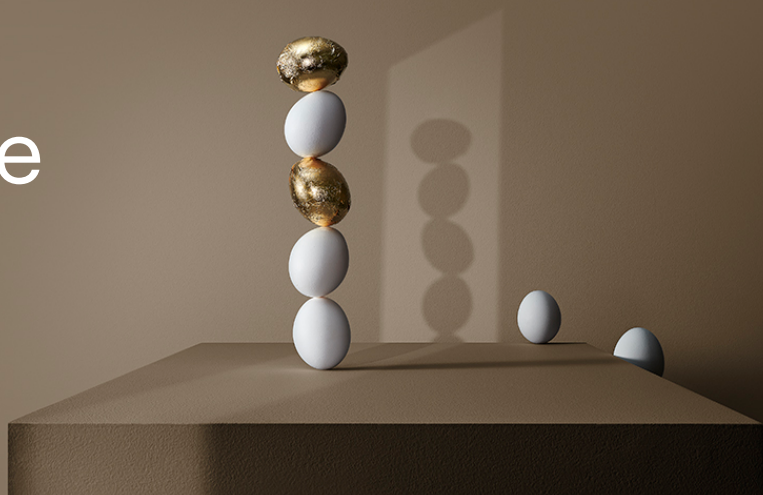


Lannebo Europe Small Cap EUR

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.



The market roller coaster

What a difference one month makes



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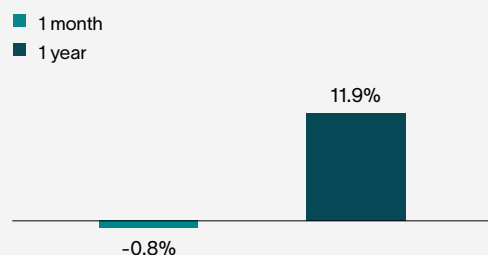
Those late vacationers that were off all of August returned to find everything as usual the first day of September. European small caps are trading at the same level they closed at the end of July.

However, it was different for us who came back to the office on the first of August – the stock market was in a state of panic with market movements that brought recollections of 2008. Global stock markets really hiccupped at the beginning of August. The epicenter of the stock market turmoil was Japan, where indications of interest rate hikes changed the “rules of the game” for investors. Japanese banks lost a whopping 26 per cent in a matter of days and the panic spread everywhere, even to our European small caps which fell just over 7 per cent on an index basis. The entire decline was almost recovered by the end of August, although the currency effect of a stronger krona negatively contributed to performance by a couple of per cent.

It was an unusual month, but for some of our fund holdings things were the same. The best performing holding was once again Medincell, the French biotech company, which increased another 12 per cent in August; since the investment was made in April, the share price has increased 100 per cent. That makes the holding the fund’s best performer for the year so far. There was no major company news during the month, but the trend remains strong for the share and the company is expected to deliver positive EBIT next year.

OneSavings Bank (OSB Group) was the worst performer of the month after a disappointing earnings report and a downgraded outlook for the rest of the year. As this was not the first time the company promised more than they could deliver, the market’s judgment was harsh and the stock fell by 28 per cent, while many investors indicated trust in the company was broken. OSB Group is a leading UK player in the part of the mortgage market aimed at landlords buying and leasing properties. Despite somewhat weaker earnings than expected, the business is still profitable, generates stable cash flows, and has low credit losses – but

The fund’s return*



Performance (%)	Fund	Index ¹
August 2024	-0.8	-0.3
YTD 2024	7.3	9.1
1 year	11.9	16.0
3 years	-13.9	-4.7
5 years	34.7	42.8
Since launch (10/17/16)	37.7	71.4
Average 24 months	4.1	10.2
2023 ¹	-0.4	12.7
2022 ¹	-20.1	-22.6
2021 ¹	29.4	23.9
2020 ¹	3.6	4.6
2019 ¹	31.6	31.4

¹ 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
4.5	-0.8	-	-	-	-

growth that was previously taken for granted has stopped. A change in interest rates is likely required to get growth going again. The share valuation has reached what we consider to be very attractive levels so we maintained the position, while some tolerance may be required while waiting for new investor optimism. For the enduring, however, potential returns are high, and in the mean-time we get an almost ten per cent dividend per year while waiting.

Something more enjoyable is our investment in Swedish Vimian (EUR 1.8 billion). The company operates four divisions within animal health: veterinary services, medtech, pharma, and diagnostics ("diagnostics") with a 50/50 split between the US and Europe. The pet theme dwindled after Covid, or rather, dogs grew out of the first care-intensive puppy phase in life. Towards the end of the decade, we expect care needs will increase again (geriatric dog years) and that the theme will come back into focus. Having said that, we see the current animal health market as very attractive, fast growing, and under-penetrated with high barriers to entry. In recent years, Vimian has acquired quite a number of companies, and the market has questioned both the pace of integration and the financing. They now have a new CEO and the strategic focus has shifted to strengthening the balance sheet and organic growth. Net debt has more than halved in relation to EBITDA, which gives management freer reins. The holding is almost two per cent of the fund.

The investment in Vimian was financed by divesting Dermapharm, a pharmaceutical distributor whose business grew rapidly during Covid and the vaccine rollout. Naturally, it has since contracted and we do not currently assess value in the share given the valuation of P/E 15 and a low growth rate.

Largest holdings

Holding	% of the fund
Volution	3.8
BAWAG	3.1
Banca Farmafactoring SpA	2.9
Coats Group	2.8
Catena	2.8
DO & CO	2.8
LU-VE	2.7
Trustpilot	2.7
Rotork	2.6
Brembo	2.5
Total ten largest holdings	28.7
Cash	3.4
Total number of holdings	45

Main changes

Bought	Sold
Vimian	Dermapharm
-	Kainos Group
-	-

Sector allocation

Sector	% of the fund
Industrials	28.3
Financials	17.0
Information technology	12.4
Real estate	9.7
Healthcare	8.6
Consumer discretionary	7.8
Consumer staples	5.6
Material	5.3
Energy	2.1

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	63
2023	48
2022	25

Gender equality on boards

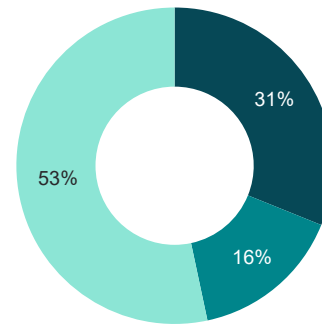
The objective is to ensure greater gender representation by aiming for a minimum of 40 percent representation of the under-represented gender among board members on average.

	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.

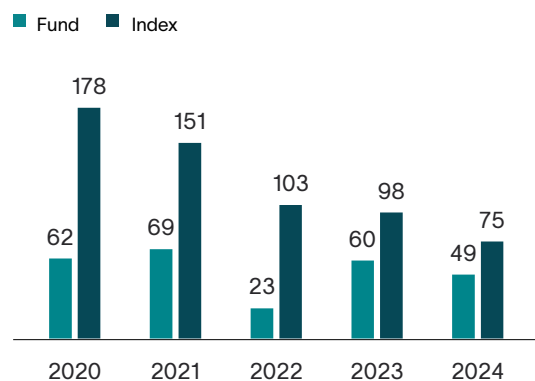
Year 2040: 100% Year 2030: 50%



	Share of the fund (%)
Validated SBT	31
Committed SBT	16
No SBT	53

Carbon footprint

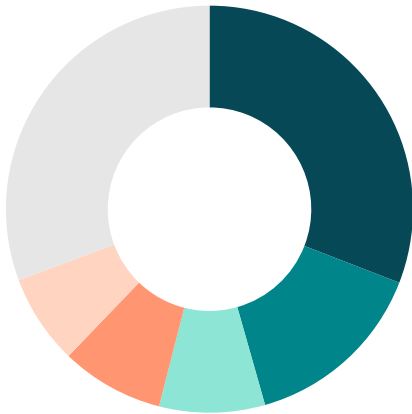
Carbon footprint, measured as the weighted average carbon intensity, shows the fund's exposure to companies with high carbon intensity. Higher carbon intensity is an indication of higher climate change-related risks.



Financial ratios

	Fund	Index
Sharpe ratio	0.2	0.6
Total risk (%)	17.0	17.1
Tracking error	5.0	
Information ratio	-1.3	
Alpha	-5.9	
Beta	1	
Portfolio turnover ratio	0.5	

Country allocation



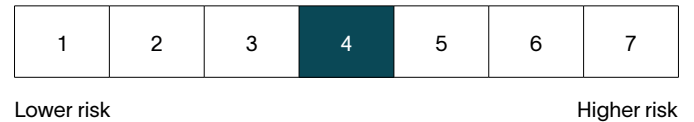
Country	Share of the fund (%)
United Kingdom	29.8
Italy	14.2
Germany	8.1
France	7.9
Sweden	6.9
Other	29.6

Fund facts

Fund managers	Andreas Mattson and Anna Eliason (outsourcing agreement with Öhman Fonder)
Launch date	10/17/16
NAV per unit	EUR 137,72
Fund size	EURm 98
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*

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.

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

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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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.

Sharpe ratio

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

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.

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.

Information ratio

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

Total risk

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

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.