



Carnegie Småbolagsfond invests in attractive Swedish small cap shares.

- Concentrated portfolio of 25-30 holdings.
- Importance of cash flow, long-term earnings potential, low valuation and high dividend yield.
- We avoid certain sectors such as biotech and focus on our own analysis and company visits.

MANAGER COMMENT: Strong ad market lays ground for M&As

March was another month of stock market gains, albeit at a slower pace compared to early in the year. The fund rose 1.9 percent in March.

Stillfront has had a flying start to the year and notched up a price gain of 31 percent in March. The German Wawrzinek brothers substantially increased their holding via Laureus Capital this month, which is interesting in more ways than one. Just over a year ago, Stillfront bought the brothers' company Goodgames, making them the largest shareholders in Stillfront. There was concern that they would sell their shares, but now they have instead chosen to significantly increase their holding to almost 30 percent, there is less risk of a large equity sale, and it also acts as a powerful signal of strong faith in the company. Over the past year, the Goodgame arm has not really performed as well as the original Stillfront. The fact that the brothers, who should know Goodgames better than anyone, are upping their holding, strengthens our belief that Goodgames was a really good acquisition. We note the sharp

rise in the share price, but our opinion is that the valuation was far too low at the end of last year. We see continued potential in the share.

MTG was broken up in March. Computer games and e-sports ended up in MTG, and TV and radio in the new company, Nent. In the initial trading, the sum of the parts is greater than the old whole, as we hoped. It is, of course, the nature of these things that such different activities find it difficult to achieve their right value when clumped together. We are attracted to the stability and the low valuation of Nent. The advertising market is strong, the TV channels have a stable viewer base, and Viaplay is gaining more and more subscribers and we see its goal of becoming a local complement to the market leader Netflix as realistic. In a longer perspective, both the channels and Viaplay are acquisition candidates. We are reminded of last year's deal with TDC that fell at the finish line, and we see consolidation as probable.

MONTHLY REPORT
MARCH 2019



VIKTOR HENRIKSSON
Manager since 2012 and in the business since 1997.

Start date	31/01/2012
Pricing	Daily
Morningstar rating (2019-03-31)	★★
Risk level	5 of 7
ISIN	SE0004392025
Bloomberg	BBG002RW95G7
Management fee	1.60%
Minimum initial investment	0 SEK
Asset under management	1 882 MSEK
Dividend	No
NAV (End of month)	304.93 SEK

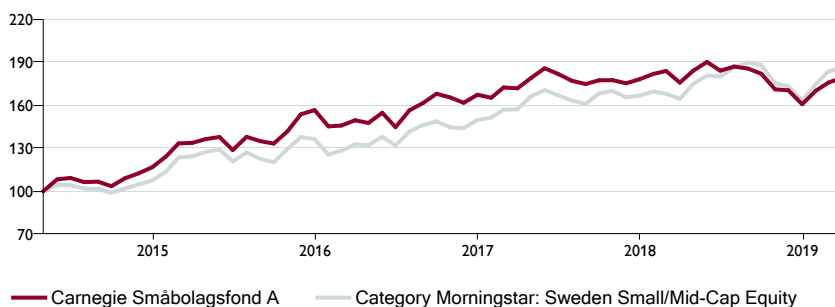
RETURN % (CLOSING NAV)

As of 31/03/2019

	YTD	1 Year	3 Year	5 Year	Since inception
	11.5	1.9	19.9	89.1	204.9

5 YEAR RETURN % (CLOSING NAV)

As of 31/03/2019



RETURN PER MONTH % (CLOSING NAV)

As of 31/03/2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2019	5.90	3.34	1.92										11.53
2018	2.06	1.07	-4.36	4.71	3.28	-3.18	1.55	-0.73	-1.97	-5.95	-0.40	-5.73	-9.84
2017	-1.22	4.38	-0.39	4.15	3.85	-2.12	-2.60	-1.29	1.44	0.08	-1.27	1.69	6.55

Signatory of:



Principles for Responsible Investment



SVERIGES FORUM FÖR HÅLLBARA INVESTERINGAR

Historical returns are no guarantee of future returns. Money invested in the fund may both increase or decrease in value and there is no guarantee that you will be repaid all of your invested capital. Complete prospectus and fund statutes are available at www.carnegiefonder.se.

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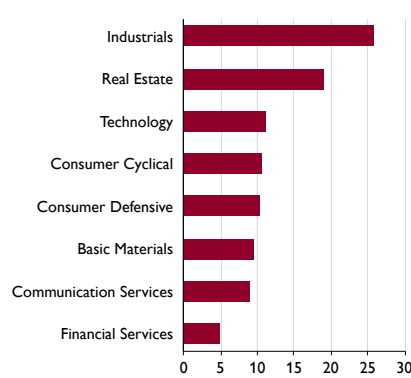
TOP HOLDINGS %

As of 31/03/2019

Atrium Ljungberg	9.0
Scandi Standard	6.3
Nordic Waterproofing	6.2
Concentric	5.8
Stillfront Group	5.8
Bufab	4.8
Fenix Outdoor Int	4.7
Hufvudstaden A	4.7
Fabege B	4.7
Peab	4.7
Total	56.6

SECTOR BREAKDOWN %

As of 31/03/2019

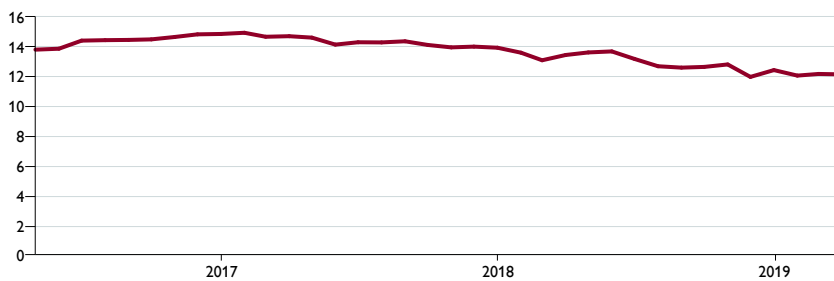

KEY STATS

As of 31/03/2019

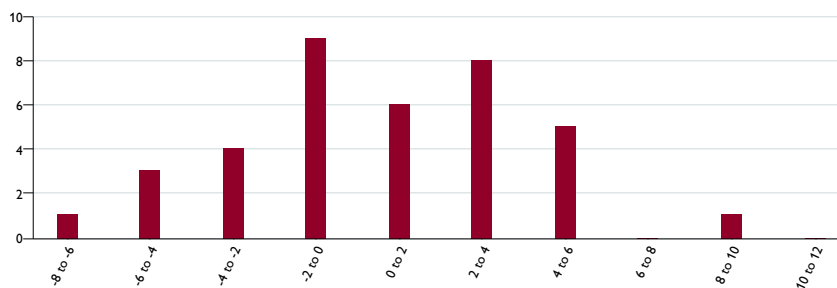
Number of holdings	25
Turnover rate, tms/year (31/12/2016)	0.30
Standard Deviation %, 1 Year	13.50
Standard Deviation %, 3 Year	-
Sharpe Ratio, 1 year	0.17
Sharpe ratio, 3 Year	0.56

STANDARD DEVIATION %

As of 30/04/2016 to 31/03/2019


DISTRIBUTION OF MONTHLY RETURNS %

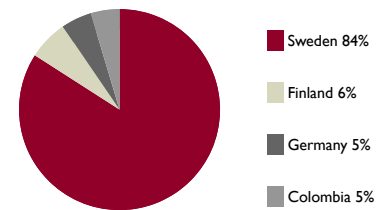
As of 31/03/2016 to 31/03/2019



The Y-axis shows the number of months the fund has a monthly return within the defined range on the X-axis.

GEOGRAPHICAL BREAKDOWN %

As of 31/03/2019


LARGEST CONTRIBUTORS %

As of 31/12/2018 to 31/03/2019

	Resc. weight	Return	Contrib.
Stillfront G...	4.1	73.8	2.6
Concentric A...	5.5	22.7	1.2
Dometic Grou...	4.1	32.8	1.2
Hufvudstaden...	5.1	20.6	1.0
Nordic Water...	5.9	16.6	0.9

SMALLEST CONTRIBUTORS %

As of 31/12/2018 to 31/03/2019

	Resc. weight	Return	Contrib.
Hoist Financ...	1.5	-13.8	-0.2
Byggmax Grou...	2.2	-4.5	-0.1
Scandi Stand...	6.5	-1.1	-0.1
Poolia Ab-B ...	1.0	-6.7	-0.1
Cloetta Ab-B...	3.6	-1.2	0.0

ABOUT CARNEGIE FONDER

We specialise in equity funds and fixed-income funds in Sweden, the Nordic region and in the world's emerging markets. Our funds invest in a selected number of attractively valued assets that we really believe in – an investment philosophy we call focused value management, and which we have retained since our foundation in 1988.

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