

FONDITA NORDIC MICRO CAP INVESTMENT FUND

ANNUAL REPORT

31.12.2019

FONDITA NORDIC MICRO CAP INVESTMENT FUND

TABLE OF CONTENTS

	page
Activity Report	1
Income Statement	2
Balance Sheet	3
Appendix	6

Activity Report 2019

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:

	2019	2018	2017
Market value 31.12.	110 195 842,49	136 824 133,64	278 977 621,17
Unit value 31.12. (return / A)	173,27	136,03	181,89
Unit value 31.12. (growth / B)	333,10	249,31	316,43
Unit value 31.12. (growth / I)	333,28	-	-
Growth unit price change during period	33,6 %	-21,2 %	6,8 %
Fiscal period profit	36 488 404,91	-46 268 257,56	19 592 620,18
Management fees paid to Fund Company	2 414 396,27	4 670 041,04	5 894 726,40
A-unit returns	6,80	9,10	8,95
Turnover rate (times/year)	0,10	0,10	0,29
Volatility (%/year)	11,6	14,1	9,4
TER (Total Expense Ratio) A- and B-units	2,00 %	2,00 %	2,00 %
TER (Total Expense Ratio) I-units	1,20 %	-	-
Number of unitholders at end of period	429	496	531

During the year the fund has participated in one shareholders' general meeting and used the right to vote, to promote the interests of the unit holders.

The Investment Fund holds stocks in Robit Oyj that exceeds 5 % of the total votes in the company.

Fondita's objective for the exercise of ownership in this company does not differ from the objective Fondita has in the other companies in which Fondita's investment funds invested.

The Board of Directors suggested that the A-units return will be 8,65 € / share.

The return is paid on February 12, 2020.

The Fund Company has during 2019 paid 1 648 327,46 euros in remuneration to the employees whereof 0,00 euros in variable remuneration.

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

712 034,96 euros, no variable part

risk requiring actions (portfolio managers)

808 015,70 euros, no variable part

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

631 010,96 euros, no variable part

Note that some people may belong to several groups

INCOME STATEMENT 1.1.2019-31.12.2019

(euros)

	1.1.-31.12.2019	1.1.-31.12.2018
REVENUE		
Net profit from securities	36 552 305,03	-46 306 181,23
Dividends	<u>2 359 573,84</u>	<u>4 725 102,22</u>
Total revenue	<u>38 911 878,87</u>	<u>-41 581 079,01</u>
COSTS		
Commissions		
to the Fund Company	2 414 396,27	4 670 041,04
Interest fees	<u>9 077,69</u>	<u>17 137,51</u>
Total Costs	<u>2 423 473,96</u>	<u>4 687 178,55</u>
FISCAL PERIOD PROFIT	<u>36 488 404,91</u>	<u>-46 268 257,56</u>

BALANCE SHEET 31.12.2019

(euros)

ASSETS	31.12.2019	31.12.2018
Current assets		
Current assets		
Market value of securities	108 272 337,49	135 630 138,98
Receivables		
Accruals	705,41	0,00
Cash and bank deposits	2 276 864,76	1 440 338,23
TOTAL ASSETS	<u>110 549 907,66</u>	<u>137 070 477,21</u>
 LIABILITIES AND SHAREHOLDER EQUITY		
	31.12.2019	31.12.2018
Fund value		
Fund value	110 195 842,49	136 824 133,64
Liabilities		
Current liabilities		
Purchased securities	145 880,78	0,00
Accruals	208 184,39	246 343,57
TOTAL LIABILITIES AND EQUITY	<u>110 549 907,66</u>	<u>137 070 477,21</u>

Fondita Nordic Micro Cap Investment Fund

Portfolio content 31.12.2019

Sweden	GICS	Shares	Price (euro)	Market value	50,15 %
Hexatronic Group	Industrials	1 162 795	5,81	6 756 294,42	6,13 %
Cavotec	Industrials	3 235 000	1,78	5 759 754,18	5,23 %
Nederman Holding	Industrials	381 778	12,87	4 911 644,06	4,46 %
Proact IT Group	IT	215 000	17,61	3 786 805,53	3,44 %
Rejlers	Industrials	320 000	11,44	3 660 451,05	3,32 %
Ambea	Health Care	480 000	7,51	3 606 846,12	3,27 %
Recipharm	Health Care	250 000	14,26	3 565 685,19	3,24 %
Enea	IT	180 000	17,33	3 118 658,35	2,83 %
Duni	Consumer Staples	247 102	12,37	3 056 015,09	2,77 %
Concentric	Industrials	192 000	15,22	2 922 234,56	2,65 %
Fenix Outdoor Int.	Consumer Discretionary	26 000	111,80	2 906 918,87	2,64 %
Boule Diagnostics	Health Care	375 000	6,53	2 448 118,08	2,22 %
HiQ International	IT	427 000	4,95	2 113 173,41	1,92 %
Nobina	Industrials	275 000	6,17	1 696 572,16	1,54 %
Beijer Alma	Industrials	110 000	14,99	1 648 925,99	1,50 %
Eolus Vind	Industrials	147 894	10,49	1 551 593,06	1,41 %
Projektengagemang	Industrials	838 983	1,44	1 208 666,21	1,10 %
Evolution Gaming	Consumer Discretionary	20 000	26,99	539 878,24	0,49 %
Finland	GICS	Shares	Price (euro)	Market value	34,08 %
Pihlajalinna	Health Care	534 596	15,28	8 168 626,88	7,41 %
Caverion	Industrials	640 000	7,19	4 601 600,00	4,18 %
Detection Technology	IT	177 610	25,60	4 546 816,00	4,13 %
Olvi	Consumer Staples	108 000	41,20	4 449 600,00	4,04 %
Robit	Industrials	1 410 000	2,90	4 089 000,00	3,71 %
Kamux	Consumer Discretionary	550 000	7,40	4 070 000,00	3,69 %
Oriola	Health Care	1 605 500	2,03	3 251 137,50	2,95 %
Bittium	IT	340 000	6,50	2 210 000,00	2,01 %
Revenio	Health Care	82 661	26,25	2 169 851,25	1,97 %
Norway	GICS	Shares	Price (euro)	Market value	7,56 %
NRC Group	Industrials	667 000	5,79	3 861 119,84	3,50 %
Europris	Consumer Discretionary	1 000 000	3,50	3 497 602,37	3,17 %
Data Respons	IT	200 000	4,86	971 218,28	0,88 %
Large companies	GICS	Shares	Price (euro)	Market value	6,47 %
Stora Enso (FI)	Materials	145 000	12,97	1 879 925,00	1,71 %
Epiroc (SE)	Industrials	130 000	10,95	1 422 971,63	1,29 %
Essity (SE)	Consumer Staples	45 000	28,89	1 300 015,32	1,18 %
Novo Nordisk B (DK)	Health Care	25 000	51,75	1 293 818,85	1,17 %
Nordea (FI)	Finance	170 000	7,24	1 230 800,00	1,12 %
Portfolio value				108 272 337,49	
Cash and other asset, net				1 923 505,00	1,75 %
Fund value				110 195 842,49	
Number of outstanding units					
Return units (A)			98 169,9057		
Growth units (B)			279 752,8663		
Growth units (I)			0,9474	377 923,7194	
Unit value					
Return unit value (A)				173,2684	
Growth unit value (B)				333,1004	
Growth unit value (I)				333,2806	

Fondita Nordic Micro Cap Investment Fund

Securities' change in the portfolio 1.1.-31.12.2019

(%-points)

Finland	1,2	Sweden	4,6
Pihlajalinna	3,9 *	Enea	2,8 *
Robit	2,0 *	Cavotec	2,2 *
Revenio	2,0 *	Nobina	1,5 *
Detection Tech.	0,8 *	Eolus Vind	1,4 *
Oriola B	0,0 *	Rejlers	1,0 *
Bittium	-0,6 *	Duni	1,0 *
Kamux	-1,2 *	Boule Diagnostics	0,8 *
Caverion	-1,2 *	Concentric	0,5 *
Olvi	-1,7 *	Beijer Alma B	0,4 *
Verkkokauppa.com	-2,9	Hexatronic Group	0,3 *
EQT		Recipharm B	0,1 *
		HiQ International	0,0 *
Norway	-3,9	Proact IT Group	-0,2 *
NRC Group	3,5 *	Nederman Holding	-0,4 *
Europris	-0,7 *	Fenix Outdoor Int.	-0,4 *
Gaming Innovation	-2,5	Ambea	-1,1 *
Data Respons	-4,2 *	Projektengagemang	-1,3 *
		Better Collective	-1,6
Large companies	-2,7	Evolution Gaming	-2,4 *
Stora Enso (FI)	0,2 *		
Epiroc (SE)	-0,2 *	Cash	0,9
Essity (SE)	-0,4 *		
Novo Nordisk (DK)	-0,4 *		
Nordea (FI)	-0,5 *		
Atlas Copco A (SE)	-1,5		

* = Current holding at 31.12.2019

INCOME STATEMENT APPENDIX 31.12.2019

(euros)

	31.12.2019	31.12.2018
Net profit of securities		
Sales profit of securities	24 687 300,21	37 968 960,86
Sales losses of securities	(-) 15 062 746,89	(-) 12 092 296,80
Unrealized gains	34 874 916,20	6 757 569,55
Unrealized losses	(-) 7 947 164,49	(-) 78 940 414,84
Total	<u>36 552 305,03</u>	<u>-46 306 181,23</u>
Transactioncosts	133 532,54	207 082,78

BALANCE SHEET APPENDIX 31.12.2019

Fund value

Fund value 1.1.	136 824 133,64	278 977 621,17
Unit subscriptions	11 797 452,23	8 931 712,17
Unit redemptions	(-) 73 924 658,30	(-) 102 520 552,75
Distribution of returns	(-) 989 489,99	(-) 2 296 389,39
Fiscal year profits	36 488 404,91	-46 268 257,56
Fund value 31.12.	<u>110 195 842,49</u>	<u>136 824 133,64</u>

Helsinki 13/2 2020

CEO

A handwritten signature in black ink, appearing to read 'Markus Larsson', with a stylized flourish at the end.

Markus Larsson

This is an unofficial translation of the original in Swedish.