

# Key Information Document

## PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## PRODUCT

**Lannebo Småbolag Select**

**Lannebo Fonder AB**

ISIN: SE0000917205

[www.lannebo.se](http://www.lannebo.se)

Call +46 8 5622 5222 for more information.

The Swedish Financial Supervisory Authority is responsible for the supervision of Lannebo Fonder AB in relation to this Key Information Document.

This fund is authorised in Sweden and managed by Lannebo Fonder AB.

Lannebo Fonder AB is authorised in Sweden and regulated by Swedish Financial Supervisory Authority.

The date of production of this KID is **10 July 2023**.

## WHAT IS THIS PRODUCT?

**Type:** Special fund

**Term:** There is no maturity date for the fund. The fund company have a right to close the fund and redeem the units, please see the prospectus for more information.

**Objectives:** The fund invests in shares of small and medium-sized listed companies in the Nordic region, with an emphasis on Sweden. The companies' market capitalisation at the time of investment may not exceed 1% of the total market capitalisation of the Swedish stock market. At the end of December 2022, this meant a market capitalisation of approximately SEK 92 billion. The fund does not invest in companies that violate international conventions or in companies that produce and/or distribute controversial weapons. The Fund also does not invest in companies where more than 5% of the company's turnover comes from the production and/or distribution of tobacco, cannabis, alcohol, weapons, gambling or pornography. Furthermore, the Fund does not invest in companies where more than 5% of the company's turnover is derived from the extraction of fossil fuels (coal, oil and gas). The Fund is managed on the basis of Lannebo Fonder's investment philosophy of active management. This means that we focus on fundamental company analysis and valuation of individual stocks in companies whose business models we understand. We have a strong focus on each individual investment in the fund. To assess the future prospects of a company, we evaluate its business model, market position, risks and development opportunities. When valuing a company, we consider, among other things, its financial position and historical performance. The intention is that each investment should qualify on its own merits. As a result, we invest in companies where we can have an informed opinion on the company's future and where the valuation is sufficiently attractive. We focus on the long-term performance of the company and avoid factors that only affect the share price in the short term. We are independent in our management and make our own decisions. The most attractive stocks, in the opinion of the managers, are the largest holdings in the Fund, regardless of the holdings in the Fund's benchmark index. The Fund's benchmark index is Carnegie Small Cap Return Index Sweden. The Fund normally invests in approximately 30 companies. The fund is a special fund, which means, among other things, that the fund may concentrate its holdings in a smaller number of companies than is the case for a normal equity fund. Deviations from the benchmark index can be both large and small; see the Fund's annual report or prospectus for an account of the Fund's actual deviations from its benchmark index over time. The objective is to provide a good return over the long term, taking into account the level of risk. The management of the fund may be compared with the fund's benchmark. The Fund does not normally pay dividends; all income is reinvested in the Fund. Deposits into and withdrawals from the Fund can normally be made on the last business day of each month.

**Intended Retail Investor:** This fund may be suitable for those who plan to hold their investment for at least five years and who understand that the money invested in the fund may increase or decrease in value and that there is no guarantee that you will get back all the capital invested. To invest in the fund, you do not need to have any particular prior knowledge or experience of funds or financial markets.

**Custodian:** Skandinaviska Enskilda Banken Ab (publ)

Annual and half-yearly reports, prospectus, latest unit prices and other practical information can be obtained here in Swedish and English: [www.lannebo.se](http://www.lannebo.se)

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

### Risk Indicator



**The risk indicator assumes you keep the product for 5 year(s).**

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because

of movements in the markets. We have classified this product as 5 out of 7, which is a medium-high risk class. This means that the fund has a medium risk of increases and decreases in unit value. The indicator mainly reflects the increases and decreases in the value of the shares that the fund invests in.

**Be aware of currency risk.** Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two

currencies. This risk is not considered in the risk indicator shown. Risks not captured by the risk indicator: liquidity risk, the fund may hold large positions in smaller companies, which means that the level of risk when liquidity in the market is limited may be higher than indicated by the indicator.

This product does not include any protection from future market performance so you could lose some or all of your investment.

### Performance Scenarios

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The unfavourable, moderate and favourable scenarios shown are illustrations using the worst, average and best performance of the fund over the last 10 years. Markets may develop quite differently in the future.

### Recommended Holding Period: 5 years

Example Investment = SEK 100,000

#### Scenarios

		If you exit after 1 year	If you exit after 5 years (recommended holding period)
<b>Minimum</b>	<b>There is no minimum guaranteed return. You could lose some or all of your investment.</b>		
<b>Stress</b>	<b>What you might get back after costs</b>	<b>SEK 20,770</b>	<b>SEK 17,930</b>
	Average return each year	-79.2%	-29.1%
<b>Unfavourable</b>	<b>What you might get back after costs</b>	<b>SEK 68,100</b>	<b>SEK 79,070</b>
	Average return each year	-31.9%	-4.6%
<b>Moderate</b>	<b>What you might get back after costs</b>	<b>SEK 113,630</b>	<b>SEK 194,170</b>
	Average return each year	13.6%	14.2%
<b>Favourable</b>	<b>What you might get back after costs</b>	<b>SEK 164,490</b>	<b>SEK 239,610</b>
	Average return each year	64.5%	19.1%

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

The stress scenario show what you might get back in extreme market circumstances.

Unfavourable Scenario: This type of scenario occurred for an investment between December 2021 and June 2023.

Moderate Scenario: This type of scenario occurred for an investment between December 2013 and December 2018.

Favourable Scenario: This type of scenario occurred for an investment between June 2013 and June 2018.

### WHAT HAPPENS IF LANNEBO FONDER AB IS UNABLE TO PAY OUT?

A fund investor owns fund units in a fund. The fund is managed by the fund company, while the fund's securities are held in a separate custodian. The depositary keeps the fund's securities separate from its own assets. In the event of bankruptcy of the depositary or the fund company, the fund's securities are protected from bankruptcy.

### WHAT ARE THE COSTS?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

#### Costs over time

The tables show the amount that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the fund and how well the fund does. These amounts are illustrations based on example investment amount and different possible investment periods. If the fund is part of another product, e.g. unit-linked insurance, there may be other costs for that product.

We have assumed:

-In the first year you would get back the amount that you invested (0% annual return). For the 5 years we assumed the product performs as shown the moderate scenario. We have also assumed that you each year will pay performance fees in accordance with what is shown in the composition of costs table.

-100 000 SEK is invested.

	If you exit after 1 year	If you exit after 5 years
<b>Total costs</b>	<b>SEK 3,540</b>	<b>SEK 38,360</b>
<b>Annual cost impact (*)</b>	3.5% each year	4.2% each year

(\*) This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 18.4% before costs and 14.2% after costs. We may share part of the costs with the person selling you the product to cover the services they provide to you. They will inform you of the amount.

## WHAT ARE THE COSTS? (CONTINUED)

### Composition of costs

One-off costs		If you exit after 1 year
Entry costs	No entry costs are payable when you acquire your investment.	SEK 0
Exit costs	No exit costs are payable when you dispose of your investment.	SEK 0
Ongoing costs		
Other ongoing costs	0,7% of the value of your investment per year. This is an estimate based on actual costs over the last year.	SEK 740
Portfolio transaction costs	0,2% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	SEK 226
Incidental costs		
Performance fees	The actual amount will vary depending on how well your investment performs. The aggregated cost estimation above includes the average over the last five years. Fee is 20% of returns exceeding STIBOR 30 days+5%points. If the return is below the index, no fee is charged before it is compensated. Fee may be charged in case of negative performance.	SEK 2,575

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

### Recommended holding period: 5 year

The fund has no minimum holding period requirement but as it invests in equities it is suitable for a medium to long investment horizon. You should be prepared to invest in the fund for at least 5 years. You will normally be able to redeem your fund units on any business day without any additional charge.

## HOW CAN I COMPLAIN?

If you have any complaints about the product, you may lodge your complaint by writing to the Company at Lannebo Fonder AB, Klagomålsansvarig, Box 7854, 103 99 Stockholm or by email to kundklagomal@lannebo.se or via the Company's website at www.lannebo.se. If you have a complaint about a person who is advising on, or selling, the product you should pursue that complaint with the relevant person in the first instance.

## OTHER RELEVANT INFORMATION

For further documentation about the fund, please see the fund's prospectus and fund rules which are available at the fund's website, www.lannebo.se, together with inter alia current version of this key information document, the fund's annual and semi-annual reports and information regarding costs for previous periods.

Past performance can be found here: [www.lannebo.se/faktablad/](http://www.lannebo.se/faktablad/), the number of years used is 10 years.

Previous performance scenarios calculation can be found here: [www.lannebo.se/faktablad/](http://www.lannebo.se/faktablad/)