

FONDITA SUSTAINABLE EUROPE INVESTMENT FUND

ANNUAL REPORT

31.12.2019

FONDITA SUSTAINABLE EUROPE INVESTMENT FUND

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FONDITA SUSTAINABLE EUROPE INVESTMENT FUND

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Activity Report 2019

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:

	2019	2018	2017
Market value 31.12.	29 549 512,38	16 992 086,45	20 399 837,87
Unit value 31.12. (return / A)	121,86	91,27	116,95
Unit value 31.12. (growth / B)	182,65	130,49	158,75
Unit value 31.12. (growth / I)	182,74	-	-
Growth unit price change during period	40,0 %	-17,8 %	6,9 %
Fiscal period profit	7 252 712,84	-3 709 285,38	1 470 197,78
Management fees paid to Fund Company	439 706,49	404 006,15	437 046,27
A-unit returns	4,55	5,85	5,75
Turnover rate (times/year)	0,81	0,42	0,24
Volatility (%/year)	12,3	15,6	10,2
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	259	216	223

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

Thereby the right to vote has not been used.

The Board of Directors suggested that the A-units return will be 6,10 € / 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)

REVENUE	1.1.-31.12.2019	1.1.-31.12.2018
Net profit from securities	7 213 475,54	-3 667 762,55
Dividends	481 802,50	363 470,58
Total revenue	<u>7 695 278,04</u>	<u>-3 304 291,97</u>
COSTS		
Commissions		
to the Fund Company	439 706,49	404 006,15
Interest fees	2 858,71	987,26
Total Costs	<u>442 565,20</u>	<u>404 993,41</u>
FISCAL PERIOD PROFIT	<u>7 252 712,84</u>	<u>-3 709 285,38</u>

BALANCE SHEET 31.12.2019

(euros)

ASSETS	31.12.2019	31.12.2018
Current assets		
Current assets		
Market value of securities	28 287 922,90	16 830 256,42
Cash and bank deposits	1 305 635,14	191 747,69
Receivables		
Dividends	5 329,22	0,00
	<u>29 598 887,26</u>	<u>17 022 004,11</u>
TOTAL ASSETS		
	31.12.2019	31.12.2018
LIABILITIES AND SHAREHOLDER EQUITY		
Fund value		
Fund value	29 549 512,38	16 992 086,45
Liabilities		
Current liabilities		
Accruals	<u>49 374,88</u>	<u>29 917,66</u>
	49 374,88	29 917,66
TOTAL LIABILITIES AND EQUITY	<u>29 598 887,26</u>	<u>17 022 004,11</u>

Fondita Sustainable Europe Investment Fund
Portfolio content 31.12.2019

Germany		GICS	Shares	Price (euro)	Market value	18,19 %
Varta	Industrials		11 500	121,40	1 396 100,00	4,72 %
Befesa	Industrials		27 000	38,00	1 026 000,00	3,47 %
Infinitec	IT		43 000	20,31	873 330,00	2,96 %
Rational	Consumer Discretionary		1 000	717,00	717 000,00	2,43 %
Evonik	Materials		22 000	27,21	598 620,00	2,03 %
Jungheinrich	Industrials		19 721	21,50	424 001,50	1,43 %
Aixtron	IT		40 000	8,53	341 120,00	1,15 %
Sweden		GICS	Shares	Price (euro)	Market value	12,29 %
Beijer Ref	Industrials		34 000	26,30	894 360,00	3,03 %
Nibe	Industrials		50 000	15,55	777 271,51	2,63 %
Hexagon	IT		14 000	50,25	703 564,73	2,38 %
ÅF Pöyry	Industrials		31 938	20,93	668 304,82	2,26 %
Garo	Industrials		20 000	29,39	587 739,79	1,99 %
Finland		GICS	Shares	Price (euro)	Market value	10,95 %
Neste	Energy		48 000	31,02	1 488 960,00	5,04 %
Huhtamäki	Materials		21 266	41,38	879 987,08	2,98 %
Vaisala	IT		27 259	31,75	865 473,25	2,93 %
Norway		GICS	Shares	Price (euro)	Market value	10,64 %
NRC Group	Industrials		180 000	5,79	1 041 981,37	3,53 %
Borregaard	Materials		80 000	9,63	770 486,32	2,61 %
Tomra Systems	Industrials		25 000	28,22	705 603,26	2,39 %
Hexagon Composites	Industrials		170 000	3,69	626 476,34	2,12 %
Netherlands		GICS	Shares	Price (euro)	Market value	8,73 %
Corbion	Materials		26 094	28,30	738 460,20	2,50 %
Signify	Consumer Staples		26 000	27,86	724 360,00	2,45 %
SIF Holding	Industrials		50 387	12,36	622 783,32	2,11 %
Alfen	Industrials		30 000	16,44	493 200,00	1,67 %
Denmark		GICS	Shares	Price (euro)	Market value	8,61 %
Vestas Wind Systems	Industrials		18 000	90,11	1 621 929,84	5,49 %
Ørsted	Utilities		10 000	92,22	922 220,29	3,12 %
Belgium		GICS	Shares	Price (euro)	Market value	5,66 %
Umicore	Materials		25 000	43,36	1 084 000,00	3,67 %
Recticel	Materials		70 653	8,32	587 832,96	1,99 %
Spain		GICS	Shares	Price (euro)	Market value	5,31 %
Construcciones	Industrials		20 000	41,00	820 000,00	2,78 %
Siemens Gamesa	Industrials		48 000	15,64	750 480,00	2,54 %
France		GICS	Shares	Price (euro)	Market value	4,85 %
Alstom	Industrials		18 000	42,07	757 260,00	2,56 %
Suez	Utilities		50 000	13,50	675 000,00	2,28 %
Austria		GICS	Shares	Price (euro)	Market value	2,88 %
Verbund	Utilities		19 000	44,74	850 060,00	2,88 %
Italy		GICS	Shares	Price (euro)	Market value	2,75 %
Enel	Industrials		115 000	7,07	813 280,00	2,75 %
Ireland		GICS	Shares	Price (euro)	Market value	2,67 %
Kingspan	Industrials		14 500	54,45	789 525,00	2,67 %
Great Britain		GICS	Shares	Price (euro)	Market value	2,20 %
Johnson Matthey	Materials		18 500	35,20	651 151,32	2,20 %
Portfölj sammanlagt					28 287 922,90	
Kassa och övriga tillgångar, netto					1 261 589,48	4,27 %
Fondens värde					29 549 512,38	
Antalet utestående andelar						
Avkastningsandelar (A)			56 635,5209			
Tillväxtandelar (B)			123 993,0539			
Tillväxtandelar (I)			1,7226		180 630,2974	
Fondandelens värde						
Avkastningsandelens värde (A)					121,8649	
Tillväxtandelens värde (B)					182,6499	
Tillväxtandelens värde (I)					182,7412	

Fondita Sustainable Europe Investment Fund

Securities' change in the portfolio 1.1.-31.12.2019

(%-points)

Germany	-7,3	Great Britain	2,2
Varta	4,7 *	Johnson Matthey	2,2 *
Befesa	3,5 *		
Infineon	3,0 *	Finland	3,5
Rational	2,4 *	Neste	5,0 *
Evonik	2,0 *	Vaisala	2,9 *
Aixtron	1,2 *	Huhtamäki	-0,4 *
Jungheinrich	-0,3 *	Wärtsilä	-1,6
Isra Vision	-1,0	Caverion	-2,4
Covestro	-1,3		
Leifheit	-2,0	Norway	10,3
Indus Holding	-2,2	NRC Group	3,5 *
SAP	-2,8	Borregaard	2,6 *
Washtec	-2,8	Tomra Systems	2,4 *
Cancom SE	-3,0	Hexagon Composites	2,1 *
Gerresheimer	-3,8	XXL	-0,4
Fresenius SE	-4,9		
		France	-0,1
Sweden	-2,9	Alstom	2,6 *
Beijer Ref B	3,0 *	Suez	2,3 *
Nibe B	2,6 *	Sanofi	-5,0
Hexagon	2,4 *		
Garo	2,0 *	Denmark	-0,6
Trelleborg	-1,1	Ørsted	3,1 *
Epiroc A	-1,2	Vestas Wind Systems	1,6 *
Atlas Copco A	-1,3	Novo Nordisk B	-5,3
ÅF Pöyry	-1,9 *		
Dometic	-2,6	Italy	-2,1
Essity	-4,9	Enel	2,8 *
		Reply	-4,9
Switzerland	-20,7		
Daetwyler	-2,9	Netherlands	-2,1
Swiss Life	-5,6	Corbion	2,5 *
Novartis	-5,7	Signify	2,5 *
Siegfried	-6,5	SIF Holding	2,1 *
		Alfen	1,7 *
Austria	2,9	Unilever	-5,2
Verbund	2,9 *	Philips	-5,7
Belgium	5,7	Ireland	2,7
Umicore	3,7 *	Kingspan	2,7 *
Recticel	2,0 *		
		Cash	3,3
Spain	5,3		
Construcciones	2,8 *		
Siemens Gamesa	2,5 *		

* = Current holding at 31.12.2019

INCOME STATEMENT APPENDIX 31.12.2019

(euros)	31.12.2019	31.12.2018
Net profit of securities	2 684 340,45	1 718 629,42
Sales profit of securities	(-) 1 259 402,54	(-) 1 289 593,12
Sales losses of securities	6 571 199,20	909 483,73
Unrealized gains	(-) <u>782 661,57</u>	(-) <u>5 006 282,58</u>
Unrealized losses	<u>7 213 475,54</u>	<u>-3 667 762,55</u>
Total		
Transactioncosts	68 584,26	32 516,38

BALANCE SHEET APPENDIX 31.12.2019

Fund value		
Fund value 1.1.	16 992 086,45	20 399 837,87
Unit subscriptions	8 196 605,03	1 111 033,94
Unit redemptions	(-) 2 578 752,00	(-) 443 586,73
Distribution of returns	(-) 313 139,94	(-) 365 913,25
Fiscal year profits	<u>7 252 712,84</u>	<u>-3 709 285,38</u>
Fund value 31.12.	<u>29 549 512,38</u>	<u>16 992 086,45</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.