

FONDITA HEALTHCARE INVESTMENT FUND

ANNUAL REPORT

31.12.2022

FONDITA HEALTHCARE INVESTMENT FUND

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Activity Report 2022

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:

	2022	2021	2020
Market value 31.12.	48 804 674,91	92 903 037,49	60 803 657,01
Unit value 31.12. (return / A)	105,95	155,25	125,50
Unit value 31.12. (growth / B)	129,76	179,14	137,98
Unit value 31.12. (growth / I)	132,73	181,79	138,92
Growth unit price change during period	-27,6 %	29,8 %	10,8 %
Fiscal period profit	-24 133 436,52	18 622 818,63	5 760 309,08
Management fees paid to Fund Company	1 247 651,04	1 472 271,10	1 076 245,19
A-unit returns	7,75	6,30	5,95
Turnover rate (times/year)	0,12	0,15	0,19
Volatility (%/year)	21,0	12,6	20,8
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	284	265	210

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 5,30 € / share.

The return is paid on February 15, 2023.

The Fund Company has during 2022 paid 2 059 023,15 euros in remuneration to the employees whereof 0,00 euros in variable remuneration.

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

773 073,68 euro, no variable part

risk requiring actions (portfolio managers)

1 032 922,14 euro, no variable part

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

626 110,54 euro, no variable part

Note that some people may belong to several groups

INCOME STATEMENT 1.1.2022-31.12.2022

(euros)

REVENUE	1.1.-31.12.2022	1.1.-31.12.2021
Net profit from securities	-23 642 200,80	19 450 339,89
Dividends	761 963,32	651 031,61
Total revenue	<u>-22 880 237,48</u>	<u>20 101 371,50</u>
COSTS		
Commissions		
till Fondbolaget	1 247 651,04	1 472 271,10
Interest fees	5 548,00	6 281,77
Total Costs	<u>1 253 199,04</u>	<u>1 478 552,87</u>
FISCAL PERIOD PROFIT	<u>-24 133 436,52</u>	<u>18 622 818,63</u>

BALANCE SHEET 31.12.2022

(euros)

ASSETS	31.12.2022	31.12.2021
Current assets		
Current assets		
Market value of securities	48 287 659,92	91 283 203,32
Receivables		
Dividends	23 064,70	16 807,71
Accruals	0,00	23 966,51
	<u>23 064,70</u>	<u>40 774,22</u>
Cash and bank deposits	595 556,30	2 126 931,25
TOTAL ASSETS	<u>48 906 280,92</u>	<u>93 450 908,79</u>
 LIABILITIES AND SHAREHOLDER EQUITY		
	31.12.2022	31.12.2021
Fund value		
Fund value	48 804 674,91	92 903 037,49
Liabilities		
Current liabilities		
Purchased securities	0,00	405 259,03
Accruals	101 606,01	142 612,27
	<u>101 606,01</u>	<u>547 871,30</u>
TOTAL LIABILITIES AND EQUITY	<u>48 906 280,92</u>	<u>93 450 908,79</u>

Fondita Healthcare Investment Fund

Portfolio content 31.12.2022

USA	GICS	Shares	Price (euro)	Market value	30,87 %
Eli Lilly	Health Care	8 500	343,00	2 915 469,72	5,84 %
Boston Scientific Corp.	Health Care	47 700	43,38	2 069 265,89	4,15 %
Stryker	Health Care	9 000	229,22	2 063 013,31	4,13 %
Hologic	Health Care	27 500	70,14	1 928 815,86	3,86 %
Zimmer Biomet	Health Care	13 700	119,54	1 637 680,48	3,28 %
Medtronic	Health Care	22 000	72,87	1 603 075,19	3,21 %
Danaher	Health Care	4 800	248,85	1 194 464,65	2,39 %
Zoetis	Health Care	8 100	137,40	1 112 933,62	2,23 %
Align Technology	Health Care	4 450	197,73	879 903,43	1,76 %
Schweiz	GICS	Shares	Price (euro)	Market value	20,93 %
Siegfried Holding	Health Care	3 000	623,03	1 869 097,19	3,75 %
Tecan Group	Health Care	4 291	418,81	1 797 104,09	3,60 %
Lonza Group	Health Care	3 500	460,14	1 610 490,50	3,23 %
Alcon	Health Care	21 800	64,16	1 398 724,48	2,80 %
Roche Holding	Health Care	4 659	295,01	1 374 468,87	2,75 %
Straumann Holding	Health Care	11 880	107,24	1 274 020,51	2,55 %
Coltene Holding	Health Care	14 474	77,38	1 120 055,65	2,24 %
Danmark	GICS	Shares	Price (euro)	Market value	13,73 %
Novo Nordisk B	Health Care	25 000	126,13	3 153 365,16	6,32 %
Össur	Health Care	288 707	4,51	1 302 510,57	2,61 %
ALK-Abelló B	Health Care	97 300	12,92	1 256 728,97	2,52 %
GN Store Nord	Health Care	53 122	21,48	1 141 160,42	2,29 %
Tyskland	GICS	Shares	Price (euro)	Market value	12,16 %
Siemens Healthineers	Health Care	41 001	46,73	1 915 976,73	3,84 %
Carl Zeiss Meditec	Health Care	12 857	117,90	1 515 840,30	3,04 %
Merck	Health Care	5 941	180,90	1 074 726,90	2,15 %
Sartorius (Vortzug)	Health Care	2 810	369,40	1 038 014,00	2,08 %
Stratec Biomedical	Health Care	6 482	81,10	525 690,20	1,05 %
Sverige	GICS	Shares	Price (euro)	Market value	8,27 %
AstraZeneca	Health Care	23 000	126,19	2 902 452,84	5,82 %
Medicover	Health Care	97 403	12,56	1 223 470,94	2,45 %
Finland	GICS	Shares	Price (euro)	Market value	4,17 %
Pihlajalinna	Health Care	157 568	8,52	1 342 479,36	2,69 %
Faron	Health Care	216 216	3,41	736 215,48	1,48 %
Storbritannien	GICS	Shares	Price (euro)	Market value	4,10 %
Smith & Nephew	Health Care	130 880	12,51	1 637 235,86	3,28 %
Ergomed	Health Care	28 500	14,34	408 735,75	0,82 %
Spanien	GICS	Shares	Price (euro)	Market value	1,81 %
Laboratorios Farma Rovi	Health Care	25 000	36,06	901 500,00	1,81 %
Belgien	GICS	Shares	Price (euro)	Market value	0,73 %
Mithra	Health Care	106 600	3,41	362 973,00	0,73 %
Portfolio value				48 287 659,92	
Cash and other asset, net				1 619 834,17	3,25 %
Fund value				49 907 494,09	
Number of outstanding units					
Return units (A)			119 352,1740		
Growth units (B)			263 066,8908		
Growth units (I)			15 247,9798	397 667,0446	
Unit value					
Return unit value (A)				105,9464	
Growth unit value (B)				129,7610	
Growth unit value (I)				132,7333	

Fondita Healthcare Investment Fund

Securities' change in the portfolio 1.1.-31.12.2022

(%-points)

USA	12,2	Germany	-3,5
Eli & Lilly	2,6 *	Siemens Healthineers	0,4 *
Danaher	2,5 *	Merck	0,2 *
Boston Scientific Corp.	2,4 *	Carl Zeiss Meditec	0,0 *
Zoetis	2,3 *	Sartorius	-0,3 *
Stryker	1,5 *	Stratec Biomedical	-1,1 *
Zimmer Biomet	1,5 *	Dermapharm Holding	-1,3
Hologic	1,2 *	Fresenius	-1,4
Medtronic	0,8 *	Sweden	-2,6
Align Technology	-0,3 *	AstraZeneca	2,4 *
Dentsply Sirona	-2,2	Medicover	-1,6 *
ZimVie		Elekta	-1,7
Switzerland	-3,3	Synsam	-1,7
Tecan Group	1,7 *	Finland	-0,8
Roche Holding	1,2 *	Pihlajalinna	0,6 *
Coltene Holding	0,6 *	Terveystalo	-2,9
Alcon	0,1 *	Faron	1,5 *
Lonza Group	-0,6 *	Great Britain	1,2
Siegfried	-1,7 *	Ergomed	0,8 *
Straumann Holding	-2,1 *	Smith & Nephew	0,4 *
Polypeptide	-2,5	Spain	-0,8
Denmark	1,2	Laboratorios Farma Rovi	-0,8 *
Novo Nordisk	2,7 *	Belgium	-0,4
Össur	1,0 *	Mithra	-0,4 *
ALK-Abelló	0,2 *	Netherlands	-2,5
GN Store Nord	-0,1 *	Philips	-2,5
Coloplast	-2,6	Cash	-0,7

* = Current holding at 31.12.2022

INCOME STATEMENT APPENDIX 31.12.2022

(euros)

	31.12.2022	31.12.2021
Net profit of securities		
Sales profit of securities	6 796 880,22	3 444 570,73
Sales losses of securities	(-) 4 452 489,99	60 061,44
Unrealized gains	2 284 938,37	19 911 087,79
Unrealized losses	(-) 28 271 529,40	3 845 257,19
Total	<u>-23 642 200,80</u>	<u>19 450 339,89</u>
Transaction costs	55 735,00	53 012,20

BALANCE SHEET APPENDIX 31.12.2022

Fund value		
Fund value 1.1.	92 903 037,49	60 803 657,01
Unit subscriptions	7 190 453,99	21 093 843,06
Unit redemptions	(-) 25 106 381,10	6 012 306,00
Distribution of returns	(-) 2 048 998,95	1 604 975,21
Fiscal year profits	-24 133 436,52	18 622 818,63
Fund value 31.12.	<u>48 804 674,91</u>	<u>92 903 037,49</u>

Helsinki 28.2.2023

A handwritten signature in black ink, appearing to read 'Markus Larsson', with a long, sweeping horizontal stroke at the end.

Markus Larsson, CEO

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 31.12.2022. 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 Nordic Small Cap Placeringsfond, Fondita Global Megatrends Placeringsfond (former Fondita 2000+ Placeringsfond), Fondita Nordic Micro Cap Placeringsfond, Fondita European Small Cap Placeringsfond, Fondita Sustainable Europe Placeringsfond, Fondita Healthcare Placeringsfond, Fondita Finland Micro Cap Placeringsfond (former Fondita Equity Spice 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 6.2.2023

Anders Svennas
Authorized Public Accountant

Robert Söderlund
Authorized Public Accountant