

L A N N E B O F O N D E R

ANNUAL REPORT

2016



FOTO: IGETTY IMAGES

Lannebo Europa Småbolag.....	2-4
Lannebo Mixfond.....	5-9
Lannebo Pension.....	10-12
Lannebo Småbolag.....	13-17
Lannebo Småbolag Select	18-22

Lannebo Sverige.....	23-26
Lannebo Sverige Plus.....	27-31
Lannebo Sverige Flexibel.....	32-36
Lannebo Utdelningsfond.....	37-41
Lannebo Vision	42-45

Lannebo Corporate Bond.....	46-49
Lannebo High Yield Allocation.....	50-53
Lannebo Likviditetsfond.....	54-57
Auditor's report.....	58

LANNEBO
FONDER



Management report

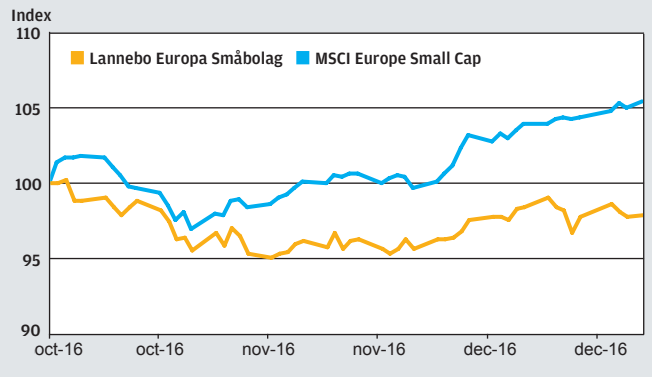
Investment policy:

Lannebo European Small Cap is an actively managed equity fund that invests in small and medium-sized enterprises in Europe. The companies the fund invest in should have a market capitalization not exceeding 5 billion Euros, or the equivalent in another currency at the time of investment. The fund may invest a maximum of 10 per cent of its value in companies with headquarters in Europe, but not listed in Europe, and/or without restriction to the size of the companies' market capitalization.

Fund Managers:

Carsten Dehn/Ulrik Ellesgaard
 carsten.dehn@lannebofonder.dk
 ulrik.ellesgaard@lannebofonder.dk

Performance 17/10/16 – 31/12/16



The recommended investment horizon in the fund is five years. The return since the fund was launched (17/10/16) has been -1.7 per cent.

The fund's performance*

Lannebo Europa Småbolag was launched October 17, 2017. Assets under management was at the end of the year SEK 360m. The net of inflows and outflows during the period amounted to SEK 355m.

The fund decreased during the period by 1.7 per cent while MSCI Europe Small Cap Index (converted in SEK) increased by 4.2 per cent.

Comments to the fund's performance

The best contributor to performance was Alimak. The share price is up by 47 per cent since 17 October. The company made another significant acquisition of Avanti Wind Systems, following the acquisition of FAG just a month earlier. As a consequence Alimak now has diversified its end markets considerably with hoists for façade cleaning and wind turbines. Attractive synergies are likely as many components are shared in the production and design.

The second best contributor was Dürr. The company is well on track to reach the upper end of 2016 guidance for orders, sales and earnings. We expect the Chinese demand is to improve in mid 2017 due to a promising pipeline while the end of the car incentive programme could be a risk if it is not extended. The European market is expected to remain strong in 2017. However, the very good North American order intake in 2016 is certainly not sustainable in 2017.

The worst performer in the portfolio was NCC Group. The share price is down

by 47 per cent since inception of the fund. The UK IT security services specialist issued a trading statement saying that the organic growth in the business was very strong. However it was also stated from management that the company has lost some high margin contracts. This is clearly negative news but we believe that the underlying business is strong and the share price reaction is overdone. It should be stressed that the cash generation is robust and the balance sheet is strong.

The second worst contributor was Inwido. Inwido is the leading manufacturer of windows and doors in the Nordic market. In the result for third quarter, the management communicated that the organic growth was negative mainly related to Sweden. We assess the organic growth will turn positive next year and be therefore believe that the negative share price reaction has been overdone. We believe that the market have overlooked the value added acquisitions and the fact the Inwido is now focusing more on the consumer market instead of the industrial customers which generate higher margins.

The funds five largest holdings at the end of the year were Greencore, Stabilus, Arrow Global, Dürr and dorma+kaba.

Greencore is the leading food-to-go producer in UK with focus on sandwiches. The company benefits from a structural growth and from being able to gain market share. Greencore is therefore able to generate an organic growth of more than 10% and transform the topline growth into cash. The international expansion has been focusing on the US with close

cooperation with 7-eleven and Starbucks. On top of that, the company has announced an acquisition of the US food producer Peacock Food. We expect significant earnings enhancement in the first year post acquisition, driven by strong growth from Peacock and the realisation of cost synergies.

Stabilus is a German company with a global market leading position within gas springs and dampers. The products are mainly sold to the automotive and industrial industry. The customer base is diversified and the company benefits from strong pricing power and economies of scale combined with structurally growing demand. We believe that earnings will grow significantly going forward and that the market undervalues the high quality of the business. We believe that management is too conservative in their guidance meaning that investors will be positively surprised during 2017.

Arrow Global is a UK based debt-purchasing and servicing business with a top three market position in the UK and Portugal. The company has a strong track record in terms of top line growth and return due to a very disciplined executions strategy. We believe that the EPS growth will be above 20 per cent per year in the coming years with a Return on Equity of more than 25 per cent. The valuation is very attractive given the high returns and earnings growth. Valuation also looks attractive compared to the peer group.

Dürr is the world's leading supplier of paint shops and other car production-related systems (65 per cent of sales) as well as woodworking machinery. We

believe that the investment is highly attractive from a risk/reward profile and supported by a fully intact self-help margin recovery story from the wood-working machinery division and solid medium-term automotive fundamentals that could be fuelled short term by additional demand for electric vehicles (EVs), particularly in China, which should help orders recover next year.

dorma+kaba is one of the leading global players in the business for security and access solutions. The Group is a result of a merger in 2015 between Dorma and Kaba and we see a compelling strategic fit between the two companies, mainly due to the high degree of complementarities in terms of product portfolios, regions, construction cycles, and innovation capabilities of the two standalone businesses. In end 2016, dorma+kaba announced that it will acquire Stanley's Mechanical Security businesses with a clear focus on North America. The acquisition also provides a good match in terms of geographies and products, and offers cost and sales synergies.

** The fund has several share classes. Share class SEK is described under "fund performance". Share class EUR can be found under "fund facts".*

Material risks

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, where the share prices do not move in exactly the same way. This is known as diversification. The concentration in the fund's holdings has been relatively low during the year. Overall the diversification effect was very good.

The fund's currency exposure associated with the shareholdings was: 23 per cent GBP, 15 per cent Swedish kronor, 7 per cent SWF, 5 per cent Norwegian kronor and 3 per cent Danish kronor. Other holdings are denominated in Euro. The fund's currency risk is therefore strongly linked to changes in exchange rates between the Euro and other European currencies.

Shares in small cap companies generally have lower liquidity, which requires a greater emphasis on the management of the fund's liquidity risk. The fund is diversified across different issuers, which means liquidity risk is relatively low.

Together with the outcomes of regular stress tests, relevant risk

levels are continually monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. Since the fund's start on October 17, 2016, the fund was managed in accordance with the fund's risk profile during the period.

Derivatives and other techniques and instruments

According to the fund's statutes, the fund has the right to trade in options, futures and similar financial instruments, as well as the right to lend securities. Under current regulations the fund may also use other techniques and instruments in the management of the fund. Derivative instruments have only comprised subscription rights held. The fund has not lent securities during the year. At the closing date, the fund had no exposure as a result of techniques and instruments. Leverage in the fund was a result of subscriptions rights during shorter periods of time.

Fund facts Lannebo Europa Småbolag reg no 515602-8192

Launch date 17/10/16

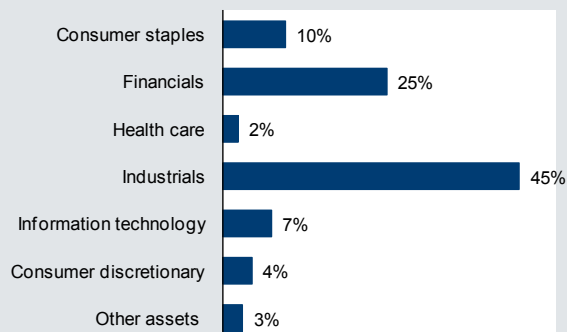
Performance ¹	31/12/16
Net asset (total), SEK thousands	359 872
Shareclass SEK, SEK thousands	299 694
Shareclass EUR, thousand	6 285
NAV	
NAV SEK	9.83
NAV EUR	99,56
Number of outstanding units, thousand	30 556
Shareclass SEK	30 492
Shareclass EUR	63
Dividend SEK per unit	0.00
Annual return, %	
Shareclass SEK	-1.7
Shareclass EUR	-0.4
MSCI Europe Small Cap Index SEK ¹ , %	4.2
MSCI Europe Small Cap Index EUR ¹ , %	5.4
Risk and growth²	
Standard deviation, %	-
Standard deviation benchmark, %	-
Tracking error, %	-
Sharpe ratio	-
Average annual return	
- 24 months, %	-
- 5 yrs, %	-
Costs³	
Management fee, %	1.6
Transaction costs, SEK thousands	-
Transaction costs, %	-
Research costs, SEK thousands	-
Research costs, %	-
Ongoing charges, %	1.62
Sales and redemption fee, %	0.0
Total costs	
- for a single purchase SEK 10 000	-
- for monthly payments SEK 100	-
Turnover	
Turnover ratio	-
Derivatives	
Maximum leverage, %	1.5
Minimum leverage, %	0
Average leverage, %	0.2
Risk assessment method	Commitment approach
Exchange rate EUR	9.58

1) Refers to the period 17/10/16 - 31/12/16.

2) Active Share has not been calculated for the period since the cost of acquiring index data has been deemed excessive in relation to the information value.

3) Ongoing charges has been estimated because the fund is newly started. The ongoing charges may vary from one year to another.

Sector allocation 31/12/16



TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Greencore Group	17 555	4.9
Stabilus	15 589	4.3
Arrow Global Group	15 392	4.3
Dürr	15 197	4.2
dorma+kaba	15 098	4.2

LANNEBO EUROPA SMÅBOLAG

Balance sheet, SEK thousands

	31/12/16
Assets	
Transferable securities	349 286
Total financial instruments with a positive market value (note 1)	349 286
Investment in account with credit institution	10 917
Total investments with a positive market value	10 917
Prepaid expenses and accrued income	138
Total assets	360 341
Liabilities	
Accrued expenses and deferred income	-469
Total liabilities	-469
Total net asset (note 2)	359 872

Income statement, SEK thousands

	17/10/16– 31/12/16
Income and change in value	
Change in value of transferable securities (note 3)	6 517
Interest income (note 4)	-2
Dividends	429
Foreign exchange, gains and losses, net	-623
Total income and change in value	6 321
Costs	
Management fee	
- Fee charged by the fund manager	-990
Other costs	-724
Total costs	-1 714
Net result	4 607

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

Net asset in the beginning of the year	0
Unit issue	365 038
Unit redemption	-9 773
Net result according to income statement	4 607
Net asset at the end of the year	359 872

Note 3 Change in value of transferable securities

Capital gains	35
Capital losses	-7 130
Unrealized gains/losses	13 612
Total	6 517

Note 4 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative.

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
CONSUMER STAPLES				
AAK	SE/SEK	22 756	13 642	3.8
Bakkafrost	FO/NOK	9 000	3 252	0.9
Greencore Group	IE/GBP	631 611	17 555	4.9
			34 449	9.6
FINANCIALS				
Arrow Global Group	UK/GBP	458 079	15 392	4.3
Banca IFIS	IT/EUR	28 602	7 121	2.0
Banca Sistema	IT/EUR	289 585	6 100	1.7
Beazley	UK/GBP	279 568	12 215	3.4
BGEO Group	GE/GBP	31 941	10 747	3.0
Grenke	DE/EUR	8 268	11 796	3.3
Skandiabanken	NO/NOK	81 000	5 998	1.7
SpareBank 1 Nord-Norge	NO/NOK	110 000	6 058	1.7
			75 425	21.0
HEALTH CARE				
Tecan Group	CH/CHF	5 894	8 362	2.3
			8 362	2.3
INDUSTRIALS				
Aalberts Industries	NL/EUR	45 044	13 293	3.7
Alimak	SE/SEK	112 842	14 585	4.1
dorma+kaba	CH/CHF	2 234	15 098	4.2
Dürr	DE/EUR	20 787	15 197	4.2
Ima	IT/EUR	15 859	8 747	2.4
Interpump Group	IT/EUR	69 808	10 394	2.9
Inwido	SE/SEK	128 376	12 132	3.4
Norma Group	DE/EUR	30 802	11 960	3.3
Palfinger	AT/EUR	49 507	13 557	3.8
Rotork	UK/GBP	380 808	10 357	2.9
Stabilus	LU/EUR	31 898	15 589	4.3
TKH Group	NL/EUR	28 648	10 311	2.9
Volution Group	UK/GBP	570 778	10 378	2.9
			161 596	44.9
INFORMATION TECHNOLOGY				
Asetek	DK/NOK	62 933	3 549	1.0
Datalogic	IT/EUR	32 442	5 806	1.6
NCC Group	UK/GBP	315 208	6 424	1.8
SimCorp	DK/DKK	24 433	10 835	3.0
			26 614	7.4
CONSUMER DISCRETIONARY				
CTS Eventim AG & Co. KGaA	DE/EUR	11 759	3 372	0.9
Thule	SE/SEK	87 902	12 526	3.5
			15 898	4.4
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			322 344	89.6
OTHER FINANCIAL INSTRUMENTS				
FINANCIALS				
Aurelius Equity Opportunities SE & Co KGaA	DE/EUR	25 885	13 785	3.8
			13 785	3.8
REAL ESTATE				
Aroundtown Property Holdings	CY/EUR	1 374	13 157	3.7
			13 157	3.7
TOTAL OTHER FINANCIAL INSTRUMENTS			26 942	7.5
TOTAL FINANCIAL INSTRUMENTS			349 286	97.1
Other assets and liabilities, net			10 586	2.9
TOTAL NET ASSET			359 872	100.0

Exchange rate EUR 9,58



Management report

Investment policy:

Lannebo Mixfond is an actively managed balanced fund that invests in equities and fixed-income securities. The fund may invest up to 100 per cent of the fund's assets in either equities or fixed-income securities. The fund primarily invests in Sweden, but has global investment opportunities.

Fund Managers:

Charlotta Faxén/Peter Lagerlöf
charlotta.faxen@lannebofonder.se
peter.lagerlof@lannebofonder.se



The fund's performance

Assets under management increased from SEK 7.1bn at the beginning of 2016 to SEK 8.1bn at the end of 2016. The net of inflows to and outflows from the fund amounted to SEK 685m.

Lannebo Mixfond increased by 4.3 per cent during the period. The benchmark index for Lannebo Mixfond, 50 per cent SIXPRX and 50 per cent Nasdaq OMX Credit SEK, increased by 6.8 per cent. The Swedish equity market (SIXPRX) increased by 9.6 per cent.

Comments to the fund's performance

Equities accounted for 70 per cent of the fund's assets at the beginning of 2016. The equity allocation was gradually reduced from March onwards as uncertainties increased regarding global economic developments. At the end of June equities accounted for 56 per cent. Global economic statistics strengthened significantly during the Autumn and the fund's equity allocation was again increased. At the end of 2016, the equity portion was 70 per cent, and on average during the year equities accounted for 62 per cent of the fund. The equity allocation contributed negatively to performance given the high proportion of equities at the beginning of 2016 when the Swedish equity market was weak.

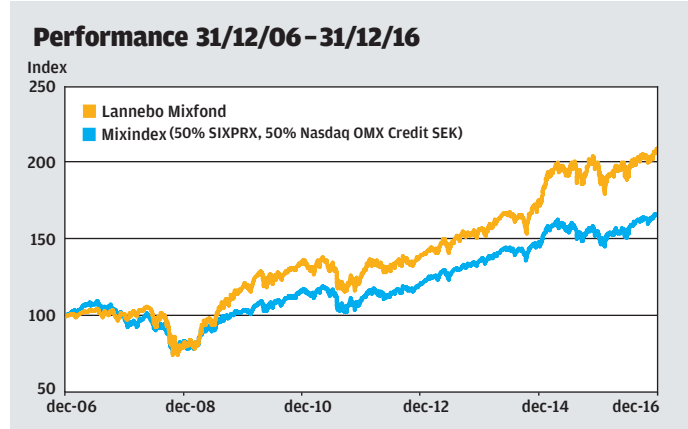
Skandiabanken, Husqvarna and Castellum contributed most positively to the fund's performance. The share price of Norwegian bank Skandiabanken increased by 43 per cent. The company continued to take market share in the Norwegian mortgage market while maintaining a low level of loan losses.

Husqvarna achieved good organic sales growth together with increased profitability prompting shares to increase by 30 per cent. Castellum reported a strong property management performance, and the company completed a major acquisition of the unlisted property company Norrporten; the share price increased by 24 per cent.

Nobia, Kindred (formerly Unibet) and Eltel accounted for the largest negative contributions to performance. Approximately 40 per cent of Nobia's profits are generated in the UK; the share price dropped 18 per cent during the year as a result of uncertainties of the effects on the kitchen market due to the UK's withdrawal from the EU. Kindred's share also fell by 18 per cent. Concerns that several European countries are planning to increase gaming regulation affected the share price negatively, where tougher regulation includes higher tax rates and thus lower profits for gaming companies. Eltel issued a profit warning due to problems related to projects in Norway, Poland, and Africa.

At the end of the period 30 per cent of the fund's assets were allocated to investments in corporate bonds and cash holdings. The fund's credit risk is limited through investments in bonds issued by companies we know well. The average assessed credit rating of the fund's holdings was in the lower investment grade segment, BBB.

The largest net purchases were made in Telia Company, Danske Bank and Metso Corporation. The valuation of Telia Company is attractive and the share provides a significantly higher dividend yield than corporate bonds. Danske Bank made



The return during the recommended five-year investment horizon has been 67.4 per cent. Benchmark Index was before 2016, a weighted index Consisting of 50 percent SIX Portfolio Return Index and 50 percent OMRX T-bill index. Index numbers for 2007-2015 relates OMRX Treasury Bill Index.

significant reserve provisions for future credit losses during the financial crisis, which means that loan losses will remain low for the foreseeable future allowing for high dividend levels going forward. In addition, Danske Bank's shares are valued lower than most other Nordic banks. The Finnish company Metso Corporation will benefit from investments in the mining sector, which is expected to increase in 2017. This is not yet reflected in the share price.

The largest net divestments were made in Atlas Copco, Sandvik and ASSA ABLOY.

Following the strong share price performance, the holdings in Sandvik and Atlas Copco were divested. Hopes of increased investments in the mining sector, and that the economy in general will improve, are already discounted in the companies' share prices and as such the valuations are high. The valuation of ASSA ABLOY has increased gradually in recent years to a level well above the average for the market as a whole. Meanwhile, the company's organic sales growth slowed down.

The five largest holdings at the end of the year were SEB, Thule, H&M, Danske Bank and JM.

SEB is a banking group with 400 000 corporate customers, four million retail clients and 300 branch offices. SEB operations include traditional banking services, investment banking, asset management and life insurance. Operations are concentrated to the Nordic and Baltic countries, as well as Germany. Sweden is the largest market, accounting for nearly 60 per cent of revenues. SEB has a strong balance sheet and as such a potential for

high returns.

Sports and outdoors products company **Thule** is the global market leader in its niche with sales in 139 countries. Traditional products include roof racks and bike carriers, but over the past two years the company has expanded into new segments. The newer product categories include hiking backpacks and jogging strollers.

H&M is rapidly expanding and the company opened 400 stores during 2016. H&M is growing in all retail concepts and has each year established e-commerce in several new countries. At one point sales growth was weak, while costs were high for new retail establishments and for expansion, leading to reduced profits. However, we believe that the pressured margin is temporary and that during 2017 profit growth will once again pick up.

Danske Bank is Denmark's largest financial group and the bank provides all traditional financial services through a branch network that stretches across the whole country. Danske Bank also provides a full range of operations in the other Nordic countries, while in the Baltic countries the bank focuses primarily on corporate clients; there are also limited operations in Northern Ireland. Danske Bank has 3.4 million customers, 280 branch offices in eight countries, and over 19 000 employees.

JM is one of the leading property developers of housing and residential projects, where activities are focused on metropolitan areas and university towns in Sweden, Norway and Finland. Most housing projects are condo apartment buildings. The population, in markets where JM is active, are fast growing and

at the same time experiencing a housing shortage, particularly in urban areas – a trend that favours JM.

Other information

As of 2016, the fund changed its benchmark index. The Mix index now consists of 50 per cent SIXPRX and 50 per cent Nasdaq OMX Credit SEK Total Return Index. See also the fund fact box.

Material risks

The fund has the option of varying the proportion of investments in equities and in fixed income assets. As a result, the fund normally has a lower market risk than a traditional equity fund. The fund's market risk is primarily related to the price fluctuations associated with shares while investments in fixed income assets increase the fund's credit risk. Therefore, the allocation between equities and fixed income assets has a large impact on the fund's risk exposure. Market risk in the fund's equity investments is reduced as a result of the fund holds a variety of different issuers whose prices do not move in exactly the same way. This is known as diversification. The fund has ample margin to the level allowed according to the fund's statutes. The portfolio has a good diversification effect. The market risk in absolute terms, measured as the standard deviation for the fund's return, is substantially below the stock market as a whole (as measured by SIXPRX). The greatest risk associated with the fund's fixed income assets is that the credit rating of one or more of the issuers deteriorates or an issuer becomes

insolvent. If the credit rating of an issuer changes for the worse the market value of the holding will decrease. Should an issuer become insolvent, it may mean that the holdings of the issuer become worthless. The fund invests in corporate bonds with high credit ratings, also called investment grade, and in bonds with lower credit ratings than investment grade or investments that lack a credit rating. The fund mitigates this risk by having a good diversification between issuers and issues.

Liquidity risk may be higher than in funds that only invest in financial instruments issued by companies with an assessed high credit rating. Liquidity may vary due to changes in supply and demand, which results in a risk that holdings in corporate bonds may be harder to value or sell as a result of weak demand. This poses a slightly higher requirement for the management of the fund's liquidity risk.

The fund invests in securities with medium- to long-term duration, which means greater volatility than in a money market fund. The interest rate duration of the fund is less than one year, while credit duration is less than five years.

In addition to Swedish transferable securities, Lannebo Mixfond has the opportunity to invest in foreign financial instruments. The currency exposure of the fund was at year-end 12 per cent and related to exposure in holdings denominated in Danish and Norwegian kroner and Euros. The risk associated with this currency exposure is low.

The fund has not made use of and does not intend to use the opportunity to invest more than 35 per cent of its value in debt securities/promissory note issued or guaranteed by a state, municipality or equivalent in an EEA country.

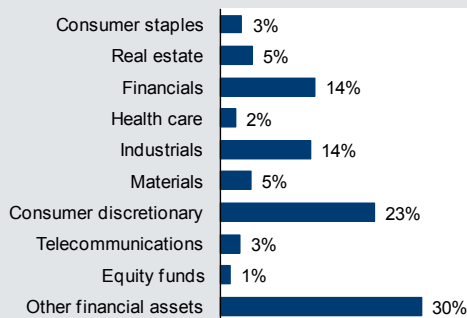
Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund has been managed in accordance with the fund's risk profile during the period.

Derivatives and other techniques and instruments

In accordance with the fund statu-

tes, the fund has the right to trade in options, futures and similar financial instruments, as well as the right to lend securities. Under current regulation, the fund may also use other techniques and instruments in the management of the fund. The fund has made some investments in bonds involving derivatives in the form of the issuer has the right of an early redemption. Currency futures, where Handelsbanken was the counterparty, have been used to manage the fund's currency risk in the fixed income holdings equivalent to at most 0.3 per cent of the fund's value. The fund may provide or receive collateral in the form of cash corresponding to the market value of currency futures to manage counterparty risk. Other derivatives included subscription rights. The fund has not lent securities during the year. At the closing date, the fund had no exposure resulting from other techniques and instruments. The fund's leverage results from subscription rights; the currency derivatives used to manage the currency risk in the fund's fixed income holdings; and holdings of fixed income securities that involve derivatives.

Sector allocation 31/12/16



TOP HOLDINGS

	SEK THOUSANDS	% OF NET ASSET
SEB A	296 492	3.7
Thule	254 790	3.2
H&M B	253 400	3.1
Danske Bank	248 378	3.1
JM	242 407	3.0

LANNEBO MIXFOND

Fund facts Lannebo Mixfond, reg no 504400-7911

Launch date 04/08/00

Performance	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11	31/12/10	31/12/09	31/12/08	31/12/07
Net asset, SEK thousands	8 085 548	7 058 303	5 497 466	4 555 250	3 010 531	2 061 723	1 481 792	506 714	251 172	267 266
NAV, SEK	21.59	20.70	18.04	16.15	14.23	13.16	14.18	12.47	8.64	11.25
Number of outstanding units, thousand	374 576	340 996	304 807	282 092	211 636	156 612	104 503	40 635	29 057	23 747
Dividend, SEK per unit	0.00	0.00	0.00	0.00	0.25	0.07	0.00	0.29	0.21	0.19
Annual return, %	4.3	14.7	11.7	13.5	10.0	-6.7	13.7	47.7	-21.2	1.4
SIX Portfolio Return Index ¹ , %	9.6	10.5	15.9	28.0	16.7	-13.6	26.9	53.3	-39.1	-2.6
Nasdaq OMX Credit SEK Total Return ¹ , %	3.0	-0.3	0.5	0.9	1.2	1.6	0.3	0.4	4.4	3.4
Mixindex ¹ , %	6.8	5.4	8.1	13.8	9.1	-5.4	13.3	25.3	-18.8	0.9
Risk and growth										
Standard deviation, %	9.6	8.6	5.9	6.9	9.5					
Standard deviation benchmark ¹ , %	7.6	6.8	4.6	5.8	7.7					
Tracking error, %	3.7	2.7	2.2	1.8	2.1					
Sharpe ratio	1.0	1.5	1.9	1.5	0.0					
Average annual return										
- 24 months, %	9.4	13.2	12.6	11.8	1.3					
- 5 yrs, %	10.8	8.4	8.2	14.4	6.3					
Costs²										
Management fee, %	1.6	1.6	1.6	1.6	1.6					
Transaction costs ³ , SEK thousands	5 842	4 927	5 249	3 617	2 342					
Transaction costs, %	0.0	0.0	0.1	0.0	0.0					
Research costs ³ , SEK thousands	4 092	2 386								
Research costs, %	0.0	0.0								
Ongoing charges, %	1.66	1.64	1.60	1.60	1.60					
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0					
Total costs										
- for a single purchase SEK 10 000	158	177	168	172	172					
- for monthly payments SEK 100	11	11	11	11	11					
Turnover										
Turnover ratio	0.8	0.8	0.9	1.3	1.7					
Derivatives										
Maximum leverage, %	3.1									
Minimum leverage, %	1.8									
Average leverage, %	2.4									
Risk assessment method	Commitment approach									
Purchases and sales of instruments involving related parties										
Trading with companies within the same group, %	0.0									
Trading involving funds managed by Lannebo Fonder, %	3.2									

1) The value of the Mixindex (50 per cent SIX Portfolio Return Index, 50 per cent Nasdaq OMX Credit SEK) as a benchmark is justified by the fact that this composite index reflects the asset allocation the fund has over time. The Six Portfolio Return Index takes account of the return the shareholders receive in the form of a dividend. Benchmark Index was before 2016, a weighted index consisting of 50 percent SIX Portfolio Return Index and 50 percent OMRX Treasury Bill index. Index numbers for 2007-2015 relates OMRX Treasury Bill Index.

2) Refers to the costs for the last twelve months.

3) Research costs have previously been a component of transaction costs but as of January 1 2015 research costs have been separated from transaction costs and are presented on a separate line.

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	7 763 906	6 821 049
Money market instruments		
OTC-derivative instruments with a positive market values	354	951
Total financial instruments with a positive market value (note 1)	7 764 260	6 822 000
Investment in account with credit institution	381 808	275 939
Total investments with a positive market value	381 808	275 939
Prepaid expenses and accrued income	2 385	1 830
Total assets	8 148 453	7 099 769
Liabilities		
Accrued expenses and deferred income	-10 854	-9 447
Other liabilities	-52 051	-32 019
Total liabilities	-62 905	-41 466
Total net asset (note 2)	8 085 548	7 058 303
Memorandum items		
Collaterals received for OTC-derivatives	370	860
% of net asset	0,0	0,0

Income statement, SEK thousand

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	328 300	787 594
Change in value of OTC-derivative instruments (note 4)	-2 204	2 677
Interest income (note 5)	21 821	33 168
Dividends	123 472	111 280
Foreign exchange gains and losses net	-1 206	-2 836
Total income and change in value	470 183	931 883
Costs		
Management fee		
- Fee charged by the fund manager	-117 826	-100 357
Interest costs	0	-1 583
Other costs	-9 966	-7 345
Total costs	-127 792	-109 285
Net result	342 391	822 598

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

Net asset in the beginning of the year	7 058 303	5 497 466
Unit issue	1 501 162	1 873 661
Unit redemption	-816 308	-1 135 422
Net result according to income statement	342 391	822 598
Net asset at the end of the year	8 085 548	7 058 303

Note 3 Change in value of transferable securities

Capital gains	510 519	830 922
Capital losses	-267 785	-101 823
Unrealized gains/losses	85 566	58 495
Total	328 300	787 594

Note 4 Change in value of OTC-derivative instruments

Capital gains	593	1 726
Capital losses	-2 199	0
Unrealized gains/losses	-598	951
Total	-2 204	2 677

Note 5 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
CONSUMER STAPLES				
Europris	NO/NOK	3 700 613	143 926	1.8
Leröy Seafood Group	NO/NOK	222 782	112 968	1.4
			256 895	3.2
REAL ESTATE				
Balder B	SE/SEK	850 000	156 485	1.9
Castellum	SE/SEK	1 787 995	223 321	2.8
			379 806	4.7
FINANCIALS				
Danske Bank	DK/DKK	900 000	248 378	3.1
Investor B	SE/SEK	630 000	214 515	2.7
Nordax Group	SE/SEK	3 008 665	155 698	1.9
SEB A	SE/SEK	3 103 000	296 492	3.7
Skandiabanken	NO/NOK	3 107 990	230 126	2.8
			1 145 209	14.2
HEALTH CARE				
Swedish Orphan Biovitrum	SE/SEK	1 700 000	181 390	2.2
			181 390	2.2
INDUSTRIALS				
Bravida	SE/SEK	2 870 000	158 568	2.0
Indutrade	SE/SEK	1 134 000	207 522	2.6
Metso	FI/EUR	750 010	194 617	2.4
NIBE Industrier B	SE/SEK	2 282 106	163 855	2.0
Outotec	FI/EUR	1 419 147	67 834	0.8
SKF B	SE/SEK	469 000	78 604	1.0
Trelleborg B	SE/SEK	1 242 224	222 731	2.8
			1 093 730	13.5
MATERIALS				
Huhtamäki	FI/EUR	500 000	168 905	2.1
SCA B	SE/SEK	750 000	192 975	2.4
			361 880	4.5
CONSUMER DISCRETIONARY				
Autoliv SDB	US/SEK	199 000	204 572	2.5
Dometic	SE/SEK	3 476 833	232 774	2.9
H&M B	SE/SEK	1 000 000	253 400	3.1
Husqvarna B	SE/SEK	2 269 050	160 762	2.0
JM	SE/SEK	921 000	242 407	3.0
Kindred SDB	MT/SEK	2 284 427	195 433	2.4
Nobia	SE/SEK	1 905 000	161 639	2.0
Scandic Hotels Group	SE/SEK	2 250 703	172 179	2.1
Thule	SE/SEK	1 788 000	254 790	3.2
			1 877 956	23.2
TELECOMMUNICATIONS				
Telia Company	SE/SEK	6 300 000	231 273	2.9
			231 273	2.9

LANNEBO MIXFOND

	COUNTRY/ CURRENCY	NOMINAL AMOUNT	MARKET VALUE	% OF NET ASSET
FLOATING RATE NOTES (FRN)				
Amer Sports FRN181106	FI/SEK	90 000 000	91 259	1.1
Atrium Ljungberg FRN190319	SE/SEK	42 000 000	42 303	0.5
Balder FRN180521	SE/SEK	23 000 000	23 138	0.3
Castellum FRN180926	SE/SEK	44 000 000	44 479	0.6
Castellum FRN200313	SE/SEK	60 000 000	59 379	0.7
DNB Call FRN200528	NO/SEK	71 000 000	70 225	0.9
Elekta FRN200326	SE/SEK	60 000 000	59 533	0.7
Fortum FRN180320	FI/SEK	50 000 000	50 253	0.6
Getinge FRN180521	SE/SEK	116 000 000	116 518	1.4
Hemfosa Fastigheter FRN170404	SE/SEK	47 000 000	47 218	0.6
Hemsö Fastighets Green Bond FRN210603	SE/SEK	54 000 000	54 583	0.7
Hexagon FRN180917	SE/SEK	130 000 000	130 046	1.6
Ikano Bank FRN180530	SE/SEK	120 000 000	120 170	1.5
Ikano Bank FRN181015	SE/SEK	45 000 000	44 839	0.6
Intrum Justitia FRN190515	SE/SEK	33 000 000	32 920	0.4
Lifco FRN180403	SE/SEK	70 000 000	70 021	0.9
MTG FRN201005	SE/SEK	43 000 000	43 180	0.5
MTG FRN180319	SE/SEK	86 000 000	86 980	1.1
NCC Treasury FRN170306	SE/SEK	28 000 000	28 062	0.3
NCC Treasury FRN180830	SE/SEK	46 000 000	46 862	0.6
Nya SFF FRN180309	SE/SEK	95 000 000	94 987	1.2
SAAB FRN181210	SE/SEK	9 000 000	9 100	0.1
SAAB FRN191212	SE/SEK	30 000 000	30 224	0.4
Scania CV FRN200316	SE/SEK	101 000 000	101 428	1.3
Skanska Financial Services FRN180312	SE/SEK	31 000 000	31 480	0.4
Skanska Financial Services FRN181022	SE/SEK	45 000 000	45 649	0.6
Storebrand Livsforsikring Call FRN200317	NO/NOK	19 000 000	20 010	0.2
Tele2 FRN210511	SE/SEK	59 000 000	59 845	0.7
Vattenfall Call FRN220319	SE/SEK	110 000 000	106 346	1.3
Volvo Treasury FRN190415	SE/SEK	50 000 000	50 386	0.6
Wihlborgs Fastigheter FRN180423	SE/SEK	115 000 000	115 487	1.4
ÅF FRN190321	SE/SEK	19 000 000	19 117	0.2
ÅF FRN200512	SE/SEK	64 000 000	63 835	0.8
			2 009 865	24.9
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			7 538 004	93.2
OTHER FINANCIAL INSTRUMENTS ADMITTED TO TRADING ON A REGULATED MARKET				
EQUITY FUNDS				
iShares EURO STOXX Banks 30-15 ETFDE/EUR		1 000 000	113 656	1.4
			113 656	1.4
TOTAL OTHER FINANCIAL INSTRUMENTS ADMITTED TO TRADING ON A REGULATED MARKET			113 656	1.4
OTHER FINANCIAL INSTRUMENTS				
FLOATING RATE NOTES (FRN)				
Arla Foods Finance FRN190528	DK/SEK	90 000 000	112 246	1.4
			112 246	1.4
CURRENCY FUTURES				
NOK/SEK H170228	SE/NOK	-19 208 317	354	0.0
			354	0.0
TOTAL OTHER FINANCIAL INSTRUMENTS			112 600	1.4
OTHER FINANCIAL INSTRUMENTS			7 764 260	96.0
Other assets and liabilities, net			321 288	4.0
TOTAL NET ASSET			8 085 548	100.0

	% OF NET ASSET
TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES	
SEB	7.6
Castellum	4.0
Balder	2.2
Ikano Bank	2.0
MTG	1.6
ÅF	1.0
Skanska Financial Services	1.0
Handelsbanken	0.0

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

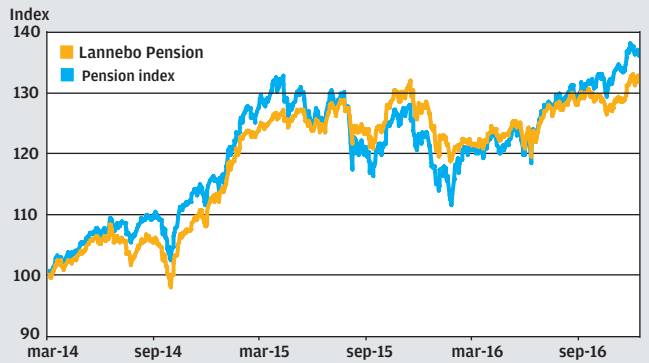
Investment policy:

Lannebo Pension is an actively managed fund of funds (non-UCITS) which invests in equity and fixed income funds in Sweden and globally. The fund may concentrate its investments to a small number of underlying funds by comparison to a typical fund of funds. The fund also has the option, but not as its principle objective, to invest in financial assets other than mutual funds.

Fund Mangers:

Karin Haraldsson/Peter Lagerlöf
 karin.haraldsson@lannebofonder.se
 peter.lagerlof@lannebofonder.se

Performance 17/03/14 – 31/12/16



The recommended investment horizon in the fund is five years. The return since the fund was launched (17/03/14) has been 31.7 per cent.

The fund's performance

Assets under management increased from SEK 227m at the beginning of the year to SEK 251m at the end of 2016. The net of inflows to and outflows from the fund amounted to SEK 17m.

Lannebo Pension increased by 2.9 per cent during 2016. The benchmark index, which consists of 45 per cent SIXRX, 30 per cent MSCI World and 25 per cent Nasdaq OMX Credit SEK, increased by 10.2 per cent during the period. The Swedish equity market (SIXPRX) increased by 9.6 per cent.

Comments to the fund's performance

At the beginning of 2016 the allocation to equity funds amounted to 70 per cent, with the remaining 30 per cent invested in fixed income funds. During January and February, we gradually reduced the allocation to equity funds to 30 per cent of fund assets due to increased uncertainties over global economic developments and the high valuation of the equity market. The allocation to equity funds was increased during March and accounted for 60 per cent of fund assets, and was increased to 75 per cent during the Autumn when global economic indicators improved significantly. At the end of the year the share of fixed income funds and liquid assets was 26 per cent, with the greater part invested in corporate bond

funds with short interest rate durations in order to protect the fund against rising interest rates. The allocation between equity funds and fixed income funds contributed negatively to performance during the period given the proportion of equities was too low following the reallocation at the beginning of the year.

The best performing holdings were Lannebo Sverige Plus, Lannebo Småbolag and Lannebo High Yield Allocation. Lannebo Sverige Plus, which invests primarily in Swedish equities, increased by 13.3 per cent. The benchmark index, SIXPRX, increased by 9.6 per cent. Lannebo Småbolag, which invests in small and medium-sized companies in the Nordic region, increased by 9.7 per cent. The benchmark index, CSRX, increased by 12.2 per cent. The corporate bond market in the Nordic countries did well following the turbulent start to the year and Lannebo High Yield Allocation, which invests in Nordic corporate bonds, increased by 5.6 per cent.

Fidelity European Dynamic and Fidelity Global Dividend were funds held with weaker performance. Fidelity European Dynamic, which invests in European equity markets, decreased by 1.6 per cent; Fidelity Global Dividend, which invests globally in companies with high dividend yields, increased by 0.2 per cent. These funds' respective benchmark indices, the MSCI Europe fell by 1.0 percent and the

MSCI World index increased by 4.5 per cent during the year. Both funds were divested in connection with the reallocation during the Autumn.

The fund's assets allocation at year end was: Swedish equity funds 45 per cent, global equity funds 29 per cent and corporate bond funds and liquid assets 26 per cent.

The largest net investments were in Lannebo Europa Småbolag, which is a new holding, and Fidelity American Growth. Major net divestments were in Fidelity European Dynamic, Fidelity Global Dividend and Lannebo Vision, all of which were divested in their entirety during the year.

Lannebo Sverige Plus is an actively managed equity fund that invests primarily in shares listed on the Stockholm Stock Exchange. Fundamentally, the fund is like a traditional equity fund, but where in some aspects the fund has more flexible investment rules. The fund's focus is otherwise diverse and not specific to any particular industry.

Lannebo Småbolag is an actively managed equity fund with a focus on small and medium-sized enterprises in the Nordic countries, mainly Sweden. Stock selection is based on a long-term fundamental analysis of companies in all industries.

Lannebo Europa Småbolag is an actively managed equity fund with a focus

on small and medium-sized enterprises in Europe. Stock selection is based on long-term fundamental analysis of companies in all industries. The fund started October 17, 2016.

Fidelity American Growth is an actively managed equity fund which primarily invests in US small and medium-sized companies irrespective of the share's weighting in the index. The investment strategy is to find companies that will benefit from long-term growth trends. The focus is on pricing power, sustainable growth and cash flow generation.

Lannebo Corporate Bond is an actively managed fixed income fund. The fund invests primarily in Nordic corporate bonds, with a focus on Sweden. Interest rate sensitivity of the fund is low to protect the fund against rising interest rates.

LANNEBO PENSION

Material risks

The fund has the possibility to vary the allocation between equity and fixed income funds. The fund therefore normally has a lower market risk than, for example, a traditional mutual fund. The risk levels of the underlying equity- and fixed income funds also affect the fund's risk levels. At year-end, equity funds amounted to 74 per cent of the fund.

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund such as this, risk is reduced as a result of the fund investing in underlying funds with varying focus and risk levels, together with ownership in several companies whose share prices do not exhibit exactly the same volatility, which is called diversification. The fund's market risk is further reduced given a portion of the fund's assets can be invested in fixed income funds.

The risks of investing in fixed income funds depend on the interest rate risks and credit risks of the fund's holdings. Fixed income funds that invest in fixed income securities with medium to long term maturities are more affected by changes in interest rates, which may give rise to a higher interest rate risk. Credit risk is the risk that the credit worthiness of any of the issuers deteriorates or that the issuer becomes insolvent. If the creditworthiness of the issuer changes for the worse the market value of the holding deteriorates. In the worst case a holding could be deemed worthless

should an issuer become insolvent. The fund mitigates this risk by investing in underlying funds that have a good diversification between issuers and issues.

Lannebo Pension has the opportunity to invest in foreign funds and funds investing in foreign financial instruments. The currency exposure associated with the fund's holdings was 14 per cent in USD. Other holdings are denominated in Swedish kronor. The fund's currency risk is therefore linked to changes in exchange rates between the USD and against the Swedish kronor.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund was deemed managed in accordance with the fund's risk profile during the period.

Derivatives and other techniques and instruments

In accordance with the fund's statutes, the fund has the right to trade in options, futures and similar financial instruments, as well as the right to lend securities. Under current regulations the fund may also use other techniques and instruments in the management of the fund; none of these were exercised during the year.

Fund facts Lannebo Pension, reg no 515602-6709

Launch date 17/03/14

	31/12/16	31/12/15	31/12/14
Performance			
Net asset, SEK thousands	251 164	227 171	62 767
NAV, SEK	131.92	128.19	112.52
Number of outstanding units, thousand	1 904	1 772	558
Dividend, SEK per unit	0.00	0.00	0.00
Annual return, %	2.9	13.9	12.5
Pension index ¹ , %	10.2	6.9	15.4
Risk and growth			
Standard deviation, %	9.0	-	-
Standard deviation benchmark, %	10.7	-	-
Tracking error, %	3.8	-	-
Sharpe ratio	1.0	-	-
Average annual return			
- 24 months, %	8.3	-	-
- 5 yrs, %	-	-	-
Costs²			
Management fee, %	0.2	0.2	0.2
Transaction costs, SEK thousands	0	0	0
Transaction costs, %	0.0	0.0	0.0
Ongoing charges, %	1.56	1.51	1.67
Sales and redemption fee, %	0.0	0.0	0.0
Total costs			
- for a single purchase SEK 10 000	20	22	-
- for monthly payments SEK 100	1	1	-
Turnover			
Turnover ratio	1.5	1.0	0.6
Leverage	Gross method	Commitment approach	
Maximum leverage, %	98.0	98.0	
Minimum leverage, %	73.1	73.1	
Average leverage, %	94.9	94.9	
As at balance date, %	96.2	96.2	

Derivatives

Risk assessment method Commitment approach

Purchases and sales of financial instruments involving related parties

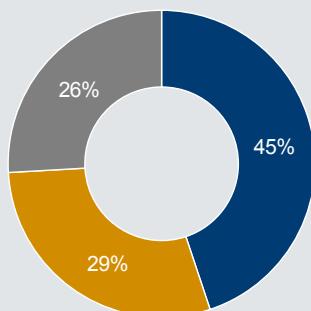
Trading with companies within the same group, %	0.0
Trading involving funds managed by Lannebo Fonder, %	0.0

1) The choice of the comparative Pension Index (45% SIX Return Index, 30% MSCI World Index and 25% of Nasdaq OMX Credit SEK) is justified in that this composite index reflects the asset allocation of the fund over time.

2) Refers to the costs for the last twelve months.

Asset allocation 31/12/16

- Swedish equity funds
- Global equity funds
- Fixed-income funds incl other assets



TOP HOLDINGS

	SEK THOUSANDS	% OF NET ASSET
Lannebo Sverige Plus	74 484	29.7
Lannebo Småbolag	38 248	15.2
Lannebo Europa Småbolag SEK	37 461	14.9
Fidelity American Growth	35 900	14.3
Lannebo Corporate Bond	30 043	12.0

LANNEBO PENSION

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Fund units	241 255	213 385
Total financial instruments with a positive market value (note 1)	241 255	213 385
Investment in account with credit institution	9 951	13 824
Total instruments with a positive market value	9 951	13 824
Total assets	251 207	227 209
Liabilities		
Accrued expenses and deferred income	-43	-38
Total liabilities	-43	-38
Total net asset (note 2)	251 164	227 171

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of fund units (note 3)	7 790	11 365
Interest income (note 4)	-40	-11
Other income	4	18
Total income and change in value	7 754	11 372
Costs		
Management fee		
- Fee charged by the fund manager	-459	-249
Total costs	-459	-249
Net result	7 295	11 123

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

Net asset in the beginning of the year	227 171	62 767
Unit issue	98 245	204 032
Unit redemption	-81 547	-50 751
Net result according to income statement	7 295	11 123
Net asset at the end of the year	251 164	227 171

Note 3 Change in value of fund units

Capital gains	8 735	6 717
Capital losses	-4 584	-42
Unrealized gains/losses	3 640	4 690
Total	7 790	11 365

Note 4 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
OTHER FINANCIAL INSTRUMENTS				
EQUITY FUNDS				
Lannebo Europa Småbolag SEK	SE/SEK	3 810 882	37 461	14.9
Lannebo Småbolag	SE/SEK	467 007	38 248	15.2
Lannebo Sverige Plus	SE/SEK	1 802 618	74 484	29.7
Fidelity American Growth	LU/USD	260 571	35 900	14.3
			186 093	74.1
FIXED INCOME FUNDS				
Lannebo Corporate Bond	SE/SEK	264 928	30 043	12.0
Lannebo High Yield Allocation	SE/SEK	233 231	25 119	10.0
			55 162	22.0
TOTAL OTHER FINANCIAL INSTRUMENTS			241 255	96.1
TOTAL FINANCIAL INSTRUMENTS			241 255	96.1
Other assets and liabilities, net			9 909	3.9
TOTAL NET ASSET			251 164	100.0
TOTAL EXPOSURE TO FUNDS MANAGED BY THE SAME FUND AND / OR MANAGEMENT COMPANY OR GROUP OF COMPANIES				
Lannebo Fonder				81.8

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the the Swedish Alternative Investment Funds Managers Act (2013:561), the Swedish Financial Supervisory Authority's regulations (FFFS 2013:10) regarding Alternative Investment Fund Managers, AIFM-regulations, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

Investment policy:

The fund is an actively managed equity fund that invests in small and medium-sized listed companies in the Nordic region, with the emphasis on Sweden. The companies in which the fund invests may at most have a market capitalization equal to 1 per cent of the Swedish stock market's total market capitalization at the end of the calendar month prior to an investment. By year-end 2016, this meant a market capitalization of approximately SEK61bn.

Fund Manager:

Johan Ståhl
johan.stahl@lannebofonder.se

The fund's performance*

Assets under management increased from SEK 18.9bn at the beginning of the year to SEK 21.4bn as of December 31, 2016. The net of inflows and outflows during the period amounted to SEK 728m.

Lannebo Småbolag increased 9.7 per cent during 2016. The Swedish Carnegie Small Cap Return Index increased 12.2 per cent and outperformed the broader Swedish equities market, expressed as SIX Portfolio Return Index, which increased by 9.6 per cent.

Comments to the fund's performance

Fagerhult, Sweco, NCC, Holmen and Husqvarna contributed most positively to performance during 2016.

Fagerhult benefits from strong growth in LED lighting and a favourable construction market. Sweco acquired the Dutch company Grontmij in 2015 and the integration is ahead of schedule, while demand for Sweco's services is good. NCC benefits from a strong construction market, particularly in Sweden. During the year, Holmen divested its newsprint mill in Madrid which was appreciated by the market. Husqvarna's internal efforts to improve profitability is now showing results and the share price increased by 30 per cent in 2016.

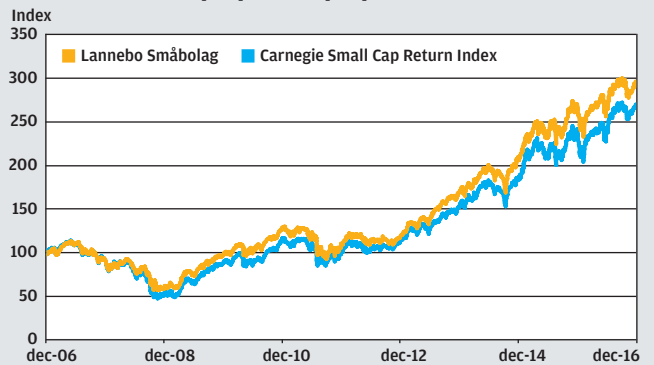
Kindred (formerly Unibet), Nobia, NetEnt, Balder and Duni were holdings with weak price performance during 2016. Kindred continues to grow, but the share price retreated due to fears about upcoming gaming regulations. Nobia's

shares fell during the year due to weak performance in early 2016 and concerns regarding the effects of Brexit. NetEnt's share price fell following a strong price performance in 2015. The property sector performed poorly towards the end of 2016 due to increased market interest rates, which also affected Balder's share price. During 2016, Duni released two weak earnings reports, which weighed on the share price.

The largest net investments were made in Swedish Orphan Biovitrum (Sobi), Intrum Justitia, Trelleborg, Nolato and Dometic. Sobi produces drugs to treat rare diseases, where, above all, haemophilic products have potential. The holding in Intrum Justitia was increased during the first half of the year when the valuation was attractive. Nolato manufactures plastic and silicone products. The company has a strong financial position and good opportunities to grow through acquisitions. Dometic is a leading manufacturer of products for mobile homes, campers and recreational boats. The product range includes refrigerators and air conditioners, and the products are sold in North America (50 per cent), Europe (40 per cent) and the rest of the world (10 per cent).

Major net divestments were made in Indutrade, Kindred, BillerudKorsnäs, NetEnt and Betsson. Indutrade shares were divested in their entirety when the valuation became too high. Following sharp share price increases in 2014 and 2015, the valuation of the gaming sector was no longer as attractive from the

Performance 31/12/06 – 31/12/16



The return during the recommended five-year horizon has been 178.0 per cent.

onset of 2016, and therefore we reduced our exposure to the sector. All shares in Betsson were divested and the holdings in Kindred and NetEnt were reduced. The holding in BillerudKorsnäs was reduced following good share price performance.

The five largest holdings at the end of 2016 were Trelleborg, Huhtamäki, Husqvarna, Intrum Justitia, Castellum.

Trelleborg is a global manufacturer of polymer products. In recent years, the company's structure has changed significantly. Exposure to the automotive industry has been reduced and a major acquisition of an agricultural tire producer was carried out during 2016. Trelleborg announced modified financial goals in connection with the company's Capital Markets Day in December 2016, which include increasing sales by 5-8 per cent per annum (previously 5 per cent organic) and reaching an operating margin of at least 15 per cent (12 per cent). Generally, Trelleborg operates in niche markets where the company has a high market share resulting in good profitability.

Huhtamäki is a global manufacturer of packaging for food, beverage and personal care products. The company is the world's largest manufacturer of egg cartons and one of the largest manufacturers of cups and other paper based food packaging. Customers are global companies such as Unilever, Nestlé, McDonald's and Burger King. Sales are evenly distributed between North America, Europe and emerging markets. Improved standards of living are increasing demand for modern packaging solutions.

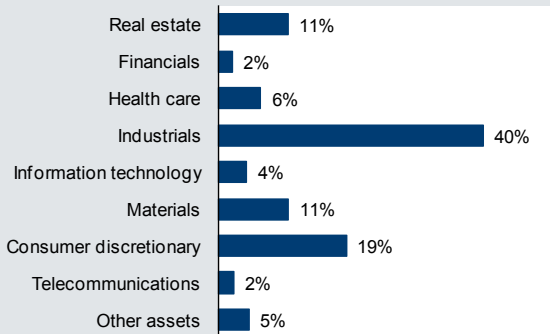
We believe that Huhtamäki is well positioned to continue to grow organically and through acquisitions.

Husqvarna is a leading manufacturer of forest and garden products. Gardena offers products for watering and garden hand tools, as well as electric and battery-powered garden tools. Husqvarna sells chainsaws, trimmers and lawn mowers including various robotic mowers. Consumer Brands sells gardening products in predominately North America under various brand names. Business area Construction sells products to cut, drill, grind and polish mainly to construction and rental companies. Husqvarna is at the forefront of product development and is the market leader in the fast-growing segment of robotic mowers.

Intrum Justitia has two divisions: credit management and the purchase of overdue receivables. Within credit management the company supports customers to collect overdue receivables. Intrum Justitia also purchases defaulted receivables portfolios from, for example, banks, telecoms and energy companies. At the end of 2016 the merger between Intrum Justitia and its competitor Lindorff was announced, creating Europe's leading credit management company with operations in 23 countries and 8 000 employees. The two companies complement each other in terms of geographic locations and customer base. The merger requires the approval by the competition authorities and is expected to be completed during 2017.

Castellum is one of Sweden's largest

Sector allocation 31/12/16



real estate companies with a portfolio valued at SEK 70bn. Office and retail properties account for 80 per cent of the portfolio and industrial/warehouse for the remaining 20 per cent. The Gothenburg, Öresund and Stockholm regions each account for about 20 per cent of the real estate portfolio, while the region in the middle of Sweden accounts for almost 30 per cent. The company's strategy is to actively work with the property portfolio through acquisitions, divestments and project development. Castellum's objective is to increase income from property management by 10 per cent annually, which the company has succeeded with historically. Castellum has increased its dividend each year since the company went public in 1997.

Other information

Share class traded in Euro launched on May 2, 2016.

** The fund has several share classes. Share class SEK is described under "fund performance". Share class EUR can be found under "fund facts".*

Material risks

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding shares in a range of companies, where the share prices do not move in exactly the same way. This is known as diversification. The concentration in the fund's holdings has been relatively low during the year. Overall there is a good diversification effect. In accordance with the fund's statutes, there is a good margin to the allowed concentration levels. The market risk, measured as the standard deviation for the fund's return, was at the end of the period lower than the stock market as a whole (measured as Carnegie Small Cap Return Index).

The currency exposure of the fund was 10 per cent at year-end and relates to exposure in holdings denominated in Danish and Norwegian kroner in addition to Finnish holdings denominated in Euro. The risk associated with this currency exposure was low. The fund has a share class that is traded in Euros, which means that the share class has a strong link to exchange rate fluctuations between the Euro and the Swedish krona.

Shares in small cap companies generally have lower liquidity, which requires a greater emphasis on the management of the fund's liquidity risk. The fund is well diversified across different issuers, which means liquidity risk is relatively low.

Together with the outcomes of regu-

lar stress tests, relevant risk levels are continually monitored and controlled. Appropriate risk measures are used to assess the fund's risk profile. Monitoring of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposure. The fund was managed in accordance with the fund's risk profile during the period.

Derivatives and efficient portfolio management techniques

According to the fund statutes, the fund has the right to trade in options, futures and other financial instruments, and the right to lend securities. Under current regulations, efficient portfolio management techniques may also be used in the management of the fund. During the period the fund had, to a limited extent, lent securities where SEB was the counterpart. At most securities lending during the year was equivalent to 0.5 per cent of the fund's value. Securities lending is secured with collateral having low market risk, low liquidity risk and low credit risk in the form of Swedish treasury bills or government bonds. Collateral received has, at a minimum, corresponded to the market value of the shares lent. Derivatives have only comprised subscription rights. At the closing date, the fund had no exposure due to efficient portfolio management techniques. The fund's leverage is a result of received subscription rights over a shorter period.

TOP HOLDINGS

	SEK THOUSANDS	% OF NET-ASSET
Trelleborg B	1 380 610	6.5
Huhtamäki	1 344 482	6.3
Husqvarna	865 766	4.0
Intrum Justitia	860 720	4.0
Castellum	811 850	3.8

Fund facts Lannebo Småbolag, reg no 504400-7853

Launch date 04/08/00

Share class EUR was launched 02/05/16

Performance	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11	31/12/10	31/12/09	31/12/08	31/12/07
Net asset (total), SEK thousands	21 388 069	18 903 341	15 374 721	14 350 726	8 729 403	9 916 584	14 880 255	8 515 186	3 485 707	4 637 234
Shareclass SEK, thousands	21 386 987									
Shareclass EUR, thousand	113									
NAV, SEK	81.90	74.66	57.12	46.62	32.37	30.98	37.48	28.80	17.96	29.67
NAV, EUR	106.60									
Number of outstanding units, thousand	261 136	253 190	269 184	307 817	269 643	320 061	397 041	295 663	194 095	157 516
Shareclass SEK	261 135									
Shareclass EUR	1									
Dividend, SEK per unit	0.0	0.00	0.00	0.00	1.59	0.60	0.29	0.54	0.73	0.41
Annual return, %										
Shareclass SEK	9.7	30.7	22.5	44.0	9.7	-15.7	31.2	63.4	-36.9	-6.2
Shareclass EUR ⁵	6.6									
Carnegie Small Cap Return Index SEK ¹ , %	12.2	30.1	21.6	36.6	12.6	-13.2	30.6	68.9	-44.4	-6.9
Carnegie Small Cap Return Index EUR ⁴ , %	9.2									
Risk and growth										
Standard deviation, %										
Shareclass SEK	14.9	13.0	11.0	12.4	17.2					
Shareclass EUR	-									
Standard deviation benchmark, % SEK	17.0	15.1	11.7	12.7	16.1					
Standard deviation benchmark, % EUR	-									
Tracking error, %										
Shareclass SEK	5.0	4.8	3.0	3.4	3.6					
Shareclass EUR	-									
Sharpe ratio										
Shareclass SEK	1.3	1.9	2.6	1.8	neg					
Shareclass EUR	-									
Active Share, %	63	65								
Average annual return										
- 24 months, % Shareclass SEK	19.7	26.5	32.8	25.7	-3.8					
- 5 yrs, % Shareclass SEK	22.7	16.4	16.5	23.4	4.6					
- 24 months, % Shareclass EUR	-									
- 5 yrs, % Shareclass EUR	-									
Costs²										
Management fee, %	1.6	1.6	1.6	1.6	1.6					
Transaction costs ³ , tkr	5 922	6 959	10 482	11 525	8 676					
Transaction costs, %	0.1	0.1	0.1	0.1	0.1					
Research costs ³ , tkr	2 785	3 120								
Research costs, %	0.0	0.0								
Ongoing charges, %	1.62	1.62	1.60	1.60	1.60					
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0					
Total costs										
- for a single purchase SEK 10 000	163	187	177	197	173					
- for monthly payments SEK 100	11	11	11	12	10					
Turnover										
Turnover ratio	0.2	0.3	0.2	0.4	0.3					
Derivatives										
Maximum leverage, %	1.5									
Minimum leverage, %	0.0									
Average leverage, %	0.1									
Risk assessment method	Commitment approach									
Purchases and sales of financial instruments involving related parties										
Trading with companies within the same group, %	0.0									
Trading with funds managed by Lannebo Fonder, %	0.6									
Foreign exchange rate EUR	9.58									

1) Carnegie Small Cap Return Index Sweden is an established re-investing and dividend-paying index that includes small and medium-sized companies at NASDAQ OMX Nordic, which best reflect the fund's investment rules. Carnegie Small Cap Return Index Sweden takes account of the return the shareholders receive in the form of a dividend.

2) Refers to the costs for the last twelve months.

3) Research costs have previously been a component of transaction costs but as of January 1 2015 analysis costs have been separated from transaction costs and are presented on a separate line.

4) Converted to EUR 31/12/16.

5) Refers to the period 02/05/16-31/12/16.

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	20 446 328	17 598 398
Total financial instruments with a positive market value (note 1)	20 446 328	17 598 398
Investment in account with credit institution	966 246	1 315 894
Total investments with a positive market value	966 246	1 315 894
Prepaid expenses and accrued income	544	519
Other assets	3 562	13 678
Total assets	21 416 680	18 928 489
Liabilities		
Accrued expenses and deferred income	-28 299	-25 148
Other liabilities	-312	0
Total liabilities	-28 611	-25 148
Total net asset (note 2)	21 388 069	18 903 341

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3,4)	1 667 695	4 485 649
Interest income (note 5)	-4 955	-1 191
Dividends	412 339	369 496
Foreign exchange gains and losses, net	-12	0
Other financial income (note 4)	588	782
Other income	0	2
Total income and change in value	2 075 655	4 854 738
Kostnader		
Management fee		
- Fee charged by the fund manager	-310 481	-274 500
Other costs	-8 706	-10 081
Total costs	-319 187	-284 581
Net result	1 756 468	4 570 157

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

Net asset in the beginning of the year	18 903 341	15 374 721
Unit issue	4 716 140	4 452 523
Unit redemption	-3 987 880	-5 494 060
Net result according to income statement	1 756 468	4 570 157
Net asset at the end of the year	21 388 069	18 903 341

Note 3 Change in value of transferable securities

Capital gains	1 690 053	2 528 975
Capital losses	-460 968	-114 181
Unrealized gains/losses	438 610	2 070 855
Summa	1 667 695	4 485 649

Note 4 Income and expenses from techniques for effective securities management

The fund lends securities in order to improve management efficiency. For 2016, revenues amounted to 588 thousand SEK (2015: 782). All revenue from lending goes to the fund. No significant operational costs or charges have been charged to the fund in 2016 or 2015.

Note 5 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated..

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
REAL ESTATE				
Balder B	SE/SEK	2 100 000	386 610	1.8
Bonava A	SE/SEK	200 000	27 920	0.1
Bonava B	SE/SEK	4 010 000	566 212	2.6
Castellum	SE/SEK	6 500 000	811 850	3.8
Hemfosa Fastigheter	SE/SEK	5 435 000	461 975	2.2
			2 254 567	10.5
FINANCIALS				
Latour B	SE/SEK	1 325 000	453 415	2.1
			453 415	2.1
HEALTH CARE				
Addlife B	SE/SEK	1 315 528	181 214	0.8
Elekta B	SE/SEK	3 200 000	257 920	1.2
Recipharm B	SE/SEK	1 450 000	175 450	0.8
Swedish Orphan Biovitrum	SE/SEK	3 810 000	406 527	1.9
Vitrolife	SE/SEK	222 824	86 233	0.4
Össur hf	IS/DKK	8 309 919	269 268	1.3
			1 376 612	6.4
INDUSTRIALS				
Addtech B	SE/SEK	4 317 000	615 173	2.9
Beijer Alma B	SE/SEK	1 800 000	419 400	2.0
Beijer Ref B	SE/SEK	2 398 000	517 968	2.4
Bravida	SE/SEK	9 015 040	498 081	2.3
Bufab	SE/SEK	2 200 000	171 050	0.8
Concentric	SE/SEK	2 800 471	318 554	1.5
Fagerhult	SE/SEK	1 909 000	445 752	2.1
Intrum Justitia	SE/SEK	2 800 000	860 720	4.0
Lindab	SE/SEK	4 789 276	349 857	1.6
NCC B	SE/SEK	2 378 649	536 147	2.5
NIBE Industrier B	SE/SEK	9 100 000	653 380	3.1
Nordic Waterproofing	DK/SEK	1 000 000	86 500	0.4
PKC	FI/EUR	837 291	126 751	0.6
Securitas B	SE/SEK	4 200 000	602 280	2.8
Sweco B	SE/SEK	3 465 105	624 412	2.9
Tomra Systems	NO/NOK	3 561 591	339 729	1.6
Trelleborg B	SE/SEK	7 700 000	1 380 610	6.5
			8 546 363	40.0
INFORMATION TEHNOLOGY				
HiQ International	SE/SEK	3 610 000	222 015	1.0
NetEnt B	SE/SEK	5 740 000	403 522	1.9
Nolato B	SE/SEK	1 125 000	295 875	1.4
			921 412	4.3
MATERIALS				
BillerudKorsnäs	SE/SEK	2 200 000	336 600	1.6
Holmen B	SE/SEK	1 810 000	591 508	2.8
Huhtamäki	FI/EUR	3 980 000	1 344 482	6.3
			2 272 590	10.6
CONSUMER DISCRETIONARY				
Dometic	SE/SEK	6 750 000	451 913	2.1
Duni	SE/SEK	2 150 000	268 750	1.3
Husqvarna A	SE/SEK	1 500 000	105 900	0.5
Husqvarna B	SE/SEK	10 725 000	759 866	3.6
Kindred SDB	MT/SEK	5 850 000	500 468	2.3
MTG B	SE/SEK	875 000	236 250	1.1
Mekonomen	SE/SEK	1 390 000	238 385	1.1
Nobia	SE/SEK	8 100 000	687 285	3.2
Thule	SE/SEK	4 175 000	594 938	2.8
			3 843 754	18.0
TELECOMMUNICATIONS				
Tele2 B	SE/SEK	6 800 000	496 740	2.3
			496 740	2.3

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
			20 165 453	94.3
OTHER FINANCIAL INSTRUMENTS				
CONSUMER DISCRETIONARY				
Kambi	MT/SEK	2 100 000	280 875	1.3
			280 875	1.3
TOTAL OTHER FINANCIAL INSTRUMENTS			280 875	1.3
TOTAL FINANCIAL INSTRUMENTS			20 446 328	95.6
Other assets and liabilities, net			941 741	4.4
TOTAL NET ASSET			21 388 069	100.0
TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES				
Husqvarna				4.0
Bonava				2.8

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

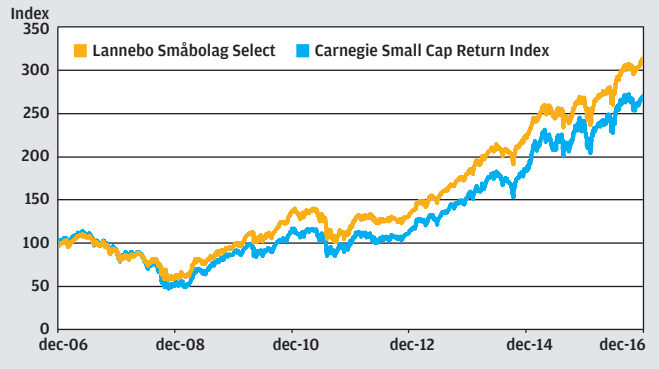
Investment policy

Lannebo Småbolag Select is an actively managed equity fund (non-UCITS) that invests in small and medium-sized listed companies in the Nordic region, with the emphasis on Sweden. The companies in which the fund invests may at most have a market capitalization equal to 1 per cent of the Swedish stock market's total market capitalization. By year-end 2016, this meant a market capitalization of approximately SEK61bn.

Fund Manager:

Mats Gustafsson
mats.gustafsson@lannebofonder.se

Performance 31/12/06 – 31/12/16



The return during the recommended five-year horizon has been 168.9 per cent.

The fund's performance

Assets under management increased from SEK 2.6bn at the beginning of the year to SEK 3.0bn by year-end. During 2016, the net of inflows to and outflows from the fund amounted to SEK -90m.

The value of a fund unit in Lannebo Småbolag Select increased in 2016 by 17.0 per cent for an investment made at the start of the fund. Carnegie Small Cap Return Index Sweden (CSRX) increased by 12.2 per cent during the same period.

Comments to the fund's performance

The large holding in specialty paper company Munksjö was the largest contributor to last years' performance. During 2016, the share price increased by over 80 per cent. The company's earnings growth exceeded market expectations during the year, and in November Munksjö announced a merger with Finnish Ahlstrom. Another major holding that performed well on the equity market was residential developer Bonava that NCC distributed to its shareholders in June. Bonava benefits from the significant need for new housing in Sweden and Germany. Engineering consultancy Sweco also stood out positively with both a strong share price performance and a successful integration of the sizable acquisition Grontmij; Sweco's share price increased more than 40 per cent in 2016. The share price of lighting company Fagerhult also increased by 40 per cent due to continued strong demand for LED-based products. Clothing retail chain KappAhl significantly increased its earnings during the year, triggering a share price increase of more than 60 per

cent, thereby recovering the share price decline from 2015. Vitrolife sells products for fertility treatment. The share price was very strong in the first half of 2016, and the fund later reduced its holding. Lift manufacturer Alimak Group had a strong share price run towards the end of the year in connection with the company's announcement of two large acquisitions that together double Alimak's turnover. Kitchen manufacturer Nobia and Duni, that sells table top products among other things, were the year's worst performing holdings. The UK is a major market for Nobia, and the weakening pound has affected the company negatively. Additionally, Nobia's share price had a weak development following the outcome of the British EU referendum. Duni reported a profit decline for the first nine months due to weak development in Central Europe.

Several new investments were made during 2016. In the beginning of the year, the fund invested in the construction company NCC; in June NCC distributed its residential development business, Bonava, to its shareholders. Bonava's strategy is to develop and provide affordable housing in selected cities in Northern Europe. The fund increased its holding in Bonava following the spin-off. Credit management company Intrum Justitia was also a new holding. In November, Intrum Justitia announced a merger with industry colleague Lindorff, which should lead to significant synergies and increased growth opportunities. Telecom operator Tele2 was another new holding. Tele2 is active in several European countries, but its most profitable operations are in Swe-

den and the Baltic countries. Also on the list of new holdings was security company Securitas that reported strong growth during the past year, partly because of increased concerns in the world at large. During the spring, the fund invested in the specialty pharmaceutical company Swedish Orphan Biovitrum (Sobi). Sobi is focused on rare diseases, primarily haemophilia. In November, the fund invested in the industrial group VBG Group, which among other things sells coupling equipment for trucks with heavy trailers. VBG Group later acquired the Swedish company MCC, a leader in climate control for buses, among others. During the year, the fund increased its holding in Dometic; the company sells refrigerators and climate products for motor homes and campers.

During the spring the fund divested its longstanding holding in Wahlborgs Fastigheter, whose home market is the Öresund region. At the same time the fund increased its holding in the property company Fabege that is exposed to the strong real estate market in the Stockholm region. During the year, the remaining shares in the Danish jewellery company Pandora were divested. Pandora was an extremely successful investment and since 2013, when the original investment was made, the share price quadrupled. In early 2016, all shares were divested in gaming company Unibet - a share that had a sensational run in 2015. The holding in the Danish cosmetics chain Matas was divested as we are not convinced that the company's high profit margins are sustainable. The fund reduced the holdings in Munksjö, Sweco and KappAhl after the strong share price

performance over the past year.

The funds five largest holdings at the end of the year were OEM International, Bonava, Fabege, Beijer Ref and Fagerhult.

OEM International is a long-term holding. OEM International sells components to industrial customers, for example electrical and flow technology components. Sweden is clearly the company's largest market, but OEM International is represented in a total of 13 European countries.

Bonava is a housing development company spun off from NCC. Bonava sells new built housing units to individuals and property companies. Bonava's largest markets are Sweden and Germany. Bonava is also present in Finland, Denmark, Norway, Estonia, Latvia and St. Petersburg in Russia.

The property company **Fabege** has a real-estate portfolio concentrated to the Stockholm region. Fabege's commercial properties are situated in central Stockholm, Solna and Hammarby Sjöstad. In addition, Fabege has an interesting project portfolio in Solna, where new office spaces are being constructed for major tenants such as ICA and SEB.

Beijer Ref sells products within refrigeration and air conditioning, predominantly third-party products. Europe is the company's principal market, but Beijer Ref has also expanded to Oceania and Africa. The largest end-user segment is food retailers requiring, for example, components for refrigerators and freezers.

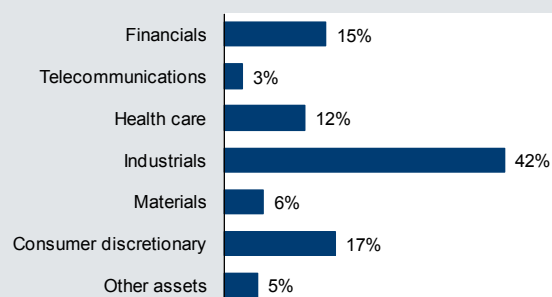
Fagerhult is active in the lighting industry and sells lighting solutions for public environments such as offices, shops and outdoor environments. Fager-

hult benefits from the significant demand for energy-efficient lighting solutions.

Other information

The fund is closed for further investments as of April 1, 2015. The fund's return threshold was increased April 1, 2016 to 30-day STIBOR plus 5 percentage points (previous threshold: 30-day STIBOR plus 3 percentage points).

Sector allocation 31/12/16



TOP HOLDINGS

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
OEM International B	196 610	6.6
Bonava B	186 581	6.3
Fabege	162 841	5.5
Beijer Ref B	136 321	4.6
Fagerhult	131 057	4.4

Material risks

Investments in equities are associated with market risk in the form of fluctuations in share prices. In a fund this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way. This is known as diversification. In special funds, this diversification effect may be smaller than in a traditional mutual fund as a result of special funds having the opportunity for a more concentrated portfolio than traditional mutual funds.

The fund seeks a level of risk, measured as the standard deviation of the variation in the fund's total return, which over time is in line with the stock market as a whole (measured by Carnegie Small Cap Return Index). At the end of the period this measure of market risk was substantially lower for the fund than the stock market as a whole.

The concentration of the fund's holdings can be slightly higher in comparison to a traditional mutual fund. Overall, the diversification effect was good.

The fund's currency exposure at the end of the year was about 8 per cent and relates to exposure in holdings denominated in Danish and Norwegian kroner and Finnish holdings denominated in Euro. The risk associated with the currency exposure is low.

Shares in small companies generally have lower liquidity, which require

greater emphasis on the management of liquidity risk in the fund. The fund is diversified across different issuers, which means liquidity risk is low.

Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Relevant risk measures are used to assess the fund's risk profile. The fund's concentration level and the degree of active management are measures included in the system that is used to manage the fund's risk exposure. The management of the fund was in accordance with the fund's risk profile during the period.

Derivatives and other techniques and instruments

According to the fund's statutes, the fund has the right to trade in options, futures and similar financial instruments, as well as the right to lend securities. Under current regulations the fund may also use other techniques and instruments in the management of the fund. During the year, the fund has undertaken to subscribe for shares in, and to guarantee a small portion, of an upcoming new share issue. Derivative instruments have only comprised the subscription rights. The fund has not lent securities during the year. At the closing date, the fund had no exposure as a result of techniques and instruments. Leverage in the fund was a result of the subscription rights during shorter periods of time.

LANNEBO SMÅBOLAG SELECT

Fund facts Lannebo Småbolag Select, reg no 504400-7929

Launch date 31/10/00

	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11	31/12/10	31/12/09	31/12/08	31/12/07
Performance										
Net asset, SEK thousands	2 977 730	2 626 273	2 271 372	2 028 424	1 638 086	1 546 352	1 966 977	1 501 272	991 501	1 680 261
NAV, SEK	989.57	940.56	1 002.12	1 066.40	1 023.00	956.02	1 131.43	1 011.02	681.07	1 059.67
Number of outstanding units, thousand	3 009	2 792	2 267	1 902	1 601	1 617	1 738	1 485	1 456	1 587
Dividend, SEK per unit	0.00	0.00	0.00	0.00	39.49	0.00	22.87	0.00	0.00	0.00
Annual return ¹ , %	17.0	20.4	24.1	36.7	12.6	-13.8	42.5	60.9	-35.7	-7.8
Carnegie Small Cap Return Index ² , %	12.2	30.1	21.6	36.6	12.6	-13.2	30.6	68.9	-44.4	-6.9
Benchmark, %	4.5	3.0	3.6	4.1	4.9	5.1	3.7	3.9	7.7	6.7
Risk and growth										
Standard deviation, %	11.7	10.5	8.8	9.9	16.8					
Standard deviation benchmark, %	17.0	15.1	11.7	12.7	16.1					
Tracking error, %	8.0	7.4	4.5	5.7	5.6					
Sharpe ratio	1.6	2.0	3.0	2.1	neg					
Active Share, %	79	82								
Average annual return										
- 24 months, %	18.7	22.2	30.2	24.1	-0.9					
- 5 yrs, %	21.9	14.7	18.6	24.9	7.4					
Costs³										
Management fee (including performanc fee), %	3.6	4.5	5.1	4.5	0.7					
Transaction costs ⁴ , SEK thousands	1 383	1 566	2 069	1 858	1 427					
Transaction cost, %	0.1	0.1	0.1	0.1	0.1					
Research costs ⁴ , SEK thousands	894	877								
Research costs, %	0.0	0.0								
Ongoing charges, %	0.73	0.73	0.70	0.70	0.70					
Sales and redemption fee,%	0.0	0.0	0.0	0.0	0.0					
Total costs										
- for a single purchase SEK 10 000	343	390	430	430	75					
- for a single purchase SEK 100 000	3 435	3 898	4 304	4 298	752					
Turnover										
Turnover ratio, ggr	0.4	0.4	0.3	0.4	0.3					
Leverage										
	Gross method			Commitment approach						
Maximum leverage, %						97.3				
Minimum leverage, %						90.0				
Average leverage, %						93.6				
As at balance sheet date, %						92.5				
Derivatives										
Maximum leverage, %						0.6				
Minimum leverage, %						0.0				
Average leverage, %						0.0				
Risk assessment method						Commitment approach				
Purchases and sales of financial instruments involving related parties										
Trading with companies within the same group, %						0.0				
Trading with funds managed by Lannebo Fonder, %						0.3				

1) For an investment made at the beginning of each year.

2) Carnegie Small Cap Return Index Sweden is an established re-investing and dividend-paying index that includes small and medium-sized companies at NASDAQ OMX Nordic, which best reflect the fund's investment rules.

3) Refers to the costs for the last twelve months.

4) Research costs have previously been a component of transaction costs but as of January 1 2015 research costs have been separated from transaction costs and are presented on a separate line.

LANNEBO SMÅBOLAG SELECT

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	2 830 019	2 492 187
Total financial instruments with a positive market value (note 1)	2 830 019	2 492 187
Investment in account with credit institution	227 755	211 076
Total investments with a positive market value	227 755	211 076
Prepaid expenses and accrued income	1 121	1 008
Other assets	0	17 957
Total assets	3 058 895	2 722 228
Liabilities		
Accrued expenses and deferred income	-81 165	-95 225
Other liabilities	0	-730
Total liabilities	-81 165	-95 955
Total net asset (note 2)	2 977 730	2 626 273
Memorandum items		
Commitments (note 5)	32 267	-
% of net asset	1,1	-

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	481 014	518 290
Interest income (note 4)	-646	-169
Dividends	63 155	55 608
Other income	0	-1
Total income and change in value	543 523	573 728
Costs		
Management fee		
- Fee charged by the fund manager	-99 512	-115 330
Other costs	-2 278	-2 444
Total costs	-101 790	-117 775
Net result	441 733	455 954

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

Net asset in the beginning of the year	2 626 273	2 271 372
Unit issue	0	173 086
Unit redemption	-90 276	-274 139
Net result according to income statement	441 733	455 954
Net result at the end of the year	2 977 730	2 626 273

Note 3 Change in value of transferable securities

Capital gains	385 966	592 335
Capital losses	-45 965	-9 038
Unrealized gains/losses	141 013	-65 007
Total	481 014	518 290

Note 4 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

Note 5 Commitments

VBG will make a new issue which Lannebo Fonder AB through Lannebo Småbolag Select has undertaken to subscribe for shares and to guarantee a small part of the issue. This commitment can amount to 32 267 SEK thousand, which would correspond to about 1.1 percent of the NAV as at 31/12/16.

Part of the issue	32 267
% of net asset	1,1

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
REAL ESTATE				
Bonava B	SE/SEK	1 321 397	186 581	6.3
Fabege	SE/SEK	1 093 624	162 841	5.5
Kungsleden	SE/SEK	1 855 432	107 151	3.6
			456 573	15.3
HEALTH CARE				
RaySearch B	SE/SEK	402 157	74 198	2.5
Recipharm B	SE/SEK	573 334	69 373	2.3
Swedish Orphan Biovitrum	SE/SEK	689 083	73 525	2.5
Vitrolife	SE/SEK	208 672	80 756	2.7
Össur hf	IS/DKK	1 982 669	64 245	2.2
			362 098	12.2
INDUSTRIALS				
Alimak	SE/SEK	825 048	106 637	3.6
Beijer Alma B	SE/SEK	232 674	54 213	1.8
Beijer Ref B	SE/SEK	631 118	136 321	4.6
Bravida	SE/SEK	1 393 514	76 992	2.6
Fagerhult	SE/SEK	561 274	131 057	4.4
Intrum Justitia	SE/SEK	286 359	88 027	3.0
Lindab	SE/SEK	1 280 952	93 574	3.1
NCC B	SE/SEK	272 876	61 506	2.1
OEM International B	SE/SEK	1 302 055	196 610	6.6
Securitas B	SE/SEK	539 634	77 384	2.6
Sweco B	SE/SEK	613 421	110 538	3.7
Tomra Systems	NO/NOK	625 983	59 711	2.0
VBG Group B	SE/SEK	400 000	64 200	2.2
			1 256 771	42.2
MATERIALS				
Holmen B	SE/SEK	194 321	63 504	2.1
Munksjö	FI/EUR	741 556	112 187	3.8
			175 692	5.9
CONSUMER DISCRETIONARY				
Dometic	SE/SEK	1 316 241	88 122	3.0
Duni	SE/SEK	633 381	79 173	2.7
KappAhl	SE/SEK	1 273 227	64 298	2.2
Mekonomen	SE/SEK	665 267	114 093	3.8
Nobia	SE/SEK	1 049 407	89 042	3.0
Thule	SE/SEK	445 589	63 496	2.1
			498 225	16.7
TELECOMMUNICATIONS				
Tele2 B	SE/SEK	1 104 190	80 661	2.7
			80 661	2.7
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			2 830 019	95.0
TOTAL FINANCIAL INSTRUMENTS			2 830 019	95.0
Other assets and liabilities, net			147 711	5.0
TOTAL NET ASSET			2 977 730	100.0

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the the Swedish Alternative Investment Funds Managers Act (2013:561), the Swedish Financial Supervisory Authority's regulations (FFFS 2013:10) regarding Alternative Investment Fund Managers, AIFM-regulations, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

Investment policy

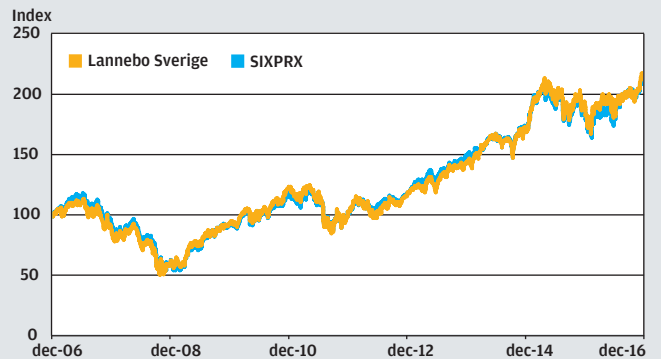
Lannebo Sverige is an actively managed equity fund that invests in equities on the Swedish stock market.

Fund Managers:

Lars Bergkvist/Martin Wallin
lars.bergkvist@lannebofonder.se
martin.wallin@lannebofonder.se



Performance 31/12/06 – 31/12/16



The return during the recommended five-year horizon has been 117.4 per cent.

The fund's performance

Assets under management increased from SEK 3.5bn at the beginning of 2016 to SEK 4.4bn at year end. The net between inflows to and outflows from the fund amounted to SEK 442m during the period.

Lannebo Sverige increased during the period by 11.0 per cent, and the Stockholm Stock Exchange (SIXPRX) increased by 9.6 per cent.

Comments to the fund's performance

Meda, Volvo, Sandvik, Swedbank and SEB contributed most positively to performance.

The holding in Meda had a strong positive share price performance following the bid by Mylan at a high premium to the then prevailing share price. In contrast to previous years, and despite the sharp downturn in the US market, Volvo reported good earnings. Sandvik continued its restructuring efforts and the new management presented the results of the strategic review, which was appreciated by the market. During 2016, Swedbank and SEB performed well on the equity market despite falling market interest rates and increased regulatory requirements to strengthen their balance sheet; banks managed to compensate this with lower costs and increasing interest margins to an extent that surprised the market.

The largest net investments were made in Investor, AstraZeneca, Nokia, Stora Enso and Nordea.

Investor's share provides exposure to a diversified portfolio with holdings in se-

veral of the Stockholm Stock Exchange's leading companies. Investor also has several wholly owned companies with leading positions in selected niches. The shares are traded at a discount to NAV. AstraZeneca's earnings were pressured due to lower prices in connection with the expiration of patents for several of the company's major products; this should taper off in 2017 given the company has several interesting drugs approaching approval from regulatory authorities, including products within immune oncology that significantly improve the care of cancer patients. Nokia has significant potential to improve earnings after the merger with Alcatel-Lucent. Significant cost synergies will be realized in the upcoming quarters, and the company has strengthened its market position both geographically and in terms of product offering. Stora Enso is undergoing a transformation from a traditional forestry company with significant paper operations, to a company with a focus on consumer packaging. In addition, the company has exiting a period of heavy investment. During 2016, the fund had significant holdings in bank shares; however, the banks comprising the biggest holdings varied during the year. The fund increased its holding in Nordea following a relatively weak share price performance.

Larger net-divestments were made in Meda, Skanska, Ericsson, Swedbank and BillerudKorsnäs. The shareholding in Meda was divested in its entirety in connection with Mylan's bid for the company, which we judged well reflected Meda's

long-term value. The holdings in Skanska and BillerudKorsnäs were divested entirely as we judged that the share price potential was limited at current earnings levels. Although Ericsson has a strong position in the mobile infrastructure market, the company's challenges over the short- and medium-term are significant, and as such we chose to substantially reduce the holding. Swedbank was the best performing of the Swedish bank shares and the fund reduced its holding.

The funds five largest holdings at the end of the year were H&M, Volvo, Nordea, SEB and Investor.

H&M is a global clothing retailer with more than 4,200 stores in 64 markets. After a period of weaker profit growth, partly due to high expansion costs, we estimate that the company's earnings growth will intensify. Factors contributing to profit growth are a reduced effect of a stronger dollar, which increased purchasing costs, and good growth in the company's online sales.

Volvo is a leading manufacturer of trucks, buses and construction equipment. Over a prolonged period, Volvo has focused on building a global business in these segments, and the company is now committed to significantly improving productivity. Our assessment is that this major change will lead to a sustained higher operating margin, which is not fully reflected in the current share price.

Nordea is the largest of the Nordic banks. The bank currently has over ten million customers, 700 branch offices and a strong market position in both the pri-

vate and corporate customer segments. The bank is also a leading provider of life and pension solutions. The bank's size and scope, both with regard to products and geographic coverage, provides opportunities for diversification and economies of scale.

SEB's ambition is to be the leading Nordic bank for companies and financial institutions, and to be the best universal bank in Sweden and the Baltic countries. When regulators require an increasingly larger percentage of equity capital to match the banks' lending SEB's emphasis on revenues from fees becomes a relative advantage. SEB also has a continued potential to lower its cost base.

Investor, founded by the Wallenberg family 100 years ago, is a prominent leading owner of international companies. The holding in Investor, at a significant discount, gives the fund exposure to several of the Stockholm Stock Exchange's most successful companies. In addition, Investor has a number of wholly owned companies, such as Mölnlycke Health Care and Permobil, and investments in EQT.

Material risks

Investments in equities are associated with market risk in the form of fluctuations in share prices. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way. This is known as diversification.

At year-end, the fund was relatively concentrated. The diversification effect in the portfolio, however, is still

good. The market risk, measured as the standard deviation of the fund's return, was at year-end somewhat higher than that of the stock market as a whole (measured as SIXPRX).

Together with the outcomes of regular stress tests, relevant risk levels are constantly monitored and followed-up. Relevant risk measures are used to assess the fund's risk profile. The fund's concentration level, together with the degree of active management, are

among measures included in the system that is used to manage the fund's risk exposure. The management of the fund was in accordance with the fund's risk profile during the year

Derivatives and other techniques and instruments

According to the fund statutes, the fund has the right to trade in options, futures and other financial instruments, and the right to lend securi-

ties. Under current regulations, other techniques and instruments may also be used in the management of the fund. Derivative instruments have only comprised the subscription rights. The fund has not lent securities during the year. At the closing date, the fund had no exposure due to techniques and instruments. Leverage in the fund is a result of the subscription rights held over a shorter period.

Fund facts Lannebo Sverige, reg no 504400-7796

Launch date 04/08/00

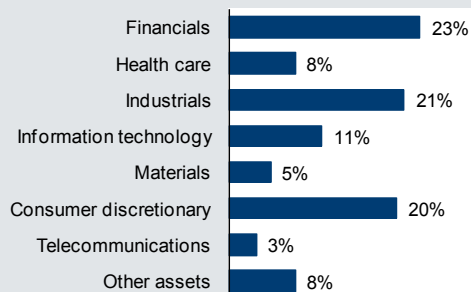
Performance	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11	31/12/10	31/12/09	31/12/08	31/12/07
Net asset, SEK thousands	4 328 919	3 466 082	3 054 270	2 864 241	2 942 835	2 677 589	4 410 498	2 393 800	572 015	665 045
NAV, SEK	32.26	29.05	25.71	21.54	17.24	15.58	19.37	14.81	9.61	15.88
Number of outstanding units, thousand	134 179	119 323	118 802	132 946	170 719	171 854	227 662	161 613	59 503	41 892
Dividend, SEK per unit	0.00	0.00	0.00	0.00	0.81	0.25	0.10	0.18	0.54	0.87
Annual return, %	11.0	13.0	19.4	24.9	15.9	-18.3	31.5	56.0	-35.7	-8.2
SIX Portfolio Return Index ¹ , %	9.6	10.5	15.9	28.0	16.7	-13.6	26.9	53.3	-39.1	-2.6
Risk and growth										
Standard deviation, %	15.4	13.4	9.8	13.5	19.4					
Standard deviation benchmark, %	14.9	13.7	9.3	11.7	15.6					
Tracking error, %	4.6	3.2	3.2	4.2	6.1					
Sharpe ratio	0.8	1.2	2.0	1.4	neg					
Active Share, %	57	59								
Average annual return										
- 24 months, %	12.0	16.1	22.1	20.3	-2.7					
- 5 yrs, %	16.7	9.8	13.2	19.4	4.5					
Costs²										
Management fee, %	1.6	1.6	1.6	1.6	1.6					
Transaction costs ³ , SEK thousands	4 865	6 237	10 622	10 970	10 523					
Transaction costs, %	0.1	0.1	0.1	0.1	0.1					
Research costs ³ , SEK thousands	3 171	6 188								
Research costs, %	0.0	0.1								
Ongoing charges, %	1.69	1.79	1.60	1.60	1.62					
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0					
Total costs										
- for a single purchase SEK 10 000	161	182	177	181	176					
- for monthly payments SEK 100	11	11	11	11	11					
Turnover										
Turnover ratio, ggr	1.1	1.6	1.4	1.6	1.6					
Derivatives										
Maximum leverage, %	0.3									
Minimum leverage, %	0.0									
Average leverage, %	0.0									
Risk assessment method	Commitment approach									
Purchases and sales of financial instruments involving related parties										
Trading with companies within the same group, %	0.0									
Trading involving funds managed by Lannebo Fonder, %	0.1									

1) The SIX Portfolio Return Index is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange, with the restriction that no company may exceed 10% and that companies comprising 5% or more must not total more than 40% together (weighting restriction in accordance with UCITS). This means that the index reflects the fund's investment rules well. The Six Portfolio Return Index takes account of the return the shareholders receive in the form of a dividend.

2) Refers to the costs for the last twelve months.

3) Research costs have previously been a component of transaction costs but as of January 1 2015 research costs have been separated from transaction costs and are presented on a separate line.

Sector allocation 31/12/16



TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
H&M B	395 304	9.1
Volvo B	351 120	8.1
Nordea	293 770	6.8
SEB A	275 184	6.4
Investor B	270 698	6.3

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	3 980 286	3 361 345
Total financial instruments with a positive market value (note 1)	3 980 286	3 361 345
Investment in account with credit institution	371 417	115 105
Total investments with a positive market value	371 417	115 105
Other assets	21 112	8 401
Total assets	4 372 815	3 484 851
Liabilities		
Accrued expenses and deferred income	-5 798	-4 644
Other liabilities	-38 099	-14 125
Total liabilities	-43 897	-18 769
Total net asset (note 2)	4 328 919	3 466 082

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	367 093	363 481
Interest income (note 4)	-706	-96
Dividends	121 337	90 799
Total income and change in value	487 724	454 184
Costs		
Management fee		
- Fee charged by the fund manager	-58 711	-52 032
Other costs	-8 037	-12 426
Total costs	-66 748	-64 458
Net result	420 975	389 726

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

	2016	2015
Net asset in the beginning of the year	3 466 082	3 054 270
Unit issue	1 152 639	967 326
Unit redemption	-710 779	-945 240
Net result according to income statement	420 975	389 726
Net result at the end of the year	4 328 919	3 466 082

Note 3 Change in value of transferable securities

	2016	2015
Capital gains	290 912	771 476
Capital losses	-184 379	-136 850
Unrealized gains/losses	260 561	-271 145
Total	367 093	363 481

Note 4 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
FINANCIALS				
Investor B	SE/SEK	795 000	270 698	6.3
Nordea	SE/SEK	2 900 000	293 770	6.8
SEB A	SE/SEK	2 880 000	275 184	6.4
Swedbank A	SE/SEK	716 000	157 735	3.6
			997 386	23.0
HEALTH CARE				
AstraZeneca	UK/SEK	353 000	175 476	4.1
Swedish Orphan Biovitrum	SE/SEK	1 600 000	170 720	3.9
			346 196	8.0
INDUSTRIALS				
Atlas Copco B	SE/SEK	474 000	117 836	2.7
Eltel	SE/SEK	1 528 000	95 500	2.2
SKF B	SE/SEK	500 000	83 800	1.9
Saab B	SE/SEK	518 000	176 379	4.1
Sandvik	SE/SEK	800 000	90 160	2.1
Volvo B	SE/SEK	3 300 000	351 120	8.1
			914 795	21.1
INFORMATION TECHNOLOGY				
Ericsson B	SE/SEK	3 030 000	162 105	3.7
Net Insight B	SE/SEK	15 000 000	133 500	3.1
			295 605	6.8
MATERIALS				
Holmen B	SE/SEK	279 000	91 177	2.1
Stora Enso R SEK	FI/SEK	1 300 000	127 335	2.9
			218 512	5.0
CONSUMER DISCRETIONARY				
Autoliv SDB	US/SEK	128 000	131 584	3.0
Electrolux B	SE/SEK	840 000	190 092	4.4
H&M B	SE/SEK	1 560 000	395 304	9.1
Nobia	SE/SEK	1 850 000	156 973	3.6
			873 953	20.2
TELECOMMUNICATIONS				
Tele2 B	SE/SEK	1 990 000	145 370	3.4
			145 370	3.4
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			3 791 817	87.6
OTHER FINANCIAL INSTRUMENTS				
INFORMATION TECHNOLOGY				
Nokia SEK	FI/SEK	4 300 000	188 469	4.4
			188 469	4.4
TOTAL OTHER FINANCIAL INSTRUMENTS			188 469	4.4
TOTAL FINANCIAL INSTRUMENTS			3 980 286	91.9
Other assets and liabilities, net			348 632	8.1
TOTAL NET ASSET			4 328 919	100.0
TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES				
SEB				14.4

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

Investment policy:

Lannebo Sverige Plus is an actively managed equity fund that mainly invests in equities on the Swedish stock market. The fund is fundamentally similar to Lannebo Sverige but may, e.g., invest 130 per cent in shares that the fund management company is positive about and, at the same time, balance this by reducing its share exposure by, for example, 30 per cent through the sale of stock that the fund does not own, so-called short selling.

Fund Managers:

Lars Bergkvist/Martin Wallin
 lars.bergkvist@lannebofonder.se
 martin.wallin@lannebofonder.se

The fund's performance

Assets under management increased from SEK 4.9bn at the beginning of the year to SEK 7.6bn at year-end. The net of inflows to and the outflows from the fund were SEK 1,843m during the period.

Lannebo Sverige Plus increased during the period by 13.3 per cent, while the Stockholm Stock Exchange (SIXPRX) increased by 9.6 per cent.

Comments to the fund's performance

Meda, Volvo, Sandvik, Swedbank and SEB contributed most positively to performance.

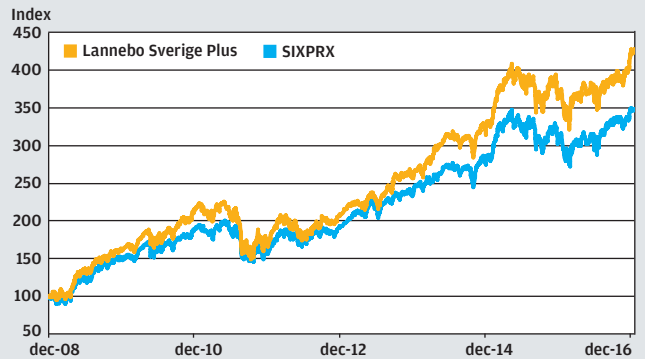
The holding in Meda had a strong positive share price performance following the bid by Mylan at a high premium to the then prevailing share price. In contrast to previous years, and despite the sharp downturn in the US market, Volvo reported good earnings. Sandvik continued its restructuring efforts and the new management presented the results of the strategic review, which was appreciated by the market. During 2016, Swedbank and SEB performed well on the equity market despite falling market interest rates and increased regulatory requirements to strengthen their balance sheet; banks managed to compensate this with lower costs and rising interest margins to an extent that surprised the market.

The largest net investments were made in Investor, AstraZeneca, Nokia, Danske Bank and Nordea.

Investor's share provides exposure to a diversified portfolio with holdings in several of the Stockholm Stock Exchange's leading companies. Investor also has several wholly owned companies with leading positions in selected niches. The shares are traded at a discount to NAV. AstraZeneca's earnings were pressured due to lower prices in connection with the expiration of patents for several of the company's major products; this should taper off in 2017 given the company has several interesting drugs approaching approval from regulatory authorities, including products within immune oncology that significantly improve the care of cancer patients. Nokia has significant potential to improve earnings after the merger with Alcatel-Lucent. Significant cost synergies will be realized in the upcoming quarters, and the company has strengthened its market position both geographically and in terms of product offering. Danske Bank is a new holding. Danske Bank's equity capital and earnings are valued lower than Swedish universal banks, which is why we believe the share to be an attractive investment. During 2016, the fund had significant holdings in bank shares; however, the banks comprising the biggest holdings varied during the year. The fund increased its holding in Nordea following a relatively weak share price performance.

Larger net-divestments were made in Meda, Skanska, Ericsson, Swedbank and BillerudKorsnäs.

Performance 11/12/08 – 31/12/16



The return during the recommended five-year horizon has been 139.1 per cent.

The shareholding in Meda was divested in its entirety in connection with Mylan's bid for the company, which we judged well reflected Meda's long-term value. The holdings in Skanska and BillerudKorsnäs were divested entirely as we judged that the share price potential was limited at current earnings levels. Although Ericsson has a strong position in the mobile infrastructure market, the company's challenges over the short- and medium-term are significant and as such we chose to substantially reduce the holding. Swedbank was the best performing of the Swedish bank shares and the fund reduced its holding.

The fund's five largest holdings at the end of the year were H&M, Investor, Volvo, Nordea and Nokia.

H&M is a global clothing retailer with more than 4,200 stores in 64 markets. After a period of weaker profit growth, partly due to high expansion costs, we estimate that the company's earnings growth will intensify. Factors contributing to profit growth are a reduced effect of a stronger dollar, which increased purchasing costs, and good growth in the company's online sales.

Investor, founded by the Wallenberg family 100 years ago, is a leading owner of international companies. The holding in Investor, at a significant discount, gives the fund exposure to several of the Stockholm Stock Exchange's most successful companies. In addition, Investor has a number of wholly owned companies, such

as Mölnlycke Health Care and Permobil, and investments in EQT.

Volvo is a leading manufacturer of trucks, buses and construction equipment. Over a prolonged period, Volvo has focused on building a global business in these segments, and the company is now committed to significantly improving productivity. Our assessment is that this major change will lead to a sustained higher operating margin, which is not fully reflected in the current share price.

Nordea is the largest of the Nordic banks. The bank currently has over ten million customers, 700 branch offices and a strong market position in both the private and corporate customer segments. The bank is also a leading provider of life and pension solutions. The bank's size and scope, both with regard to products and geographic coverage, provides opportunities for diversification and economies of scale.

Nokia, following the sale of the mobile phone business to Microsoft and the acquisition of Alcatel-Lucent, is a company focused on the communications systems market. In addition, the company has an extensive patent portfolio to capitalize on. Our assessment is that the equity market has significantly underestimated Nokia's sustainable earnings ability.

LANNEBO SVERIGE PLUS

Material risks

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way. This is known as diversification.

At the end of the period, the fund was relatively concentrated. The diversification effect is however very good. Market risk, measured as the standard deviation of the fund, was at the end of the year slightly higher than the stock market as a whole (measured as SIXPRX).

Unlike traditional equity funds, Lannebo Sverige Plus is able to take both long and short positions in shares and equity-related instruments, which can have both a positive and a negative effect on the fund's market risk. The fund's net exposure measures the sum of all long positions minus the sum of all short positions, and is a measure of the

fund's leverage. Lannebo Sverige Plus can have a net exposure of between 50 and 150 per cent with an ambition to have a net exposure of around 100 per cent over time. Gross exposure measures the sum of all long and short positions, which for Lannebo Sverige plus may be a maximum of 200 per cent. At year-end, the fund's net exposure was 92 per cent and the fund's gross exposure was 99 per cent. The fund thus had a low gross exposure. A high gross exposure means a risk of the fund losing value on both the long and the short position, which could lead to a greater total loss than is the case with a portfolio that does not take short positions.

At the end of the year, the gross exposure from derivatives, techniques and instruments, was limited and was 3 per cent of the fund's value.

In addition to Swedish transferable securities, the fund has the ability to, to a certain extent, invest in foreign

financial instruments. The currency exposure of the fund was 9 per cent as of the end of the period and is related to holdings denominated in Danish crowns and Finnish holdings denominated in Euros. The fund's currency exposure at year-end provided a slight positive diversification effect.

Together with the outcomes of regular stress tests, relevant risk levels are constantly monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the half year.

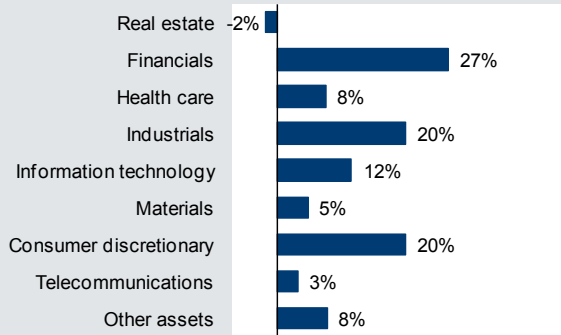
Derivatives and other techniques and instruments

According to the fund statutes, the fund has the right to trade in options, futures

and other financial instruments, and the right to lend securities. Under current regulations, other techniques and instruments may also be used in the management of the fund. Derivatives have only covered subscription rights held.

The fund has not lent securities but to a limited extent the fund has borrowed shares, where SEB was the counterpart, in order to short sell shares we believed would have a weak price performance. For equity loans the fund pledges assets that may exceed the value of the borrowed shares, which means that the fund may have counterparty risk. At the closing date the fund had exposure due to techniques and instruments. The leverage in the fund is a result of short sales and subscription rights held.

Sector allocation 31/12/16



TOP HOLDINGS

SEK THOUSANDS

% OF NET ASSET

H&M B	690 515	9.1
Investor B	612 900	8.1
Volvo B	606 480	8.0
Nordea	531 825	7.0
Nokia EUR	408 554	5.4

Fund facts Lannebo Sverige Plus, reg no 515602-2989

Launch date 11/12/08

	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11	31/12/10	31/12/0
Performance								
Net asset, SEK thousands	7 567 670	4 874 123	2 476 338	1 702 390	1 375 473	1 196 182	1 643 399	197 516
NAV, SEK	41.32	36.48	32.17	26.07	20.33	17.78	21.91	16.38
Number of outstanding units, SEK	183 159	133 608	76 977	65 311	67 643	67 270	75 002	12 059
Dividend, SEK per unit	0.00	0.00	0.00	0.00	0.52	0.00	0.00	0.00
Annual return, %	13.3	13.4	23.4	28.2	17.3	-18.9	33.8	63.8
Six Portfolio Return Index ¹ , %	9.6	10.5	15.9	28.0	16.7	-13.6	26.9	53.3
Risk and growth								
Standard deviation, %	15.8	13.8	10.5	14.2	21.3			
Standard deviation benchmark, %	14.9	13.7	9.3	11.7	15.6			
Tracking error, %	4.4	3.3	4.5	5.2	8.0			
Sharpe ratio	0.9	1.3	2.2	1.4	neg.			
Active Share, %	61	68						
Average annual return								
- 24 months, %	13.3	18.3	25.8	22.6	-2.4			
- 5 yrs, %	19.0	11.3	15.0	-	-			
Costs²								
Management fee (including performance fee), %	1.4	1.7	1.4	1.0	1.0			
Transaction costs ³ , SEK thousands	13 830	10 746	11 434	9 037	7 211			
Transaction costs, %	0.1	0.1	0.1	0.1	0.1			
Research costs ³ , tkr	8 818	8 966						
Research costs, %	0.0	0.0						
Ongoing charges, %	1.16	1.25	1.00	1.00	1.00			
Sales and redemption fee %	0.0	0.0	0.0	0.0	0.0			
Total costs								
- for a single purchase SEK 10 000	157	196	161	114	111			
-for monthly payments SEK 100	9	11	11	7	7			
Turnover								
Turnover ratio, ggr	1.8	2.3	2.3	2.6	2.3			
Derivatives								
Maximum leverage, %	13.2							
Minimum leverage, %	3.0							
Average leverage, %	8.3							
Risk assessment method	Commitment approach							
Purchases and sales of financial instruments involving related parties								
Trading with companies within the same group, %	0.0							
Trading involving funds managed by Lannebo Fonder, %	0.2							

1) The SIX Portfolio Return Index is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange, with the restriction that no company may exceed 10 per cent and that companies comprising 5 per cent or more must not total more than 40 per cent together (weighting restriction in accordance with UCITS). This means that the index reflects the fund's investment rules well. The Six Portfolio Return Index takes account of the return the shareholders receive in the form of a dividend.

2) Refers to the costs for the last twelve months.

3) Research costs have previously been a component of transaction costs but as of January 1 2015 research costs have been separated from transaction costs and are presented on a separate line.

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	7 241 646	5 209 400
Total financial instruments with a positive market value (note 1)	7 241 646	5 209 400
Investment in account with credit institution	632 939	207 867
Total investments with a positive market value	632 939	207 867
Prepaid expenses and accrued income	298	284
Other assets	21 112	16 581
Total assets	7 895 995	5 434 132
Liabilities		
Other financial instrumentw with a negative market value	-261 698	-513 019
Total financial instruments with a negative market value	-261 698	-513 019
Accrued expenses and deferred income	-7 339	-4 375
Other liabilities	-59 288	-42 615
Total liabilities	-328 325	-560 009
Total net asset (note 2)	7 567 670	4 874 123
Memorandum		
Pledged assets for borrowed financial instruments	446 999	792 548
% of net asset	5.9	16.3

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3,4)	798 234	321 739
Interest income (note 5)	-1 305	-171
Dividends	160 248	94 180
Total income and change in value	957 177	415 748
Costs		
Management fee		
- Fee charged by the fund manager	-80 498	-59 048
Other financial costs (incl. in note 4)	-3 048	-14 010
Other costs	-22 674	-19 712
Total costs	-106 220	-92 770
Net result	850 957	322 978

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

	2016	2015
Net asset in the beginning of the year	4 874 123	2 476 338
Unit issue	3 497 512	3 375 939
Unit redemption	-1 654 922	-1 301 132
Net result according to income statement	850 957	322 978
Net asset at the end of the year	7 567 670	4 874 123

Note 3 Change in value of transferable securities

Capital gains	619 845	742 882
Capital losses	-320 619	-194 101
Unrealized gains/losses	499 008	-227 042
Total	798 234	321 739

Note 4 Income and expenses from techniques for effective securities management

For 2016 the change in value for short sold shares was 59 349 thousand SEK (2015: -10 657). The revenue generated as a result of equity release in short sales have not been quantified separately but are included as part of the sum of the income and change in value for 2016 and 2015.

	2016	2015
Other financial costs are distributed as follows		
Dividend on short sold shares	-16 397	-11 256
Costs for effective securities management		
Costs for securities lending	-3 048	-2 730
Bank costs	-24	-24
	-19 469	-14 010

Note 5 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

LANNEBO SVERIGE PLUS

Investments in financial instruments as at 31/12/16
(expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
REAL ESTATE				
Castellum	SE/SEK	-500 000	-62 450	-0.8
Castellum Lån	SE/SEK	500 000	0	0.0
Fabege	SE/SEK	-400 000	-59 560	-0.8
Fabege Lån	SE/SEK	400 000	0	0.0
Wallenstam B	SE/SEK	-200 000	-14 180	-0.2
Wallenstam B Lån	SE/SEK	400 000	0	0.0
			-136 190	-1.8
FINANCIALS				
Danske Bank	DK/DKK	1 000 000	275 975	3.6
Investor B	SE/SEK	1 800 000	612 900	8.1
Nordea	SE/SEK	5 250 000	531 825	7.0
SEB A	SE/SEK	3 400 000	324 870	4.3
Swedbank A	SE/SEK	1 242 000	273 613	3.6
			2 019 183	26.7
HEALTH CARE				
AstraZeneca	UK/SEK	603 000	299 751	4.0
Swedish Orphan Biovitrum	SE/SEK	2 600 000	277 420	3.7
			577 171	7.6
INDUSTRIALS				
ASSA ABLOY B	SE/SEK	-200 000	-33 820	-0.4
ASSA ABLOY B Lån	SE/SEK	200 000	0	0.0
Atlas Copco B	SE/SEK	790 000	196 394	2.6
Eltel	SE/SEK	2 652 000	165 750	2.2
SKF B	SE/SEK	1 120 000	187 712	2.5
Saab B	SE/SEK	890 000	303 045	4.0
Sandvik	SE/SEK	1 330 000	149 891	2.0
Skanska B	SE/SEK	-284 000	-61 088	-0.8
Skanska B Lån	SE/SEK	400 000	0	0.0
Volvo B	SE/SEK	5 700 000	606 480	8.0
			1 514 364	20.0
INFORMATION TECHNOLOGY				
Ericsson B	SE/SEK	5 240 000	280 340	3.7
Net Insight B	SE/SEK	21 350 000	190 015	2.5
Nokia EUR	FI/EUR	9 300 000	408 554	5.4
			878 909	11.6
MATERIALS				
BillerudKorsnäs	SE/SEK	-200 000	-30 600	-0.4
BillerudKorsnäs Lån	SE/SEK	200 000	0	0.0
Holmen B	SE/SEK	503 000	164 380	2.2
Stora Enso R SEK	FI/SEK	2 350 000	230 183	3.0
			363 963	4.8
CONSUMER DISCRETIONARY				
Autoliv SDB	US/SEK	230 000	236 440	3.1
Electrolux B	SE/SEK	1 450 000	328 135	4.3
H&M B	SE/SEK	2 725 000	690 515	9.1
Noblia	SE/SEK	3 075 000	260 914	3.4
			1 516 004	20.0
TELECOMMUNICATIONS				
Tele2 B	SE/SEK	3 375 000	246 544	3.3
			246 544	3.3
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKAD			6 979 947	92.2
TOTAL FINANCIAL INSTRUMENTS			6 979 947	92.2
Other assets and liabilities, net			587 722	7.8
TOTAL NET ASSET			7 567 670	100.0

**% OF NET
ASSET**

TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES

SEB 11.7

BORROWED SECURITIES

	QUANTITY
ASSA ABLOY B	200 000
BillerudKorsnäs	200 000
Castellum	500 000
Fabege	400 000
Skanska B	400 000
Wallenstam B	400 000

SEB have during 2016 been the counterparty for all securities borrowed.

Collateral for borrowed securities regarding 2016 have been kept in separate accounts with SEB. Settlement and clearing is done bilaterally.

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

Investment policy:

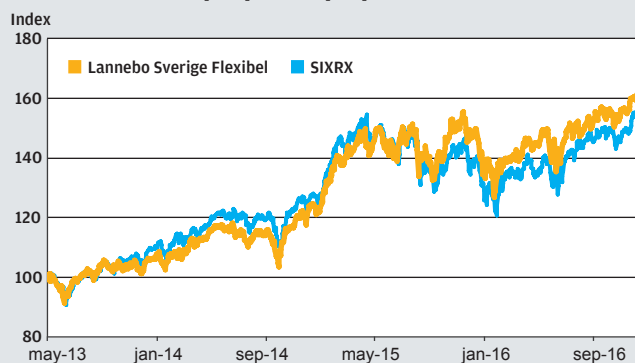
Lannebo Sverige Flexibel is an actively managed equity fund (non-UCITS). In addition to investments in equities the fund may invest in fixed-income securities. The fund primarily invests in Sweden but has the possibility to investments in the Nordic region. The fund is sold amongst others through Skandia Link and Skandiabanken.

Fund Managers:

Charlotta Faxén/Peter Lagerlöf
charlotta.faxen@lannebofonder.se
peter.lagerlof@lannebofonder.se



Performance 16/05/13 – 31/12/16



The recommended investment horizon in the fund is five years. The return since the fund was launched (16/05/13) has been 61.4 per cent.

The fund's performance

Assets under management was SEK 1.4bn at the beginning of the year and was as large at the end of the year. The net of inflows to and outflows from the fund amounted to SEK -89m during the period.

Lannebo Sverige Flexibel increased during the period by 7.7 per cent, while the fund's benchmark index, SIXRX, increased by 9.6 per cent.

Comments to the fund's performance

Skandiabanken, Atlas Copco, Thule, Lerøy Seafood Group and SEB contributed the most to the fund's performance.

The share price of Norwegian bank Skandiabanken increased by 43 per cent. The bank managed to increase market share in the Norwegian mortgage market while maintaining a low level of loan losses. Lerøy Seafood Group benefits from high salmon prices and increased fish consumption. The share increased by 50 per cent. The share price of the engineering company Atlas Copco climbed 37 per cent as investments in the mining sector are expected to increase. Thule's share price increased 25 per cent as the company benefits from strong global sales for leisure products and the launch of new proprietary products. SEB's share price increased by 14 per cent due to improved bank earnings from higher market interest rates.

Kindred (formerly Unibet), Eltel, Novo Nordisk, Betsson and Swedish Orphan Biovitrum (Sobi) contributed most negatively to the fund's performance.

Share prices in gaming companies

Kindred and Betsson decreased by 18 per cent and 38 per cent, respectively. The companies were adversely affected by plans from several European countries to increase regulation on gaming markets, which would, among others, mean higher tax rates and therefore lower profits. In addition, Betsson lost market share in many of the company's most important markets. Eltel issued a profit warning due to problems with the projects in Norway, Poland, and Africa. Sobi's share price fell 21 per cent on market fears that the launch of the drug Elocta, which should inhibit bleeding in haemophiliacs, will take longer than expected. Novo Nordisk's share price fell more than 30 per cent due to price pressures for insulin in the North American market.

Larger net-investments were made in Danske Bank, Telia Company, Investor, Indutrade and Nobia.

During the financial crisis, Danske Bank made large loan loss provisions to safeguard future credit losses, which means that loan losses will remain low for the foreseeable future. In addition, the valuation is lower than for most other Nordic bank shares. The valuation of Telia Company is attractive and the share provides a high dividend yield. The fund invested in Investor when the discount to NAV increased sharply. Industrial Group Indutrade is successfully growing through acquisitions, which is not fully reflected in the current share price. Nobia has improved profit margins and the company is benefiting from improved private consumption and growing housing investments in Europe.

Larger net-divestments were made in Sandvik, Atlas Copco, ASSA ABLOY, Ericsson and Hexagon.

Following a strong share price performance, the fund divested its entire holding in Sandvik and most of the holding in Atlas Copco. Hopes that investments in the mining sector will increase are already discounted in the companies' respective share prices. ASSA ABLOY's valuation has increased gradually in recent years to well above the average for the market as a whole, while organic sales growth slowed. The outlook for Ericsson's earnings improvement deteriorated due to declining sales in key markets. Hexagon's organic growth has gradually slowed, while the company's valuation increased.

The five largest holdings at year end were SEB, H&M, Danske Bank, JM and Investor.

SEB is a banking group with 400 000 corporate customers, four million retail clients and 300 branch offices. SEB operations include traditional banking services, investment banking, asset management and life insurance. Operations are concentrated to the Nordic and Baltic countries, as well as Germany. Sweden is the largest market, accounting for nearly 60 per cent of revenues. SEB has a strong balance sheet and as such a potential for high returns.

H&M is rapidly expanding and the company opened 400 stores during 2016. H&M is growing in all retail concepts and has each year established e-commerce in several new countries. At one point sales growth was weak while costs were

high for new retail establishments and for expansion, leading to reduced profits. However, we believe that the pressured margin is temporary and that during 2017 profit growth will once again pick up.

Danske Bank is Denmark's largest financial group and the bank provides all traditional financial services through a branch network that stretches across the whole country. Danske Bank also provides a full range of operations in the other Nordic countries, while in the Baltic countries the bank focuses primarily on corporate clients; there are also limited operations in Northern Ireland. Danske Bank has 3.4 million customers, 280 branch offices in eight countries, and over 19 000 employees.

JM is one of the leading developers of housing and residential projects, where activities are focused on metropolitan areas and university towns in Sweden, Norway and Finland. Most housing projects are condo apartment buildings. The population, in markets where JM is active, are fast growing and at the same time experiencing a housing shortage, particularly in urban areas - a trend that favours JM.

Investment company **Investor** has a long-term investment horizon and a strong established network of industrial and financial expertise. Investor is the largest shareholder in a number of listed global corporate groups as well as unlisted companies, where Mölnlycke is the largest.

Material risks

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way. This is known as diversification. In special funds, this diversification effect may be smaller than in a traditional mutual fund as a result of special funds have the opportunity for a more concentrated portfolio than traditional mutual funds. At the same time, the fund can reduce market risk somewhat given the fund can have up to 25 per cent of its value in fixed-income

assets. The fund had no fixed-income assets during the year.

The fund seeks a level of risk over time that is in line with that of the stock market as a whole (measured as SIXRX). The risk measure used is the standard deviation of the variation in the fund's total return. At year end, this measure of the fund's market risk was slightly higher than the stock market as a whole.

The concentration of the fund is currently at a higher level in comparison to a traditional mutual fund. The funds diversification effect however is good.

In addition to Swedish transferable securities Lannebo Sverige Flexibel has the option, to a certain extent, invest in

Nordic financial instruments. At year end the fund's currency exposure was 16 per cent and related to exposure in holdings denominated in Danish and Norwegian kroner and Finnish holdings in Euro. The risk associated with this currency exposure is low.

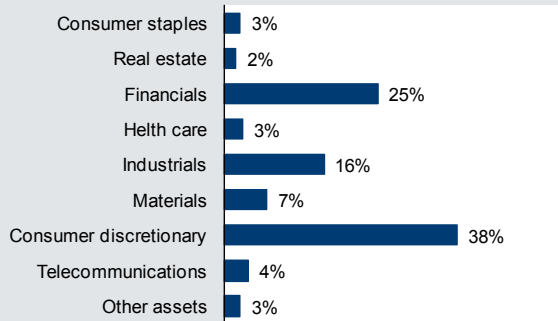
Together with the outcomes of regular stress tests, relevant risk levels are continuously monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with

the fund's risk profile during the period.

Derivatives and other techniques and instruments

According to the fund statutes, the fund has the right to trade in options, futures and other financial instruments, and the right to lend securities. Under current regulations, other techniques and instruments can be utilised in the management of the fund. These were not exercised during the period. The fund has not lent securities during the year. On the closing date, the fund had no exposure as a result of techniques and instruments.

Sector allocation 31/12/16



TOP HOLDINGS

	SEK THOUSANDS	% OF NET ASSET
SEB A	95 550	6.7
H&M B	83 622	5.9
Danske Bank	74 513	5.2
JM	73 696	5.2
Investor B	73 208	5.1

Fund facts Lannebo Sverige Flexibel, reg no 515602-6097

Launch date 16/05/13

Performance	31/12/16	31/12/15	31/12/14	31/12/13
Net asset, SEK thousands	1 426 906	1 415 647	1 285 755	1 298 753
NAV, SEK	161.57	149.96	123.77	106.48
Number of outstanding units, thousand	8 832	9 440	10 388	12 197
Dividend, SEK per unit	0.00	0.00	0.00	0.00
Annual return, %	7.7	21.2	16.2	6.5
Six Return Index ¹ , %	9.6	10.4	15.8	9.8
Risk and growth				
Standard deviation, %	15.4	13.1	-	-
Standard deviation benchmark, %	14.9	13.7	-	-
Tracking error, %	4.5	3.9	-	-
Sharpe ratio	1.0	1.4	-	-
Active Share, %	73	67		
Average annual return				
- 24 months, %	14.3	18.7	-	-
- 5 yrs, %	-	-	-	-
Costs²				
Management fee, %	1.6	1.6	1.6	1.6
Transaction costs ³ , SEK thousands	1 717	1 832	1 831	1 375
Transaction costs, %	0.1	0.1	0.1	0.0
Research costs ³ , tkr	1 038	1 476		
Research costs, %	0.0	0.0		
Ongoing charges, %	1.68	1.71	1.60	1.01
Sales and redemption fee, %	0.0	0.0	0.0	0.0
Total costs				
- for a single purchase SEK 10 000	157	184	171	-
- for monthly payments SEK 100	11	11	11	-
Turnover				
Turnover ratio, ggr	1.1	1.2	0.8	0.8
Leverage	Gross method	Commitment approach		
Maximum leverage, %	98.7	98.7		
Minimum leverage, %	92.6	92.6		
Average leverage, %	96.9	96.9		
As at balance sheet date, %	97.3	97.3		
Derivatives				
Risk assessment method	Commitment approach			
Purchases and sales of financial instruments involving related parties				
Trading with companies within the same group, %	0.0			
Trading involving funds managed by Lannebo Fonder, %	0.0			

1) The SIX Return Index is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange. The Six Return Index takes account of the return the shareholders receive in the form of a dividend. The index is not limited in its investments in individual shares which best reflects the fund's liberal investment rules compared to an UCITS fund.

2) Refers to the costs for the last twelve months.

3) Research costs have previously been a component of transaction costs but as of January 1 2015 research costs have been separated from transaction costs and are presented on a separate line.

LANNEBO SVERIGE FLEXIBEL

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	1 389 234	1 390 891
Total financial instruments with a positive market value (note 1)	1 389 234	1 390 891
Investment in account with credit institution	39 415	26 688
Total investments with a positive market value	39 415	26 688
Prepaid expenses and accrued income	174	0
Total assets	1 428 823	1 417 579
Liabilities		
Accrued expenses and deferred income	-1 917	-1 932
Total liabilities	-1 917	-1 932
Total net asset (note 2)	1 426 906	1 415 647

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	92 154	246 242
Interest income (note 4)	-152	-40
Dividends	32 231	40 093
Total income and change in value	124 233	286 295
Costs		
Management fee		
- Fee charged by the fund manager	-21 531	-22 249
Other costs	-2 755	-3 307
Total costs	-24 286	-25 556
Net result	99 947	260 739

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

Net asset in the beginning of the year	1 415 647	1 285 755
Unit issue	62 565	69 491
Unit redemption	-151 253	-200 338
Net result according to income statement	99 947	260 739
Net asset at the end of the year	1 426 906	1 415 647

Note 3 Change in value of transferable securities

Capital gains	143 390	264 325
Capital losses	-64 570	-38 518
Unrealized gains/losses	13 334	20 435
Total	92 154	246 242

Note 4 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
CONSUMER STAPLES				
Europris	NO/NOK	519 659	20 211	1.4
Lerøy Seafood Group	NO/NOK	33 205	16 838	1.2
			37 048	2.6
REAL ESTATE				
Balder B	SE/SEK	150 000	27 615	1.9
			27 615	1.9
FINANCIALS				
Danske Bank	DK/DKK	270 000	74 513	5.2
Investor B	SE/SEK	215 000	73 208	5.1
Nordax Group	SE/SEK	827 825	42 840	3.0
SEB A	SE/SEK	1 000 000	95 550	6.7
Skandiabanken	NO/NOK	944 473	69 932	4.9
			356 043	25.0
HEALTH CARE				
Swedish Orphan Biovitrum	SE/SEK	397 000	42 360	3.0
			42 360	3.0
INDUSTRIALS				
Atlas Copco A	SE/SEK	160 000	44 400	3.1
Bravida	SE/SEK	925 000	51 106	3.6
Indutrade	SE/SEK	342 500	62 678	4.4
Trelleborg B	SE/SEK	405 000	72 617	5.1
			230 800	16.2
MATERIALS				
Huhtamäki	FI/EUR	155 000	52 360	3.7
SCA B	SE/SEK	180 000	46 314	3.2
			98 674	6.9
CONSUMER DISCRETIONARY				
Autoliv SDB	US/SEK	69 500	71 446	5.0
Dometic	SE/SEK	919 500	61 561	4.3
H&M B	SE/SEK	330 000	83 622	5.9
JM	SE/SEK	280 000	73 696	5.2
Kindred SDB	MT/SEK	825 000	70 579	4.9
Nobia	SE/SEK	650 000	55 153	3.9
Scandic Hotels Group	SE/SEK	820 000	62 730	4.4
Thule	SE/SEK	441 000	62 843	4.4
			541 628	38.0
TELECOMMUNICATIONS				
Telia Company	SE/SEK	1 500 000	55 065	3.9
			55 065	3.9
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			1 389 234	97.4
TOTAL FINANCIAL INSTRUMENTS			1 389 234	97.4
Other assets and liabilities, net			37 672	2.6
TOTAL NET ASSET			1 426 906	100.0
TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES				
SEB				9.3

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the the Swedish Alternative Investment Funds Managers Act (2013:561), the Swedish Financial Supervisory Authority's regulations (FFFS 2013:10) regarding Alternative Investment Fund Managers, AIFM-regulations, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

Investment policy:

Lannebo Utdelningsfond is an actively managed equity fund (non-UCITS) that mainly invests in equities on the Swedish stock market. The fund refrains from investing in companies in which more than 5 per cent of the company's turnover comes from the production and/or sale of fossil fuels, goods and services in the categories of tobacco, alcohol, weapons, gambling or pornography. The fund provides an annual dividend amounting to at least 5 per cent of the fund's assets at the end of the year.

Fund Managers:

Lars Bergkvist/Martin Wallin
 lars.bergkvist@lannebofonder.se
 martin.wallin@lannebofonder.se



The fund's performance

Assets under management increased from SEK 175m at the beginning of the year to SEK 304m at the end of the year. The net of inflows to and outflows from the fund during 2016 were SEK 117m.

Lannebo Utdelningsfond increased during the period by 8.3 per cent, while the Stockholm Stock Exchange (SIXRX) increased by 9.6 per cent.

Comments to the fund's performance

Meda, Volvo, Sandvik, Swedbank and SEB contributed the most positively to the fund's performance.

The holding in Meda had a strong positive share price performance following the bid by Mylan at a high premium to the then prevailing share price. In contrast to previous years, and despite the sharp downturn in the US market, Volvo reported good earnings. Sandvik continued its restructuring efforts and the new management presented the results of the strategic review, which was appreciated by the market. During 2016, Swedbank and SEB performed well on the equity market despite falling market interest rates and increased regulatory requirements to strengthen their balance sheet; banks managed to compensate this with lower costs and rising interest margins to an extent that surprised the market.

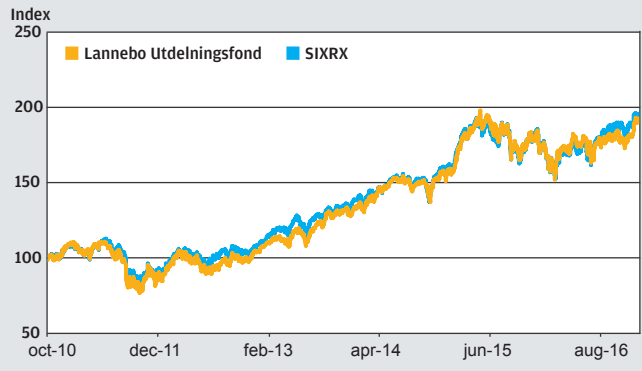
The largest net investments were made in Investor, AstraZeneca, Nokia, H&M and Nordea.

Investor's share provides exposure to a diversified portfolio with holdings in several of the Stockholm Stock Exchange's

leading companies. Investor also has several wholly owned companies with leading positions in selected niches. The shares are traded at a discount to NAV. Astra Zeneca's earnings were pressured due to lower prices in connection with the expiration of patents for several of the company's major products; this should taper off in 2017 given the company has several interesting drugs approaching approval from regulatory authorities, including products within immune oncology that significantly improve the care of cancer patients. Nokia has significant potential to improve earnings after the merger with Alcatel-Lucent. Significant cost synergies will be realized in the upcoming quarters, and the company has strengthened its market position both geographically and in terms of product offering. H&M's share price performance has been weak over a long period due to profits hampered by unfavourable exchange rates and significant expansion investments. Our assessment is that the company now faces a more positive profit development. During 2016, the fund had significant holdings in bank shares; however, the banks comprising the biggest holdings varied during the year. The fund increased its holding in Nordea following a relatively weak share price performance.

Larger net-divestments were made in Meda, Skanska and Ericsson. The shareholding in Meda was divested in its entirety in connection with Mylan's bid for the company, which we judged well reflected Meda's long-term value. The holdings in Skanska was divested in its entirety as we judged that the share price potential

Performance 01/10/10 – 31/12/16



The return during the recommended five-year investment horizon has been 111.6 per cent.

was limited at current earnings levels. Although Ericsson has a strong position in the mobile infrastructure market, the company's challenges over the short- and medium-term are significant, and as such we chose to substantially reduce the holding.

The fund's five largest holdings at the end of the period were H&M, Volvo, Investor, SEB and Nordea.

H&M is a global clothing retailer with more than 4,200 stores in 64 markets. After a period of weaker profit growth, partly due to high expansion costs, we estimate that the company's earnings growth will intensify. Factors contributing to profit growth are a reduced effect of a stronger dollar, which increased purchasing costs, and good growth in the company's online sales.

Volvo is a leading manufacturer of trucks, buses and construction equipment. Over a prolonged period, Volvo has focused on building a global business in these segments, and the company is now committed to significantly improving productivity. Our assessment is that this major change will lead to a sustained higher operating margin, which is not fully reflected in the current share price.

Investor, founded by the Wallenberg family 100 years ago, is a leading owner of international companies. The holding in Investor, at a significant discount, gives the fund exposure to several of the Stockholm Stock Exchange's most successful companies. In addition, Investor has a number of wholly owned companies, such as Mölnlycke Health Care and Permobil, and investments in EQT.

SEB's ambition is to be the leading Nordic bank for companies and financial institutions, and to be the best universal bank in Sweden and the Baltic countries. When regulators require an increasingly larger percentage of equity capital to match the banks' lending SEB's emphasis on revenues from fees becomes a relative advantage. SEB also has a continued potential to lower its cost base.

Nordea is the largest of the Nordic banks. The bank currently has over ten million customers, 700 branch offices and a strong market position in both the private and corporate customer segments. The bank is also a leading provider of life and pension solutions. The bank's size and scope, both with regard to products and geographic coverage, provides opportunities for diversification and economies of scale.

Other information

During 2016, the fund implemented the exclusion of companies whose primary revenues are derived from fossil fuels.

Material risks

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way. This is known as diversification. In special funds, this diversification effect may be smaller than in a traditional mutual fund as a result of special funds have the opportunity for a more concentrated portfolio than traditional mutual funds.

The fund seeks a level of risk, measured as the standard deviation of the variation in the fund's total return, which over time is in line with the stock market as a whole (measured as SIXRX). At year-end, this measure of market risk was lower for the fund than the stock market as a whole.

At year-end, the concentration in the fund was at a higher level by comparison to a traditional mutual fund. The fund's diversification effect is however good.

Lannebo Utdelningsfond has, in addition to Swedish transferable securities, the option to, to a certain extent, invest in Nordic financial instruments. At year-end, the fund's currency exposure was 4 per cent and

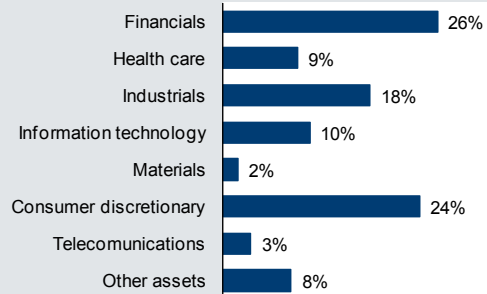
related to exposure in Finnish holdings denominated in Euros. The risk related to this currency exposure is low.

Together with the outcomes of regular stress tests, relevant risk levels are constantly monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the year.

Derivatives and other techniques and instruments

According to the fund statutes, the fund has the right to trade in options, futures and other financial instruments, and the right to lend securities. Under current regulations, other techniques and instruments can be utilised in the management of the fund. Derivatives have only covered subscription rights received. The fund has not lent securities during the year. On the closing date, the fund had no exposure due to techniques and instruments. The leverage in the fund was a result of subscription rights held over a shorter time-period.

Sector allocation 31/12/16



TOP HOLDINGS

	SEK THOUSANDS	% OF NET ASSET
H&M B	29 141	9,6
Volvo B	28 728	9,5
Investor B	23 835	7,8
SEB A	21 977	7,2
Nordea	20 767	6,8

LANNEBO UTDELNINGSFOND

Fund facts Lannebo Utdelningsfond, reg no 515602-4191

Launch date 01/10/10

Performance	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11	31/12/10
Net asset, SEK thousands	303 982	175 393	157 202	128 843	91 958	83 105	36 324
NAV, SEK	1 415.60	1 380.24	1 301.98	1 157.10	949.63	861.94	1 092.98
Number of outstanding units, thousand	215	127	121	111	97	96	33
Dividend, SEK per unit	69.01	65.10	57.86	47.49	43.09	54.64	0.00
Annual return, %	8.3	11.3	18.4	27.9	15.5	-17.0	9.3
Six Return Index ¹ , %	9.6	10.4	15.8	28.0	16.5	-13.5	7.8
Risk and growth							
Standard deviation, %	15.4	13.1	10.0	13.9	19.6		
Standard deviation benchmark, %	14.9	13.7	9.3	11.7	15.5		
Tracking error, %	4.7	3.5	3.5	4.5	6.8		
Sharpe ratio	0.7	1.1	2.1	1.4	neg.		
Active Share, %	60	64					
Average annual return							
- 24 months, %	9.8	14.8	23.1	21.5	-2.1		
- 5 yrs, %	16.1	10.1	-	-	-		
Costs²							
Management fee, %	1.6	1.6	1.6	1.6	1.6		
Transaction costs ³ , SEK thousands	253	282	474	398	283		
Transaction costs, %	0.1	0.1	0.1	0.1	0.1		
Research costs ³ , tkr	198	280					
Research costs, %	0.0	0.1					
Ongoing charges, %	1.71	1.77	1.60	1.60	1.60		
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0		
Total costs							
- for a single purchase SEK 10 000	160	181	177	184	175		
- for a single purchase SEK 100 000	1 599	1 815	1 769	1 838	1 755		
Turnover							
Turnover ratio, ggr	0.9	1.4	1.5	1.7	1.7		
Leverage							
	Gross method			Commitment approach			
Maximum leverage, %				98.7			
Minimum leverage, %				90.5			
Average leverage, %				94.5			
As at balance sheet date, %				91.8			
Derivatives							
Maximum leverage, %	0.4						
Minimum leverage, %	0.0						
Average leverage, %	0.0						
Risk assessment method	Commitment approach						
Purchases and sales of financial instruments involving related parties							
Trading with companies within the same group, %	0.0						
Trading involving funds managed by Lannebo Fonder, %	0.0						

1) The SIX Return Index is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange. The Six Return Index takes account of the return the shareholders receive in the form of a dividend. The index is not limited in its investments in individual shares which best reflects the fund's liberal investment rules compared to an UCITS fund.

2) Refers to the costs for the last twelve months.

3) Research costs have previously been a component of transaction costs but as of January 1 2015 research costs have been separated from transaction costs and are presented on a separate line.

LANNEBO UTDELNINGSFOND

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	279 009	167 418
Total financial instruments with a positive market value (note 1)	279 009	167 418
Investment in account with credit institution	27 048	16 082
Total investments with a positive market value	27 048	16 082
Other assets	0	373
Total assets	306 057	183 873
Liabilities		
Prepaid expenses and accrued income	-408	-224
Other liabilities	-1 667	-8 256
Total liabilities	-2 075	-8 480
Total net asset (note 2)	303 982	175 393

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	17 834	16 404
Interest income (note 4)	-46	-6
Dividends	5 929	4 138
Total income and change in value	23 717	20 536
Costs		
Management fee		
- Fee charged by the fund manager	-2 948	-2 616
Other costs	-452	-562
Total costs	-3 400	-3 178
Net result	20 317	17 358

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

Net asset in the beginning of the year	175 393	157 202
Unit issue	131 833	73 603
Unit redemption	-14 791	-64 910
Net result according to income statement	20 317	17 358
Dividend paid	-8 769	-7 860
Net asset at the end of the year	303 982	175 393

Note 3 Change in value of transferable securities

Capital gains	12 127	35 411
Capital losses	-8 866	-6 033
Unrealized gains/losses	14 573	-12 974
Total	17 834	16 404

Note 4 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
FINANCIALS				
Investor B	SE/SEK	70 000	23 835	7.8
Nordea	SE/SEK	205 000	20 767	6.8
SEB A	SE/SEK	230 000	21 977	7.2
Swedbank A	SE/SEK	54 000	11 896	3.9
			78 474	25.8
HEALTH CARE				
AstraZeneca	UK/SEK	28 000	13 919	4.6
Swedish Orphan Biovitrum	SE/SEK	124 600	13 295	4.4
			27 214	9.0
INDUSTRIALS				
Eltel	SE/SEK	100 000	6 250	2.1
SKF B	SE/SEK	60 000	10 056	3.3
Sandvik	SE/SEK	79 000	8 903	2.9
Volvo B	SE/SEK	270 000	28 728	9.5
			53 937	17.7
INFORMATION TECHNOLOGY				
Ericsson B	SE/SEK	220 000	11 770	3.9
Net Insight B	SE/SEK	737 000	6 559	2.2
Nokia EUR	FI/EUR	305 000	13 399	4.4
			31 728	10.4
MATERIALS				
Holmen B	SE/SEK	16 500	5 392	1.8
			5 392	1.8
CONSUMER DISCRETIONARY				
Autoliv SDB	US/SEK	16 000	16 448	5.4
Electrolux B	SE/SEK	70 000	15 841	5.2
H&M B	SE/SEK	115 000	29 141	9.6
Nobia	SE/SEK	125 000	10 606	3.5
			72 036	23.7
TELECOMMUNICATIONS				
Tele2 B	SE/SEK	140 000	10 227	3.4
			10 227	3.4
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			279 009	91.8
TOTAL FINANCIAL INSTRUMENTS			279 009	91.8
Other assets and liabilities, net			24 973	8.2
TOTAL NET ASSET			303 982	100.0
TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES				
SEB				15.4

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the the Swedish Alternative Investment Funds Managers Act (2013:561), the Swedish Financial Supervisory Authority's regulations (FFFS 2013:10) regarding Alternative Investment Fund Managers, AIFM-regulations, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

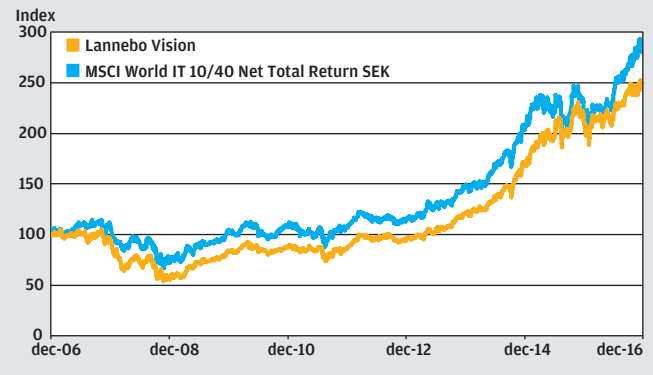
Investment policy:

The fund is an actively managed equity fund that invests globally in companies in industries such as technology, industrial products, telecommunications, internet, media, pharmaceuticals, biotechnology and medical technology. The geographical focus of the investments is the US.

Fund Manager:

Claes Murander
claes.murander@lannebofonder.se

Performance 31/12/06–31/12/16



The return during the recommended five-year horizon has been 182,7 per cent.

The fund's performance

Assets under management increased from SEK 1.6bn at the beginning of the year to SEK1.8bn on December 31, 2016. During the year, the net between inflows to and outflows from the fund amounted to SEK66m.

During the period Lannebo Vision increased by 10.7 per cent. MSCI World Tech 10/40, converted to Swedish krona, increased by 20.2 per cent.

Comments to the fund's performance

RaySearch, Apple, Microsoft, Amazon and Ambu contributed the most to the fund's performance.

RaySearch's revenues increased 28 per cent during the first nine months of 2016, driven by its RayStation product where revenues increased by 58 per cent. Earnings per share more than doubled and the share price increased by 51 per cent in 2016. Apple's share performed strongly partly because of the favourable launch of the iPhone 7 together with a large share buyback program. Microsoft's shift from selling software licenses to software as a service was appreciated by the equity market and the share price increased by over 13 per cent during 2016. The fund invested in Amazon at the beginning of 2016, and the share has since performed strongly. Amazon's sales totalled nearly \$ 33 billion in the third quarter, representing an increase of 29 per cent compared to the same quarter last year. Amazon is the leader in e-commerce in the US and is a big winner when retail moves from physical stores to the Internet. The Danish medical technology company Ambu per-

formed strongly during the period due to good growth and higher margins, which were appreciated by the equity market.

During 2016, Infinera, Novo Nordisk and NetEnt contributed most negatively to the fund's performance.

Infinera, developer of optical equipment for data and telecom networks, was affected by weak demand from several customers, resulting in a sharp decline of its share price in 2016. The entire holding was gradually divested during the year, thereby reducing the negative effect on the fund. During 2016, Novo Nordisk lowered its growth targets due to price pressures in the US, which was not appreciated by the equity market leading to a weak share price performance. Operationally, NetEnt performed well in 2016; sales grew in the first three quarters by more than 30 per cent compared with the same period in 2015. However, the expectations were high at the start of the year and the share performed weakly during 2016.

The US dollar strengthened by 7.9 per cent against the Swedish krona, which affected the fund positively since many of the holdings are listed in the US.

The largest net investments were made in Amazon, Salesforce.com and F-Secure. During the stock market turmoil in February, Amazon's share price fell sharply, which provided a good opportunity to invest in the fast-growing US e-commerce company. Amazon sales increased during the first three quarters by almost 30 per cent. Amazon's cloud service, Amazon Web Services, grew by 59 per cent compared with the previous year. Salesforce.com is an American software companies that sells "cloud"-based CRM products.

The company aims to double sales within 3-4 years. F-Secure is a Finnish IT security software company where customers include both individuals and companies.

The largest net divestments during 2016 were Ambu, EMC and Cisco. Our assessment is that the Ambu share is fully valued, and as such the entire holding was divested following a strong share price performance. EMC was divested in conjunction with Dell's acquisition of the company. The holding in Cisco was reduced following a good share price performance.

The fund's five largest holdings at the end of 2016 were Apple, Alphabet, Microsoft, RaySearch and NetEnt.

Apple is the leading developer of consumer electronics. The company sells the mobile phone iPhone and the computer products Mac and iPad. In recent years, the company has substantially increased both sales and profits. The Chinese market is a strong contributing factor to growth, which in 2015 surpassed the US as the largest iPhone market. Apple has a dividend/repurchase program totalling USD 200bn through 2017.

Alphabet (previously Google) is best known for the search engine Google, which is used in over 80 per cent of the world's Internet searches. The company is also active in several other areas, including the mobile platform Android and video sharing service YouTube. During Q3 2016, Alphabet increased sales by 23 per cent in local currency. In addition, Alphabet has a USD 5bn share repurchase program.

Microsoft is the world's largest software company. Among Microsoft's best-

known products are the Windows operating system, found in the majority of the world's computers, and the office suite Office. The company has a strong balance sheet, and since Satya Nadella took over as CEO, the company has intensified the transition from license sales to software as a service (SaaS). Examples of this include cloud service Azure and Office 365.

RaySearch develops software for treatment planning in conjunction with cancer radiotherapy. The company sells its own product RayStation directly to clinics worldwide. So far 347 clinics in 25 countries have ordered RayStation. In addition, RaySearch sells products through partners such as Philips and Varian. More than 2 500 clinics, of a total 8 000 world-wide, use RaySearch's products. The company's goal is to reach a market share of 30 per cent in the not so distant future. During 2017, RaySearch will launch RayCare, a newly developed information system for cancer treatment. RaySearch already has cooperation agreements in place with a number of leading cancer centres within this area; the overall market is even larger than that of the treatment planning system.

Internet game developer **NetEnt** achieved good results in recent quarters. During the first three quarters of 2016, sales increased 30 per cent and operating profit increased 36 per cent. NetEnt has good growth potential over the long term as more and more markets become available through the deregulation and re-regulation of gambling legislation. At the end of the third quarter, NetEnt had agreements with 32 new customers that have not yet been put into operation.

Material risks

Investments in equities are associated with market risk in the form of share price fluctuations. In a fund, this risk is reduced by the fund holding a variety of shares in a range of companies, the prices of which do not move in exactly the same way. This is known as diversification.

At the end of the year the fund was relatively concentrated. Overall, the fund's diversification effect is good. Market risk, measured as the standard deviation of the fund's returns, was at year-end lower than the fund's benchmark index, MSCI World IT.

The fund's currency exposure associated with the shareholdings was 65 per cent USD and 2 per cent

Danish kronor, as well as 2 per cent Euro in connection with Finnish holdings. Other holdings are denominated in Swedish kronor. The fund's currency risk is therefore strongly linked to changes in exchange rates between the USD and the Swedish kronor.

Together with the outcomes of regular stress tests, relevant risk levels are constantly monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the year.

Derivatives and other techniques and instruments

According to the fund statutes, the fund has the right to trade in options, futures and other financial instruments, and the right to lend securities. Under current regulations, other techniques and instruments may also be used in the management of the fund. Derivatives have only comprised subscription rights held. The fund has not lent securities during the year. On the closing date, the fund had no exposure as a result of techniques and instruments. The leverage in the fund is a result of subscription rights held over a shorter period.

Fund facts Lannebo Vision, reg no 504400-7739

Launch date 04/08/00

Performance	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11	31/12/10	31/12/09	31/12/08	31/12/07
Net asset, SEK thousands	1 801 234	1 573 500	978 348	611 053	471 873	410 546	408 451	380 867	248 395	370 775
NAV, SEK	5.77	5.21	4.01	2.86	2.23	2.07	2.10	2.04	1.43	2.36
Number of outstanding units, thousand	312 205	302 160	244 076	213 948	211 509	198 134	194 251	187 154	174 017	157 071
Dividend, SEK per unit	0.00	0.00	0.00	0.00	0.04	0.01	0.02	0.03	0.00	0.00
Annual return, %	10.7	29.9	40.2	28.3	9.7	-0.9	3.9	44.8	-39.4	-4.5
MSCI World IT ¹ , %	20.2	14.0	39.7	29.5	6.4	-0.9	9.6	32.8	-28.0	3.7
Risk and growth²										
Standard deviation, %	16.2	13.6	7.0	8.6	10.7					
Standard deviation benchmark, %	18.0	15.9	7.2	9.0	10.1					
Tracking error, %	7.9	5.4	3.8	4.5	6.5					
Sharpe ratio	1.2	2.3	4.2	1.9	0.3					
Average annual return										
- 24 months, %	20.0	35.0	34.1	18.6	4.2					
- 5 yrs, %	23.2	20.5	15.2	16.0	-0.2					
Costs³										
Management fee, %	1.6	1.6	1.6	1.6	1.6					
Transaction costs ⁴ , SEK thousands	359	366	303	90	211					
Transaction costs, %	0.1	0.1	0.1	0.1	0.1					
Research costs ⁴ , tkr	44	31								
Research costs, %	0.0	0.0								
Ongoing charges, %	1.61	1.60	1.60	1.60	1.60					
Sales and redemption fee %	0.0	0.0	0.0	0.0	0.0					
Total costs										
- for a single purchase SEK 10 000	162	187	183	180	179					
- löpande sparande 100 kr	11	11	12	11	11					
Turnover										
Turnover ratio	0.2	0.2	0.1	0.1	0.2					
Derivatives										
Maximum leverage, %	0.8									
Minimum leverage, %	0.0									
Average leverage, %	0.0									
Risk assessment method	Commitment approach									
Purchases and sales of financial instruments involving related parties										
Trading with companies within the same group, %	0.0									
Trading involving funds managed by Lannebo Fonder, %	0.0									

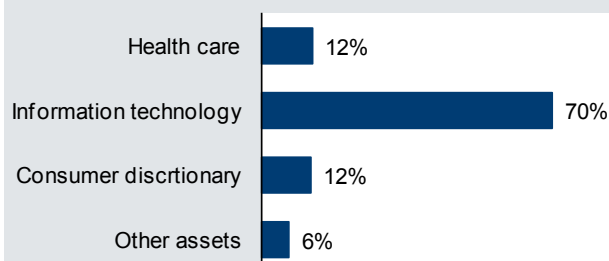
1) MSCI World IT 10/40 Net Total Return is an index devised on the basis of reflecting market trends for companies on the Stockholm Stock Exchange, with the restriction that no company may exceed 10% and that companies comprising 5% or more must not total more than 40% together (weighting restriction in accordance with UCITS). This means that the index reflects the fund's investment rules well. Index figures for 2007-2010 refers to Nasdaq Composite.

2) Active Share has not been calculated because of the cost to acquire the index data deemed to be unreasonably high.

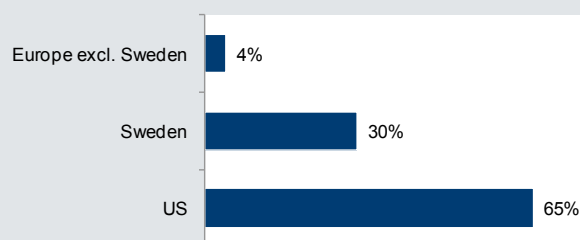
3) Refers to the costs for the last twelve months.

4) Research costs have previously been a component of transaction costs but as of January 1 2015 research costs have been separated from transaction costs and are presented on a separate line.

Sector allocation 31/12/16



Geographic allocation 31/12/16



TOP HOLDINGS

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Apple	164 254	9.1
Alphabet	157 153	8.7
Microsoft	135 761	7.5
RaySearch B	115 824	6.4
NetEnt B	106 218	5.9

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	1 686 393	1 496 627
Total financial instruments with a positive market value (note 1)	1 686 393	1 496 627
Investment in account with credit institution	116 926	78 707
Total investments with a positive market value	116 926	78 707
Prepaid expenses and accrued income	359	313
Total assets	1 803 678	1 575 647
Liabilities		
Accrued expenses and deferred income	-2 444	-2 147
Total liabilities	-2 444	-2 147
Total net asset (note 2)	1 801 234	1 573 500

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	168 494	299 593
Interest income (note 4)	-169	-63
Dividends	12 899	13 201
Exchange rate gains and losses net	6 917	3 338
Total income and change in value	188 140	316 069
Costs		
Management fee		
- Fee charged by the fund manager	-25 598	-19 486
Other costs	-404	-396
Total costs	-26 002	-19 882
Net result	162 138	296 187

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

	2016	2015
Net asset in the beginning of the year	1 573 500	978 348
Unit issue	377 738	578 967
Unit redemption	-312 142	-280 002
Net result according to income statement	162 138	296 187
Net asset at the end of the year	1 801 234	1 573 500

Note 3 Change in value of transferable securities

	2016	2015
Capital gains	117 399	125 033
Capital losses	-16 566	-30 129
Unrealized gains/losses	67 661	204 689
Total	168 494	299 593

Note 4 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

Investments in financial instruments as at 31/12/16 (expressed in SEK thousands)

	COUNTRY/ CURRENCY	QUANTITY	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET OR EQUIVALENT MARKET OUTSIDE OF THE EEA				
HEALTH CARE				
Novo Nordisk B	DK/DKK	120 000	39 379	2.2
RaySearch B	SE/SEK	627 775	115 824	6.4
Recipharm B	SE/SEK	507 408	61 396	3.4
			216 600	12.0
INFORMATION TECHNOLOGY				
Adobe Systems	US/USD	75 750	71 014	3.9
Alphabet Inc Class A	US/USD	12 500	90 202	5.0
Alphabet Inc Class C	US/USD	9 526	66 951	3.7
Amdocs	GG/USD	100 000	53 043	2.9
Apple	US/USD	155 740	164 254	9.1
Cisco Systems	US/USD	169 769	46 718	2.6
Citrix Systems	US/USD	85 000	69 128	3.8
Dell Technologies	US/USD	18 140	9 080	0.5
F-Secure	FI/EUR	1 083 784	36 113	2.0
Facebook	US/USD	71 000	74 384	4.1
Intel	US/USD	150 000	49 542	2.8
Intuit	US/USD	48 350	50 460	2.8
Microsoft	US/USD	239 923	135 761	7.5
Net Insight B	SE/SEK	1 878 495	16 719	0.9
NetEnt B	SE/SEK	1 510 928	106 218	5.9
Oracle	US/USD	109 500	38 339	2.1
Paypal	US/USD	165 000	59 304	3.3
Red Hat	US/USD	90 000	57 123	3.2
Salesforce.com	US/USD	80 000	49 872	2.8
eBay	US/USD	55 000	14 870	0.8
			1 259 094	69.9
CONSUMER DISCRETIONARY				
Amazon	US/USD	11 500	78 526	4.4
Kindred SDB	MT/SEK	807 816	69 109	3.8
			147 635	8.2
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				90.1
OTHER FINANCIAL INSTRUMENTS				
CONSUMER DISCRETIONARY				
Kambi	MT/SEK	471 507	63 064	3.5
			63 064	3.5
TOTAL OTHER FINANCIAL INSTRUMENTS				3.5
TOTAL FINANCIAL INSTRUMENTS				93.6
Other assets and liabilities, net			114 841	6.4
TOTAL NET ASSET				100.0
TOTAL EXPOSURES TO COMPANIES OR GROUP OF COMPANIES				
Alphabet				8.7

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

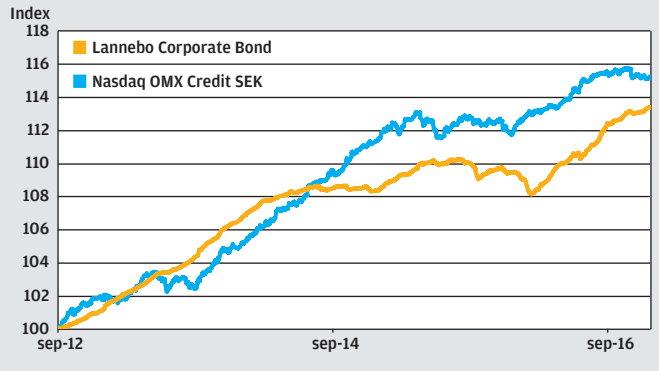
Investment policy:

Lannebo Corporate Bond is a long-term fixed-income fund that focuses on investments in Swedish and Nordic corporate bonds. The credit and interest-rate duration of the fund's holdings is normally 3-5-years. The fund has two share classes. Share Class A is non-distributing and Share Class B is distributing.

Fund Managers:

Karin Haraldsson/Katarina Åselius Ponsbach
 karin.haraldsson@lannebofonder.se
 katarina.ponsbach@lannebofonder.se

Performance 10/09/12–31/12/16



The return during the recommended three-year investment horizon has been 6.5 per cent.

The fund's performance

Assets under management decreased from SEK1.7bn at the beginning of the year to SEK1.6bn at year-end. The net of inflows to and outflows from the fund amounted to SEK -114m.

Lannebo Corporate Bond increased during 2016 by 3.7 per cent. The fund's benchmark index, NOMX Credit SEK Index, increased 3.0 per cent. The interest rate duration of the index is significantly longer than in the fund, which means that the fund is not affected by changes in market interest rates to the same extent as the index.

Comments to the fund's performance

The year started with geopolitical unrest and falling commodity prices. Oil prices bottomed out at \$26/barrel in January. Increased risk aversion and difficulties with refinancing in the oil services sector led to outflows from credit funds resulting in price declines, especially in the Norwegian market. In late February, the European Central Bank announced its purchase program would be expanded to include corporate bonds with investment grade ratings, causing Nordic credit markets to bounce back. Rising commodity prices and improved global economic signals also contributed to the increase. The fund increased every month from March through December.

During 2016, the Riksbank continued to lower the repo rate due to low inflationary pressures in the Swedish economy. The repo rate at year end was -0.5 per cent, compared with -0.35 per cent at the

beginning of 2016. It is the Riksbank's assessment that monetary policy needs to remain very expansionary to maintain and strengthen the increase in inflation. The Riksbank projects that it is probable that a first repo rate increase will occur at the earliest in 2018. In December, the US Fed finally completed its second rate increase. Long-term rates have risen sharply in the US, with some spill over to Europe and Sweden - where, however, levels remain historically low.

The Swedish three months STIBOR decreased from -0.29 per cent at the beginning of the year to -0.59 per cent at year end. The Swedish five-year government bond yield hovered around zero at the beginning of the year and dropped to -0.28 per cent following the UK referendum, Brexit, and landed at -0.13 per cent at year end. Rising interest rates have no significant impact on the fund's returns, since most of the returns are from the fund's credit risk.

The new issues activity in the credit market was low during the turbulence at the beginning of the year, but then the market gained momentum during the spring. The fund participated in issues by Swedish automaker Volvo Cars, Finnish equipment rental company Cramo and Icelandic airline Icelandair. Volvo Cars made its debut in the credit market by issuing bonds in Euro and Swedish krona, with a maturity of five years. The fund's strategy during the year was to continue to maintain a well-diversified Nordic portfolio. No major structural changes were made during the year. The fund consisted exclusively of corporate bonds

at the end of the period. During the year, confectionary manufacturer Cloetta, the pharmaceutical company Sobi and the real estate company Delarka redeemed their bonds early.

The average maturity of all the holdings in the fund, credit duration, remained unchanged at 3.4 years. Credit duration measures how sensitive the fund is for a change in the creditworthiness of any of its issuers. The average of the assessed credit rating of the fund's holdings was in the lower investment grade segment, BBB (-). The interest rate duration, which measures the fund's sensitivity to a change in market rates, was 0.9 years at the end of 2016. The strategy is to maintain a short interest rate duration in order to protect the fund against rising interest rates.

The fund had 40 issuers at year-end with the following geographic distribution: Sweden 53 per cent, Norway 21 per cent, Finland 14 per cent, Denmark 10 per cent and Iceland 2 per cent.

The five largest issuers at the end of the period were Castellum, OP Bank, Color Group, Volvo Treasury and SEB.

Castellum, following the acquisition of Norrporten, is one of Sweden's largest property companies with a portfolio of approximately SEK 70bn. The property portfolio is well diversified, where Gothenburg, Öresund and Stockholm each account for about 20 per cent. "Middle" Sweden - Västerås, Örebro, Linköping, Norrköping, Jönköping - account for almost 30 per cent. Office and retail properties represent 80 per cent of the portfolio, and industrial / warehouse

accounts for the remaining 20 per cent. Castellum is listed on the Stockholm Stock Exchange. Castellum has no official rating, however, the property portfolio, the geographic distribution, stable profitability and the loan-to-value ratio for the property portfolio leads the market's assessment of the company's credit rating to correspond to a rating in the BBB (-) segment.

OP Bank, formerly Pohjola Bank, is part of the OP Group, Finland's largest financial group. OP Group operates within the business areas banking, insurance and asset management. OP Bank has a credit rating by S&P of A (-).

Color Group is a Norwegian ferryboat operator serving four routes between Norway, Sweden, Denmark and Germany. The Norwegian family O.N. Sunde owns Color Group since 1999. Stable revenues due to a non-cyclical business, investments in sustainability and several efficiency improvements in operations, leads the market to assess the company's credit rating corresponds to a rating in the segment BB (-).

Volvo Treasury is part of the Volvo Group and serves as the Group's internal bank. Volvo Treasury coordinates the Group's global funding strategy and financial infrastructure. Volvo is listed on the Stockholm Stock Exchange and the Group is one of the world's leading manufacturers of trucks, buses and construction equipment, as well as drive systems for marine and industrial applications. Volvo Treasury has an official BBB rating by S&P.

SEB is one of Sweden's largest banks,

LANNEBO CORPORATE BOND

with a high credit rating of A + by S&P. Business areas include financial services, banking, finance and asset management. SEB is listed on the Stockholm Stock Exchange.

Other information

The fund's maximum size limit on assets was increased from 2 billion to 4 billion during December 2016.

Fund facts Lannebo Corporate Bond, reg no 515602-5669

Launch date 10/09/12

Performance	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12
Net asset, SEK thousands	1 611 729	1 670 580	1 355 506	690 865	86 780
Shareclass A	1 605 439	1 661 012	1 350 947	675 370	
Shareclass B	6 290	9 567	4 559	15 495	
NAV Shareclass A, SEK	113.40	109.36	108.33	106.48	101.04
NAV Shareclass B, SEK	109.65	106.87	108.01	106.48	
Number of outstanding units, thousand	14 214	15 277	12 513	6 488	859
Shareclass A	14 157	15 188	12 471	6 343	
Shareclass B	57	90	42	146	
Dividend, SEK per unit	1.13	2.16	0.31	0.00	0.00
Annual return, %					
Shareclass A	3.7	1.0	1.7	5.4	1.0
Shareclass B	3.7	1.0	1.7	0.3	
NASDAQ OMX Credit SEK ¹ , %	3.0	0.4	6.2	2.8	1.9
Risk and growth					
Standard deviation, %	1.6	1.2	0.9	-	-
Standard deviation benchmark, %	1.5	1.6	1.4	-	-
Credit duration, yrs	3.4	3.6	3.6	3.7	3.8
Interest duration, yrs	0.9	1.1	0.3	0.2	0.2
Average annual growth					
- 24 months, %	2.3	1.3	3.5	-	-
- 5 yrs, %	-	-	-	-	-
Costs²					
Management fee, %	0.9	0.9	0.9	0.9	0.9
Transaction costs, SEK thousands	0	0	0	0	0
Transaction costs %	0.0	0.0	0.0	0.0	0.0
Ongoing charges, %	0.90	0.90	0.90	0.90	0.28
Sales and redemption fee, %	0.0	0.0	0.0	0.0	0.0
Total costs					
- for a single purchase SEK 10 000	91	91	91	92	-
- for monthly payments SEK 100	1	1	1	5	-
Turnover					
Turnover ratio	0.6	0.9	0.5	0.7	0.3
Derivatives					
Maximum leverage, %	92.3				
Minimum leverage, %	61.3				
Average leverage, %	79.2				
Risk assessment method	Commitment approach				
Purchases and sales of financial instruments involving related parties					
Trading with companies within the same group, %	0.0				
Trading involving funds managed by Lannebo Fonder, %	6.1				

1) NASDAQ OMX Credit SEK is an index that has been based to reflect developments in corporate bonds issued in SEK with high credit ratings, better known as investment grade.

2) Refers to the costs for the last twelve months.

LANNEBO CORPORATE BOND

Material risks

The greatest risk associated with the fund's assets is the credit risk, which means the risk that the credit quality of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of an issuer changes for the worse, the market value of the holding will be lower. If an issuer becomes insolvent may, in the worst-case scenario, mean the holding is worthless. The credit risk in these types of funds is higher as the fund invests in corporate bonds. The fund invests in both corporate bonds with a high credit rating (so-called investment grade) and in bonds with a credit rating lower than investment grade or bonds that lack a credit rating. The fund reduces this risk by having a good diversification between different issuers and tranches.

Liquidity risk may be higher in a corporate bond fund than in a money market fund or equity funds. Liquidity may vary due to changes in supply and demand, which results in a risk that holdings in corporate bonds may be harder to value or sell as a result of weak demand. Should liquidity in the market be limited, larger withdrawals from the fund can mean that holdings need to be sold at unfavourable prices, and, in exceptional cases, can mean that withdrawals cannot be made immediately upon request. This puts greater demands on the management of the fund's liquidity risk.

The interest rate risk is higher in this type of fixed income fund as the fund invests in securities with an average to long-term duration, which means greater price volatility than is the case with a money market fund.

The fund has not exercised, and does not intend to exercise, the op-

tion of investing more than 35 per cent of the fund's value in debt issued or guaranteed by a government, municipal authority or the equivalent within an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are constantly monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the year.

Derivatives and other techniques and instruments

According to the fund statutes, the fund has the right to trade in options, futures and other financial instruments, and the right to lend securities. Under current regulations, other techniques and instruments may also be used in the management of the fund. The fund has made some investments in bonds involving derivatives in the form of the ability of the issuer to redeem them early as well as hybrid instruments. During the period currency forwards, where SEB was the counterparty, were used to manage the fund's currency risk corresponding to at most 52.2 per cent of the fund's value. The fund may provide or receive collateral in the form of cash corresponding to the market value of currency forwards to manage counterparty risk. The fund's leverage is a result of currency forward contracts used to manage the currency risk and bond holdings including derivatives.

TOP HOLDINGS	SEK THOUSANDS	% OF NET-ASSET
Castellum	72 064	4.5
OP Bank	59 968	3.7
Color Group	59 457	3.7
Volvo Treasury	58 137	3.6
SEB	55 124	3.4

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	1 489 595	1 559 543
OTC-derivatives with a positive market value	13 694	18 804
Total financial instruments with a positive market value (note 1)	1 503 290	1 578 347
Investment in account with credit institution	126 301	102 878
Total investments with a positive market value	1 26 301	102 878
Prepaid expenses and accrued income	8 335	8 779
Total assets	1 637 926	1 690 004
Liabilities		
Accrued expenses and deferred income	-1 224	-1 291
Other liabilities	-24 973	-18 133
Total liabilities	-26 197	-19 424
Total net asset (note 2)	1 611 729	1 670 580
Memorandum		
Received collaterals for OTC-derivatives	14 819	18 133
% of net asset	0.9	1.1

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	80 501	-41 713
Change in value of other OTC-derivatives (note 4)	-59 462	26 871
Interest income (note 5)	48 391	37 951
Exchange rate gains and losses net	-328	1 774
Total income and change in value	69 102	24 883
Costs		
Management fee		
- Fee charged by the fund manager	-14 147	-13 118
Total costs	-14 147	-13 118
Net result	54 955	11 765

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

	1 670 580	1 355 506
Net asset in the beginning of the year	1 670 580	1 355 506
Unit issue	1 402 328	976 070
Unit redemption	-1 516 038	-672 670
Net result according to income statement	54 955	11 765
Dividend paid	-96	-91
Net asset at the end of the year	1 611 729	1 670 580

Note 3 Change in value of transferable securities

	25 624	49 691
Capital gains	25 624	49 691
Capital losses	-18 327	-48 877
Unrealized gains/losses	73 204	-42 527
Total	80 501	-41 713

Note 4 Change in value of OTC-derivatives

	11 297	16 623
Capital gains	11 297	16 623
Capital losses	-65 650	-8 994
Unrealized gains/losses	-5 109	19 242
Summa	-59 462	26 871

Note 5 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

LANNEBO CORPORATE BOND

Investments in financial instruments as at 31/12/16
(expressed in SEK thousands)

	COUNTRY/ CURRENCY	NOMINAL AMOUNT	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
FLOATING RATE NOTES (FRN)				
Akelius Residential 3.375%				
Obl200923	SE/EUR	4 000 000	41 435	2.6
Aker FRN190724	NO/SEK	46 000 000	46 926	2.9
Bakkafrost FRN180214	FO/NOK	33 000 000	35 706	2.2
Balder FRN190312	SE/SEK	30 000 000	30 242	1.9
Betsson FRN191128	SE/SEK	34 000 000	34 374	2.1
Bilia FRN210329	SE/SEK	39 000 000	40 255	2.5
Castellum FRN190607	SE/SEK	13 000 000	13 021	0.8
Castellum FRN200313	SE/SEK	22 000 000	21 772	1.4
Castellum FRN211004	SE/SEK	37 000 000	37 127	2.3
Color Group FRN200602	NO/NOK	40 500 000	44 074	2.7
Color Group FRN201217	NO/NOK	14 000 000	15 147	0.9
Cramo 2.375% Obl220228	FI/EUR	2 000 000	19 436	1.2
DFDS FRN180321	DK/NOK	45 000 000	48 517	3.0
DNB Call FRN200528	NO/SEK	30 000 000	29 673	1.8
Danske Bank Call FRN211123	DK/DKK	36 000 000	46 522	2.9
Digiplex Norway FRN190717	NO/NOK	30 000 000	31 622	2.0
Forchem 4.9% Obl200702	FI/EUR	4 364 325	42 729	2.7
Heimstaden FRN190916	SE/SEK	25 000 000	24 952	1.5
Icelandair FRN211026	IS/USD	2 900 000	26 540	1.6
If Försäkring Call FRN211201	SE/SEK	18 000 000	18 215	1.1
Jyske Bank FRN210916	DK/SEK	28 000 000	28 905	1.8
Landshypotek Bank Call FRN210525	SE/SEK	40 000 000	41 280	2.6
Lantmännen FRN201207	SE/SEK	25 000 000	25 377	1.6
Länsförsäkringar Bank Call FRN210426	SE/SEK	20 000 000	20 539	1.3
Länsförsäkringar Bank FRN200609	SE/SEK	19 000 000	18 485	1.1
Marine Harvest FRN180312	NO/NOK	18 000 000	19 333	1.2
OP Bank Call FRN200825	FI/SEK	60 000 000	59 908	3.7
Ocean Yield FRN200429	NO/NOK	30 000 000	31 245	1.9
Pioneer Public Properties FRN210528	NO/NOK	20 000 000	22 014	1.4
Resurs Bank FRN180403	SE/SEK	25 000 000	25 202	1.6
Resurs Bank FRN190831	SE/SEK	20 000 000	20 080	1.2
SBAB Bank Call FRN201110	SE/SEK	40 000 000	40 170	2.5
SEB 5.75% Call Obl200513	SE/USD	6 000 000	54 713	3.4
SPP Livförsäkring Call FRN190527	SE/SEK	30 000 000	30 402	1.9
Sato 2.25% Obl200910	FI/EUR	2 000 000	20 128	1.2
Sato 2.375% Obl210324	FI/EUR	2 000 000	20 145	1.2
Sponda 2.375% Obl200520	FI/EUR	4 500 000	44 585	2.8
Stena Metall Finans FRN201127	SE/SEK	32 000 000	32 344	2.0
Stolt-Nielsen FRN190904	BM/NOK	21 000 000	22 660	1.4
Storebrand Livsförsäkring Call FRN200317	NO/NOK	39 000 000	41 074	2.5
Technopolis 3.75% Obl200528	FI/EUR	1 950 000	19 535	1.2
Tryg Forsikring A/S Call FRN251113	DK/NOK	30 000 000	31 035	1.9
Vattenfall Call FRN220319	SE/SEK	38 000 000	36 738	2.3
Volvo Treasury 4.2% Call Obl200610	SE/EUR	5 700 000	56 856	3.5
			1 411 036	87.5
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			1 411 036	87.5

TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE

	COUNTRY/ CURRENCY	NOMINAL AMOUNT	MARKET VALUE	% OF NET ASSET
FLOATING RATE NOTES (FRN)				
Com Hem 3.5% Obl220225	SE/SEK	30 000 000	29 909	1.9
			29 909	1.9

TOTAL TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE

29 909 1.9

OTHER FINANCIAL INSTRUMENTS

FLOATING RATE NOTES (FRN)

Stena Metall Finans FRN191029	SE/SEK	8 000 000	8 118	0.5
Volvo Car FRN220307	SE/SEK	40 000 000	40 533	2.5
			48 650	3.0

CURRENCY FUTURES

DKK/SEK S170228	SE/DKK	-36 000 000	936	0.1
EUR/SEK S170228	SE/EUR	-27 921 990	5 852	0.4
NOK/SEK S170228	SE/NOK	-327 500 000	6 195	0.4
USD/SEK S170228	SE/USD	-8 981 651	711	0.0
			13 694	0.8

TOTAL OTHER FINANCIAL INSTRUMENTS

62 345 0.8

OTHER FINANCIAL INSTRUMENTS

Other assets and liabilities, net			1 503 290	93.3
			108 440	6.7
TOTAL NET ASSET			1 611 729	100.0

TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES

SEB				11.5
Castellum				4.5
Color Group				3.7
Resurs Bank				2.8
Stena Metall Finans				2.5
Sato				2.5
Länsförsäkringar Bank				2.4

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

Investment policy:

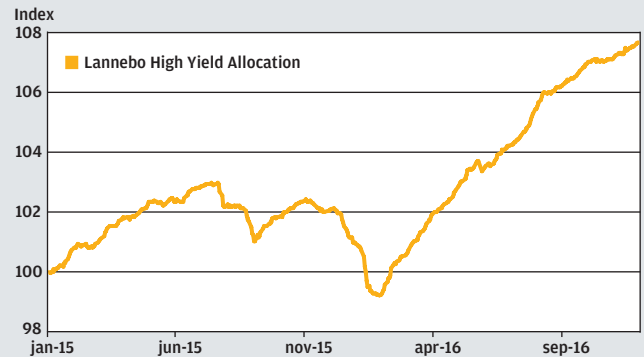
Lannebo High Yield Allocation is a long-term fixed-income fund that focuses on investments in Swedish and Nordic high-yield corporate bonds. The credit and interest-rate duration of the fund's holdings is normally 3-5 years.

Fund Managers:

Karin Haraldsson/Katarina Åselius Ponsbach
 karin.haraldsson@lannebofonder.se
 katarina.ponsbach@lannebofonder.se



Performance 30/01/15 – 31/12/16



The recommended investment horizon in the fund is three years. The return since the fund was launched (30/01/15) has been 7.7 per cent.

The fund's performance

Assets under management decreased from SEK 240m at the beginning of 2016 to SEK 219m at the end of the year. The net of inflows to and outflows from the fund amounted to SEK -32m.

Lannebo High Yield Allocation increased during the period by 5.6 per cent. There are still no public Nordic High Yield indices to compare the fund. Nasdaq OMX SEK Credit Index, which is an index with a higher credit rating, increased by 3.0 per cent.

Comments to the fund's performance

The year started with geopolitical unrest and falling commodity prices. Oil prices bottomed out at \$ 26/barrel in January. Increased risk aversion and difficulties with refinancing in the oil services sector led to outflows from credit funds resulting in price declines, especially in the Norwegian market. In late February, the European Central Bank announced its purchase program would be expanded to include corporate bonds with investment grade ratings, causing Nordic credit markets to bounce back. Rising commodity prices and improved global economic signals also contributed to the increase. The fund increased every month from March through December.

During 2016, the Riksbank continued to lower the repo rate due to low inflationary pressures in the Swedish economy. The repo rate at year end was -0.5 per cent, compared with -0.35 per cent at the beginning of 2016. The Riksbank considers that monetary policy needs to

remain very expansionary to maintain and strengthen the rise in inflation, and estimates that it is probable that a first repo rate increase will occur at the earliest in 2018. In December, the US Fed finally completed its second interest rate increase. Long-term rates have risen sharply in the US, with some spill over to Europe and Sweden – where, however, levels remain historically low.

The Swedish three months STIBOR decreased from -0.29 per cent at the beginning of the year-end to -0.59 per cent at year end. The Swedish five-year government bond yield hovered around zero at the beginning of the year and dropped to -0.28 per cent following the UK referendum, Brexit, and landed at -0.13 per cent at year end. Rising interest rates have no significant impact on the fund's returns, since most of the returns are from the fund's credit risk.

Credit market activity was low for new issues during the turbulent period at the beginning of the year, however the market gained momentum during the Spring. During the year, the strategy was to continue to maintain a well-diversified Nordic portfolio. The fund participated in issues by real estate companies Alm Equity and Magnolia Bostad, tourism and excursion company Strömma Turism & Sjöfart and airliner Icelandair. During the year, packaging company ÅR Packaging, real estate company Pioneer Public Properties, construction company Destia and district heating company Sefyr Värme redeemed their bonds early.

At year end, the fund held 36 issuers with the following geographic distribu-

tion: Sweden 46 per cent, Norway 29 per cent, Denmark 14 per cent, Finland 9 per cent and Iceland 2 per cent.

At year-end, the average credit duration of all holdings was 3.2 years. Credit duration measures how sensitive the fund is to a change in the creditworthiness of the issuers. The average of the assessed credit rating of the fund's holdings was B+, and the interest rate duration, which measures the fund's sensitivity to changes in market interest rates, was 1.0 years at the year-end. The strategy is to keep the interest rate duration short to protect the fund against rising interest rates.

The funds five largest issuers at year-end were Danske Bank, Color Group, Consilium, Forchem and Strömma Turism & Sjöfart.

Danske Bank is the largest Danish bank and is one of the largest banks in the Nordic region. Danske Bank has a high credit rating and is rated A- by S&P. The Group's business areas include banking, loans, financing, insurance, leasing, property and asset management. Danske Bank is listed on the Copenhagen Stock Exchange.

Color Group is a Norwegian ferryboat operator serving four routes between Norway, Sweden, Denmark and Germany. The Norwegian family O.N. Sunde owns Color Group since 1999. Stable revenues due to a non-cyclical business, investments in sustainability and several efficiency improvements in operations, leads the market to assess the company's credit rating corresponds to a rating in the segment BB (-).

Consilium produces safety, naviga-

tion and automation systems for the transportation and oil and gas industry. The company is listed on the Stockholm Stock Exchange. The company's market-leading position, good profitability and the relatively limited indebtedness leads us to assess that the company's credit rating is equivalent to the B+ segment.

Forchem is a Finnish tall oil producer and the European market leader in their niche. The company has a production plant in Rauma, Finland and manufactures four different products used for adhesives, biodiesel, ink and others. Forchem is owned by Respol, a Portuguese's family business, which is also one of Forchem's major customers. The company's market position, stable margins and strong cash flow leads us to assess that the company's credit rating is equivalent to the BB (-) segment.

Strömma Turism & Sjöfart arranges sightseeing and tourist excursions in the Nordic countries and the Netherlands, including tour boats in the Stockholm archipelago. The owner is the von Rettig family, who founded the company in 1809. Stable income, but a relatively high debt level, leads us to assess that the company's credit rating is equivalent to the B+ segment.

Material risks

The greatest risk associated with the fund's assets is the credit risk, which means the credit rating of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of the issuer changes for the worse, the market value of the holding will be lower. If the issuer becomes insolvent, this may, in the worst-case scenario, mean the holding is worthless.

The credit risk in these types of funds is higher as the fund invests in high yield corporate bonds issued by companies with lower credit ratings. The fund invests mainly in corporate bonds with lower credit ratings than investment grade or in corporate bonds that do not have a credit rating. The fund reduces this risk by having a good diversification between different issuers and tranches.

Liquidity risk may be higher in a corporate bond fund than in a money market fund or equity funds. Liquidity may vary due to changes in supply and demand, which results in a risk that holdings in corporate bonds may be harder to value or sell as a result of weak demand. Should liquidity in the market be limited, larger withdrawals from the fund can mean that holdings need to be sold at unfavourable prices, and, in exceptional cases, can mean that withdrawals cannot be made immediately upon request. This puts greater demands on the management of the fund's liquidity risk.

The interest rate risk is higher in this type of fixed income fund as the fund invests in securities with an average to long-term duration, which means greater price volatility than is the case with a money market fund.

The fund has not exercised, and

does not intend to exercise, the option of investing more than 35 per cent of the fund's value in debt issued or guaranteed by a government, municipal authority or the equivalent within an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are constantly monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the year.

Derivatives and other techniques and instruments

According to the fund statutes, the fund has the right to trade in options, futures and other financial instruments, and the right to lend securities. Under current regulations, other techniques and instruments may also be used in the management of the fund. The fund has made some investments in bonds involving derivatives in the form of the ability of the issuer to redeem them early as well as hybrid instruments. During the period currency forwards, where Handelsbanken was the counterparty, were used to manage the fund's currency risk corresponding to at most 70,7 per cent of the fund's value. The fund may provide or receive collateral in the form of cash corresponding to the market value of currency forwards to manage counterparty risk. The fund's leverage is a result of currency forward contracts used to manage the currency risk and bond holdings including derivatives.

Fund facts Lannebo High Yield Allocation, reg no 515602-7228

Launch date 30/01/15

Performance ¹	31/12/16	31/12/15
Net asset, SEK thousands	218 249	240 000
NAV, SEK	107.70	101.98
Number of outstanding units, thousands	2 026	2 353
Dividend, SEK per unit	0.00	0.00
Annual return, %	5.6	2.0
Risk and growth		
Standard deviation, %	-	-
Standard deviation benchmark, %	-	-
Credit duration, yrs	3.1	3.6
Interest duration, yrs	1.0	1.2
Average annual return		
- 24 months, %	-	-
- 5 yrs, %	-	-
Costs		
Management fee, %	0.9	0.9
Custodian fee, %	0.02	0.02
Transaction costs, SEK thousands	0	0,0
Transaction costs, %	0	0
Ongoing charges, %	0.92	-
Sales and redemption fee, %	0.0	0.0
Total costs		
- for a single purchase SEK 10 000	93	-
- for monthly payments SEK 100	6	-
Turnover		
Turnover ratio	0.5	-
Derivatives		
Maximum leverage, %	91.7	
Minimum leverage, %	71.5	
Average leverage, %	81.2	
Risk assessment method	Commitment approach	
Purchases and sales of financial instruments involving related parties		
Trading with companies within the same group, %	0.0	
Trading involving funds managed by Lannebo Fonder, %	0.2	

TOP HOLDINGS	SEK THOUSANDS	% OF NET-ASSET
Danske Bank	10 148	4.7
Color Group	9 794	4.5
Consilium	9 653	4.4
Forchem	9 091	4.3
Strömman Turism & Sjöfart	8 380	3.9

LANNEBO HIGH YIELD ALLOCATION

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	194 955	215 054
OTC-derivatinstrument with a positive market value	2 461	3 585
Total financial instruments with a positive market value (note 1)	197 416	218 639
Investment in account with credit institution	21 333	22 923
Total investments with a positive market value	21 333	22 923
Prepaid expenses and accrued income	1 968	2 181
Total assets	220 717	243 743
Liabilities		
Accrued expenses and deferred income	-168	-193
Other liabilities	-2 300	-3 550
Total liabilities	-2 468	-3 743
Total net asset (note 2)	218 249	240 000
Memorandum		
Received collaterals for OTC-derivatives	2 300	3 550
% of net asset	1.1	1.5

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	11 194	-16 828
Change in value of OTC-derivatives (note 4)	-10 664	8 804
Interest income (note 5)	11 541	10 547
Exchange rate gains and losses net	9	520
Other income	192	66
Total income and change in value	12 272	3 109
Costs		
Managment fee		
- Fee charged by the fund manager	-1 835	-1 637
- Fee charged by the custodian	-31	0
Other costs	-39	-71
Total costs	-1 905	-1 708
Net result	10 367	1 401

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

Net asset in the beginning of the year	240 000	0
Unit issue	133 764	370 534
Unit redemption	-165 883	-131 935
Net result according to income statement	10 367	1 401
Net asset at the end of the year	218 249	240 000

Note 3 Change in value of transferable securities

Capital gains	3 169	2 288
Capital losses	-9 576	-5 646
Unrealized gains/losses	17 601	-13 471
Total	11 194	-16 829

Note 4 Change in valud of OTC-derivatives

Capital gaings	2 313	7 439
Capital losses	-11 853	-2 220
Unrealized gains/losses	-1 124	3 585
Summa	-10 664	8 804

Note 5 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

LANNEBO HIGH YIELD ALLOCATION

Investments in financial instruments as at 31/12/16
(expressed in SEK thousands)

	COUNTRY/ CURRENCY	NOMINAL AMOUNT	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
FLOATING RATE NOTES (FRN)				
B2 FRN201208	NO/EUR	500 000	4 991	2.3
BW Offshore FRN220316	BM/NOK	2 000 000	1 690	0.8
Color Group FRN200602	NO/NOK	9 000 000	9 794	4.5
Consilium FRN200325	SE/SEK	9 000 000	9 653	4.4
Containerships FRN190402	FI/EUR	600 000	5 285	2.4
Danske Bank 5.75%				
Call Obl200406	DK/EUR	500 000	4 979	2.3
Danske Bank Call FRN211123	DK/DKK	4 000 000	5 169	2.4
Det Norske Oljeselskap 10.25%				
Call Obl220527	NO/USD	300 000	3 037	1.4
Diamorph 7% Obl190905	SE/SEK	5 000 000	5 306	2.4
DNB 6.5% Call 220326	NO/USD	200 000	1 863	0.9
Finnair 7.875% Call Obl201013	FI/EUR	500 000	5 332	2.4
Forchem 4.9% Obl200702	FI/EUR	928 580	9 091	4.2
Høegh LNG Holdings Ltd				
FRN200605	BM/USD	400 000	3 655	1.7
Icelandair FRN211026	IS/USD	600 000	5 491	2.5
Infratek FRN190520	NO/NOK	7 000 000	7 562	3.5
Jacob Holm FRN190403	DK/SEK	7 000 000	7 187	3.3
JSM Financial Group 8%				
Obl170630	SE/SEK	5 000 000	5 040	2.3
Lindorff FRN200815 NOK	NO/NOK	4 000 000	4 451	2.0
LM Group Holding 8% Obl190326	DK/EUR	700 000	6 971	3.2
Norwegian Air Shuttle FRN180520	NO/NOK	4 000 000	4 335	2.0
Ocean Yield FRN200429	NO/NOK	5 000 000	5 207	2.4
Opus Group FRN210526	SE/SEK	4 000 000	4 172	1.9
Pioneer Public Properties				
FRN210528	NO/NOK	5 000 000	5 504	2.5
Roplan FRN210715	SE/SEK	5 000 000	5 159	2.4
SEB 5.75% Call Obl200513	SE/USD	800 000	7 295	3.3
Stolt-Nielsen FRN200408	BM/NOK	6 000 000	6 215	2.8
Strömman Turism & Sjöfart				
FRN210527	SE/SEK	8 000 000	8 380	3.8
Teekay LNG Partners L.P.				
FRN200519	MH/NOK	4 000 000	4 005	1.8
Textilia FRN190404	SE/SEK	4 000 000	4 106	1.9
Troax Group FRN200612	SE/EUR	771 300	7 768	3.6
Volvo Treasury 4.85%				
Call Obl230310	SE/EUR	600 000	6 026	2.8
Ziton FRN191126	DK/EUR	585 000	5 489	2.5
			180 207	82.6
TOTAL TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET			180 207	82.6
TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE				
FLOATING RATE NOTES (FRN)				
Alm Equity FRN200318	SE/SEK	3 000 000	2 993	1.4
Magnolia Bostad FRN200428	SE/SEK	3 000 000	3 104	1.4
Jetpak FRN201202	SE/SEK	5 000 000	5 075	2.3
			11 171	5.1
TOTAL TRANSFERABLE SECURITIES INTENDED TO BE ADMITTED TO TRADING ON A REGULATED MARKET WITHIN ONE YEAR FROM ISSUE			11 171	5.1
OTHER FINANCIAL INSTRUMENTS				
FLOATING RATE NOTES (FRN)				
Ovako 6.5% Obl190601	SE/EUR	400 000	3 577	1.6
			3 577	1.6

	COUNTRY/ CURRENCY	NOMINAL AMOUNT	MARKET VALUE	% OF NET ASSET
CURRENCY FUTURES				
DKK/SEK H170228	SE/DKK	-4 000 000	100	0.0
EUR/SEK H170228	SE/EUR	-6 297 247	1 317	0.6
NOK/SEK H170228	SE/NOK	-46 500 000	856	0.4
USD/SEK H170228	SE/USD	-2 350 521	187	0.1
			2 461	1.1
TOTAL OTHER FINANCIAL INSTRUMENTS			6 038	2.8
TOTAL FINANCIAL INSTRUMENTS			197 416	90.5
Other assets and liabilities, net			20 833	9.5
TOTAL NET ASSET			218 249	100.0
TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES				
SEB				13.3
Danske Bank				4.6
Handelsbanken				0.1

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.



Management report

Investment policy:

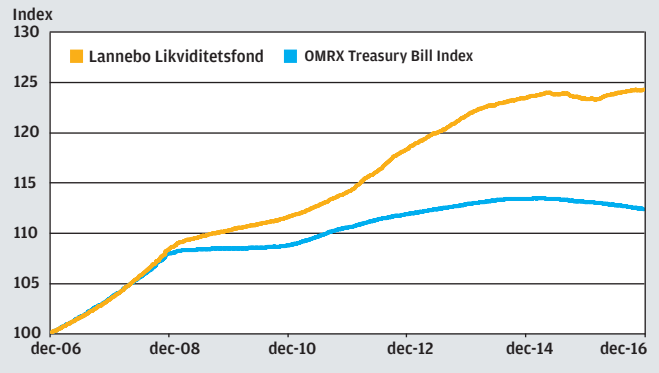
The fund is a short-term fixed income fund that focuses on investments in Swedish fixed-income securities. The credit duration and interest-rate duration of the fund's holdings is a maximum of two years.

Fund Managers:

Karin Haraldsson/Katarina Åselius Ponsbach
 karin.haraldsson@lannebofonder.se
 katarina.ponsbach@lannebofonder.se



Performance 31/12/06–31/12/16



The return during the recommended one-year investment horizon has been 0.8 per cent.

The fund's performance

Assets under management decreased from SEK 7.1bn at the beginning of 2016 to SEK 5.9bn at the end of 2016. The net of inflows to and outflows from the fund amounted to minus SEK 1.2bn.

Lannebo Likviditetsfond increased by 0.8 per cent during 2016. The benchmark index OMRX Treasury Index, decreased during the year by 0.8 per cent.

Comments to the fund's performance

The Riksbank continued to reduce the repo rate during 2016 due to low inflationary pressures in the Swedish economy. The repo rate at year end was -0.5 per cent, compared with -0.35 per cent at the beginning of 2016. The Riksbank considers that monetary policy needs to remain very expansionary to maintain and strengthen the rise in inflation, and estimates that it is probable that a first repo rate increase will occur at the earliest in 2018.

Credit market activity was low for new issues during the turbulent period at the beginning of the year, however the market gained momentum during the spring. The fund participated in issues by car dealership Bilia, forestry and garden equipment manufacturer Husqvarna and real estate company Castellum. Bilia is a new issuer in the fund and is Scandinavia's largest car dealership chain, selling both new and used cars as well as service packages. Bilia issued a bond with a maturity of

five years. Castellum, which is the fund's largest holding, announced that it had acquired real estate company Norrporten. Following the acquisition, Castellum's real estate portfolio totalled SEK 70bn and the company's market position was strengthened and the portfolio further diversified.

No major structural changes were made in the fund during the year. The proportion of bonds - FRN floating rate loans - was 89 per cent, and the proportion of certificates and cash remained unchanged at 11 per cent at the end of the period. The interest rate duration, which measures the fund's sensitivity to a change in market interest rates, remained unchanged and amounted to 0.1 years at the end of the year. The strategy is to keep the interest rate duration short to protect the fund against rising interest rates. Credit duration, which measures the fund's sensitivity to a change in credit spreads, was unchanged at 1.7 years at the end of the year. To generate higher returns with limited risk, the fund invested in fixed income securities issued by companies with high credit ratings. The average of the assessed credit rating of the fund's holdings was BBB at year end.

The fund's five largest issuers at year-end were Castellum, Ikano Bank, Atrium Ljungberg, Hexagon, and Olav Thon Eiendomsselskap.

Castellum, following the acquisition of Norrporten, is one of Sweden's largest property companies with a portfolio of approximately SEK 70bn. The property

portfolio is well diversified, where Gothenburg, Öresund and Stockholm each account for about 20 per cent. "Middle" Sweden - Västerås, Örebro, Linköping, Norrköping, Jönköping - account for almost 30 per cent. Office and retail properties represent 80 per cent of the portfolio, and industrial / warehouse accounts for the remaining 20 per cent. Castellum is listed on the Stockholm Stock Exchange. Castellum has no official rating, however, the property portfolio, the geographic distribution, stable profitability and the loan-to-value ratio for the property portfolio leads the market's assessment of the company's credit rating to correspond to a rating in the BBB (-) segment.

Ikano Bank is a small niche bank within the Ikano Group, which is owned by the Kamprad family. Ikano Bank is active in the Nordic region, and the bank's core funding source is deposits from the public. Good profitability, liquidity and strong owners, but on the other hand, the relatively smaller size of the bank, leads us to assess that the bank's credit rating is equivalent to the BBB segment.

Atrium Ljungberg is a Swedish real estate company listed on the Stockholm Stock Exchange with a property portfolio of just over SEK 34 bn. The company owns, develops and manages primarily retail and office properties. The properties are located in Sweden's three largest cities, Stockholm, Gothenburg and Malmö. Atrium Ljungberg has no official rating, but the property portfolio in resi-

lient regions with stable profitability and adequate leverage, leads us to assess that the company's credit rating is equivalent to the BBB segment.

Hexagon is a Swedish information technology company with global operations that is listed on the Stockholm Stock Exchange. Stable margins, good cash flow, adequate leverage and good growth leads us to assess that the company's credit rating is equivalent to the BBB segments.

Olav Thon Eiendomsselskap is a Norwegian real estate company focused on commercial properties with a concentration on shopping centres in Norway and Sweden. The company is listed on the Oslo Stock Exchange and is part of the Olav Thon Group which also includes Olav Thon Hotels. The founder Olav Thon has extensive experience in the real estate market and he is still active in the company. Olav Thon Eiendomsselskap has no official rating but relatively low leverage, stable profitability and a good property portfolio, leads us to assess that the company's credit rating is equivalent to the BBB + segment.

Material risks

The greatest risk associated with the fund's assets is the credit risk, which means the credit rating of one or more of the issuers deteriorates or an issuer becomes insolvent. If the credit rating of the issuer changes for the worse, the market value of the holding will be lower. If the issuer becomes insolvent, this may, in the worst-case scenario, mean the holding with the issuer is worthless. Likviditetsfonden invests only in fixed-income transferable securities and money market instruments with an assessed high credit rating, which means

that this risk is limited. In addition, the fund has a good diversification between different issuers and tranches, which further reduce this risk.

Liquidity risk may arise if market liquidity is limited, which places a somewhat greater requirement on the management of liquidity risk in the fund.

Duration may not exceed two years and therefore the fund's interest rate risk is low.

The fund has not exercised, and does not intend to exercise, the option of investing more than 35 per cent

of the fund's value in debt issued or guaranteed by a government, municipal authority or the equivalent within an EEA country.

Together with the outcomes of regular stress tests, relevant risk levels are constantly monitored and followed-up. Appropriate risk measures are used to assess the fund's risk profile. Follow-up of the fund's concentration level and the degree of active management are also included as measures used to manage the fund's risk exposures. The fund was managed in accordance with the fund's risk profile during the year.

Derivatives and other techniques and instruments

According to the fund statutes the fund has the right to trade in options, futures and other financial instruments and the right to lend securities. Under current regulations, other techniques and instruments may also be used in the management of the fund. None of these possibilities were exercised during the period.

Fund facts Lannebo Likviditetsfond, reg no 504400-9388

Launch date 12/11/01

Performance	31/12/16	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11	31/12/10	31/12/09	31/12/08	31/12/07
Net asset, SEK thousands	5 940 612	7 095 225	3 627 063	3 251 137	3 103 964	5 996 422	1 772 999	1 039 296	1 138 909	698 260
NAV, SEK	113.97	113.11	113.24	111.57	108.52	107.25	106.14	107.23	108.95	105.32
Number of outstanding units, SEK	52 125	62 727	32 031	29 141	28 602	55 910	16 705	9 692	10 454	6 630
Dividend, SEK per unit	0.00	0.00	0.00	0.00	2.66	1.22	2.36	3.51	1.43	2.06
Annual return, %	0.8	-0.1	1.5	2.8	3.7	2.2	1.2	1.7	4.9	3.4
OMRX Treasury Bill Index ¹ , %	-0.7	-0.3	0.5	0.9	1.2	1.6	0.3	0.4	4.4	3.4
Risk and growth										
Standard deviation, %	0.3	0.4	0.3	0.3	0.3					
Standard deviation benchmark, %	0.1	0.1	0.1	0.1	0.1					
Credit duration, yrs	1.7	1.8	1.7	1.8	1.7					
Interest duration, yrs	0.1	0.2	0.2	0.2	0.2					
Average annual growth										
- 24 months, %	0.3	0.7	2.2	3.3	3.0					
- 5 yrs, %	1.7	2.0	2.3	2.3	2.7					
Costs²										
Management fee	0.2	0.2	0.3	0.3	0.3					
Transaction costs, SEK thousands	0	0	0	0	0					
Transaction costs, %	0.0	0.0	0.0	0.0	0.0					
Ongoing charges, %	0.20	0.22	0.30	0.30	0.30					
Sales and redemption fee %	0.0	0.0	0.0	0.0	0.0					
Total costs										
- for a single purchase SEK 10 000	20	23	30	30	31					
- for monthly payments SEK 100	1	1	2	1	2					
Turnover										
Turnover ratio	0.6	0.8	0.7	0.7	1.5					
Derivatinstrument										
Risk assessment method	Commitment approach									
Purchases and sales of financial instruments involving related parties										
Trading with companies within the same group, %	0.0									
Trading involving funds managed by Lannebo Fonder, %	4.4									

1) The OMRX Treasury Bill Index contains Swedish treasury bills with different terms of up to a year, which reflects the fund's investment policy.

2) Refers to the costs for the last twelve months.

LANNEBO LIKVIDITETFOND

Investments in financial instruments as at 31/12/16
(expressed in SEK thousands)

	COUNTRY/ CURRENCY	NOMINAL AMOUNT	MARKET VALUE	% OF NET ASSET
TRANSFERABLE SECURITIES ADMITTED TO TRADING ON A REGULATED MARKET				
FLOATING RATE NOTES (FRN)				
Aktia Bank FRN181026	FI/SEK	37 000 000	37 164	0.6
Atrium Ljungberg FRN170428	SE/SEK	20 000 000	20 004	0.3
Atrium Ljungberg FRN171115	SE/SEK	48 000 000	48 328	0.8
Atrium Ljungberg FRN180412	SE/SEK	29 000 000	29 129	0.5
Atrium Ljungberg FRN190319	SE/SEK	46 000 000	46 332	0.8
Bilia FRN210329	SE/SEK	70 000 000	72 253	1.2
BillerudKorsnäs FRN170918	SE/SEK	55 000 000	55 112	0.9
BillerudKorsnäs FRN180327	SE/SEK	58 000 000	59 376	1.0
Castellum FRN170301	SE/SEK	24 500 000	24 549	0.4
Castellum FRN170901	SE/SEK	50 000 000	49 971	0.8
Castellum FRN180326	SE/SEK	49 000 000	49 062	0.8
Castellum FRN180604	SE/SEK	47 000 000	46 845	0.8
Castellum FRN180926	SE/SEK	33 500 000	33 865	0.6
Castellum FRN190607	SE/SEK	51 000 000	51 082	0.9
Castellum FRN190916	SE/SEK	68 000 000	67 517	1.1
Castellum FRN200313	SE/SEK	55 000 000	54 431	0.9
Castellum FRN211004	SE/SEK	38 000 000	38 131	0.6
Elekta FRN200326	SE/SEK	70 000 000	69 455	1.2
Fortum FRN180320	FI/SEK	67 000 000	67 339	1.1
Fortum Värme Holding FRN200917	SE/SEK	50 000 000	50 023	0.8
Hemsö Fastighets FRN190219	SE/SEK	75 000 000	75 508	1.3
Hemsö Fastighets FRN191021	SE/SEK	90 000 000	90 459	1.5
Hexagon FRN170310	SE/SEK	100 000 000	100 094	1.7
Hexagon FRN180917	SE/SEK	20 000 000	20 007	0.3
Hexagon FRN191126	SE/SEK	193 000 000	194 293	3.3
Holmen FRN170920	SE/SEK	50 000 000	50 075	0.8
Husqvarna FRN190503	SE/SEK	20 000 000	20 176	0.3
Husqvarna FRN210503	SE/SEK	65 000 000	66 012	1.1
ICA Gruppen FRN180625	SE/SEK	102 900 000	105 314	1.8
ICA Gruppen FRN190617	SE/SEK	78 000 000	79 400	1.3
Ikano Bank FRN170926	SE/SEK	140 000 000	140 580	2.4
Ikano Bank FRN180201	SE/SEK	60 000 000	60 115	1.0
Ikano Bank FRN181015	SE/SEK	120 000 000	119 570	2.0
Ikano Bank FRN190429	SE/SEK	50 000 000	50 270	0.8
Lantmännen FRN201207	SE/SEK	119 000 000	120 792	2.0
Lifco FRN180403	SE/SEK	100 000 000	100 030	1.7
Loomis FRN171127	SE/SEK	50 000 000	50 015	0.8
Loomis FRN191218	SE/SEK	80 000 000	80 968	1.4
MTG FRN201005	SE/SEK	42 000 000	42 176	0.7
MTG FRN180319	SE/SEK	95 000 000	96 083	1.6
NCC Treasury FRN170306	SE/SEK	74 000 000	74 165	1.2
Nibe Industrier FRN190603	SE/SEK	50 000 000	50 223	0.8
Nibe Industrier FRN200528	SE/SEK	26 000 000	26 133	0.4
Nya SFF FRN180309	SE/SEK	150 000 000	149 980	2.5
Nya SFF Green Bond FRN171120	SE/SEK	120 000 000	120 076	2.0
Olav Thon Eiendomsselskap FRN170922	NO/SEK	100 000 000	100 057	1.7
Olav Thon Eiendomsselskap FRN180528	NO/SEK	180 000 000	179 382	3.0
SAAB FRN181210	SE/SEK	155 000 000	156 724	2.6
SAAB FRN190910	SE/SEK	70 000 000	70 480	1.2
SAAB FRN191212	SE/SEK	18 000 000	18 134	0.3
Sandvik FRN200114	SE/SEK	49 000 000	49 326	0.8
Sandvik FRN210114	SE/SEK	50 000 000	50 504	0.9
Skanska Financial Services FRN180312	SE/SEK	75 000 000	76 161	1.3
Skanska Financial Services FRN181022	SE/SEK	130 000 000	131 875	2.2
Sparbanken Skåne FRN180212	SE/SEK	45 000 000	45 142	0.8
Sparbanken Skåne FRN180409	SE/SEK	90 000 000	90 177	1.5
Steen & Strom FRN171208	NO/SEK	105 000 000	105 598	1.8
Södra Skogsägarna Green Bond FRN210607	SE/SEK	70 000 000	70 951	1.2
Tele2 FRN170515	SE/SEK	26 200 000	26 414	0.4
Tele2 FRN210511	SE/SEK	100 000 000	101 433	1.7
Tele2 FRN220316	SE/SEK	50 000 000	50 182	0.8
Vasakronan FRN180117	SE/SEK	50 000 000	50 232	0.8
Volkswagen Financial Services N.V. FRN170327	NL/SEK	50 000 000	49 987	0.8

TOP HOLDINGS	SEK THOUSANDS	% OF NET ASSET
Castellum	415 452	7.0
Ikano Bank	370 535	6.2
Atrium Ljungberg	343 765	5.8
Hexagon	314 394	5.3
Olav Thon Eiendomsselskap	279 439	4.7

Balance sheet, SEK thousands

	31/12/16	31/12/15
Assets		
Transferable securities	5 275 298	6 154 341
Money market instrument	449 954	412 842
Total financial instruments with a positive market value (note 1)	5 725 252	6 567 183
Investment in account with credit institution	213 501	524 503
Total investments with a positive market value	213 501	524 503
Prepaid expenses and accrued income	2 878	4 728
Total assets	5 941 631	7 096 414
Liabilities		
Accrued expenses and deferred income	-1 019	-1 189
Total liabilities	-1 019	-1 189
Total net asset (note 2)	5 940 612	7 095 225

Income statement, SEK thousands

	2016	2015
Income and change in value		
Change in value of transferable securities (note 3)	19 035	-57 289
Interest income (note 4)	51 923	49 672
Other income	0	1
Total income and change in value	70 958	-7 616
Costs		
Management fee		
- Fee charged by the fund manager	-14 473	-11 652
Interest costs	0	-803
Total costs	-14 473	-12 455
Net result	56 485	-20 071

Note 1 See holdings in financial instruments below

Note 2 Change in net asset

	7 095 225	3 627 063
Net asset in the beginning of the year	7 095 225	3 627 063
Unit issue	4 810 345	7 931 692
Unit redemption	-6 021 443	-4 443 459
Net result according to income statement	56 485	-20 071
Net asset at the end of the year	5 940 612	7 095 225

Note 3 Change in value of transferable securities

	8 508	19 135
Capital gains	8 508	19 135
Capital losses	-30 405	-15 999
Unrealized gains/losses	40 932	-60 425
Total	19 035	-57 289

Note 4 Interest income

The banks charge a deposit fee on deposit accounts as a result of negative interest rates. Deposit fee is reported since January 1, 2016 as negative interest income. Interest income is therefore reported negative. The figure for 2015 has been recalculated.

LANNEBO LIKVIDITETFOND

	COUNTRY/ CURRENCY	NOMINAL AMOUNT	MARKET VALUE	% OF NET ASSET
Volkswagen Financial Services N.V. FRN170828	NL/SEK	150 000 000	150 262	2.5
Volvo Treasury FRN170911	SE/SEK	150 000 000	150 125	2.5
Volvofinans Bank FRN170925	SE/SEK	85 000 000	85 346	1.4
Volvofinans Bank FRN180815	SE/SEK	100 000 000	100 318	1.7
Volvofinans Bank FRN190425	SE/SEK	88 000 000	88 409	1.5
Wallenstam Green Bond FRN180530	SE/SEK	24 000 000	24 024	0.4
ÅF FRN190321	SE/SEK	50 000 000	50 307	0.8
ÅF FRN200512	SE/SEK	64 000 000	63 835	1.1
			5 187 861	87.3

TOTAL TRANSFERABLE SECURITIES ADMITTED

TO TRADING ON A REGULATED MARKET **5 187 861** **87.3**

OTHER FINANCIAL INSTRUMENTS

FLOTING RATE NOTES (FRN)

Arla Foods Finance FRN180604	DK/SEK	55 500 000	56 153	0.9
Arla Foods Finance FRN190528	DK/SEK	10 000 000	10 022	0.2
Arla Foods Finance FRN210531	DK/SEK	21 000 000	21 262	0.4
			87 437	1.5

MONEY MARKET INSTRUMENTS - COMMERCIAL PAPERS

Atrium Ljungberg FC170116	SE/SEK	50 000 000	49 998	0.8
Atrium Ljungberg FC170131	SE/SEK	50 000 000	49 997	0.8
Atrium Ljungberg FC170327	SE/SEK	100 000 000	99 976	1.7
Indutrade FC170118	SE/SEK	100 000 000	99 995	1.7
MTG FC170306	SE/SEK	50 000 000	49 989	0.8
Trelleborg Treasury FC170123	SE/SEK	100 000 000	99 999	1.7
			449 954	7.6

TOTAL OTHER FINANCIAL INSTRUMENTS **537 391** **9.0**

TOTAL FINANCIAL INSTRUMENTS **5 725 251** **96.4**

Other assets and liabilities, net 215 361 3.6

TOTAL NET ASSET **5 940 612** **100.0**

% OF NET- ASSET

TOTAL EXPOSURE TO COMPANIES OR GROUP OF COMPANIES

Castellum	7.0
Ikano Bank	6.2
Atrium Ljungberg	5.8
Hexagon	5.3
Olav Thon Eiendomsselskap	4.7
Volvofinans Bank	4.6
Nya SFF	4.5
SAAB	4.1
Skanska Financial Services	3.5
Volkswagen Financial Services N.V.	3.4
MTG	3.2
ICA Gruppen	3.1
Tele2	3.0
Hemsö Fastighets	2.8
Sparbanken Skåne	2.3
Loomis	2.2
BillrerudKorsnäs	1.9
ÅF	1.9
Sandvik	1.7
Arla Food Finance	1.5
Husqvarna	1.5
Nibe Industrier	1.3

Accounting principles

The fund's accounting principles are based on Generally Accepted Accounting Principles and are, where appropriate, prepared in accordance with the Swedish Investment Funds Act (2004:46), the Swedish Financial Supervisory Authority's regulations FFFS 2013:9, the Swedish Financial Supervisory Authority's guidance, the Swedish Investment Fund Associations guidelines and also the Swedish Accounting Act.

Valuation of financial instruments

The fund's financial instruments including liabilities and derivatives are valued at their current market value. The current market value is established using different methods, which are applied in the following order:

1. If the financial instrument is traded on an active market, the closing price on the balance sheet date is used.
2. If the financial instrument is not traded on an active market, the current market value is derived on the basis of similar transactions that have taken place under market conditions over the past period.
3. If methods 1 or 2 cannot be applied, or will be obviously misleading, the current market value is established using a valuation model established on the market.

THE BOARD OF DIRECTOR'S AND THE CEO'S SIGNATURE

The Board of Directors and the CEO of Lannebo Fonder AB hereby submit the annual report in respect of the financial year 2016 for the following funds that are managed by the fund management company.

- Lannebo Europa Småbolag*
- Lannebo Sverige Flexibel
- Lannebo Mixfond
- Lannebo Utdelningsfond
- Lannebo Pension
- Lannebo Vision
- Lannebo Småbolag
- Lannebo Corporate Bond
- Lannebo Småbolag Select
- Lannebo Likviditetsfond
- Lannebo Sverige
- Lannebo High Yield Allocation
- Lannebo Sverige Plus

*(17/10/16-31/12/16)

Stockholm January 26, 2017

Göran Espelund
Chairman

Anna-Karin Eliasson Celsing

Göran Rylander

Johan Lannebo

Ulf Hjalmarsson

Martin Öqvist
CEO

AUDITORS' REPORT

Report on the annual accounts

Opinions

In our capacity as auditors of Lannebo Fonder AB, corporate identity number 556584-7042, we have audited the annual accounts for 2016 of the following funds:

- Lannebo Europa Småbolag*
- Lannebo Sverige Flexibel
- Lannebo Mixfond
- Lannebo Utdelningsfond
- Lannebo Pension
- Lannebo Vision
- Lannebo Småbolag
- Lannebo Corporate Bond
- Lannebo Småbolag Select
- Lannebo Likviditetsfond
- Lannebo Sverige
- Lannebo High Yield Allocation
- Lannebo Sverige Plus

*(17/10/16-31/12/16)

In our opinion, this annual report has been prepared in accordance with laws regarding Investment Funds and the Swedish Financial Supervisory Authority's regulations regarding Investment Funds and the laws regarding alternative investment fund managers as well as the Swedish Financial Supervisory Authority's regulations regarding alternative investment fund managers, and provides, in all material respects, a fair presentation of the above funds' financial position at December 31, 2016, and of its financial performance for the year according to the law for Investment Funds and the Swedish Financial Supervisory Authority's regulations on Investment Funds and the law on alternative investment fund managers and the Swedish Financial Supervisory Authority's regulation regarding alternative investment funds managers.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our liability under these standards are described in the section Auditor's responsibility. We are independent in relation to the fund management company in accordance with the codes of ethics for accounting in Sweden and have otherwise fulfilled our ethical responsibilities under these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibility of the fund management company

The fund management company is responsible for the preparation of the annual report and that the report provides a true and fair view in accordance with laws regarding Investment Funds, and the Swedish Financial Supervisory Authority's regulations regarding Investment Funds and laws for alternative investment fund managers and the Swedish Financial Supervisory Authority's regulations regarding alternative investment fund managers. The fund management company is also responsible for such internal controls as it deems necessary in order to prepare an annual report that does not contain any material misstatement, whether due to irregularities or error.

Auditor's responsibility

Our goal is to achieve a reasonable degree of certainty as to whether the annual report as a whole is free from material misstatements, whether due to irregularities or error, and to submit a report containing our audit statement. Reasonable security is a high degree of security, but is no guarantee that an audit performed in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement if one exists. Inaccuracies may occur due to irregularities or errors, and is considered to be material if they individually or collectively can reasonably be expected to influence any economic decisions taken based on the annual report.

As part of an audit in accordance with ISA, we use professional judgment and have a professional sceptical perspective throughout the audit. Furthermore:

- We identify and assess risks of material misstatement in the annual report, whether due to irregularities or error, develop and carrying out audit procedures, including on the basis of these risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from irregularities is higher than that of a material misstatement due to error, because the irregularities may include actions in collusion, forgery, deliberate omissions, misinformation or failure of internal controls.
- We acquire an understanding of that part of the fund management company's internal controls that are important for our audit in order to develop audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of internal control.
- We evaluate the suitability of accounting policies used and the reasonableness of the fund management company's accounting estimates and related disclosures.
- We evaluate the overall presentation, structure and content of the annual report, including disclosures, and whether the annual report reflects the underlying transactions and events in a way that gives a true and fair view.

We must inform the fund management company of, among other things, the planned scope, direction and timing of the audit. We must also provide information about any significant findings during the audit, including any significant deficiencies in internal control that we identified.

Stockholm January 26, 2017
Deloitte AB

Svante Forsberg
Authorised Public Accountant

LANNEBO FONDER

POSTADRESS: Box 7854, 103 99 Stockholm | **BESÖKSADRESS:** Kungsgatan 5
TEL VÄXEL: +46 (0) 8-5622 5200 | **TEL KUNDTJÄNST:** +46 (0) 8-5622 5222 | **FAX:** +46 (0) 8-5622 5252
E-POST: info@lannebofonder.se | **STYRELSENS SÄTE:** Stockholm | **ORG NR:** 556584-7042

www.lannebofonder.se