

**FONDITA SUSTAINABLE EUROPE INVESTMENT FUND**

**ANNUAL REPORT**

**31.12.2022**

# FONDITA SUSTAINABLE EUROPE INVESTMENT FUND

## TABLE OF CONTENTS

	page
Activity Report	1
Income Statement	2
Balance Sheet	3
Appendix	7

**Activity Report 2022**

Fondita Sustainable Europe Investment Fund began operations on May 19, 2011. It mainly invests in companies that through their activities promote sustainable development. (The funds name and investment focus changed May 19, 2019. The funds earlier name was Fondita European Top Picks Investment Fund)

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

	2022	2021	2020
Market value 31.12.	125 121 736,07	148 133 500,61	108 384 700,33
Unit value 31.12. (return / A)	124,72	168,44	164,50
Unit value 31.12. (growth / B)	218,38	278,05	258,63
Unit value 31.12. (growth / I)	223,84	282,72	260,91
Unit value 31.12. (growth / X)	222,57	280,56	-
Unit value 31.12. (growth / SEK R)	89,95	104,89	-
Growth unit price change during period	-21,5 %	7,5 %	41,6 %
Fiscal period profit	-32 128 684,38	9 350 818,67	26 408 675,50
Management fees paid to Fund Company	2 479 598,45	2 751 308,55	985 239,63
A-unit returns	8,40	8,25	6,10
Turnover rate (times/year)	0,29	0,53	0,63
Volatility (%/year)	27,4	20,1	32,1
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) X-units	1,00 %	1,00 %	-
TER (Total Expense Ratio) SEK R-units	1,50 %	1,50 %	-
Number of unitholders at end of period	485	458	388

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 9

The Board of Directors suggested that the A-units return will be 6,25 € / 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

**FONDITA SUSTAINABLE EUROPE INVESTMENT FUND**

2

**INCOME STATEMENT 1.1.2022-31.12.2022**

(euros)

REVENUE	1.1.-31.12.2022	1.1.-31.12.2021
Net profit from securities	-31 384 879,51	10 601 784,11
Dividends	1 755 432,68	1 520 928,23
Total revenue	<u>-29 629 446,83</u>	<u>12 122 712,34</u>
<b>COSTS</b>		
Commissions to the Fund Company	2 479 598,45	2 751 308,55
Interest fees	19 639,10	20 585,12
Total Costs	<u>2 499 237,55</u>	<u>2 771 893,67</u>
FISCAL PERIOD PROFIT	<u>-32 128 684,38</u>	<u>9 350 818,67</u>

**BALANCE SHEET 31.12.2022**

(euros)

<b>ASSETS</b>	31.12.2022	31.12.2021
<b>Current assets</b>		
Current assets		
Market value of securities	122 904 562,80	143 021 265,28
Cash and bank deposits	2 372 916,35	5 300 864,89
Receivables		
Dividends	48 256,37	43 926,10
Accruals	0,00	0,00
	<u>48 256,37</u>	<u>43 926,10</u>
<b>TOTAL ASSETS</b>	<u>125 325 735,52</u>	<u>148 366 056,27</u>
<b>LIABILITIES AND SHAREHOLDER EQUITY</b>	31.12.2022	31.12.2021
<b>Fund value</b>		
Fund value	125 121 736,07	148 133 500,61
<b>Liabilities</b>		
Current liabilities		
Purchased securities	0,00	0,00
Accruals	203 999,45	232 555,66
	<u>203 999,45</u>	<u>232 555,66</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>125 325 735,52</u>	<u>148 366 056,27</u>

**Fondita Sustainable Europe Investment Fund**

Portfolio content 31.12.2022

<b>Denmark</b>	GICS	Shares	Price (euro)	Market value	23,31 %
Vestas Wind Systems	Industrials	379 184	27,18	10 304 993,80	8,24 %
Ørsted	Utilities	85 000	84,89	7 215 827,34	5,77 %
Rockwool Int B	Industrials	20 000	219,59	4 391 851,01	3,51 %
Novozymes B	Materials	82 163	47,32	3 888 006,41	3,11 %
Chr Hansen Holding	Materials	50 000	67,20	3 359 779,47	2,69 %
<b>Sweden</b>	GICS	Shares	Price (euro)	Market value	14,95 %
OX2	Industrials	600 000	7,91	4 744 735,56	3,79 %
Nibe	Industrials	501 749	8,73	4 380 570,40	3,50 %
Hexagon	IT	428 000	9,80	4 194 644,75	3,35 %
Scan. Biogas Fuels	Energy	1 111 225	2,20	2 447 896,25	1,96 %
Eolus Vind	Industrials	200 000	9,49	1 898 973,19	1,52 %
Powercell Sweden	Energy	97 583	10,70	1 044 548,20	0,83 %
<b>Finland</b>	GICS	Shares	Price (euro)	Market value	11,16 %
Kempower	Consumer Discretionary	255 294	21,22	5 417 338,68	4,33 %
Vaisala	IT	110 349	39,45	4 353 268,05	3,48 %
UPM-Kymmene	Materials	120 000	34,93	4 191 600,00	3,35 %
<b>Germany</b>	GICS	Shares	Price (euro)	Market value	9,27 %
Befesa	Industrials	93 522	45,06	4 214 101,32	3,37 %
Infineon	IT	100 000	28,43	2 843 000,00	2,27 %
2G Energy	Industrials	117 256	23,45	2 749 653,20	2,20 %
Evonik	Materials	100 000	17,94	1 793 500,00	1,43 %
<b>Norway</b>	GICS	Shares	Price (euro)	Market value	8,76 %
Borregaard	Materials	250 000	14,46	3 614 297,40	2,89 %
Tomra Systems	Industrials	223 000	15,75	3 512 412,26	2,81 %
Scatec	Utilities	390 738	7,48	2 921 113,85	2,33 %
Zaptec	Industrials	350 000	2,05	718 389,16	0,57 %
Quantafuel	Industrials	380 000	0,50	189 931,33	0,15 %
<b>Belgium</b>	GICS	Shares	Price (euro)	Market value	7,65 %
Recticel	Materials	250 897	15,54	3 898 939,38	3,12 %
Umicore	Materials	100 000	34,32	3 432 000,00	2,74 %
Ekopak	Energy	129 300	17,30	2 236 890,00	1,79 %
<b>Great Britain</b>	GICS	Shares	Price (euro)	Market value	6,37 %
Johnson Matthey	Materials	189 494	23,98	4 544 369,21	3,63 %
Genuit	Industrials	450 227	3,17	1 426 423,58	1,14 %
Ceres Power	Energy	300 000	3,95	1 186 226,65	0,95 %
Pod Point	Industrials	946 306	0,69	650 836,77	0,52 %
Ilika	Industrials	600 000	0,27	164 049,02	0,13 %
<b>France</b>	GICS	Shares	Price (euro)	Market value	6,08 %
Schneider Electric	Industrials	39 000	130,72	5 098 080,00	4,07 %
Alstom	Industrials	110 000	22,82	2 510 200,00	2,01 %
<b>Netherlands</b>	GICS	Shares	Price (euro)	Market value	5,72 %
Corbion	Materials	86 094	31,84	2 741 232,96	2,19 %
SIF Holding	Industrials	190 921	11,60	2 214 683,60	1,77 %
Signify	Consumer Staples	70 000	31,38	2 196 600,00	1,76 %

<b>Italy</b>	GICS	Shares	Price (euro)	Market value	3,32 %
Prysmian SPA	Industrials	120 000	34,66	4 159 200,00	3,32 %
<b>Spain</b>	GICS	Shares	Price (euro)	Market value	1,64 %
Solaria Energia	Utilities	120 000	17,12	2 054 400,00	1,64 %
<b>Portfolio value</b>				122 904 562,80	
<b>Cash and other asset, net</b>				2 217 173,27	1,77 %
<b>Fund value</b>				125 121 736,07	
<b>Number of outstanding units</b>					
Return units (A)			435 279,7105		
Growth units (B)			292 731,1749		
Growth units (I)			15 748,8430		
Growth units (X)			6 505,8739		
Growth units (SEK R)			239 342,9018	989 608,5041	
<b>Unit value</b>					
Return unit value (A)				124,7154	
Growth unit value (B)				218,3803	
Growth unit value (I)				223,8370	
Growth unit value (X)				222,5706	
Growth unit value (SEK R)				89,9487	

## Fondita Sustainable Europe Investment Fund

### Securities' change in the portfolio 1.1.-31.12.2022

(%-points)

<b>Denmark</b>	9,9	<b>Belgium</b>	0,8
Vestas Wind Systems	7,0 *	Ekopak	0,4 *
Chr Hansen Holding	2,7 *	Recticel	0,1 *
Ørsted	0,7 *	Umicore	0,3 *
Novozymes B	-0,1 *		
Rockwool Int B	-0,4 *	<b>Great Britain</b>	-3,4
		Johnson Matthey	0,5 *
<b>Sweden</b>	3,3	Ceres Power	-0,7 *
OX2	3,8 *	Ilika	-0,8 *
NIBE	1,3 *	Genuit	-1,0 *
Scandinavian Biogas Fuels	0,9 *	Pod Point	-1,5 *
Eolus Vind	0,2 *		
Hexagon	-0,3 *	<b>France</b>	-0,3
Powercell Sweden	-0,4 *	Schneider Electric	0,0 *
AFRY	-2,2	Alstom	-0,3 *
<b>Finland</b>	5,4	<b>Netherlands</b>	-3,2
UPM-Kymmene	3,4 *	SIF Holding	0,4 *
Kempower	2,6 *	Signify	-0,2 *
Vaisala	-0,5 *	Corbion	-0,2 *
		Alfen	-3,2
<b>Germany</b>	-5,0		
Befesa	1,4 *	<b>Italy</b>	0,6
2G Energy	0,6 *	Prysmian	0,6 *
Infineon	-0,5 *		
Evonik	-0,5 *	<b>Spain</b>	-3,0
Verbio	-5,9	Solaria Energia	0,6 *
		Siemens Gamesa	-1,7
<b>Norway</b>	-0,2	Construcciones	-1,9
Tomra Systems	2,8 *		
Scatec Solar	-0,6 *	<b>Switzerland</b>	-3,3
Quantafuel	-0,7 *	Logitech	-3,3
Zaptec	-0,9 *		
Borregaard	-0,9 *	<b>Cash</b>	-1,7

\* = 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	6 712 554,22	19 020 975,44
Sales losses of securities	(-) 6 731 985,94	(-) 991 170,53
Unrealized gains	6 652 291,95	19 146 474,77
Unrealized losses	(-) 38 017 739,74	(-) 26 574 495,57
Total	<u>-31 384 879,51</u>	<u>10 601 784,11</u>
Transaction costs	146 149,26	277 881,19

**BALANCE SHEET APPENDIX 31.12.2022**

Fund value		
Fund value 1.1.	148 133 500,61	108 384 700,33
Unit subscriptions	22 359 941,59	49 624 387,59
Unit redemptions	(-) 10 083 881,04	(-) 16 518 179,61
Distribution of returns	(-) 3 159 140,71	(-) 2 708 226,37
Fiscal year profits	-32 128 684,38	9 350 818,67
Fund value 31.12.	<u>125 121 736,07</u>	<u>148 133 500,61</u>

Helsinki 28.2.2023

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

Markus Larsson, CEO

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 31.12.2022. 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