed data provider

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### Sharpe ratio

A measure of risk adjusted return. Calculated as the ratio of the fund's excess return above the riskfree rate of return and the fund's total risk

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### Total risk

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

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### 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.

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### 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 [en.lannebo.se](http://en.lannebo.se).

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.

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### Tracking error

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.