

FONDITA HEALTHCARE INVESTMENT FUND

ANNUAL REPORT

31.12.2021

FONDITA HEALTHCARE INVESTMENT FUND

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Activity Report 2021

Fondita Healthcare Investment Fund began operations on June 14, 2018. The fund invests in companies whose activities promote health and wellbeing.

The development of the fund is described in the following table:

	2021	2020	2019
Market value 31.12.	92 903 037,49	60 803 657,01	49 516 874,85
Unit value 31.12. (return / A)	155,25	125,50	118,90
Unit value 31.12. (growth / B)	179,14	137,98	124,52
Unit value 31.12. (growth / I)	181,79	138,92	124,58
Growth unit price change during period	29,8 %	10,8 %	39,8 %
Fiscal period profit	18 622 818,63	5 760 309,08	12 619 129,10
Management fees paid to Fund Company	1 472 271,10	1 076 245,19	792 629,33
A-unit returns	6,30	5,95	4,45
Turnover rate (times/year)	0,15	0,19	0,16
Volatility (%/year)	12,6	20,8	11,5
TER (Total Expense Ratio) A- and B-units	2,00 %	2,00 %	2,00 %
TER (Total Expense Ratio) I-units	1,20 %	1,20 %	1,20 %
Number of unitholders at end of period	265	210	176

During the year the fund has not participated in any shareholders' general meetings.

Thereby the right to vote has not been used.

SFDR classification of the fund: Article 8

The Board of Directors suggested that the A-units return will be 7,75 € / share.

The return is paid on February 10, 2022.

The Fund Company has during 2021 paid 1 956 918,05 euros in remuneration to the employees whereof 0,00 euros in variable remuneration.

executive management (CEO, deputy CEO and chairman of the board)

773 103,18 euro, no variable part

risk requiring actions (portfolio managers)

973 728,72 euro, no variable part

those who manage the internal supervisory functions (all members of the Risk Control Function, Compliance Function and Internal Control Function)

589 482,45 euro, no variable part

Note that some people may belong to several groups

INCOME STATEMENT 1.1.2021-31.12.2021

(euros)

REVENUE	1.1.-31.12.2021	1.1.-31.12.2020
Net profit from securities	19 450 339,89	6 355 192,34
Dividends	<u>651 031,61</u>	<u>484 889,22</u>
Total revenue	<u>20 101 371,50</u>	<u>6 840 081,56</u>
COSTS		
Commissions		
till Fondbolaget	1 472 271,10	1 076 245,19
Interest fees	<u>6 281,77</u>	<u>3 527,29</u>
Total Costs	<u>1 478 552,87</u>	<u>1 079 772,48</u>
FISCAL PERIOD PROFIT	<u>18 622 818,63</u>	<u>5 760 309,08</u>

BALANCE SHEET 31.12.2021

(euros)

ASSETS	31.12.2021	31.12.2020
Current assets		
Current assets		
Market value of securities	91 283 203,32	60 479 924,20
Receivables		
Dividends	16 807,71	12 065,01
	23 966,51	0,00
	<u>40 774,22</u>	<u>12 065,01</u>
Cash and bank deposits	2 126 931,25	525 537,33
TOTAL ASSETS	<u>93 450 908,79</u>	<u>61 017 526,54</u>
 LIABILITIES AND SHAREHOLDER EQUITY		
	31.12.2021	31.12.2020
Fund value		
Fund value	92 903 037,49	60 803 657,01
Liabilities		
Current liabilities		
Accruals	405 259,03	0,00
	142 612,27	213 869,53
TOTAL LIABILITIES AND EQUITY	<u>547 871,30</u>	<u>213 869,53</u>
FONDITA HEALTHCARE INVESTMENT FUND	<u>93 450 908,79</u>	<u>61 017 526,54</u>

Fondita Healthcare Investment Fund

Portfolio content 31.12.2021

USA	GICS	Shares	Price (euro)	Market value	19,33 %
Eli Lilly	Health Care	12 875	245,48	3 160 516,22	3,40 %
Hologic	Health Care	38 416	66,21	2 543 341,07	2,74 %
Stryker	Health Care	10 500	239,03	2 509 835,13	2,70 %
Medtronic	Health Care	25 000	91,65	2 291 262,56	2,47 %
Dentsply Sirona	Health Care	40 100	49,95	2 002 878,68	2,16 %
Align Technology	IT	3 400	576,04	1 958 522,31	2,11 %
Zimmer Biomet	Health Care	15 700	113,06	1 775 005,29	1,91 %
Boston Scientific Corp.	Health Care	45 200	38,06	1 720 405,57	1,85 %
Germany	GICS	Shares	Price (euro)	Market value	15,97 %
Siemens Healthineers	Health Care	49 301	66,06	3 256 824,06	3,51 %
Carl Zeiss Meditec	Health Care	15 757	185,85	2 928 438,45	3,15 %
Sartorius (Vortzug)	Health Care	3 810	597,80	2 277 618,00	2,45 %
Stratec Biomedical	Health Care	14 482	137,20	1 986 930,40	2,14 %
Merck	Health Care	8 141	228,20	1 857 776,20	2,00 %
Fresenius	Health Care	36 596	35,38	1 294 583,50	1,39 %
Dermapharm	Health Care	13 838	89,15	1 233 657,70	1,33 %
Switzerland	GICS	Shares	Price (euro)	Market value	24,72 %
Siegfried Holding	Health Care	5 995	856,33	5 133 695,97	5,53 %
Straumann Holding	Health Care	2 332	1872,83	4 367 437,28	4,70 %
Lonza Group	Health Care	4 870	737,17	3 590 003,86	3,86 %
Alcon	Health Care	33 000	78,12	2 577 846,39	2,77 %
Polypeptide	Health Care	17 298	131,42	2 273 241,61	2,45 %
Tecan Group	Health Care	3 491	537,44	1 876 193,55	2,02 %
Coltene Holding	Health Care	14 474	110,77	1 603 256,66	1,73 %
Roche Holding	Health Care	4 200	368,10	1 546 024,70	1,66 %
Denmark	GICS	Shares	Price (euro)	Market value	12,87 %
Novo Nordisk B	Health Care	35 202	98,79	3 477 453,73	3,74 %
Coloplast B	Health Care	15 623	156,13	2 439 156,97	2,63 %
GN Store Nord	Health Care	41 122	55,52	2 283 295,97	2,46 %
ALK-Abelló B	Health Care	4 865	458,29	2 229 592,67	2,40 %
Össur	Health Care	268 898	5,67	1 525 959,90	1,64 %
Sweden	GICS	Shares	Price (euro)	Market value	11,06 %
Medicover	Health Care	107 403	35,81	3 846 128,24	4,14 %
AstraZeneca	Health Care	31 700	103,61	3 284 447,70	3,54 %
Elekta B	Health Care	141 298	11,14	1 574 579,79	1,69 %
Synsam Group	Consumer Discretionary	209 815	7,48	1 570 358,00	1,69 %
Spain	GICS	Shares	Price (euro)	Market value	2,67 %
Laboratorios Farma Rovi	Health Care	33 500	74,1	2 482 350,00	2,67 %
Finland	GICS	Shares	Price (euro)	Market value	5,05 %
Terveystalo	Health Care	226 600	11,88	2 692 008,00	2,90 %
Pihlajalinna	Health Care	157 568	12,70	2 001 113,60	2,15 %
Great Britain	GICS	Shares	Price (euro)	Market value	2,97 %
Smith & Nephew	Health Care	179 280	15,41	2 762 262,15	2,97 %
Netherlands	GICS	Shares	Price (euro)	Market value	2,46 %
Philips	Health Care	69 504	32,86	2 283 901,44	2,46 %
Belgium	GICS	Shares	Price (euro)	Market value	1,15 %
Mithra	Health Care	53 000	20,10	1 065 300,00	1,15 %
Portfolio value				91 283 203,32	
Cash and other asset, net				1 619 834,17	1,74 %
Fund value				92 903 037,49	
Number of outstanding units					
Return units (A)			262 971,5585		
Growth units (B)			278 273,9534		
Growth units (I)			12 238,9798	553 484,4917	
Unit value					
Return unit value (A)				155,2522	
Growth unit value (B)				179,1445	
Growth unit value (I)				181,7852	

Fondita Healthcare Investment Fund

Securities' change in the portfolio 1.1.-31.12.2021

(%-points)

USA	-4,5	Denmark	0,4
Align Technology	2,1 *	Novo Nordisk	1,4 *
Boston Scientific Corp.	-0,1 *	Coloplast	0,7 *
Dentsply Sirona	-0,3 *	ALK-Abelló	0,3 *
Eli & Lilly	-0,3 *	GN Store Nord	-0,6 *
Stryker	-0,6 *	Össur	-1,3 *
Zimmer Biomet	-0,6 *		
Medtronic	-0,8 *	Sweden	-3,4
Hologic	-1,2 *	Synsam	1,7 *
Varian Medical System	-2,7	AstraZeneca	0,4 *
		Medicover	0,0 *
Germany	0,5	MedCap	-0,8
Siemens Healthineers	0,8 *	Elekta	-1,6 *
Sartorius	0,4 *	Tobii	-3,1
Carl Zeiss Meditec	0,2 *		
Merck	0,1 *	Finland	-0,1
Dermapharm Holding	0,0 *	Pihlajalinna	0,0 *
Stratec Biomedical	-0,2 *	Terveystalo	-0,1 *
Fresenius	-0,7 *		
		Netherlands	-0,8
Switzerland	3,8	Philips	-0,8 *
Alcon	2,8 *		
Polypeptide	2,5 *	Spain	2,7
Tecan Group	2,0 *	Laboratorios Farma Rovi	2,7 *
Straumann Holding	1,0 *		
Lonza Group	-0,2 *	Great Britain	-1,0
Roche Holding	-0,3 *	Smith & Nephew	-1,0 *
Siegfried	-0,3 *		
Coltene Holding	-0,9 *	Cash	1,2
Vifor Pharma	-2,9		
Skan Group	0,0		
Belgium	1,2		
Mithra	1,2 *		

* = Current holding at 31.12.2021

INCOME STATEMENT APPENDIX 31.12.2021
(euros)

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	31.12.2021	31.12.2020
Net profit of securities		
Sales profit of securities	3 444 570,73	2 881 248,95
Sales losses of securities	(-) 60 061,44	161 713,00
Unrealized gains	19 911 087,79	7 257 484,77
Unrealized losses	(-) 3 845 257,19	3 621 828,38
Total	<u>19 450 339,89</u>	<u>6 355 192,34</u>
Transactioncosts	53 012,20	35 549,84

BALANCE SHEET APPENDIX 31.12.2021

Fund value		
Fund value 1.1.	60 803 657,01	49 516 874,85
Unit subscriptions	21 093 843,06	10 068 190,10
Unit redemptions	(-) 6 012 306,00	3 148 420,77
Distribution of returns	(-) 1 604 975,21	1 393 296,25
Fiscal year profits	18 622 818,63	5 760 309,08
Fund value 31.12.	<u>92 903 037,49</u>	<u>60 803 657,01</u>

Helsinki 2 / 2 2022

CEO

A handwritten signature in black ink, appearing to read 'Markus Larsson', written in a cursive style.

Markus Larsson

This is an unofficial translation of the original in Swedish.



Building a better
working world

Ernst & Young Oy
Alvar Aallon katu 5 C
FI-00100 Helsinki
FINLAND

Tel: +358 207 280 190
www.ey.com/fin
Business ID: 2204039-6,
domicile Helsinki

AUDITOR'S REPORT (Translation of the Swedish original)

To Fondita Fund Management Company Ltd and to the unit holders of special mutual funds managed Fondita Fund Management Company Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fondita Fund Management Company Ltd (business identity code 0899688-5) and the mutual funds managed by Fondita Fund Management Company Ltd for the financial year ending 31.12.2021. The financial statements comprise the balance sheet, income statement, cash flow statement for the mutual fund company and notes.

In our opinion

- the financial statements of Fondita Fund Management Company Ltd give a true and fair view of the financial performance and financial position of the mutual fund company in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.
- the financial statements of the mutual funds managed by Fondita Fund Management Company Ltd give a true and fair view of the financial performance and financial position of the mutual funds in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements

The mutual funds managed by Fondita Fund Management Company Ltd are Fondita Equity Spice Placeringsfond, Fondita Nordic Small Cap Placeringsfond, Fondita 2000+ Placeringsfond, Fondita Nordic Micro Cap Placeringsfond, Fondita European Small Cap Placeringsfond, Fondita Sustainable Europe Placeringsfond, Fondita Healthcare Placeringsfond and Fondita European Micro Cap Placeringsfond.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company/mutual fund in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine 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 and the Managing Director are responsible for assessing the company's/mutual fund's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company/mutual fund or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism 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 company's/mutual fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director'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 company's/mutual 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 auditor's report to 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 auditor's report. However, future events or conditions may cause the company/mutual 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 so that the financial statements give a true and fair view.

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.

Other reporting requirements

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

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. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki 2.2.2022

Anders Svennas
Authorized Public Accountant

Robert Söderlund
Authorized Public Accountant