

**Annual report including audited financial statements
as at 31st December 2017**

PARETO SICAV

Investment Company (SICAV), Luxembourg

R.C.S. Luxembourg B 152 898

Notice

The sole legally binding basis for the purchase of shares of the Fund described in these financial statements is the latest valid sales prospectus with its terms of contract.

PARETO SICAV

Information to the German Investors

Shares in circulation

The following Sub-Fund is not publicly approved for distribution in Germany :

- **PARETO SICAV - PARETO NORDIC ALPHA**

PARETO SICAV

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PARETO SICAV

Organisation

Registered Office

4, rue Peternelchen
L-2370 Howald

Board of Directors of the Fund

Chairman
Thorleif Wegner SIMONSEN
Independent Director
Switzerland

Directors
Véronique GILLET
Independent Director
Luxembourg

Anna MÅBÄCK
Independent Director
Norway

Management Company

SEB Fund Services S.A.
4, rue Peternelchen
L-2370 Howald

Board of Directors of the Management Company

Chairman
Göran FORS
Acting Head of Investor Services
Large Corporates and Financial Institutions
Skandinaviska Enskilda Banken AB (publ), Sweden
(since 5th May 2017)

Gustaf UNGER
Head of Investor Services, Transaction Banking
Skandinaviska Enskilda Banken AB (publ), Sweden
(until 5th May 2017)

Directors
Göran FORS
Acting Head of Investor Services
Large Corporates and Financial Institutions
Skandinaviska Enskilda Banken AB (publ), Sweden
(until 5th May 2017)

Claes-Johan GEIJER
Independent Director and Advisor
G Advisors S.à.r.l., Luxembourg
(since 13th January 2017)

Marie JUHLIN
Managing Director
SEB Fund Services S.A., Luxembourg

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Organisation (continued)

	Jonas LINDGREN Client Executive, Hedge Fund Coverage Large Corporates and Financial Institutions Skandinaviska Enskilda Banken AB (publ), Sweden
Conducting Officers	Marie JUHLIN, Managing Director Jan HEDMAN, Deputy Managing Director Shaneera BOOLELL GUNESH (spouse RASQUÉ), Deputy Managing Director (since 15th May 2017 until 31st December 2017)
Depositary	Skandinaviska Enskilda Banken S.A. 4, rue Peternelchen L-2370 Howald
Administrative Agent	SEB Fund Services S.A. 4, rue Peternelchen L-2370 Howald
Sub-Administrative Agent, including Registrar and Transfer Agent	European Fund Administration S.A. 2, rue d'Alsace L-1122 Luxembourg
Investment Manager and Global Distributor	Pareto Asset Management AS Dronning Mauds gate 3 P.O. Box 1810 Vika NO-0123 Oslo Pareto Asset Management AS, filial Sverige Berzelii Park 9 SE-10391 Stockholm
Cabinet de révision agréé	Deloitte Audit <i>Société à responsabilité limitée</i> 560, rue de Neudorf L-2220 Luxembourg
Legal Adviser with respect to Luxembourg law	Hogan Lovells (Luxembourg) LLP 13, rue Edward Steichen L-2540 Luxembourg

PARETO SICAV

General information

PARETO SICAV (the "Fund") was incorporated as an open-ended investment company ("*Société d'Investissement à Capital Variable*") with multiple Sub-Funds on 5th May 2010 for an unlimited period. The Fund is registered under Part I of the amended Law of 17th December 2010 relating to Undertakings for Collective Investment which implements Directive 2009/ 65/ EC into Luxembourg law.

The Articles of Incorporation were published in the "*Mémorial C, Recueil des Sociétés et Associations*" on 21st May 2010. The latest amendment of the Articles of Incorporation took place on 10th April 2015 and was published on 26th June 2015. On 1st June 2016, the Luxembourg Memorial C has been replaced by RESA ("*Recueil Electronique des Sociétés et Associations*"), the new official electronic platform of central publication regarding companies and associations. Publications made after 1st June 2016 are available on this new platform accessible through the website of the RCS ("*Registre du Commerce et des Sociétés*").

At the date of the financial statements, the following Sub-Funds are open:

- PARETO SICAV - PARETO NORDIC CORPORATE BOND in NOK
- PARETO SICAV - PARETO GLOBAL CORPORATE BOND in SEK
- PARETO SICAV - PARETO NORDIC ALPHA in NOK.

The Board of Directors of PARETO NORDIC UCITS PLC decided to merge the Sub-Fund PARETO NORDIC ALPHA into PARETO SICAV - PARETO NORDIC ALPHA, a newly created Sub-Fund within the Fund, with effective date 21st June 2017.

The Board of Directors of the Fund decided to merge the assets of the Norwegian fund Pareto Kreditt into PARETO SICAV - PARETO NORDIC CORPORATE BOND by way of absorption with effective date 21st December 2017.

The Sub-Fund **PARETO SICAV - PARETO NORDIC CORPORATE BOND** issues Class A, B, C, D, H EUR, H DKK, H USD, H GBP, H CHF, H ISK, I NOK, I SEK, I EUR, I DKK, I USD, I GBP and I CHF Shares. Class A and C Shares are available to all investors and have no minimum investment. Class B, D and H Shares are available to individual clients investing the minimum subscription amount. Class B, D and H Shares are also available to Investors subscribing for shares through a distributor or pension scheme, who under their agreements with the Global Distributor, do not receive any payment from the Global Distributor. For the latter the minimum investment does not apply. Class B, D and H Shares are also available to Pareto entities and to Pareto Asset Management AS employees, shareholders and board members, without limitation to minimum investment and holding. Class I Shares are available to Institutional Investors.

The minimum investment for Class B, D, H and I Shares is as follows:

Share Class	Minimum investment
B Shares	NOK 50 million
D Shares	SEK 50 million
H EUR Shares	EUR 5 million
H DKK Shares	DKK 50 million
H USD Shares	USD 5 million
H GBP Shares	GBP 5 million
H CHF Shares	CHF 5 million
H ISK	ISK 600 million
I NOK Shares	NOK 400 million
I SEK Shares	SEK 400 million
I EUR Shares	EUR 50 million

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General information (continued)

Share Class	Minimum investment
I DKK Shares	DKK 400 million
I USD Shares	USD 50 million
I GBP Shares	GBP 40 million
I CHF Shares	CHF 50 million

The Sub-Fund PARETO SICAV - **PARETO GLOBAL CORPORATE BOND** issues Class A, A DIS SEK, A EUR, A USD, A ISK, B, B DIS SEK, C, D, H EUR, H DKK, H USD, H GBP, H CHF, H ISK, I NOK, I SEK, I EUR, I DKK, I USD, I GBP and I CHF Shares. Class A and C Shares are available to all investors and have no minimum investment. Class B, D and H Shares are available to individual clients investing the minimum subscription amount. Class B, D and H Shares are also available to Investors subscribing for shares through a distributor or pension scheme, who under their agreements with the Global Distributor, do not receive any payment from the Global Distributor. For the latter the minimum investment does not apply. Class B, D and H Shares are also available to Pareto entities and to Pareto Asset Management AS employees, shareholders and board members, without limitation to minimum investment and holding. Class I Shares are available to Institutional Investors.

The minimum investment for Class B, D, H and I Shares is as follows:

Share Class	Minimum investment
B Shares	SEK 50 million
B DIS SEK Shares	SEK 50 million
D Shares	NOK 50 million
H EUR Shares	EUR 5 million
H DKK Shares	DKK 50 million
H USD Shares	USD 5 million
H GBP Shares	GBP 5 million
H CHF Shares	CHF 5 million
H ISK Shares	ISK 600 million
I NOK Shares	NOK 400 million
I SEK Shares	SEK 400 million
I EUR Shares	EUR 50 million
I DKK Shares	DKK 400 million
I USD Shares	USD 50 million
I GBP Shares	GBP 40 million
I CHF Shares	CHF 50 million

The Sub-Fund **PARETO SICAV - PARETO NORDIC ALPHA** issues Class A NOK, A SEK, M NOK, B NOK, B SEK, I NOK, I SEK Shares. Class A and B Shares are available to all investors and Class A Shares have no minimum investment. Class B Shares are also available to Investors subscribing for shares through a distributor or pension scheme, who under their agreements with the Global Distributor, do not receive any payment from the Global Distributor. For the latter the minimum investment does not apply. Class I Shares are available to Institutional Investors. Class M Shares may only be issued at the discretion of the Directors, are only available to employees of the Investment Manager and have no minimum investment.

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General information (continued)

The minimum investment for Class B and I Shares is as follows:

Share Class	Minimum investment
B NOK Shares	NOK 10 million
B SEK Shares	SEK 10 million
I NOK Shares	NOK 100 million
I SEK Shares	SEK 100 million

At the date of the financial statements, the following Share Classes are issued:

Sub-Fund	Share Class	
PARETO SICAV - PARETO NORDIC CORPORATE BOND	A	
	A EUR	
	B	
	C	
	H EUR	
	H USD	
	I GBP	
	I NOK	
	PARETO SICAV - PARETO GLOBAL CORPORATE BOND	A
		A DIS SEK
A EUR		
B		
B DIS SEK		
C		
D		
I NOK		
I SEK		
PARETO SICAV - PARETO NORDIC ALPHA		A NOK
	M NOK	
	B NOK	

The Net Asset Value per Share of each Sub-Fund is calculated on each Bank Business Day except for 24th December in each year (the "Valuation Day") in Luxembourg, Norway and Sweden.

The financial year of the Fund starts on 1st January and ends on 31st December in each year. The annual report, including audited financial statements and the unaudited semi-annual reports comprise consolidated financial statements of the Fund expressed in EUR, being the reference currency of the Fund and financial information on each Sub-Fund expressed in the reference currency of each Sub-Fund.

Copies of the Articles of Incorporation, of the current Prospectus, of the Key Investor Information Document (KIID) and of the latest reports of the Fund may be obtained free of charge at the registered office of the Fund, and at the Management Company.

PARETO SICAV

Report from the Investment Manager

PARETO SICAV - PARETO NORDIC CORPORATE BOND (Sub-Fund of Pareto SICAV)

The strategy of the Sub-Fund is to invest in predominately Nordic corporate high yield bonds. The Sub-Fund focuses on having a well-diversified portfolio, which will endure business cycles and bouts of market volatility.

Sub-Fund performance

2017 was a very good year for Pareto Nordic Corporate Bond. Performance was steady and high throughout the year. The Sub-Fund Class A gained 8% in 2017, and total assets increased from NOK 794 million to over NOK 2,257 million. This growth is welcome. Size is important, both to exploit diversification effects fully, for liquidity purposes and for us to operate cost effectively. The Sub-Fund purchases bonds denominated in several different currencies. In order to protect against currency movements the Sub -Fund uses currency hedging instruments like forwards and swaps. There are no other derivatives apart from foreign exchange forwards outstanding in the Sub-Fund.

Sub-Fund management

Throughout the last three years, our Sub-Fund has established itself as a starting point for the highly attractive Nordic corporate bond market, both for Nordic and non-Nordic investors. We would like to take this opportunity to thank all our customers and partners for this. And we look forward to 2018 and the way forward. The Nordic region has been performing strongly, despite Brexit and the isolationist policy in the United States. Companies in the Nordic region have improved their margins and the banking system is among the best capitalised in the world.

Asset management is changing in the Nordic countries, as is the case in the rest of the world, and the rate of change is increasing. Openness takes over for secrecy. Team and networks supplant the traditional hierarchical organisational structure. Transactions change from traditional phone-based solutions to electronic trading. Consolidation continues for both asset managers and brokerage houses, and capital is increasingly being managed through advisory companies and institutional companies. For fixed income management in particular, we see that in-house credit analysis is becoming increasingly important.

Outlook

We also see an ongoing structural shift in the way companies and organisations are funded. An example from the Nordic market is the issuance of high-yield bonds, which in 2017 set a new record of more than NOK 120 billion. Growth was broad, in terms of both industries and geographical distribution. The market has more than quadrupled in the past ten years, and we see a clear trend for the companies we work with: They want bond financing and bank syndication loans rather than bilateral loans at a single bank. The Sub-Fund was active also in December, with participation in new issues and trades in the secondary market. We see the Nordic region as an attractive place for investors in the future. The region scores high on most of the factors mentioned above, and offers higher margins and shorter duration than larger markets such as the EU and US high-yield market. Whether you seek good absolute or relative returns, the Nordics and Pareto Nordic Corporate Bond should be a very good option.

PARETO SICAV

Report from the Investment Manager (continued)

PARETO SICAV - PARETO GLOBAL CORPORATE BOND (Sub-Fund of Pareto SICAV)

The strategy of the Sub-Fund is to invest in global corporate bonds, investment grade and high yield. The Sub-Fund focuses on having a well-diversified portfolio, which will endure business cycles and bouts of market volatility. The Sub-Fund aims to generate a better risk adjusted return compared with global reference index. Volatility in the major markets around world was for a major part of the year at a historically low level. Credit spreads were mostly benign and there were several records in issuance level both in US and Europe investment grade and high yield.

Sub-Fund performance

The Sub-Fund Class A gained 3.65% in 2017. NAV ended the year at SEK 4 376 million. Net flows into the Sub-Fund were very strong throughout the year and ended with a positive SEK 2 800 million. The credit market performed well the first half of the year, and then steady with a few sell offs the second half of the year. The Sub-Fund looks for opportunities in less volatile sectors and industries in order to achieve a strong risk adjusted return. The Sub-Fund purchases bonds denominated in several different currencies. In order to protect against currency movements the Sub -Fund uses currency hedging instruments like forwards and swaps. There are no other derivatives apart from foreign exchange outstanding in the Sub-Fund

Sub-Fund management

"If it keeps on rainin' levee's goin' to break" ("When the Levee Breaks", Led Zeppelin and Memphis Minnie)

Looking back on 2017, there are a couple of interesting events that have happened and others that have not happened as expected. The rain that has come uninterrupted in 2017 is still money from the major central banks in the world, the ECB and the Federal Reserve. The expected effect was that inflation should increase significantly, which has not happened (yet). One result of the low inflation is that the US 10-year bond began the year at 2.44% and ended at 2.41%. Very few analysts believed that the level would remain there after three interest rate hikes from the Federal Reserve.

The Sub-Fund lowered its duration from 2.9 years to 2.3 years. The Sub-Fund focuses on finding corporate bonds in mostly niche sectors which exhibit lesser volatility than the market. The Sub-Fund also targets truly global companies with a partial exposure to emerging markets, rather than seeking direct exposure to countries like China, Brazil and Russia. Corruption and lack of transparency are still unfortunately very prevalent, and far from what we would like to see. Looking forward to 2018, there are similar challenges left. We believe that quality companies with a strong position globally will be competitive. In terms of interest rate risk, the Sub-Fund has shorter interest rate duration than when 2017 began. We hope and believe that the big stimuli are gradually scaled back just as the United States has started doing.

The Sub-Fund was very active throughout the year in both secondary and primary trading. There were many companies which issued bonds to the market in 2017. Some notable investments were Jain Irrigation, Grupo Antolin, Belden, Allegion, Thomas Cook and Vulcan.

The Sub-Fund managed to reach its target return for the year with half the volatility of the market.

Outlook

Looking forward to 2018, there are similar challenges left. We believe that quality companies with a strong position globally will be competitive. In terms of interest rate risk, the Sub-Fund has shorter interest rate duration than when 2017 began. We hope and believe that the big stimuli are gradually scaled back just as the United States has started doing.

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Report from the Investment Manager (continued)

We continue our efforts to find competitive cash returns in the form of coupons and to position the Sub-Fund in its "sweet spot" with continued low duration and manageable maturity.

We would like to summarize the current situation as opportune and challenging. The violent sell-off in long duration bonds does create more opportunities. The Sub-Fund's global mandate does provide many opportunities to find good value in the crossover segment going into 2018 and beyond.

PARETO SICAV - PARETO NORDIC ALPHA (Sub-Fund of Pareto SICAV)

Pareto Nordic Alpha had a satisfactory 2017, with the B-class net asset value increasing by 10.8 per cent. Both good stock selection and a positive net equity exposure (55 per cent on average for the year) in a rising market contributed in the right direction.

Storebrand, Stora Enso, Telenor, Topdanmark and Electrolux were the largest positive contributors for the year, whilst only one long position, Instalco, contributed negatively. The biggest negative contribution was from a short position in Ambu.

Outlook

The Sub-Fund's net equity allocation has been falling since spring 2016. This reflects the fact that we find increasingly less shares worth owning. Besides, nearly all the classic parameters that have preceded previous corrections in the stock market are gradually falling into place. We are observing high valuations, maximum demand growth (PMIs) and low unemployment. Higher inflation and further inversion of the yield curve are the only elements missing for all parameters to be in red, and if they do we will reduce the net exposure further.

In addition, we have a unique risk factor in the reversal of very generous monetary policies throughout the world. After the financial crisis, global demand growth has been slowed down by falling debt levels for US households, lower government budget deficits in Europe and falling investment growth globally. This has been offset by expansive monetary policy (low interest rates and central banks' purchasing bonds and shares), first in the United States and then in Japan and Europe after the fall in commodity prices in 2014 reduced inflation expectations.

The central bank remedy has been effective. Unemployment in the United States and Germany is below its natural level (NAIRU), and in the rest of the Eurozone and significant Asian economies unemployment is falling. The adverse effect is a bubble in government bonds and probably also in the stocks with the highest duration. Increasingly large crowds of passive investors have followed central bank purchases.

Now the central banks are starting to reverse course. The Federal Reserve is on its way, while the ECB will soon begin reducing its purchases. Naturally, they would like to see a quiet and controlled transition, but the markets are more whimsical. A likely increase in interest rates also increases the risk of a credit crunch in highly indebted segments.

We believe this transition in monetary policy and the expected rise in interest rates require increased caution and cash reserves ready to make bargains.

Note: The information in this report represents historical data and is not an indication of future results.

Report of the réviseur d'entreprises agréé

To the Shareholders of
PARETO SICAV

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PARETO SICAV (the "Fund") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at 31st December 2017 and the statement of operations and other changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of PARETO SICAV and of each of its sub-funds as at 31st December 2017, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23rd July 2016 on the audit profession (Law of 23rd July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under those Law and standards are further described in the "Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the Financial Statements" section of our report. We are also independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our report of *Réviseur d'Entreprises Agréé* thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Report of the réviseur d'entreprises agréé (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regards.

Responsibilities of the Board of Directors of the Fund and Those Charged with Governance for the Financial Statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of *Réviseur d'Entreprises Agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23rd July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23rd July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those 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 fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *Réviseur d'Entreprises Agréé* to

Report of the réviseur d'entreprises agréé (continued)

the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of *Réviseur d'Entreprises Agréé*. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de Révision Agréé*



Jean-Philippe Bachelet, *Réviseur d'Entreprises Agréé*
Partner

13th April 2018

PARETO SICAV

Combined statement of net assets (in EUR)

as at 31st December 2017

Assets

Securities portfolio at market value	643,285,797.80
Cash at banks	25,386,649.71
Cash collateral at banks	13,784,717.29
Other liquid assets	320,782.46
Formation expenses, net	22,028.82
Receivable on issues of shares	20,830,740.16
Income receivable on portfolio	6,432,114.08
Interest receivable on swaps contracts	289,054.31
Interest receivable on bank accounts	525.15
Interest receivable on contracts for difference (CFD)	303.03
Unrealised gain on contracts for difference (CFD)	39,582.26
Unrealised gain on forward foreign exchange contracts	2,408,437.63
Other receivables	145.07
	<hr/>
Total assets	712,800,877.77

Liabilities

Bank overdrafts	5,167,052.90
Other liquid liabilities	68,842.08
Payable on purchases of securities	154,850.95
Payable on treasury transactions	10,384.54
Payable on redemptions of shares	344,023.83
Interest payable on swaps contracts	843,313.29
Interest payable on bank accounts	1,809.06
Unrealised loss on swaps contracts	1,425,949.03
Unrealised loss on forward foreign exchange contracts	1,776,046.44
Expenses payable	913,493.80
Interest payable on contracts for difference (CFD)	718.39
Results payable on contracts for difference (CFD)	7,944.37
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Total liabilities 10,714,428.68

Net assets at the end of the year 702,086,449.09

The accompanying notes are an integral part of these financial statements.

PARETO SICAV

Combined statement of operations and other changes in net assets (in EUR) from 1st January 2017 to 31st December 2017

Income

Dividends, net	82,245.17
Interest on bonds and other debt securities, net	20,801,545.23
Interest on bank accounts	20,052.12
Interest on swaps contracts	246,382.19
Commissions on subscription and on redemption	3,010.73
Other income	24,694.95
Total income	21,177,930.39

Expenses

Management fees	4,277,148.02
Performance fees	98,079.34
Depository fees	199,049.38
Banking charges and other fees	11,656.60
Transaction fees	32,618.81
Central administration costs	270,658.77
Professional fees	30,056.24
Other administration costs	78,574.85
Subscription duty ("taxe d'abonnement")	238,615.20
Bank interest paid	83,143.12
Interest paid on swaps contracts	421,711.94
Other expenses	67,643.75
Total expenses	5,808,956.02

Net investment income	15,368,974.37
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Net realised gain/(loss)

- on securities portfolio	3,736,629.07
- on option contracts	-170,637.40
- on futures contracts	7,310.95
- on contracts for difference (CFD)	-473,834.15
- on swaps contracts	58,507.83
- on forward foreign exchange contracts	-6,132,663.83
- on foreign exchange	2,407,509.29
Realised result	14,801,796.13

Net variation of the unrealised gain/(loss)

- on securities portfolio	473,129.80
- on contracts for difference (CFD)	181,468.35
- on swaps contracts	-1,526,283.52
- on forward foreign exchange contracts	2,201,384.57

Result of operations	16,131,495.33
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Subscriptions	643,844,699.90
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Redemptions	-191,467,315.13
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Total changes in net assets	468,508,880.10
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Total net assets at the beginning of the year	244,065,194.52
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Foreign exchange difference	-10,487,625.53
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Total net assets at the end of the year	702,086,449.09
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The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC CORPORATE BOND

Statement of net assets (in NOK)

as at 31st December 2017

Assets

Securities portfolio at market value	2,141,082,440.86
Cash at banks	78,604,350.68
Cash collateral at banks	29,425,000.00
Formation expenses, net	32,690.20
Receivable on issues of shares	7,187,133.46
Income receivable on portfolio	22,717,672.99
Interest receivable on bank accounts	521.66
Other receivables	1,425.00
	<hr/>
Total assets	2,279,051,234.85
	<hr/>

Liabilities

Bank overdrafts	11,870.59
Payable on purchases of securities	1,521,075.00
Payable on redemptions of shares	302,781.44
Unrealised loss on forward foreign exchange contracts	17,445,807.36
Expenses payable	1,962,259.72
	<hr/>
Total liabilities	21,243,794.11
	<hr/>

Net assets at the end of the year	2,257,807,440.74
	<hr/>

Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in NOK)
A	948,970.1767	NOK	1,058.3203	1,004,314,403.56
A EUR	4,180.1527	EUR	101.5733	4,170,694.53
B	288,915.6145	NOK	1,120.5827	323,753,827.15
C	42,564.3718	SEK	985.7294	41,924,663.59
H EUR	384,688.0000	EUR	103.0607	389,438,310.47
H USD	1,170.0501	USD	104.8052	1,003,079.23
I GBP	51,272.5231	GBP	110.9997	62,968,563.37
I NOK	417,798.3557	NOK	1,029.7645	430,233,898.84
				<hr/>
				2,257,807,440.74
				<hr/>

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC CORPORATE BOND

Statement of operations and other changes in net assets (in NOK) from 1st January 2017 to 31st December 2017

Income	
Interest on bonds and other debt securities, net	76,492,506.99
Interest on bank accounts	87,777.28
Other income	126,103.30
Total income	76,706,387.57
Expenses	
Management fees	11,311,554.77
Depository fees	580,284.15
Banking charges and other fees	38,165.48
Transaction fees	117,119.37
Central administration costs	999,801.21
Professional fees	91,389.49
Other administration costs	297,305.28
Subscription duty ("taxe d'abonnement")	683,588.63
Bank interest paid	72,564.92
Other expenses	193,757.67
Total expenses	14,385,530.97
Net investment income	62,320,856.60
Net realised gain/(loss)	
- on securities portfolio	26,421,612.32
- on forward foreign exchange contracts	19,499,217.16
- on foreign exchange	154,802.88
Realised result	108,396,488.96
Net variation of the unrealised gain/(loss)	
- on securities portfolio	23,238,504.14
- on forward foreign exchange contracts	-14,850,493.66
Result of operations	116,784,499.44
Subscriptions	1,612,612,089.57
Redemptions	-265,652,538.49
Total changes in net assets	1,463,744,050.52
Total net assets at the beginning of the year	794,063,390.22
Total net assets at the end of the year	2,257,807,440.74

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC CORPORATE BOND

Statistical information (in NOK)

as at 31st December 2017

Total net assets	Currency	31.12.2015	31.12.2016	31.12.2017
	NOK	473,789,316.33	794,063,390.22	2,257,807,440.74
Net asset value per share	Currency	31.12.2015	31.12.2016	31.12.2017
A	NOK	945.7342	979.7948	1,058.3203
A EUR	EUR	-	-	101.5733
B	NOK	992.3162	1,032.7697	1,120.5827
C	SEK	907.0689	924.9245	985.7294
H EUR	EUR	-	-	103.0607
H USD	USD	-	-	104.8052
I GBP	GBP	99.2102	102.7108	110.9997
I NOK	NOK	-	-	1,029.7645
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	453,431.5171	652,912.4055	-157,373.7459	948,970.1767
A EUR	-	4,180.1527	-	4,180.1527
B	207,542.0369	92,005.2139	-10,631.6363	288,915.6145
C	2,542.2993	45,777.8575	-5,755.7850	42,564.3718
H EUR	-	385,804.6498	-1,116.6498	384,688.0000
H USD	-	1,170.0501	-	1,170.0501
I GBP	121,952.0015	329.1376	-71,008.6160	51,272.5231
I NOK	-	418,381.6169	-583.2612	417,798.3557

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC CORPORATE BOND

Statement of investments and other net assets (in NOK) as at 31st December 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Transferable securities admitted to an official stock exchange listing</u>					
Bonds					
DKK	23,230,000	Danske Bank A/ S FRN EMTN Sub Conv 16/ 23.02.Perpetual	30,488,029.72	33,088,356.39	1.47
DKK	10,000,000	Jyske Bank AS FRN Reg S Sub 16/ 16.12.Perpetual	12,578,525.66	14,210,832.10	0.63
DKK	28,926,950	Scan Bidco AS 6.8% Sen 16/ 27.06.22	36,090,852.94	35,003,457.74	1.55
			79,157,408.32	82,302,646.23	3.65
EUR	1,800,000	Ax Del1 Oy FRN 17/ 19.04.21	17,309,579.93	17,857,910.28	0.79
EUR	3,100,000	Cembrit Group A/ S FRN Sen 17/ 20.03.21	29,176,658.92	28,230,411.57	1.25
EUR	3,031,234	Corral Petroleum Hgs AB VAR TOG PIK Reg S Sen 16/ 15.05.21	28,679,186.88	33,234,748.99	1.47
EUR	2,571,480	Forchem Oy 4.9% Sk Sen 15/ 02.07.20	25,121,422.45	25,953,846.95	1.15
EUR	810,000	Jacob Holm & Sonner Hg A/ S FRN Sen 17/ 31.03.22	7,451,589.20	8,047,662.95	0.36
EUR	4,800,000	Kotkamills Group Oyj 8.25% Sen 15/ 13.03.20	30,416,039.17	31,909,681.04	1.41
EUR	1,000,000	Perstorp Holding AB VAR Sen Reg S 17/ 15.09.22	9,751,447.17	9,829,512.46	0.44
EUR	3,600,000	Tulip Oil Netherlands Off BV FRN 17/ 25.10.22	33,403,722.22	35,163,286.21	1.56
EUR	5,000,000	Vieo BV FRN 17/ 07.09.22	46,349,015.87	46,412,885.64	2.06
			227,658,661.81	236,639,946.09	10.49
NOK	27,500,000	Ainmt Scandinavia Hgs AB FRN Sen 17/ 07.04.22	27,568,510.38	27,144,792.12	1.20
NOK	38,500,000	Aker BP ASA FRN Sen 13/ 02.07.20	41,847,765.46	45,303,804.70	2.01
NOK	48,000,000	Beerenberg Holdco II AS FRN Sen 17/ 24.02.21	48,335,942.00	49,166,001.60	2.18
NOK	19,175,113	Boa SBL AS FRN Sk Ser 144A 13/ 19.04.18	7,293,772.81	6,883,865.57	0.31
NOK	33,500,000	Care Bidco AS FRN 17/ 24.03.21	33,898,750.00	33,918,750.00	1.50
NOK	34,250,000	Crayon Group AS FRN 17/ 06.06.20	34,769,971.88	35,159,765.63	1.56
NOK	22,000,000	DigiPlex Fetsund AS FEN Sen 14/ 11.06.19	22,468,433.33	22,426,525.00	0.99
NOK	10,000,000	DNB Bank ASA FRN Sub 16/ 27.09.Perpetual	10,000,000.00	10,764,331.00	0.48
NOK	28,207,792	DOF Subsea ASA FRN Sen 13/ 22.05.20	24,589,717.98	26,883,032.79	1.19
NOK	13,414,977	Havila Shipping ASA FRN Sen 11/ 07.11.20	8,262,401.90	9,138,953.08	0.41
NOK	37,500,000	Ice Group AS FRN 17/ 12.10.21	37,549,375.00	37,725,000.00	1.67
NOK	31,156,146	Otiga Group AS FRN Sen 14/ 11.09.19	29,656,914.82	30,740,730.20	1.36
NOK	18,000,000	Pioneer Public Properties AS FRN Sen 16/ 28.05.21	18,904,077.50	18,691,875.00	0.83
NOK	14,500,000	REC Silicon ASA 9.75% 11/ 03.05.18	14,433,750.00	14,351,375.00	0.64
NOK	26,000,000	Teekay LNG Partners LP FRN Reg S Sen 15/ 19.05.20	24,519,106.00	25,695,312.50	1.14
NOK	15,000,000	Tveten Park AS FRN 17/ 27.04.20	15,000,000.00	15,000,000.00	0.66
NOK	55,500,000	W Hg AS FRN 14/ 10.07.19	55,561,562.50	56,517,498.15	2.50
			454,660,071.56	465,511,612.34	20.63
SEK	40,000,000	ALM Equity AB FRN Sen 17/ 19.05.21	38,241,557.18	36,371,986.95	1.61
SEK	10,000,000	Consilium AB FRN Sen 15/ 25.03.20	10,420,613.52	10,466,938.55	0.46
SEK	46,000,000	Gunnebo Industrier AB FRN 17/ 12.05.20	46,082,831.79	46,596,612.12	2.06
SEK	25,000,000	Jyske Bank AS FRN Sub Reg S 16/ 16.12.Perpetual	26,508,445.19	27,163,454.19	1.20
SEK	3,000,000	NorCell Sweden Holding 3 AB 3.5% Sen 16/ 25.02.22	3,130,313.44	3,117,598.88	0.14
SEK	9,000,000	Norlandia Health Care Group AS FRN Sen 16/ 20.12.21	8,772,553.51	9,060,521.74	0.40
SEK	46,000,000	Prime Living AB FRN Sen 17/ 19.10.20	44,539,369.07	45,792,231.64	2.03
SEK	15,000,000	Samhallsbyggnadsbolag i AB FRN Sub 17/ 29.12.Perpetual	14,584,531.57	14,950,985.02	0.66
SEK	8,000,000	SBB i Norden AB FRN Sen 16/ 23.06.18	8,079,387.52	8,117,747.86	0.36
SEK	25,000,000	SBB i Norden AB FRN Sen 17/ 03.04.20	24,527,681.04	25,522,093.34	1.13
SEK	38,000,000	Storebrand Livsforsikring AS FRN Sub 17/ 21.11.47	37,619,857.50	38,144,661.66	1.69
SEK	51,000,000	Telia Co AB Step-up FRN Sub Reg S 17/ 04.10.77	50,993,422.85	52,900,826.72	2.34
SEK	37,000,000	Velcora Holding AB FRN 15/ 15.07.21	37,610,273.72	38,450,386.20	1.70
SEK	43,000,000	West Atlantic AB 7% EMTN Sen 15/ 21.12.19	42,055,722.68	41,677,900.42	1.85
			393,166,560.58	398,333,945.29	17.63

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC CORPORATE BOND

Statement of investments and other net assets (in NOK) (continued)

as at 31st December 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
USD	5,000,000	American Tanker Inc 9.25% Sen 144A 17/ 22.02.22	42,341,962.28	39,698,075.24	1.76
USD	1,500,000	Danske Bank A/ S VAR Conv Jun Sub Reg S 17/ 28.09.Perpetual	12,695,249.98	13,105,917.61	0.58
USD	5,500,000	DNO ASA 8.75% Reg S Sen 15/ 18.06.20	45,393,823.17	45,242,515.76	2.00
USD	6,000,000	Golar LNG Partners LP FRN Sen 17/ 18.05.21	49,776,535.41	48,741,979.24	2.16
USD	1,781,234	Icelandair Group HF FRN Sen 16/ 26.10.21	14,796,994.19	14,479,251.57	0.64
USD	5,000,000	MPC Container Ships AS FRN 17/ 22.09.22	39,191,166.10	40,275,782.73	1.78
USD	5,200,000	Okea AS 7.5% 17/ 16.11.20	42,450,719.90	42,362,679.72	1.88
USD	3,700,000	Songa Bulk As FRN 17/ 13.06.22	30,430,639.12	30,084,036.30	1.33
USD	5,500,000	Tizir Ltd 9.5% Sk 17/ 19.07.22	46,279,867.34	48,138,711.61	2.13
USD	4,193,000	Transocean Inc 9% Reg S Sen 16/ 15.07.23	37,331,100.82	37,156,228.41	1.65
USD	4,400,000	Welltec AS 9.5% Sen Reg S 17/ 01.12.22	36,320,156.17	35,991,560.08	1.59
			<u>397,008,214.48</u>	<u>395,276,738.27</u>	<u>17.50</u>
Total bonds			<u>1,551,650,916.75</u>	<u>1,578,064,888.22</u>	<u>69.90</u>
<u>Transferable securities dealt in on another regulated market</u>					
Bonds					
EUR	3,000,000	Unilabs SubHolding AB 5.75% Sen Reg S 17/ 15.05.25	28,107,249.54	29,806,944.52	1.32
NOK	43,585,302	Boa Deep C AS FRN Sk Reg S Sub Ser 144A 14/ 31.12.20	23,672,659.86	24,335,125.50	1.08
NOK	10,222,984	Boa Offshore AS FRN Reg S Sk Sub 15/ 17.07.47	5,980,549.17	3,066,895.20	0.14
NOK	46,000,000	Kistefos AS FRN 144 A 16/ 05.12.19	47,870,625.00	48,386,250.00	2.14
NOK	25,000,000	Klaveness Ship Hdg AS FRN Sen 16/ 27.05.21	25,459,110.00	26,018,750.00	1.15
NOK	51,500,000	Laeringsverkstedet FRN Sen 17/ 01.06.22	51,812,500.00	52,594,375.00	2.33
NOK	30,000,000	Western Bulk Chartering AS FRN Reg S Sen 13/ 19.04.19	26,990,813.50	30,206,250.00	1.34
			<u>181,786,257.53</u>	<u>184,607,645.70</u>	<u>8.18</u>
SEK	40,000,000	Verisure Midholding AB FRN Sen Reg S 17/ 01.12.23	39,096,826.02	40,069,139.46	1.77
USD	5,000,000	Aker BP ASA 6% Sen Reg S 17/ 01.07.22	42,180,000.08	42,879,444.90	1.90
USD	3,200,000	Eagle Bulk Shipping Inc 8.25% 17/ 28.11.22	26,687,507.93	26,339,278.07	1.17
USD	3,600,000	Golden Ocean Group Ltd 3.07% Conv Reg S 14/ 30.01.19	26,885,328.23	28,464,530.61	1.26
USD	4,000,000	Renewable Energy Ltd 6.5% Conv Sen Reg S 13/ 11.09.18	32,419,616.83	32,106,107.58	1.42
USD	500,000	Ship Finance Intl Ltd 5.75% Conv Sen 16/ 15.10.21	4,224,333.33	4,437,595.76	0.20
			<u>132,396,786.40</u>	<u>134,226,956.92</u>	<u>5.95</u>
Total bonds			<u>381,387,119.49</u>	<u>388,710,686.60</u>	<u>17.22</u>
<u>Other transferable securities</u>					
Bonds					
EUR	4,000,000	AX V INV1 Holding ApS FRN 17/ 29.06.22	38,284,627.19	40,470,071.71	1.79
NOK	17,000,000	Coastal Holding AS FRN Sen 17/ 16.11.20	17,014,250.00	17,080,750.00	0.76
NOK	10,000,000	Molleparken 4 Sen BondCo SA FRN 17/ 20.11.20	9,935,000.00	10,000,000.00	0.44
			<u>26,949,250.00</u>	<u>27,080,750.00</u>	<u>1.20</u>
SEK	54,500,000	Bergvik Skog AB 8.5% MTN Sub 04/ 24.03.34	64,454,853.29	65,679,684.67	2.91
SEK	3,492,000	E Out Instrument AB 0% Sen 17/ 30.04.19	1,588,220.11	1,395,725.04	0.06
			<u>66,043,073.40</u>	<u>67,075,409.71</u>	<u>2.97</u>
USD	4,500,000	Borealis Finance LLC 7.5% 144A 17/ 16.11.22	36,749,954.07	36,613,999.35	1.62
USD	1,468,329	Sea Production Ltd VAR TOG PIK Sk Reg S 07/ 12.04.18	4,306,927.41	3,002,696.10	0.13
			<u>41,056,881.48</u>	<u>39,616,695.45</u>	<u>1.75</u>
Total bonds			<u>172,333,832.07</u>	<u>174,242,926.87</u>	<u>7.71</u>

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC CORPORATE BOND

Statement of investments and other net assets (in NOK) (continued) as at 31st December 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
Bonds in default of payment					
USD	1,343,598	Cecon AS 10% Step-up Ser B 11/ 18.03.17	6,597,123.39	55,007.46	0.00
USD	218,164	Cecon AS 5% Ser A 11/ 15.06.16	517,562.11	8,931.71	0.00
Total bonds in default of payment			<u>7,114,685.50</u>	<u>63,939.17</u>	<u>0.00</u>
Total investments in securities			2,112,486,553.81	2,141,082,440.86	94.83
Cash at banks				108,029,350.68	4.78
Bank overdrafts				-11,870.59	0.00
Other net assets/ (liabilities)				8,707,519.79	0.39
Total				<u><u>2,257,807,440.74</u></u>	<u><u>100.00</u></u>

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC CORPORATE BOND

Industrial and geographical classification of investments as at 31st December 2017

Industrial classification

(in percentage of net assets)

Financials	27.24 %
Industrials	24.28 %
Energy	19.22 %
Raw materials	9.23 %
Telecommunications services	7.27 %
Technologies	4.31 %
Healthcare	3.22 %
Non-cyclical consumer goods	0.06 %
Total	<u>94.83 %</u>

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

Norway	40.07 %
Sweden	23.51 %
Denmark	10.42 %
Marshall Islands	6.09 %
The Netherlands	3.62 %
Finland	3.35 %
United Kingdom	2.13 %
United States of America	1.76 %
Cayman Islands	1.65 %
Bermuda	1.59 %
Iceland	0.64 %
Total	<u>94.83 %</u>

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Statement of net assets (in SEK)

as at 31st December 2017

Assets

Securities portfolio at market value	3,975,211,575.52
Cash at banks	124,178,899.67
Cash collateral at banks	97,020,251.33
Other liquid assets	3,153,419.35
Formation expenses, net	61,633.55
Receivable on issues of shares	192,336,781.66
Income receivable on portfolio	40,495,073.50
Interest receivable on swaps contracts	2,841,519.01
Unrealised gain on forward foreign exchange contracts	23,675,901.15
Total assets	4,458,975,054.74

Liabilities

Bank overdrafts	50,782,308.26
Other liquid liabilities	676,745.05
Payable on treasury transactions	102,084.18
Payable on redemptions of shares	2,984,557.45
Interest payable on swaps contracts	8,290,105.56
Unrealised loss on swaps contracts	14,017,646.89
Expenses payable	6,052,322.29
Total liabilities	82,905,769.68

Net assets at the end of the year **4,376,069,285.06**

Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in SEK)
A	20,877,211.9612	SEK	107.9787	2,254,294,672.49
A DIS SEK	10,000.0000	SEK	99.8728	998,728.04
A EUR	4,827.6089	EUR	109.0982	5,177,510.20
B	1,823,753.7546	SEK	109.4170	199,549,744.47
B DIS SEK	10,000.0000	SEK	99.9036	999,035.94
C	10,509,793.9129	NOK	111.7717	1,175,602,383.38
D	2,287,820.0313	NOK	113.2567	259,310,499.68
I NOK	1,996,724.7624	NOK	107.2437	214,301,029.30
I SEK	2,581,238.6295	SEK	102.9876	265,835,681.56
				4,376,069,285.06

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Statement of operations and other changes in net assets (in SEK) from 1st January 2017 to 31st December 2017

<u>Income</u>	
Interest on bonds and other debt securities, net	127,857,561.77
Interest on bank accounts	44,709.38
Interest on swaps contracts	2,422,035.09
Other income	92,809.22
Total income	130,417,115.46
<u>Expenses</u>	
Management fees	28,825,424.04
Depository fees	1,328,504.72
Banking charges and other fees	69,647.07
Transaction fees	143,227.97
Central administration costs	1,428,623.85
Professional fees	190,426.64
Other administration costs	395,521.10
Subscription duty ("taxe d'abonnement")	1,564,390.64
Bank interest paid	738,349.25
Interest paid on swaps contracts	4,145,596.30
Other expenses	408,166.56
Total expenses	39,237,878.14
Net investment income	91,179,237.32
<u>Net realised gain/(loss)</u>	
- on securities portfolio	6,156,214.84
- on option contracts	-1,677,433.58
- on futures contracts	71,869.53
- on swaps contracts	575,155.23
- on forward foreign exchange contracts	-79,800,763.32
- on foreign exchange	22,982,569.37
Realised result	39,486,849.39
<u>Net variation of the unrealised gain/(loss)</u>	
- on securities portfolio	-24,102,006.03
- on swaps contracts	-15,003,974.94
- on forward foreign exchange contracts	36,502,418.44
Result of operations	36,883,286.86
Subscriptions	4,397,909,687.80
Redemptions	-1,560,209,261.05
Total changes in net assets	2,874,583,713.61
Total net assets at the beginning of the year	1,501,485,571.45
Total net assets at the end of the year	4,376,069,285.06

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Statistical information (in SEK)

as at 31st December 2017

Total net assets	Currency	31.12.2015	31.12.2016	31.12.2017
	SEK	604,442,262.42	1,501,485,571.45	4,376,069,285.06
Net asset value per share	Currency	31.12.2015	31.12.2016	31.12.2017
A	SEK	98.9767	104.1806	107.9787
A DIS SEK	SEK	-	-	99.8728
A EUR	EUR	99.9241	105.2575	109.0982
B	SEK	99.3972	105.0931	109.4170
B DIS SEK	SEK	-	-	99.9036
C	NOK	99.9838	106.6667	111.7717
D	NOK	100.4415	107.6042	113.2567
I NOK	NOK	-	101.6658	107.2437
I SEK	SEK	-	-	102.9876
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	4,876,080.8077	27,833,750.6279	-11,832,619.4744	20,877,211.9612
A DIS SEK	-	10,000.0000	-	10,000.0000
A EUR	4,497.4376	9,217.3750	-8,887.2037	4,827.6089
B	571,859.9281	1,378,608.9216	-126,715.0951	1,823,753.7546
B DIS SEK	-	10,000.0000	-	10,000.0000
C	6,036,471.3102	6,246,118.0928	-1,772,795.4901	10,509,793.9129
D	302,683.5602	2,121,878.0037	-136,741.5326	2,287,820.0313
I NOK	1,996,724.7624	-	-	1,996,724.7624
I SEK	-	3,067,079.2894	-485,840.6599	2,581,238.6295

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Statement of investments and other net assets (in SEK)

as at 31st December 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
Investments in securities					
Transferable securities admitted to an official stock exchange listing					
Bonds					
DKK	26,000,000	Danske Bank A/ S FRN EMTN Sub Conv 16/ 23.02.Perpetual	34,561,854.23	37,062,412.89	0.85
DKK	20,000,000	Jyske Bank AS FRN Reg S Sub 16/ 16.12.Perpetual	26,828,485.05	28,443,554.05	0.65
DKK	15,000,000	Scan Bidco AS 6.8% Sen 16/ 27.06.22	19,686,396.71	18,164,937.94	0.41
			81,076,735.99	83,670,904.88	1.91
EUR	2,500,000	Ahlstrom-Munksjo Oyj 1.875% Sen 17/ 09.06.22	24,333,655.83	25,180,196.62	0.58
EUR	1,000,000	Aramark Intl Fin Sär1 3.125% Sen Reg S 17/ 01.04.25	9,504,299.79	10,350,475.53	0.24
EUR	1,400,000	Ax Dell Oy FRN 17/ 19.04.21	13,444,048.36	13,900,183.20	0.32
EUR	4,500,000	Belden Inc 2.875% Sen Sub Reg S 17/ 15.09.25	43,156,055.51	44,450,898.45	1.02
EUR	6,000,000	Belden Inc 3.375% Sen Sub Reg S 17/ 15.07.27	58,239,269.48	59,826,132.92	1.37
EUR	3,500,000	Constantin Investis 3 SAS 5.375% Sen Reg S 17/ 15.04.25	33,472,257.63	34,944,682.11	0.80
EUR	3,000,000	Crown European Hgs SA 2.625% Reg S Sen 16/ 30.09.24	28,659,519.17	30,336,117.65	0.69
EUR	1,200,000	Darling Global Fin BV 4.75% Reg S Sen 15/ 30.05.22	11,964,648.79	12,276,299.71	0.28
EUR	1,500,000	Eurofins Scientific SA 3.375% Reg S Sen 15/ 30.01.23	15,171,821.32	16,039,966.00	0.37
EUR	6,800,000	Eurofins Scientific SA Sen Reg S 2.125% / 25.07.24	64,987,467.11	68,415,934.97	1.56
EUR	2,000,000	Eurofins Scientific SA VAR Sub Reg S 17/ 13.11.Perpetual	19,494,311.17	19,805,008.56	0.45
EUR	2,000,000	Europcar Group SA 4.125% Sen Reg S 17/ 15.11.24	19,207,506.39	19,720,270.52	0.45
EUR	2,000,000	Europcar Group SA 5.75% Reg S Sen 15/ 15.06.22	19,735,125.48	20,617,785.89	0.47
EUR	1,500,000	Federal Mogul Hgs LLC FRN Sen Reg S 17/ 15.04.24	14,261,682.05	14,868,796.93	0.34
EUR	5,742,972	Forchem Oy 4.9% Sk Sen 15/ 02.07.20	56,327,519.73	58,008,234.03	1.33
EUR	2,750,000	Grupo Antolin Irausa SA 3.25% Sen Reg S 17/ 30.04.24	26,384,184.05	28,201,311.49	0.64
EUR	4,240,000	Jacob Holm & Sonner Hg A/ S FRN Sen 17/ 31.03.22	40,803,077.56	42,158,483.08	0.96
EUR	2,000,000	Jyske Bank AS VAR Sub Reg S 17/ 21.03.Perpetual	19,068,331.47	20,201,468.52	0.46
EUR	2,600,000	Kotkamills Group Oyj 8.25% Sen 15/ 13.03.20	16,728,147.64	17,297,722.71	0.39
EUR	2,750,000	Kronos Intl Inc 3.75% Sen Reg S 17/ 15.09.25	26,100,988.33	27,986,664.75	0.64
EUR	8,000,000	Lecta SA 6.5% Reg S Sen 16/ 01.08.23	81,007,300.35	81,721,280.76	1.87
EUR	1,000,000	LimaCorp SpA FRN Sen Reg S 17/ 15.08.23	9,602,992.94	9,985,325.38	0.23
EUR	1,000,000	LKQ Italia Bondco SpA 3.875% Reg S Sen 16/ 01.04.24	9,279,384.57	10,778,441.92	0.25
EUR	1,250,000	Nemak SAB de CV 3.25% Sen Reg S 17/ 15.03.24	11,949,779.41	12,764,342.12	0.29
EUR	7,000,000	Nexans SA 2.75% Sen 17/ 05.04.24	67,525,909.45	70,949,081.15	1.62
EUR	5,000,000	NH Hotel Group SA 3.75% Reg S Sen 16/ 01.10.23	49,454,460.93	52,065,967.35	1.19
EUR	4,800,000	Perstorp Holding AB 7.625% Reg S Sen 16/ 30.06.21	48,314,237.95	50,699,610.80	1.16
EUR	4,000,000	Perstorp Holding AB VAR Sen Reg S 17/ 15.09.22	39,720,171.98	39,348,331.91	0.90
EUR	8,000,000	Quintiles IMS Inc 2.875% Sen Reg S 17/ 15.09.25	76,721,876.46	79,568,030.31	1.82
EUR	3,000,000	Quintiles IMS Inc 3.25% Sen Reg S 17/ 15.03.25	29,111,059.79	30,508,346.23	0.70
EUR	4,000,000	Senvion Holding GmbH 3.875% Sen Reg S 17/ 25.10.22	38,429,149.79	37,628,995.24	0.86
EUR	4,000,000	Silgan Holdings Inc 3.25% Sen Reg S 17/ 15.03.25	38,051,772.90	41,008,096.35	0.94
EUR	4,320,000	Synlab Bondco Plc FRN Reg S Sen 16/ 01.07.22	42,880,837.08	42,828,292.91	0.98
EUR	1,500,000	Telefon AB LM Ericsson 1.875% EMTN Ser 7Y Reg S 17/ 01.03.24	14,121,768.44	14,383,003.22	0.33
EUR	2,000,000	Thomas Cook Fin Plc 3.875% Sen Reg S 17/ 15.07.23	19,865,370.44	20,045,558.40	0.46
EUR	4,000,000	Thomas Cook Group Plc 6.25% Reg S Sen 16/ 15.06.22	39,237,624.57	42,574,865.23	0.97
EUR	2,900,000	Tresu Investement Holding FRN Sen 17/ 29.09.22	27,656,317.98	28,793,236.63	0.66
EUR	7,000,000	Unitymedia NRW GmbH 4% Reg S Sen 14/ 15.01.25	70,122,586.41	72,874,118.90	1.66
EUR	6,000,000	Vieo BV FRN 17/ 07.09.22	57,073,273.73	55,738,358.40	1.27
EUR	7,350,000	Volvo Treasury AB VAR Sub 14/ 10.06.75	73,346,935.90	77,837,894.96	1.78
EUR	1,000,000	Wfs Global Holding 9.5% Reg S Sen 15/ 15.07.22	10,613,632.76	10,532,436.20	0.24
			1,415,130,360.69	1,467,220,248.01	33.54
GBP	4,000,000	AP Moeller Maersk AS 4% EMTN Ser 8 Sen Reg S 13/ 04.04.25	49,904,442.46	48,003,277.58	1.10
GBP	5,000,000	Iron Mountain UK Plc 3.875% EMTN Sen Reg S 17/ 15.11.25	55,596,056.23	54,307,493.23	1.24
GBP	4,000,000	Premier Foods Finance Plc 6.5% Sen Reg S 14/ 15.03.21	45,818,409.26	45,171,335.55	1.03
GBP	3,000,000	Virgin Media Secured Fin Plc 5% Reg S Sen 17/ 15.04.27	32,979,988.05	33,861,892.69	0.77
			184,298,896.00	181,343,999.05	4.14

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Statement of investments and other net assets (in SEK) (continued) as at 31st December 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
NLG	3,785,000	Aegon NV VAR Sub 96/ 04.03.Perpetual	16,211,505.50	16,702,774.40	0.38
NLG	3,470,000	Aegon NV VAR Sub Reg S 95/ 08.06.Perpetual	12,138,638.86	12,561,921.58	0.29
			28,350,144.36	29,264,695.98	0.67
NOK	10,000,000	Austevoll Seafood ASA FRN Sen 144A 17/ 21.06.23	10,267,690.90	10,025,215.30	0.23
NOK	36,000,000	Wallenius Wilhelmsen Logis ASA FRN Sen 17/ 12.10.22	36,918,090.65	36,099,781.99	0.82
			47,185,781.55	46,124,997.29	1.05
SEK	30,000,000	Consilium AB FRN Sen 15/ 25.03.20	31,515,000.00	31,425,000.00	0.72
SEK	18,000,000	Gunnebo Industrier AB FRN 17/ 12.05.20	18,000,000.00	18,247,500.00	0.42
SEK	5,000,000	Intrum Justitia AB FRN MTN Ser 102 Sen 13/ 28.06.18	5,028,500.00	5,027,650.00	0.11
SEK	32,000,000	Islandsbanki HF FRN EMTN Sen Sub17/ 23.11.27	32,000,000.00	32,024,000.00	0.73
SEK	18,000,000	Jyske Bank AS FRN Sub Reg S 16/ 16.12.Perpetual	18,000,000.00	19,572,750.00	0.45
SEK	30,000,000	NorCell Sweden Holding 3 AB 3.625% Sen 16/ 23.06.21	31,185,000.17	31,013,700.00	0.71
SEK	44,000,000	Prime Living AB FRN Sen 16/ 29.09.20	44,299,000.00	44,220,000.00	1.01
SEK	36,000,000	RSA Insurance Group Plc FRN Sub RegS Conv 17/ 27.06.Perpetual	36,000,000.00	38,152,440.00	0.87
SEK	35,000,000	Sirius International Group Ltd FRN Sub 17/ 22.09.47	35,000,000.00	35,634,375.00	0.81
SEK	19,000,000	Svenska Handelsbanken AB FRN Sub EMTN 17/ 15.11.27	19,000,000.00	19,022,990.00	0.43
SEK	30,000,000	Swedbank Mortgage AB 5.7% 08/ 12.05.20	34,083,300.00	34,068,300.00	0.78
SEK	15,000,000	Telia Co AB Step-up FRN Sub Reg S 17/ 04.10.77	15,000,000.00	15,571,050.00	0.36
SEK	45,000,000	Volati AB FRN Sen 17/ 05.12.22	45,000,000.00	45,337,500.00	1.04
SEK	45,000,000	Volvo Car AB 2.5% Reg S Sen 16/ 07.03.22	45,332,600.00	46,189,125.00	1.06
			409,443,400.17	415,506,380.00	9.50
USD	1,000,000	Allegion US Hg Co Inc 3.2% Sen 17/ 01.10.24	7,950,745.09	8,123,984.91	0.19
USD	2,000,000	Ashtead Capital Inc 4.125% Reg Sen 17/ 15.08.25	16,194,600.01	16,623,716.40	0.38
USD	4,500,000	Ball Corp 4.375% Sen 15/ 15.12.20	41,136,840.04	38,246,397.24	0.87
USD	2,000,000	Brixmor Operating Partner LP 3.25% Sen 16/ 15.09.23	16,851,793.48	16,030,871.79	0.37
USD	7,000,000	Demeter Investments BV VAR Reg S Sub 15/ 15.08.50	62,908,153.79	62,883,605.32	1.44
USD	2,000,000	Encompass Health Corp 5.125% Sen 15/ 15.03.23	17,411,891.87	16,807,905.90	0.38
USD	2,000,000	Encompass Health Corp 5.75% Sen 12/ 01.11.24	18,475,627.05	16,807,496.59	0.38
USD	2,625,000	General Electric Co 4.625% EMTN Reg S Sen 13/ 30.01.43	23,697,417.78	21,510,693.63	0.49
USD	4,000,000	Icelandair Group HF FRN Sen 16/ 26.10.21	35,288,000.06	32,540,145.12	0.74
USD	7,000,000	Jain Intl Trading BV 7.125% Reg S Sen 17/ 01.02.22	61,348,792.68	57,292,799.08	1.31
USD	5,000,000	JPMorgan Chase & Co FRN MTN Sen 16/ 24.10.23	45,145,866.10	42,002,369.08	0.96
USD	2,500,000	L Brands Inc 5.625% Sen 12/ 15.02.22	23,165,476.78	21,855,823.82	0.50
USD	1,000,000	Lennar Corp 4.125% Sen 17/ 15.01.22	9,005,000.00	8,367,155.98	0.19
USD	5,025,000	Nasdaq Inc 5.55% Sen 10/ 15.01.20	47,573,620.41	43,587,340.20	1.00
USD	611,000	Nokia Oyj 5.375% Sen 09/ 15.05.19	5,774,472.85	5,181,731.84	0.12
USD	3,000,000	Perstorp Holding AB 8.5% Sen Reg S 16/ 30.06.21	27,032,371.46	26,247,003.85	0.60
USD	4,000,000	Prudential Plc 4.375% EMTN Reg S Sub 16/ 20.10.Perpetual	33,303,244.57	31,893,435.32	0.73
USD	6,000,000	Prudential Plc 4.875% EMTN Sen Sub Reg S 17/ 20.01.Perpetual	48,945,600.02	49,231,152.08	1.12
USD	1,000,000	PTC Inc 6% Sen 16/ 15.05.24	8,068,900.01	8,707,660.97	0.20
USD	4,700,000	Scan Bidco AS 7.7% EMTN Sen 16/ 27.06.22	39,054,271.94	33,954,311.17	0.78
USD	3,000,000	Service Corp Intl 4.625% Sen 17/ 15.12.27	25,299,507.98	24,958,291.31	0.57
USD	1,000,000	Sinclair Television Group Inc 5.125% Reg S Sen 16/ 15.02.27	8,475,040.00	8,135,036.28	0.19
USD	1,000,000	Skandinaviska Enskilda Bk AB VAR EMTN Sub 14/ 13.05.Perpetual	8,565,925.47	8,485,200.99	0.19
USD	3,000,000	Swedbank AB VAR Reg S Sub 16/ 17.03.Perpetual	27,603,299.87	26,024,011.76	0.59
USD	6,000,000	Telefon AB LM Ericsson 4.125% Sen 12/ 15.05.22	54,121,045.57	49,524,136.19	1.13
USD	5,000,000	US 1.625% T-Notes Ser AS-2020 Sen 17/ 15.10.20	40,758,416.71	40,572,853.90	0.93
USD	5,000,000	Vulcan Materials Co 3.9% Sen 17/ 01.04.27	44,999,390.49	41,794,234.95	0.95
USD	6,000,000	Vulcan Materials Co 4.5% Sen 15/ 01.04.25	53,636,410.11	52,393,563.01	1.20
			851,791,722.19	809,782,928.68	18.50
Total bonds			3,017,277,040.95	3,032,914,153.89	69.31

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Statement of investments and other net assets (in SEK) (continued) as at 31st December 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Transferable securities dealt in on another regulated market</u>					
Bonds					
EUR	3,000,000	Feder-Mogul Hgs LLC & Fin Corp 5% Sen Reg S 17/ 15.07.24	29,273,794.79	29,229,608.02	0.67
EUR	2,000,000	Grupo Antolin Dutch BV 5.125% Sen 15/ 30.06.22	18,600,836.45	20,661,826.07	0.47
EUR	7,400,000	Nokia Oyj 2% EMTN Sen Reg S 17/ 15.03.24	70,766,872.53	73,388,376.52	1.68
EUR	4,400,000	Norican A/ S 4.5% Sen Reg S 17/ 15.05.23	42,531,521.38	41,994,419.54	0.96
EUR	3,400,000	Ovako Group AB 5% EMTN 17/ 05.10.22	33,214,185.23	34,140,786.54	0.78
EUR	4,275,000	Progroup AG FRN Sen Reg S 17/ 31.03.24	41,272,576.52	42,400,865.91	0.97
			<u>235,659,786.90</u>	<u>241,815,882.60</u>	<u>5.53</u>
USD	6,000,000	Bank of America Corp FRN Ser M Sen 17/ 01.10.21	48,062,399.99	49,329,140.90	1.13
USD	250,000	Boise Cascade Co 5.625% Reg S 16/ 01.09.24	2,105,600.00	2,165,894.57	0.05
USD	1,000,000	E.W. Scripps Company 5.125% Sen Reg S 17/ 15.05.25	8,951,499.98	8,189,065.20	0.19
USD	2,000,000	Fidelity Natl Inform Serv Inc 2.25% Sen 16/ 15.08.21	16,836,042.59	16,127,878.26	0.37
USD	1,000,000	First Quality Finance Co Inc 5% Sen Reg S 17/ 01.07.25	8,793,800.01	8,348,696.10	0.19
USD	3,000,000	Hill-Rom Hgs Inc 5% Sen 144A 17/ 15.02.25	26,944,909.69	25,080,470.34	0.57
USD	4,000,000	IHS Markit Ltd 4.75% G1 Sen Reg S 17/ 15.02.25	35,615,111.98	34,663,317.96	0.79
USD	500,000	Koppers Inc 6% Ser 144A 17/ 15.02.25	4,502,549.99	4,359,151.51	0.10
USD	3,000,000	Kraft Heinz Foods Co FRN Sen 17/ 10.08.22	24,474,000.10	24,705,706.11	0.56
USD	1,000,000	Lennar Corp 4.5% Sen 14/ 15.11.19	8,470,609.88	8,415,168.05	0.19
USD	3,000,000	Lennar Corp 4.75% Ser B 13/ 15.11.22	27,036,317.54	25,792,301.37	0.59
USD	8,500,000	MDC Partners Inc 6.5% Reg S Sen Sub 16/ 01.05.24	73,287,020.83	70,025,942.06	1.60
USD	2,500,000	Nielsen Co Luxembourg Sàrl 5% Reg S Sen 17/ 01.02.25	22,438,811.06	21,260,584.75	0.49
USD	1,000,000	Nielsen Finance LLC/ Co 5% Ser 144A 14/ 15.04.22	8,593,888.04	8,446,725.85	0.19
USD	2,000,000	Protective Life Global Funding 2.615% MTN Reg S 17/ 22.08.22	16,191,199.94	16,131,725.78	0.37
USD	6,000,000	UPM-Kymmene Corp 7.45% Reg S Sen 97/ 26.11.27	65,716,417.42	62,771,045.07	1.43
USD	1,500,000	US Concrete Inc 6.375% Sen 16/ 01.06.24	14,444,075.20	13,214,184.55	0.30
USD	2,000,000	Virgin Media Secured Fin Plc 5.5% Reg S Sen 16/ 15.08.26	17,687,465.97	16,832,955.67	0.38
USD	1,000,000	Wolverine World Wide Inc 5% Reg S 16/ 01.09.26	8,421,749.99	8,249,643.08	0.19
USD	2,455,000	Wolverine World Wide Inc 5% Ser 144A 16/ 01.09.26	20,993,168.49	20,243,830.06	0.46
			<u>459,566,638.69</u>	<u>444,353,427.24</u>	<u>10.14</u>
Total bonds			<u>695,226,425.59</u>	<u>686,169,309.84</u>	<u>15.67</u>
<u>Other transferable securities</u>					
Bonds					
EUR	5,000,000	AX V INV1 Holding ApS FRN 17/ 29.06.22	48,962,624.17	50,626,551.28	1.16
EUR	2,500,000	Rettig Group Ltd 2.375% Sen 17/ 25.04.22	24,037,047.45	25,343,995.63	0.58
			<u>72,999,671.62</u>	<u>75,970,546.91</u>	<u>1.74</u>
GBP	1,500,000	AMC Entertainment Holdings Inc 6.375% Sen Sub 17/ 15.11.24	17,400,201.68	16,753,313.29	0.38
SEK	128,745,047.17	Bergvik Skog AB 8.5% MTN Sub 04/ 24.03.34	157,325,108.52	155,274,251.59	3.55
SEK	8,000,000	Consilium AB VAR Sub 17/ 01.02.Perpetual	8,000,000.00	8,130,000.00	0.19
			<u>165,325,108.52</u>	<u>163,404,251.59</u>	<u>3.74</u>
Total bonds			<u>255,724,981.82</u>	<u>256,128,111.79</u>	<u>5.86</u>
Total investments in securities			<u>3,968,228,448.36</u>	<u>3,975,211,575.52</u>	<u>90.84</u>
Cash at banks				221,199,151.00	5.05
Bank overdrafts				-50,782,308.26	-1.16
Other net assets/ (liabilities)				230,440,866.80	5.27
Total				<u><u>4,376,069,285.06</u></u>	<u><u>100.00</u></u>

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Industrial and geographical classification of investments

as at 31st December 2017

Industrial classification

(in percentage of net assets)

Financials	30.98 %
Raw materials	17.15 %
Industrials	13.57 %
Technologies	12.55 %
Cyclical consumer goods	9.05 %
Healthcare	3.91 %
Telecommunications services	1.63 %
Non-cyclical consumer goods	1.07 %
Countries and governments	0.93 %
Total	<u>90.84 %</u>

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

United States of America	23.08 %
Sweden	17.84 %
United Kingdom	8.55 %
Denmark	8.44 %
Finland	6.43 %
The Netherlands	5.44 %
Luxembourg	4.98 %
France	4.27 %
Germany	3.49 %
Spain	1.83 %
Canada	1.60 %
Bermuda	1.60 %
Iceland	1.47 %
Norway	1.05 %
Italy	0.48 %
Mexico	0.29 %
Total	<u>90.84 %</u>

PARETO SICAV - PARETO NORDIC ALPHA

Statement of net assets (in NOK)

as at 31st December 2017

Assets

Securities portfolio at market value	205,654,175.05
Cash at banks	46,681,134.79
Cash collateral at banks	9,034,389.25
Formation expenses, net	122,109.11
Receivable on issues of shares	5,240,985.56
Interest receivable on bank accounts	4,636.78
Interest receivable on contracts for difference (CFD)	2,976.65
Unrealised gain on contracts for difference (CFD)	388,809.93
Total assets	267,129,217.12

Liabilities

Payable on redemptions of shares	94,246.57
Interest payable on bank accounts	17,770.10
Expenses payable	963,172.73
Interest payable on contracts for difference (CFD)	7,056.63
Results payable on contracts for difference (CFD)	78,036.25
Total liabilities	1,160,282.28

Net assets at the end of the year	265,968,934.84
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Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in NOK)
A NOK	1,020,715.9104	NOK	173.7508	177,350,180.59
M NOK	49,738.1293	NOK	148.0064	7,361,561.40
B NOK	462,400.3883	NOK	175.7291	81,257,192.85
				265,968,934.84

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC ALPHA

Statement of operations and other changes in net assets (in NOK) from 21st June 2017 to 31st December 2017

<u>Income</u>	
Dividends, net	807,880.55
Interest on bonds and other debt securities, net	78,432.27
Interest on bank accounts	64,516.34
Commissions on subscription and on redemption	29,573.90
Other income	23,733.34
Total income	1,004,136.40
<u>Expenses</u>	
Management fees	1,898,915.40
Performance fees	963,416.95
Depositary fees	47,462.31
Banking charges and other fees	6,741.89
Transaction fees	60,171.90
Central administration costs	231,310.25
Professional fees	13,567.91
Other administration costs	79,305.59
Subscription duty ("taxe d'abonnement")	97,101.99
Bank interest paid	6,355.11
Other expenses	62,843.18
Total expenses	3,467,192.48
Net investment loss	-2,463,056.08
<u>Net realised gain/(loss)</u>	
- on securities portfolio	4,131,193.57
- on contracts for difference (CFD)	-4,654,393.67
- on foreign exchange	528,876.47
Realised result	-2,457,379.71
<u>Net variation of the unrealised gain/(loss)</u>	
- on securities portfolio	5,492,428.06
- on contracts for difference (CFD)	1,782,533.31
Result of operations	4,817,581.66
Subscriptions	317,241,721.20
Redemptions	-56,090,368.02
Total changes in net assets	265,968,934.84
Total net assets at the beginning of the year	-
Total net assets at the end of the year	265,968,934.84

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC ALPHA

Statistical information (in NOK) as at 31st December 2017

Total net assets	Currency				31.12.2017
	NOK				265,968,934.84
Net asset value per share	Currency				31.12.2017
A NOK	NOK				173.7508
M NOK	NOK				148.0064
B NOK	NOK				175.7291
Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year	
A NOK	-	1,110,001.1513	-89,285.2409	1,020,715.9104	
M NOK	-	81,202.9268	-31,464.7975	49,738.1293	
B NOK	-	670,370.8450	-207,970.4567	462,400.3883	

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC ALPHA

Statement of investments and other net assets (in NOK) as at 31st December 2017

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<u>Investments in securities</u>					
<u>Transferable securities admitted to an official stock exchange listing</u>					
Shares					
EUR	26,400	Kesko Oyj B	11,823,940.52	11,734,356.23	4.41
EUR	146,000	Stora Enso Oyj R	16,771,652.22	18,959,246.31	7.13
EUR	76,400	Valmet Corp	12,553,306.79	12,337,635.34	4.64
			41,148,899.53	43,031,237.88	16.18
NOK	213,310	Nordic Semiconductor ASA	7,295,202.00	8,959,020.00	3.37
NOK	100,000	Sbanken ASA	7,950,000.00	8,100,000.00	3.05
NOK	156,000	Scatec Solar ASA	7,082,400.00	7,800,000.00	2.93
NOK	220,000	Storebrand ASA	12,172,281.00	14,718,000.00	5.53
NOK	60,000	Telenor ASA	8,448,000.00	10,554,000.00	3.97
			42,947,883.00	50,131,020.00	18.85
SEK	22,400	AstraZeneca Plc	13,299,921.82	12,724,599.74	4.78
SEK	25,662	Attendo AB	2,640,199.37	2,255,235.96	0.85
SEK	8,000	Autoliv Inc SDR	7,467,579.06	8,369,553.92	3.15
SEK	40,100	Electrolux AB B	11,260,597.23	10,590,273.56	3.98
SEK	46,500	Essity AB B Reg	11,134,207.10	10,826,161.88	4.07
SEK	67,000	Granges AB Reg	5,266,093.54	5,640,405.86	2.12
SEK	95,272	Instalco Intressenter AB Reg	6,305,876.05	4,712,334.64	1.77
SEK	129,000	Nordea Bank AB	13,924,913.03	12,799,841.79	4.81
SEK	50,300	Svenska Handelsbanken AB A	5,435,292.66	5,639,316.70	2.12
			76,734,679.86	73,557,724.05	27.65
USD	26,100	Carnival Corp	14,679,974.30	14,169,689.07	5.33
			175,511,436.69	180,889,671.00	68.01
<u>Total shares</u>					
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
NOK	24,700	Pareto Likviditet Units Dist	24,650,310.30	24,764,504.05	9.31
			24,650,310.30	24,764,504.05	9.31
Total investment funds (UCITS)					
Total investments in securities			200,161,746.99	205,654,175.05	77.32
Cash at banks				55,715,524.04	20.95
Other net assets/ (liabilities)				4,599,235.75	1.73
Total				265,968,934.84	100.00

The accompanying notes are an integral part of these financial statements.

PARETO SICAV - PARETO NORDIC ALPHA

Industrial and geographical classification of investments as at 31st December 2017

Industrial classification

(in percentage of net assets)

Cyclical consumer goods	16.87 %
Financials	15.51 %
Raw materials	13.89 %
Investment funds	9.31 %
Healthcare	5.63 %
Non-cyclical consumer goods	4.07 %
Telecommunications services	3.97 %
Technologies	3.37 %
Energy	2.93 %
Industrials	1.77 %
Total	<u>77.32 %</u>

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

Norway	28.16 %
Sweden	19.72 %
Finland	16.18 %
Panama	5.33 %
United Kingdom	4.78 %
United States of America	3.15 %
Total	<u>77.32 %</u>

Notes to the financial statements

as at 31st December 2017

Note 1 - Significant accounting policies

a) Presentation of the financial statements

The financial statements of the Fund are established in accordance with the Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment and with generally accepted accounting principles in Luxembourg.

b) Valuation

- i. Securities and/ or financial derivative instruments listed on Regulated Markets, which operate regularly and are recognised and open to the public, are valued at the last available price; in the event that there should be several such markets, on the basis of the last available price of the main market for the relevant security. Should the last available price for a given security not truly reflect its fair market value, then that security shall be valued on the basis of the probable sales prices which the Board of Directors of the Fund deems is prudent to assume;
- ii. Securities and/ or financial derivative instruments not listed on Regulated Markets, which operate regularly and are recognised and open to the public, are valued on the basis of their last available price. Should the last available price for a given security not truly reflect its fair market value, then that security will be valued by the Board of Directors of the Fund on the basis of the probable sales price which the Board of Directors of the Fund deems is prudent to assume;
- iii. Interest Rate and Cross Currency Swaps (CCIRS Swaps) are valued on a daily mark-to-market basis by calculating the present-value difference between the paying and the receiving legs. The calculation is performed with the help of the appropriate market conventions that are pertaining to the currencies traded in the Interest Rates and Cross Currency Swaps. The unrealized gains or losses are disclosed in the statement of net assets. The net variation of the unrealised gain/ (loss) and realised gain/ (loss) are recorded in the statement of operations and other changes in net assets;
- iv. Liquid assets are valued at nominal value plus any accrued interest or on an amortised cost basis. All other assets, where practice allows, are valued in the same manner. Short-term investments that have a remaining maturity of one year or less are valued (i) at market value, or (ii) where market value is not available or not representative, at amortised cost. The captions "Other liquid assets" and "Other liquid liabilities" are mainly composed of cash accounts held at brokers;
- v. The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received is deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof is determined after making such discount as the Board of Directors of the Fund may consider appropriate in such case to reflect the true value thereof.

c) Net realised gain/ (loss) on securities portfolio

The net realised gain/ (loss) on securities portfolio is determined on the basis of the average cost of securities sold. The net realised gains and losses on securities portfolio are recorded in the statement of operations and other changes in net assets.

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Sub-Fund is converted to the Sub-Fund's currency at the exchange rate prevailing on the date of purchase.

e) Exchange translation

Bank balances, other assets and liabilities and the value of securities held that are denominated in other currencies than the Sub-Fund's currency are converted at the prevailing exchange rate of the closing day. Income and expenses incurred in currencies other than the Sub-Fund's currency are converted at the prevailing exchange rate of the day of each transaction. Net realised gains or losses on foreign exchange are recorded in the statement of operations and other changes in net assets.

At the date of the financial statements, the prevailing exchange rates on the closing day are as follows:

1	NOK	=	0.7582244	DKK	Danish Krona
			0.1018036	EUR	Euro
			0.0903821	GBP	Pound Sterling
			1.0007702	SEK	Swedish Krona
			0.1222509	USD	US Dollar
1	SEK	=	0.7576409	DKK	Danish Krona
			0.1017253	EUR	Euro
			0.0903126	GBP	Pound Sterling
			0.2241730	NLG	Dutch Guilders
			0.9992304	NOK	Norwegian Krona
			0.1221568	USD	US Dollar

f) Combined financial statements

The combined financial statements of the Fund are expressed in EUR and are equal to the sum of the corresponding captions in the financial statements of each Sub-Fund converted into this currency at the exchange rates prevailing at the date of the financial statements.

At the date of the financial statements, the exchange rates used for the combined statements are the following:

1	EUR	=	9.8228329	NOK	Norwegian Krona
			9.8303983	SEK	Swedish Krona

g) Foreign exchange difference

For each Sub-Fund, the Net Asset Value at the beginning of the year is translated into EUR using the exchange rates applicable as at 31st December 2016. Foreign exchange difference between the Net Asset Value at the beginning of the year translated using the exchange rates applicable as at 31st December 2016 and the exchange rates applicable as at 31st December 2017 are presented under the caption "Foreign exchange difference" in the statement of operations and other changes in net assets.

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

h) Formation expenses

Expenses incurred in connection with the establishment of the Fund and the creation of the Sub-Funds may be amortised on a straight line basis over a period of five years.

Formation expenses are included in the caption "Other expenses" in the statement of operations and other changes in net assets.

i) Investment income

Dividend income is recognised on an ex-dividend basis and is recorded net of withholding tax.

Interest income is accrued on a pro rata temporis basis, net of any withholding tax.

j) Transaction fees

Transaction costs disclosed under the caption "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the Fund, of fees relating to liquidation of transactions paid to the depositary and of transaction fees on financial and on derivatives instruments.

k) Forward foreign exchange contracts

Forward foreign exchange contracts are valued at forward rates for the remaining period from valuation day to the maturity of the contracts. Net unrealised gain/ (loss) is recorded in the statement of net assets. Net variation of the unrealised gain/ (loss) and the net realised gain/ (loss) are recorded in the statement of operations and other changes in net assets.

l) Futures contracts

Futures contracts are posted off-balance sheet and are valued at the last available price applicable to the asset. Net unrealised gain/ (loss) is recorded in the statement of net assets. Net variation of the unrealised gain/ (loss) and the net realised gain/ (loss) are recorded in the statement of operations and other changes in net assets.

m) Options contracts

Premiums received on the sale of options are recorded as liabilities, and premiums paid on the purchase of options are carried separately as assets. Net realised gain/ (loss) and net variation of the unrealised gain/ (loss) on options are recorded in the statement of operations and other changes in net assets.

n) Contracts For Differences (CFD)

CFD contracts are posted off-balance sheet and are valued at the last settlement or close price on the stock exchanges or regulated markets. Unrealised gain/ (loss) on CFD contracts are recorded in the statements of net assets. Net variation of unrealised gain/ (loss) and net realised gain/ (loss) are recorded in the statement of operations and changes in net assets.

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

o) Receivable / Payable on treasury transactions

The caption "Receivable on treasury transactions" comprises foreign exchange transactions not yet recorded under the item "Cash at banks".

The caption "Payable on treasury transactions" comprises foreign exchange transactions not yet recorded under the caption "Cash at banks".

At the level of the Sub-Fund, "Receivable and payable on treasury transactions" are disclosed net in the statement of net assets.

Note 2 - Subscription, redemption and conversion fees

A sales commission of up to 0.50% of the Net Asset Value for the Sub-Funds PARETO SICAV - PARETO NORDIC CORPORATE BOND and PARETO SICAV - PARETO GLOBAL CORPORATE BOND and of up to 3% of the Net Asset Value for the Sub-Fund PARETO SICAV - PARETO NORDIC ALPHA (except for the M NOK Shares: up to 0.20%) may be levied for the benefit of financial intermediaries. The Subscription Charge is to be considered as a maximum rate and reverts to the financial intermediaries including the Global Distributor.

A charge not exceeding 0.50% for the Sub-Funds PARETO SICAV - PARETO NORDIC CORPORATE BOND and PARETO SICAV - PARETO GLOBAL CORPORATE BOND and not exceeding 0.20% for the Sub-Fund PARETO SICAV - PARETO NORDIC ALPHA may be applied to redemptions of Shares. This Redemption Charge is to be considered as a maximum rate and, as the case may be, is allocated at the Management Company's discretion between the relevant Sub-Fund or financial intermediaries including the Global Distributor.

No conversion charge will be levied on conversions.

Note 3 - Management fees

The Management Company receives a maximum fee of 0.08% per annum calculated on the Net Asset Value of the Sub-Funds on each Valuation Day for the provision of its services and with a minimum of EUR 25,000 per annum per Sub-Fund.

Note 4 - Investment management fees

The different Sub-Funds and Classes incur an annual investment management fee payable to the Investment Manager. The investment management fee is expressed as a percentage of the Net Asset Value.

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

The investment management fees are accrued daily on the basis of the total net assets and are payable monthly to the Investment Manager as follows:

	PARETO SICAV - PARETO NORDIC CORPORATE BOND	PARETO SICAV - PARETO GLOBAL CORPORATE BOND	PARETO SICAV - PARETO NORDIC ALPHA
A Shares	1.00% p.a.	1.00% p.a.	-
A DIS SEK Shares	-	1.00% p.a.	-
A EUR Shares	1.00% p.a.	1.00% p.a.	-
A NOK Shares	-	-	1.50% p.a.
M NOK Shares	-	-	0.00% p.a.
B Shares	0.55% p.a.	0.55% p.a.	-
B DIS SEK Shares	-	0.55% p.a.	-
B NOK Shares	-	-	0.95% p.a.
C Shares	1.00% p.a.	1.00% p.a.	-
D Shares	-	0.55% p.a.	-
H EUR Shares	0.55% p.a.	-	-
H USD Shares	0.55% p.a.	-	-
I GBP Shares	0.40% p.a.	-	-
I NOK Shares	0.40% p.a.	0.40% p.a.	-
I SEK Shares	-	0.40% p.a.	-

All Share Classes in the Sub-Funds PARETO SICAV - PARETO NORDIC CORPORATE BOND and PARETO SICAV - PARETO GLOBAL CORPORATE BOND shall have a maximum rate in relation to on-going charges of investment management fees + 30 bps + tax.

Any excess costs shall be taken from the investment management fees, which is Pareto Asset Management's income for the investment management functions of the Sub-Funds and are disclosed under the caption "other income" in the statement of operations and other changes in net assets.

The investment management fees and the management fees are recorded under the caption "Management fees" in the statement of operations and other changes in net assets.

Note 5 - Performance fees

For the Sub-Fund PARETO SICAV - PARETO NORDIC ALPHA, with the exception of Class M Shares, the Investment Manager is entitled to receive out of the assets of the Sub-Fund a performance fee in respect of each Share Class.

The Performance Fee is calculated and accrued at each Valuation Point in respect of each Valuation Day (each Valuation Day being a **Calculation Period**) and is payable monthly in arrears.

For each Calculation Period, the Performance Fee for Class A, B and I Shares is equal to 20% of the amount by which the NAV per Share on each Valuation Day exceeds the High Water Mark after the application of the Hurdle Rate.

High Water Mark means the greater of the original issue price of Shares in the relevant Share Class and the highest NAV per Share achieved as at the end of any previous Calculation Period (if any).

Hurdle Rate means an annual rate of 2% of the year end High Water Mark of the relevant Share Class for the year immediately preceding the Calculation Period pro-rated for each Valuation Day in the applicable Calculation Period.

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

The previous year end High Water Mark of the relevant Share Class must increase by 2% on a pro-rated daily basis before the Performance Fee may become payable and accordingly, the Performance Fee is only calculated when the High Water Mark after application of the Hurdle Rate has been reached. The Hurdle Rate is separately determined for each year and pro-rated daily until the end of the current calendar year. The Hurdle Rate is cumulative from year to year. As at each Valuation Point, the Performance Fee will be calculated by reference to the NAV per Share attributable to the Share Class before making any deduction for Performance Fees.

At the date of the financial statements, a performance fee was due for the Sub-Fund PARETO SICAV - PARETO NORDIC ALPHA and amounted to NOK 963,416.95.

Note 6 - Central Administration cost

For each Sub-Fund a maximum fee of 0.04% per annum calculated on the Net Asset Value of the Sub-Funds on each Valuation Day for the provision of its services and with a fixed fee of EUR 35,000 per annum (EUR 25,000 for administration and EUR 10,000 for transfer agency) plus a maximum of EUR 3,700 per Share Class is paid to the Management Company, out of the net assets of the Sub-Funds, for the services of Administrator, Registrar and Transfer and Domiciliary Agent.

This administration fee is calculated on the basis of the total net assets of the Sub-Fund and is payable monthly.

Note 7 - Depositary fees

The Depositary receives a depositary fee determined as an annual percentage calculated per market on a monthly basis based on the Sub-Fund's assets and paid monthly in arrears. Until 15th June 2017, the Depositary further receives a supervisory fee of 0.03% p.a. based on the Sub-Fund's assets. Since 16th June 2017, the Depositary further receives a supervisory fee of 0.025% p.a., but a minimum of EUR 6,000 p.a., based on the Sub-Fund's assets.

Note 8 - Other expenses

The caption "Other expenses" in the statement of operations and other changes in net assets contains mainly director's fees, formation expenses and insurance costs.

Note 9 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations which are prevailing, the Fund is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter. A reduced rate of 0.01% per annum is applicable to Classes of Shares which are exclusively held by Institutional Investors.

According to Article 175 (a) of the amended Law of 17th December 2010, the net assets invested in Undertakings for Collective Investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

Note 10 - Forward foreign exchange contracts

As at 31st December 2017, the following Sub-Funds were committed in the following forward foreign exchange contracts:

PARETO SICAV - PARETO NORDIC CORPORATE BOND					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in NOK)
Forward foreign exchange contracts (Skandinaviska Enskilda Banken S.A., Luxembourg)					
NOK	7,405,500.00	SEK	7,500,000.00	16.01.2018	-91,483.03
NOK	15,871,805.80	USD	1,900,000.00	16.01.2018	336,163.72
NOK	5,825,417.50	USD	700,000.00	16.01.2018	101,759.89
NOK	12,450,892.50	USD	1,500,000.00	16.01.2018	185,911.91
NOK	16,450,980.00	USD	1,965,000.00	16.01.2018	383,855.43
NOK	8,278,155.00	USD	1,000,000.00	16.01.2018	101,501.27
NOK	75,484,926.00	USD	9,000,000.00	16.01.2018	1,895,042.47
NOK	3,326,378.80	USD	400,000.00	16.01.2018	55,717.31
NOK	477,932,810.00	USD	58,600,000.00	16.01.2018	-1,219,098.33
USD	1,400,000.00	NOK	11,626,300.00	16.01.2018	-178,984.78
USD	2,000,000.00	NOK	16,476,188.00	16.01.2018	-122,880.55
EUR	800,000.00	NOK	7,910,552.00	15.02.2018	-42,149.30
EUR	1,500,000.00	NOK	14,643,108.00	15.02.2018	110,147.05
NOK	16,915,210.20	DKK	12,600,000.00	15.02.2018	273,665.59
NOK	8,368,532.20	EUR	850,000.00	15.02.2018	8,354.34
NOK	284,144,000.00	EUR	29,500,000.00	15.02.2018	-6,003,349.39
NOK	10,658,340.00	EUR	1,100,000.00	15.02.2018	-160,713.71
NOK	35,980,909.20	EUR	3,600,000.00	15.02.2018	573,097.07
NOK	10,148,143.20	SEK	10,200,000.00	15.02.2018	-57,729.12
NOK	58,970,618.00	SEK	59,000,000.00	15.02.2018	-63,349.33
NOK	39,348,560.00	SEK	40,000,000.00	15.02.2018	-674,468.70
NOK	20,403,055.50	SEK	20,500,000.00	15.02.2018	-108,746.71
NOK	8,003,512.00	SEK	8,000,000.00	15.02.2018	-1,093.74
NOK	14,726,160.00	SEK	15,000,000.00	15.02.2018	-282,475.76
NOK	10,003,860.00	SEK	10,000,000.00	15.02.2018	-1,897.17
NOK	10,441,294.50	SEK	10,500,000.00	15.02.2018	-64,750.53
NOK	6,001,392.00	SEK	6,000,000.00	15.02.2018	-2,062.30
SEK	20,000,000.00	NOK	19,925,640.00	15.02.2018	85,874.35
					-4,964,142.05
Forward foreign exchange contracts (Nordea Bank AB, Sweden)					
NOK	68,020,144.50	DKK	52,500,000.00	15.02.2018	-1,319,624.72
NOK	344,809,629.00	SEK	354,000,000.00	15.02.2018	-9,394,174.96
					-10,713,799.68
Forward foreign exchange contracts linked to Class C Shares (Skandinaviska Enskilda Banken S.A., Luxembourg)					
NOK	9,940.63	SEK	9,962.00	16.01.2018	-17.35
NOK	94,376.81	SEK	94,273.00	16.01.2018	141.68
NOK	77,721.48	SEK	78,386.00	16.01.2018	-632.75
SEK	17,892,118.00	NOK	17,751,878.16	16.01.2018	132,993.52
SEK	50,986.00	NOK	51,129.16	16.01.2018	-163.61
SEK	328,536.00	NOK	326,284.64	16.01.2018	2,118.42
SEK	8,542,539.00	NOK	8,405,528.88	16.01.2018	133,524.64
SEK	7,026,525.00	NOK	6,915,190.43	16.01.2018	108,468.15
SEK	20,808.00	NOK	20,799.68	16.01.2018	-0.05
SEK	7,998,000.00	NOK	7,936,098.43	16.01.2018	58,662.66
SEK	279,789.00	NOK	279,119.11	16.01.2018	557.14
					435,652.45
Forward foreign exchange contracts linked to Class I GBP Shares (Skandinaviska Enskilda Banken S.A., Luxembourg)					
GBP	2,145.00	NOK	23,853.04	16.01.2018	-120.15
GBP	5,682,198.00	NOK	63,619,593.47	16.01.2018	-750,144.93
					-750,265.08

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in NOK)
Forward foreign exchange contracts linked to Class A EUR and H EUR Shares (Skandinaviska Enskilda Banken S.A., Luxembourg)					
EUR	424,508.00	NOK	4,186,540.35	16.01.2018	-15,163.94
EUR	39,629,125.00	NOK	390,826,393.66	16.01.2018	-1,415,600.34
					<u>-1,430,764.28</u>
Forward foreign exchange contracts linked to Class H USD Shares (Skandinaviska Enskilda Banken S.A., Luxembourg)					
USD	122,257.00	NOK	1,022,141.87	16.01.2018	-22,488.72
					<u>-22,488.72</u>
PARETO SICAV - PARETO GLOBAL CORPORATE BOND					
Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in SEK)
Forward foreign exchange contracts (Skandinaviska Enskilda Banken S.A., Luxembourg)					
SEK	50,213,400.00	USD	6,000,000.00	16.01.2018	1,133,734.22
					<u>1,133,734.22</u>
Forward foreign exchange contracts (Nordea Bank AB, Sweden)					
EUR	1,900,000.00	SEK	18,684,220.00	03.01.2018	-6,463.22
USD	2,100,000.00	SEK	17,231,340.00	03.01.2018	-40,319.94
GBP	1,001,000.00	SEK	11,133,870.65	16.01.2018	-54,066.01
GBP	1,275,000.00	SEK	14,295,423.42	16.01.2018	-182,785.14
SEK	131,526,464.40	GBP	12,000,000.00	16.01.2018	-1,298,366.50
SEK	438,422,276.25	USD	52,500,000.00	16.01.2018	8,975,200.70
SEK	434,163,626.00	USD	52,000,000.00	16.01.2018	8,806,522.60
SEK	417,440,025.00	USD	50,000,000.00	16.01.2018	8,442,810.19
SEK	17,217,731.58	USD	2,100,000.00	16.01.2018	39,848.56
USD	4,290,000.00	SEK	36,295,391.85	16.01.2018	-1,203,430.82
USD	1,950,000.00	SEK	16,386,781.91	16.01.2018	-435,890.53
USD	4,200,000.00	SEK	35,217,250.74	16.01.2018	-861,484.70
SEK	30,659,805.00	DKK	23,000,000.00	15.02.2018	299,861.30
SEK	674,706,240.80	EUR	68,000,000.00	15.02.2018	6,276,832.98
SEK	18,682,353.82	EUR	1,900,000.00	15.02.2018	5,649.78
SEK	15,220,561.50	NOK	15,000,000.00	15.02.2018	229,189.32
					<u>28,993,108.57</u>
Forward foreign exchange contracts (Skandinaviska Enskilda Bk AB, Sweden)					
SEK	13,185,600.00	USD	1,600,000.00	16.01.2018	97,689.13
EUR	9,500,000.00	SEK	94,792,349.00	15.02.2018	-1,408,828.79
SEK	670,655,565.00	EUR	67,500,000.00	15.02.2018	7,141,079.29
SEK	6,982,087.00	EUR	700,000.00	15.02.2018	101,196.04
SEK	37,620,300.20	EUR	3,800,000.00	15.02.2018	266,892.12
					<u>6,198,027.79</u>
Forward foreign exchange contracts linked to Class C Shares (Skandinaviska Enskilda Banken S.A., Luxembourg)					
NOK	586,244.00	SEK	596,737.77	16.01.2018	-10,257.85
NOK	7,301,199.00	SEK	7,363,624.25	16.01.2018	-59,487.03
NOK	656,117.00	SEK	666,811.71	16.01.2018	-10,430.67
NOK	943,376.00	SEK	950,923.01	16.01.2018	-7,167.37
NOK	1,137,304,914.00	SEK	1,146,517,083.80	16.01.2018	-8,754,484.41
NOK	2,595,887.00	SEK	2,597,704.12	16.01.2018	-772.46
NOK	525,128.00	SEK	525,495.59	16.01.2018	-156.26
NOK	2,434,414.00	SEK	2,428,571.41	16.01.2018	6,822.27
NOK	30,859,580.00	SEK	31,074,054.08	16.01.2018	-202,055.27
SEK	1,359,432.98	NOK	1,360,930.00	16.01.2018	-2,044.70
SEK	3,568,916.89	NOK	3,560,372.00	16.01.2018	7,112.09
SEK	21,803.78	NOK	21,757.00	16.01.2018	38.02
					<u>-9,032,883.64</u>
Forward foreign exchange contracts linked to Class D Shares (Skandinaviska Enskilda Banken S.A., Luxembourg)					
NOK	7,792,465.00	SEK	7,809,218.80	16.01.2018	-13,617.88
NOK	201,500.00	SEK	201,983.60	16.01.2018	-402.51
NOK	314,729.00	SEK	317,419.93	16.01.2018	-2,564.27
NOK	147,200.00	SEK	149,834.88	16.01.2018	-2,575.64

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

Currency	Purchases	Currency	Sales	Maturity	Unrealised result (in SEK)
NOK	4,000,000.00	SEK	4,002,800.00	16.01.2018	-1,190.28
NOK	2,566,200.00	SEK	2,608,029.06	16.01.2018	-40,796.34
NOK	224,218,079.00	SEK	226,034,245.44	16.01.2018	-1,725,934.40
NOK	324,929.00	SEK	324,149.17	16.01.2018	910.59
NOK	19,222,332.00	SEK	19,355,927.21	16.01.2018	-125,859.57
					<u>-1,912,030.30</u>
Forward foreign exchange contracts linked to Class A EUR Shares (Skandinaviska Enskilda Banken S.A., Luxembourg)					
EUR	526,744.00	SEK	5,236,098.73	16.01.2018	-58,029.72
					<u>-58,029.72</u>
Forward foreign exchange contracts linked to Class I NOK Shares (Skandinaviska Enskilda Banken S.A., Luxembourg)					
NOK	213,837,058.00	SEK	215,569,138.17	16.01.2018	-1,646,025.77
					<u>-1,646,025.77</u>

Note 11 - Swaps contracts

As at 31st December 2017, the following Sub-Fund was committed in the following cross currency interest rate swaps contracts:

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Interest receivable	Currency	Receivable amount	Interest payable	Currency	Payable amount	Maturity	Notional value (in SEK)	Unrealised result (in SEK)
Skandinaviska Enskilda Banken AB (publ), Sweden								
SEK-STIBOR-SIDE + 3.78%	SEK	9,350,000.00	3.250%	EUR	1,000,000.00	18.05.21	9,830,398.31	-401,823.52
SEK-STIBOR-SIDE + 3.82%	SEK	9,420,000.00	3.250%	EUR	1,000,000.00	18.05.21	9,830,398.31	-309,309.11
SEK-STIBOR-SIDE + 5.49%	SEK	9,550,000.00	4.750%	EUR	1,000,000.00	30.05.22	9,830,398.31	-17,278.35
SEK-STIBOR-SIDE + 4.5715%	SEK	19,240,000.00	4.125%	EUR	2,000,000.00	15.10.21	19,660,796.61	-190,558.12
SEK-STIBOR-SIDE + 2.91%	SEK	29,175,000.00	2.625%	EUR	3,000,000.00	30.09.24	29,491,194.92	603,566.42
SEK-STIBOR-SIDE + 3.845%	SEK	33,120,000.00	5.000%	GBP	3,000,000.00	15.04.22	33,217,962.48	-79,478.62
SEK-STIBOR-SIDE + 4.285%	SEK	37,800,000.00	4.000%	EUR	4,000,000.00	15.01.20	39,321,593.22	-1,630,140.93
SEK-STIBOR-SIDE + 1.88%	SEK	14,191,334.30	1.875%	EUR	1,500,000.00	01.03.24	14,745,597.46	-473,375.53
SEK-STIBOR-SIDE + 3.325%	SEK	11,950,000.00	3.250%	EUR	1,250,000.00	15.03.21	12,287,997.88	-397,910.59
SEK-STIBOR-SIDE + 3.28%	SEK	9,500,000.00	3.125%	EUR	1,000,000.00	01.04.20	9,830,398.31	-374,161.06
SEK-STIBOR-SIDE + 2.665%	SEK	57,540,000.00	2.750%	EUR	6,000,000.00	05.01.24	58,982,389.83	-1,449,150.00
SEK-STIBOR-SIDE + 2.87%	SEK	46,120,000.00	4.000%	GBP	4,000,000.00	04.04.25	44,290,616.64	2,691,340.23
SEK-STIBOR-SIDE + 3.3625%	SEK	19,440,000.00	3.375%	EUR	2,000,000.00	15.07.22	19,660,796.61	-245,778.57
SEK-STIBOR-SIDE + 3.00%	SEK	18,960,000.00	3.375%	EUR	2,000,000.00	15.07.22	19,660,796.61	-1,120,538.63
SEK-STIBOR-SIDE + 3.08%	SEK	38,380,000.00	2.875%	EUR	4,000,000.00	15.09.20	39,321,593.22	-1,007,701.53
							<u>369,962,928.72</u>	<u>-4,402,297.91</u>

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

Interest receivable	Currency	Receivable amount	Interest payable	Currency	Payable amount	Maturity	Notional value (in SEK)	Unrealised result (in SEK)
Nordea Bank AB, Sweden								
SEK-STIBOR-SIDE + 1.78%	SEK	22,951,800.00	DKK-CIBOR2-CIBOR= + 2.35%	DKK	18,000,000.00	06.06.19	23,757,956.98	-1,109,320.64
SEK-STIBOR-SIDE + 3.57%	SEK	47,520,000.00	3.250%	EUR	5,000,000.00	15.03.20	49,151,991.53	-1,680,725.52
SEK-STIBOR-SIDE + 5.72%	SEK	25,632,000.00	DKK-CIBOR2-CIBOR= + 5.30%	DKK	20,000,000.00	16.09.21	26,397,729.98	-846,820.49
SEK-STIBOR-SIDE + 5.49%	SEK	33,365,500.00	5.375%	EUR	3,500,000.00	15.04.20	34,406,394.07	-1,237,965.29
SEK-STIBOR-SIDE + 1.89%	SEK	57,402,000.00	2.125%	EUR	6,000,000.00	25.04.24	58,982,389.83	-1,962,213.62
SEK-STIBOR-SIDE + 2.85%	SEK	38,376,000.00	2.875%	EUR	4,000,000.00	15.09.22	39,321,593.22	-1,045,790.93
							<u>232,018,055.61</u>	<u>-7,882,836.49</u>
							<u>601,980,984.33</u>	<u>-12,285,134.40</u>

As at 31st December 2017, the following Sub-Fund was committed in the following interest rate swaps contracts with Skandinaviska Enskilda Banken AB (publ), Sweden:

PARETO SICAV - PARETO GLOBAL CORPORATE BOND

Nominal	Currency	Interest receivable	Interest payable	Maturity	Unrealised result (in SEK)
5,000,000.00	USD	USD-LIBOR-BBA + 1.253%	3.90%	01.04.27	-823,256.35
4,000,000.00	USD	USD-LIBOR-BBA + 1.97%	4.75%	15.11.24	-909,256.14
					<u>-1,732,512.49</u>

Note 12 - Contracts For Difference (CFD)

As at 31st December 2017, the following Sub-Fund was committed in the following CFD contracts with Skandinaviska Enskilda Banken AB (publ), Sweden:

PARETO SICAV - PARETO NORDIC ALPHA

	Number of contracts	Denomination	Currency	Market value (in NOK)	Unrealised result (in NOK)
Sale	-7,200	Ambu AS CFD	DKK	-5,279,703.30	-199,413.25
Sale	-77,000	DNB ASA CFD	NOK	-11,711,700.00	30,800.00
Sale	-15,900	Royal Caribbean Cruises Ltd CFD	USD	-15,513,605.74	251,016.59
Sale	-56,800	Skandinaviska Enskilda Bk AB A CFD	SEK	-5,465,630.47	61,228.68
Sale	-52,000	UPM-Kymmene Corp CFD	EUR	-13,234,499.27	245,177.91
				<u>-51,205,138.78</u>	<u>388,809.93</u>

Note 13 - Pledged assets

As at 31st December 2017, the following Sub-Funds have pledged assets as described below:

-PARETO SICAV - PARETO NORDIC CORPORATE BOND holds cash pledged as collateral at Skandinaviska Enskilda Banken S.A, Luxembourg for an amount of NOK 19,390,000.00 and at Nordea Bank AB, Sweden for an amount of NOK 10,035,000.00;

-PARETO SICAV - PARETO GLOBAL CORPORATE BOND holds cash pledged as collateral at Skandinaviska Enskilda Banken S.A. Luxembourg for an amount of SEK 90,274,251.33 and at Skandinaviska Enskilda Banken AB (publ), Sweden for an amount of SEK 6,746,000.00;

PARETO SICAV

Notes to the financial statements (continued)

as at 31st December 2017

-PARETO SICAV - PARETO NORDIC ALPHA holds cash pledged as collateral at Skandinaviska Enskilda Banken AB (publ), Sweden for an amount of NOK 9,034,389.25.

Those amounts serve as collateral for commitment on forward foreign exchange contracts, swaps contracts and CFD contracts.

Furthermore, PARETO SICAV - PARETO GLOBAL CORPORATE BOND has pledged the following security with Skandinaviska Enskilda Banken AB (publ), Sweden:

Currency	Number	Description	Collateral Value (in SEK)
SEK	5,000,000	US 1.625% T-Notes Ser AS-2020 Sen 17/ 15.10.20	40,572,853.90

Note 14 - Changes in the investment portfolio

The statement of changes in the investment portfolio is available free of charge upon request from the registered office of the Fund.

Note 15 - Events

The Board of Directors of PARETO NORDIC UCITS PLC decided to merge the Sub-Fund PARETO NORDIC ALPHA into PARETO SICAV - PARETO NORDIC ALPHA, a newly created Sub-Fund within the Fund, with effective date 21st June 2017.

The Board of Directors of the Fund decided to merge the assets of the Norwegian fund Pareto Kreditt into PARETO SICAV - PARETO NORDIC CORPORATE BOND by way of absorption with effective date 21st December 2017.

PARETO SICAV

Additional information (unaudited)

as at 31st December 2017

1 - Risk management

As required by Circular CSSF 11/ 512, the Board of Directors of the Fund needs to determine the global risk exposure of the Fund by applying either the commitment approach or the VaR ("Value at Risk") approach.

The Board of Directors of the Fund decided to adopt, as a method of determining and monitoring the global exposure:

- The commitment approach for the Sub-Funds:
 - PARETO SICAV - PARETO NORDIC CORPORATE BOND
 - PARETO SICAV - PARETO GLOBAL CORPORATE BOND

SEB Fund Services S.A. has selected the absolute Value at Risk methodology as the model to be applied to the Sub-Fund PARETO SICAV - PARETO NORDIC ALPHA.

The calculation of the absolute VaR is carried out in accordance with the following parameters:

- Confidence level of 99%;
- VaR horizon of 20 business days;
- Effective observation period of risk factors of 250 business days;
- Daily data set updates; and
- Daily calculation and monitoring of VaR levels.

For the observation period from 21st June 2017 to 31st December 2017 the following statistics have been computed for the Sub-Funds:

Sub-Fund	PARETO SICAV - PARETO NORDIC ALPHA
VaR limit	20.00%
Min VaR	3.00%
Max VaR	5.02%
AVG VaR	3.99%
Average level of leverage*	16.83%

*based on the sum of notionals methodology

2 - Remuneration disclosure

SEB Fund Services S.A. (SEB) as Management Company has implemented a Remuneration policy that is designed to encourage good performance and behavior, and seeks to achieve a balanced risk-taking that goes in line with shareholders' expectations.

In SEB, there is clear distinction between the criteria for setting fixed remuneration (e.g. base pay, pension and other benefits) and variable remuneration (e.g. short- and long-term variable remuneration). The individual total remuneration corresponds to requirements on task complexity, management and functional accountability and also related to the individual's performance.

PARETO SICAV

Additional information (unaudited) (continued)

as at 31st December 2017

SEB provides a sound balance between fixed and variable remuneration and aligns the payout horizon of variable pay with the risk horizon. This implies that certain maximum levels and deferral arrangements apply for different categories of employees.

The amount below represents the proportion of the total remuneration on calendar year 2017 and adjusted according to the number of full time employees during the year 2017 and identified staff (i.e. the aggregate amount of remuneration broken down by senior management and members of staff of the Management Company whose actions have a material impact on the risk profile of the funds). This amount is further proportioned to the total net asset value of each fund, taking into account UCITS and non-UCITS.

	TNA as of 31st December 2017*	% of total TNA managed by AIFM / Management Company	Fixed Remuneration *		Variable Remuneration *		Number of beneficiaries **
			All Employees	Identified Staff	All Employees	Identified Staff	All Employees
PARETO SICAV	701,406,564.89	8.03	115,255.85	43,572.24	3,146.66	1,767.90	15.17

* All amounts are in euro

Fixed Remuneration (incl. fixed salary, allowances, pension)

Variable Remuneration (incl. short term incentives and long term incentives)

** Average Full Time Equivalent

3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

During the reporting period, the Fund did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.

