

FONDITA NORDIC MICRO CAP INVESTMENT FUND

ANNUAL REPORT

31.12.2021

FONDITA NORDIC MICRO CAP INVESTMENT FUND

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Activity Report 2021

The Fondita Nordic Micro Cap Investment Fund began operations on August 29, 2006. It mainly invests in shares of publicly traded micro cap companies in North European countries.

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

	2021	2020	2019
Market value 31.12.	159 845 111,69	131 660 933,47	110 195 842,49
Unit value 31.12. (return / A)	267,55	216,20	173,27
Unit value 31.12. (growth / B)	567,72	437,25	333,10
Unit value 31.12. (growth / I)	577,13	440,96	333,28
Unit value 31.12. (growth / SEK R)	114,99	-	-
Growth unit price change during period	29,8 %	31,3 %	33,6 %
Fiscal period profit	38 711 379,49	30 156 440,62	36 488 404,91
Management fees paid to Fund Company	2 985 479,75	1 965 153,04	2 414 396,27
A-unit returns	10,8	8,65	6,80
Turnover rate (times/year)	0,33	0,28	0,10
Volatility (%/year)	16,7	28,3	11,6
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 %
TER (Total Expense Ratio) SEK R-units	1,50 %	-	-
Number of unitholders at end of period	416	409	429

During the year the fund has participated 3.5.2021 in Elos Medtech's general meeting and used the right to vote, to promote the interests of the unit holders.

SFDR classification of the fund: Article 8

The Board of Directors suggested that the A-units return will be 13,40 € / 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)

	1.1.-31.12.2021	1.1.-31.12.2020
REVENUE		
Net profit from securities	40 385 870,96	31 313 167,05
Dividends	<u>1 333 293,92</u>	<u>818 021,18</u>
Total revenue	<u>41 719 164,88</u>	<u>32 131 188,23</u>
COSTS		
Commissions		
till Fondbolaget	2 985 479,75	1 965 153,04
Interest fees	<u>22 305,64</u>	<u>9 594,57</u>
Total Costs	<u>3 007 785,39</u>	<u>1 974 747,61</u>
FISCAL PERIOD PROFIT	<u>38 711 379,49</u>	<u>30 156 440,62</u>

BALANCE SHEET 31.12.2021

(euros)

ASSETS	31.12.2021	31.12.2020
Current assets		
Current assets		
Market value of securities	156 569 664,03	128 916 312,52
Receivables		
Accruals	0,00	217 830,81
Sold securities	<u>0,00</u>	<u>217 830,81</u>
Cash and bank deposits	3 525 697,63	3 265 644,09
TOTAL ASSETS	<u>160 095 361,66</u>	<u>132 399 787,42</u>
 LIABILITIES AND SHAREHOLDER EQUITY		
	31.12.2021	31.12.2020
Fund value		
Fund value	159 845 111,69	131 660 933,47
Liabilities		
Current liabilities		
Purchased securities	0,00	541 408,57
Accruals	250 249,97	197 445,38
	<u>250 249,97</u>	<u>738 853,95</u>
TOTAL LIABILITIES AND EQUITY	<u>160 095 361,66</u>	<u>132 399 787,42</u>

Fondita Nordic Micro Cap Investment Fund

Portfolio content 31.12.2021

Sweden	GICS	Shares	Price (euro)	Market value	50,37 %
Hexatronic Group	Industrials	175 000	49,44	8 652 108,07	5,41 %
Swedencare	Consumer Discretionary	510 000	14,68	7 484 684,16	4,68 %
Concentric	Industrials	270 000	27,41	7 399 970,69	4,63 %
Enea	IT	247 000	27,26	6 733 401,73	4,21 %
Sdipotech B	IT	135 000	45,48	6 140 260,88	3,84 %
Nederman Holding	Industrials	253 767	21,59	5 479 750,55	3,43 %
Proact IT Group	IT	570 000	8,57	4 884 361,72	3,06 %
Advise B	Health Care	5 650 000	0,85	4 824 954,81	3,02 %
Cavotec	Industrials	2 490 000	1,91	4 744 247,40	2,97 %
Humble Group	Materials	1 600 000	2,72	4 346 084,32	2,72 %
Boozt	Consumer Discretionary	200 000	17,51	3 501 880,89	2,19 %
Rejlers	Industrials	230 000	14,11	3 245 102,35	2,03 %
Thunderful Group	Consumer Discretionary	575 000	5,51	3 168 694,12	1,98 %
Tobii Dynavox	IT	600 000	3,18	1 907 665,25	1,19 %
Enad Global 7	Communication	550 000	3,41	1 872 832,09	1,17 %
Fenix Outdoor Int.	Consumer Discretionary	15 000	118,62	1 779 275,98	1,11 %
Eolus Vind	Industrials	140 000	12,10	1 694 171,67	1,06 %
Boule Diagnostics	Health Care	354 000	4,74	1 677 561,19	1,05 %
RugVista Group	Consumer Discretionary	80 000	12,31	984 904,00	0,62 %
Finland	GICS	Shares	Price (euro)	Market value	30,29 %
Pihlajalinna	Health Care	470 000	12,70	5 969 000,00	3,73 %
Detection Technology	IT	186 000	29,00	5 394 000,00	3,37 %
Olvi	Consumer Staples	80 000	51,50	4 120 000,00	2,58 %
Robit	Industrials	1 000 000	4,03	4 030 000,00	2,52 %
Orthex	Consumer Discretionary	328 500	10,86	3 567 510,00	2,23 %
Gofore	IT	145 000	24,00	3 480 000,00	2,18 %
Relais Group	Consumer Discretionary	130 000	26,50	3 445 000,00	2,16 %
Kamux	Consumer Discretionary	300 000	11,48	3 444 000,00	2,15 %
Duell	Consumer Discretionary	430 000	7,50	3 225 000,00	2,02 %
Musti Group	Consumer Discretionary	90 000	30,62	2 755 800,00	1,72 %
Talenom	Industrials	210 000	11,72	2 461 200,00	1,54 %
Puuilo	Consumer Discretionary	206 000	9,29	1 914 564,00	1,20 %
Kempower	Consumer Discretionary	154 412	11,35	1 752 576,20	1,10 %
Bittium	IT	290 000	5,25	1 522 500,00	0,95 %
QT Group	Materials	10 000	133,00	1 330 000,00	0,83 %
Norway	GICS	Shares	Price (euro)	Market value	5,97 %
Zaptec	Industrials	625 000	6,01	3 759 313,56	2,35 %
Europris	Consumer Staples	470 000	7,06	3 317 835,84	2,08 %
Nordic Unmanned	Industrials	610 000	3,28	2 000 235,98	1,25 %
Value	IT	77 417	5,98	463 323,48	0,29 %
Large companies	GICS	Shares	Price (euro)	Market value	11,32 %
Novo Nordisk (DK)	Health Care	37 000	98,79	3 655 070,40	2,29 %
AstraZeneca (SE)	Health Care	35 000	103,61	3 626 361,82	2,27 %
Metso (FI)	Industrials	310 000	9,42	2 920 200,00	1,83 %
Essity (SE)	Consumer Staples	100 000	28,90	2 890 224,24	1,81 %
Stora Enso (FI)	Materials	170 000	16,20	2 754 000,00	1,72 %
Embracer Group (SE)	Communication	240 000	9,38	2 250 036,64	1,41 %
Portfolio value				156 569 664,03	
Cash and other asset, net				3 275 447,66	2,05 %
Fund value				159 845 111,69	
Number of outstanding units					
Return units (A)			72 495,3426		
Growth units (B)			238 598,7001		
Growth units (I)			6 625,9474		
Growth units (SEK R)			103 963,1863	421 683,1764	
Unit value					
Return unit value (A)				267,5473	
Growth unit value (B)				567,7191	
Growth unit value (I)				577,1306	
Growth unit value (SEK R)				114,9907	

Fondita Nordic Micro Cap Investment Fund

Securities' change in the portfolio 1.1.-31.12.2021

(%-points)

Sweden	-7,4	Finland	0,5
ADDvise B	3,0 *	Orthex	2,2 *
Humble	2,7 *	Gofore	2,2 *
Tobii Dynavox	1,2 *	Relais Group	2,2 *
Concentric	1,2 *	Duell	2,0 *
Sdiptech	1,1 *	Puuilo	1,2 *
Enea	0,8 *	Kempower	1,1 *
Nederman Holding	0,7 *	Detection Tech.	0,4 *
RugVista Group	0,6 *	Pihlajalinna	0,4 *
Hexatronic Group	0,6 *	Bittium	-0,3 *
Swedencare	0,4 *	Kamux	-0,4 *
Thunderful Group	0,4 *	Robit	-0,7 *
Boule Diagnostics	-0,5 *	Talenom	-0,9 *
Fenix Outdoor Int.	-0,7 *	Musti Group	-0,9 *
24SevenOffice	-0,8	Olvi	-1,1 *
Proact IT Group	-0,9 *	QT Group	-1,6 *
Rejlers	-0,9 *	Caverion	-2,5
Cavotec	-1,0 *	Revenio Group	-2,7
Scandinavian Biogas Fuel	-1,1		
Beijer Alma	-1,2	Large companies	7,2
Elos Medtech	-1,2	AstraZeneca (SE)	2,3 *
Boozt	-1,3 *	Embracer (SE)	1,4 *
Eolus Vind	-1,3 *	Novo Nordisk (DK)	1,4 *
Addnode Group	-1,4	Metso Outotec (FI)	0,9 *
Ambea	-1,9	Stora Enso (FI)	0,9 *
Recipharm	-2,2	Essity (SE)	0,8 *
Enad Global 7	-3,7 *	Epiroc (SE)	-0,5
CTEK	0,0		
Fractal Gaming	0,0		
SignUp Software	0,0	Cash	0,0
Norway	-0,3		
Nordic Unmanned	1,3 *		
Zaptec	1,2 *		
Volue	0,0 *		
Context Vision	-0,2		
Link Mobility	-0,2		
Mintra Holding	-0,2		
CSAM Health Group	-0,3		
Europris	-0,3 *		
NRC Group	-1,6		
Örn Software	0,0		
Huddly	0,0		
Mercell Group	0,0		

* = Current holding at 31.12.2021

INCOME STATEMENT APPENDIX 31.12.2021

(euros)

	31.12.2021	31.12.2020
Net profit of securities		
Sales profit of securities	35 341 058,82	9 418 834,47
Sales losses of securities	(-) 5 424 247,92	(-) 9 015 673,41
Unrealized gains	31 709 212,17	41 492 995,45
Unrealized losses	(-) 21 240 152,11	(-) 10 582 989,46
Total	<u>40 385 870,96</u>	<u>31 313 167,05</u>
Transactioncosts	130 997,45	88 840,19

BALANCE SHEET APPENDIX 31.12.2021

Fund value

Fund value 1.1.	131 660 933,47	110 195 842,49
Unit subscriptions	27 501 738,70	11 714 280,76
Unit redemptions	(-) 37 100 894,01	(-) 19 558 686,52
Distribution of returns	(-) 928 045,96	(-) 846 943,88
Fiscal year profits	38 711 379,49	30 156 440,62
Fund value 31.12.	<u>159 845 111,69</u>	<u>131 660 933,47</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.



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working world

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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