



HEALTHINVEST ALPHA FUND

SEMI-ANNUAL REPORT 2021

HealthInvest Alpha Fund

FOCUS

HealthInvest Alpha Fund is an actively managed equity fund focusing on the healthcare sector. The investment process includes the search for low equity valuations and in depth due diligence to find potential catalysts to boost shareholder value.

SUBSCRIPTION AND REDEMPTION OF UNITS

The Fund has three unit classes: "C", "D" and "E". Unit classes C and D are general unit classes, while unit class E is only open for distribution within the framework of the Swedish premium pension system.

MANAGEMENT FEES

A fixed management fee is charged at a rate of 1.0% per year in unit class C, 1.2% per year in unit class D and 1.2% per year in unit class E.

A performance-based fee is charged in unit classes C and D at a rate of 20% of that part of the unit price exceeding the return threshold. The return threshold changes over time by the return on the OMRX T-BILL Index plus 4 percentage points, converted to daily returns.

The Fund applies what is commonly referred to as a high watermark. This means that the performance-based fee is payable only when the investor has been compensated for any negative return relative to the index from previous periods.

SUPERVISION

Supervisory Authority:
The Swedish Financial Supervisory Authority (Finansinspektionen).

Custodian:
Skandinaviska Enskilda Banken (publ).

Auditor:
KPMG, with Dan Beitner, authorized public accountant, as principal auditor.

FUND COMPANY

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The Fund is an investment fund pursuant to the Swedish Mutual Funds Act (2004:46). It is the responsibility of each and every person interested in investing in HealthInvest Alpha Fund to ensure that the investment takes place in accordance with applicable laws and other regulations. Foreign law may entail that an investment cannot be made by an investor from outside Sweden. HealthInvest Partners AB has no responsibility whatsoever to verify whether an investment made from outside Sweden takes place in accordance with the laws of the relevant country. Disputes or claims concerning the Fund shall be resolved according to Swedish law and exclusively by Swedish courts of law.

There is no guarantee that an investment in HealthInvest Alpha Fund cannot result in a loss. This applies irrespective of otherwise positive performance on the financial markets. Past performance is no guarantee of future results. Funds invested in HealthInvest Alpha Fund may increase as well as decrease in value, and there is no certainty that persons who invest in HealthInvest Alpha Fund will receive in return the entire capital invested.

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This is a translation from the Swedish version of the Semi-Annual Report. In case of any inconsistency between the English and Swedish version, the Swedish version shall prevail.

Fund Manager's View

FUND DEVELOPMENT

The stock market continued its recovery in the first half of the year, which also benefited HealthInvest Alpha Fund, rising 11.1% in SEK during the period. Although the Fund returned slightly less than the benchmark index, we find the development acceptable given the Fund's lower market risk and currency exposure.

The gain of just over 11% so far in 2021 means that an investor has had an average annual return of almost 19% since the Fund's inception in 2013, at a market risk (beta value) that has been about 37% lower than the healthcare sector. HealthInvest Alpha Fund's risk-adjusted excess return (alpha value) relative to the benchmark index MSCI World Health Care TRN Index has been 7.2% annually since start.

Since the Fund's inception, the Stockholm Stock Exchange (measured as OMX 30 including dividends) has returned 12.1% annually. Compared to OMX 30, the HealthInvest Alpha Fund has achieved a risk-adjusted annual excess return (alpha value) of 10.6%.

MANAGEMENT

The management of the HealthInvest Alpha Fund remains relatively prudent. We are concerned about the sharp increase in inflation, which should eventually increase interest rates significantly. The Fund has therefore divested holdings with high levels of debt, including US pharmacy chain CVS Health and US healthcare provider Universal Health Services. After the divestments, we estimate that the Fund has relatively low risk from this perspective as the median holding has a net cash position. Of course, the Fund still owns companies with interest bearing liabilities, but debt levels should be manageable even if interest rates were to rise significantly. Examples of holdings with a high level of net debt relative to its market capitalisation are US pharmaceutical company Abbvie and insurance company Cigna, which, despite their net debts, have high interest coverage ratios of 11x and 6x respectively.

HealthInvest Alpha Fund's philosophy continues to have a clear focus on value. The investment focus can be summarized as follows:

- Profitable companies with strong cash flows.
- Business models which are easy to understand.
- Low equity valuations.

- Positive events which may change the market's view of a share. Such events include new product launches, spin-offs/break-ups, cost-cutting and similar events.

The Fund invests globally and we are on the constant lookout for new investment opportunities. There are over 1,000 publicly listed companies in the healthcare sector and we typically select the top 20-40 in terms of potential risk adjusted returns.

FUTURE PROSPECTS

Although the negative effects of the pandemic on healthcare companies have been relatively limited, we still believe that many of HealthInvest Alpha Fund's holdings will benefit as hospitals returns to more normal operations. During the pandemic, the pharmaceutical companies' sales forces have had difficulty seeing doctors, which has made it harder to launch new medicines. Healthcare providers have deprioritized non-emergency operations and the expansion of hospital capacity, which has hit medical technology companies which sells surgical equipment and consumables. Patient recruitment in clinical studies has also been made more difficult as healthcare professionals have been engaged with COVID-19, which has mainly affected companies in biotechnology and other research activities. Although it is impossible to know for sure, we estimate that the growth rate of at least one third of the Fund's companies will be significantly higher from the second half of the year compared to during the pandemic. Hopefully it will have a positive impact on share prices going forward.

We remain concerned about overly expansionary fiscal and monetary policies that may significantly increase inflation and interest rates. However, we believe that the Fund's value-oriented holdings will perform relatively well even in such a scenario, as the most vulnerable stocks in the event of a sharp increase in interest rates are highly valued growth stocks and companies with extreme debt levels such as real estate companies.

If rampant inflation and sharp increases in interest rates would ultimately cause a recession, it is also a comfort to know that the healthcare sector is relatively insensitive to economic fluctuations. The recession year 2009, when companies on average lost about 30% of their profits, may serve as an example. During this year, the healthcare sector continued to grow profits by about 5%.

Fund Manager's View

We are quite comfortable with HealthInvest Alpha Fund, which consisted of 22 equity holdings as of mid-year. For each holding we have a clear investment thesis, and we hope that most of them will materialise soon and thereby contribute solidly to the development of the Fund during the remainder of 2021 and 2022.

The valuation of HealthInvest Alpha Fund is low, approximately 13.5x free cash flow, which is 30% lower than the valuation of the healthcare sector as a whole. This means that even if the Fund rises by 45%, the valuation of the Fund will only be in line with the overall valuation of the healthcare sector.

Equipped with patience and discipline, the organisation is laser focused on creating value for the unit holders in HealthInvest Alpha Fund. We hope that you will join us on this journey as an investor.

HealthInvest Alpha Fund - Management Report

HealthInvest Alpha Fund is an actively managed investment fund within the healthcare sector. By means of a careful management process, the goal is to invest in undervalued stocks which have a potential to increase in value and thereby generate good, long-term returns subject to a reasonable risk.

FUND DEVELOPMENT

HealthInvest Alpha Fund (unit class D) increased by 11.0 per cent in the first half of the year after deduction of management fees. The MSCI World Health Care TRN Index rose 14.5 percent over the same period.

The first half of the year marked a gradual return to a more normal world as people were vaccinated and restrictions eased. This was positive for the general stock market, which continued to rise and has thus risen relatively continuously since the sharp correction in March 2020. The healthcare sector also performed well during the six months. Overall, the equity portfolio contributed positively to the Fund's development during the period. Exchange rate changes also had a positive impact on the Fund's development.

The five holdings which contributed most to the Fund's performance in the first half of the year were Spanish pharmaceutical company Almirall, US pharmaceutical companies Supernus Pharmaceuticals and Ironwood Pharmaceuticals, Singaporean Tiger Balm manufacturer Haw Par and Swedish healthcare staffing company Dedicare. During the period, the Fund has been negatively affected by the share price development of the Swedish biotechnology company Ascelia Pharma, the Dutch pharmaceutical company Pharming and the three US pharmaceutical companies Viatrix, Coherus Biosciences and BioDelivery Sciences.

At the beginning of 2021, the Fund had 25 equity positions, of which 16 holdings remained at the end of the half year. During the period, the Fund made nine new investments, three of which have been sold. At the end of the period, there were thus 22 equity positions in the Fund.

During the first half of the year, the Fund initiated a significant position in Drägerwerk, a German manufacturer of medical equipment. The holdings in the US pharmaceutical companies Supernus and Ironwood and in the Spanish pharmaceutical company Almirall have been increased and each of the four investments mentioned represents over 7% of

the fund assets at the balance sheet date. New investments have also been made in the pharmaceutical companies Astellas Pharma, Lundbeck and Vertex Pharmaceuticals, each representing between 4 and 5 percent of the fund assets.

The largest holdings which were divested during the six months included generic drug companies Teva and Viatrix (continued price pressures and high leverage), US developer of biosimilars Coherus (negative earnings trend), US pharmaceutical company Collegium Pharmaceuticals (doubts about the sustainability of the business model) and US healthcare provider Universal Health Services (high debt level). All represented between 4 and 5 percent of the fund assets at the beginning of 2021.

THE FUND AS OF 30 JUNE 2021

As per 30 June 2021, the Fund owned equities equal to 93.8 per cent of the fund assets. The Fund consisted of a total of 22 holdings spread out over 9 countries in Asia, Europe and North America.

From a geographical perspective, companies with head quarters in the United States represented 47 per cent of the fund assets, followed by Sweden (11 per cent), Germany (8 per cent), Spain (8 per cent), Singapore (5 per cent), Denmark (4 per cent), the Netherlands (4 per cent), Japan (4 per cent) and United Kingdom (3 per cent).

Large holdings in the Fund

Ironwood Pharmaceuticals is a small US pharma company focused on intestinal diseases. Its main product Linzess is used to treat constipation in patients with moderate to severe irritable bowel syndrome (often referred to as IBS). The drug was launched in 2012 and is now the market leader with annual sales of approximately USD800m. Ironwood spun off its research activities outside of gastrointestinal diseases in 2019 and in 2021 the company has further slimmed down the organization, generating significant cost savings. The cuts will lift profits sharply in 2021 and the company is valued at just under 11x free cash flow, which we consider attractive.

Drägerwerk has strong market positions in its main product areas (anesthesia equipment, ventilators and patient monitoring) and spends approximately 9% of its revenue on R&D. Sales have skyrocketed during the pandemic as demand for ventilators and protective equipment has been almost

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insatiable and, as a consequence, profits doubled in 2020. Although there is a risk that sales of ventilators will decrease in 2021, we believe that the company's sales of protective equipment will continue to benefit as many countries will have to build up large emergency inventories. In addition, many elective surgeries have been postponed during the pandemic creating a backlog of procedures that will have to be dealt with in the coming years, which should benefit Drägerwerk. The valuation of less than 4x free cash flow is unreasonably low and indicates great potential.

Almirall is a Spanish drug company focusing on the treatment of skin diseases. Unfortunately, sales of dermatological medicines have been hit hard by Covid-19 as many patient visits have been postponed. For Almirall, this has caused a disruption of the launch of Seysara (acne) and Ilumetri (psoriasis) and a general negative environment for the company's established drugs. However, in the second half of 2021, we expect growth to pick up again as Klisyri (against actinic keratos) and Winzora Cream (psoriasis) are launched and as patients with skin diseases are given higher priority. An important milestone ahead is the release of phase 3 data for Almirall's drug Lebrikizumab (against atopic dermatitis). If data is competitive, Lebrikizumab could become Almirall's largest product within five years. Almirall's growth should pick up significantly in the coming years which should bode well for the share price.

Supernus Pharmaceuticals is a small US pharma company that markets highly profitable drugs mainly for the treatment of epilepsy and Parkinson's disease. The company recently received US market approval for the drug Qelbree (treatment of ADHD), which is a major positive. A benefit of the drug is that it does not stimulate the central nervous system but is nonetheless fast-acting, which should make Qelbree a realistic option for many schoolchildren suffering from ADHD. Even at a relatively modest market share of 10%, Qelbree will achieve annual sales of USD 400 million. Supernus' share is valued at 9x free cash flow and our belief is that the company can get a significantly higher profit multiple if the launch of Qelbree develops according to plan.

Haw Par, based in Singapore, is the owner of the Tiger Balm brand. The product is at the core of the company's healthcare segment and is marketed in over 100 countries. Haw Par has for several years

successfully managed to grow the healthcare segment by about 15% annually under high profitability, but 2020 was unfortunately a down year as sales and earnings declined. We believe that the Tiger Balm brand remains strong and that sales will pick up in 2021 when the pandemic subsides. Haw Par has a strong balance sheet with investments in bank stocks and real estate which, in their own right, justify the company's market value. Hence, an investor in Haw Par gets the profitable healthcare segment for free, which we find attractive.

FUND ASSETS

As of 30 June 2021, the assets of HealthInvest Alpha Fund amounted to SEK1935m. During the first half of 2021, units were issued for SEK145m, while units were redeemed for SEK155m. The half year result was SEK197m.

SIGNIFICANT RISKS

Investments in shares are associated with risks. The greatest risk in the Fund is considered to be the market risk related to general trends on the stock market. The market risk is reduced by maintaining focus on companies with relatively low equity valuations and stable operations.

Since the Fund maintains a significant portion of its assets outside Sweden, there is an exchange rate risk, i.e. a risk of losses associated with fluctuations in currency rates. As per the balance sheet date, over 80 per cent of the fund assets were held in foreign currencies. The currency risk is reduced by hedging currencies in order to eliminate a significant share of the currency risk.

Liquidity risk is the risk of a loss due to a temporary limitation on the possibility to dispose of holdings at a reasonable price under normal circumstances. Shares in smaller companies are often characterized by low liquidity and, since the Fund invests significantly in companies with relatively small market capitalization, the liquidity risk in the Fund is higher than normal.

The fund company's routines for risk management include continuous monitoring of exposures and risks based on a detailed plan. On a daily basis, the positions of the Fund relative to the limitations imposed by the fund rules, applicable laws and other rules and regulations are calculated. The relevant risk measures are calculated recurrently and stress tests are regularly conducted

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with respect to the Fund.

RISK TAKING BY THE FUND

HealthInvest Alpha Fund's (unit class D) measured as the standard deviation over the past 24 months is 14.8 per cent, compared to 12.4 per cent for the MSCI World Health Care TRN Index. Based on the same data series, the beta value of the Fund is 0.85 measured with the MSCI World Health Care TRN Index as the market portfolio.

Measures of risk are presented under the heading, "Other information".

FUND RULES

On 28 May 2021 the Swedish Financial Supervisory Authority approved amendments to the fund rules which meant that the Fund's name changed to HealthInvest Alpha Fund. The new name is applied from 14 June 2021.

The amendments to the fund rules has been communicated to the unit holders and has been published on the fund company's website.

SUSTAINABILITY INFORMATION

In 2021, HealthInvest Partners adopted an updated policy for sustainable investments. The Fund exclude investments in companies linked to unethical industries, investments in companies operating in countries with high corruption and investments in companies that are on Norges Bank's list of excluded companies or in companies that violate international conventions.

The investment process is primarily aimed at finding undervalued companies. Prior to each investment, a sustainability analysis is carried out on the assumption that companies that operate in a sustainable and responsible manner over time provide better returns. The administration also identifies sustainability risks related to each investment, i.e. risks related to the environment, social responsibility and corporate governance. The sustainability analysis is an integral part of the investment process. HealthInvest Partners has engaged an external analysis partner that specializes in sustainability issues to conduct the sustainability assessment together with the portfolio manager.

Further information on the fund company's sustainability work can be obtained at www.healthinvest.se and is included in the Fund's annual report.

MISCELLANEOUS

The fund company is a member of the Swedish Investment Fund Association and complies with the Swedish Code of Conduct for Fund Management Companies issued by the Swedish Investment Funds Association.

Fund units may be subscribed and redeemed on all Swedish banking days. However, the fund company is entitled to postpone trading in the Fund in the event more than 50 per cent of the holdings are listed on a market which is closed.

The Fund's liquid assets are principally invested in interest-bearing securities or deposited on accounts at credit institutions. The Fund is valued in Swedish kronor, while most of the Fund's investments are in companies outside Sweden.

The fund rules permit investments in derivative instruments. During the year, no positions were taken in derivative instruments other than positions in currency futures for the purpose of reducing currency risks in the Fund.

The commitment approach is used to calculate the Fund's global exposures. In the management of the Fund during the year, no conflicts of interest have arisen which are related to the fund company and the portfolio holdings.

Balance Sheet

(SEK '000)

ASSETS	NOTE	30.06.2021	31.12.2020
Transferable Securities		1 815 730	1 674 746
OTC Derivative Instruments with Positive Market Value		0	12 903
TOTAL FINANCIAL INSTRUMENTS WITH POSITIVE MARKET VALUE		1 815 730	1 687 649
TOTAL INVESTMENTS WITH POSITIVE MARKET VALUE		1 815 730	1 687 649
Bank Deposits and Other Liquid Funds		133 912	69 669
Prepaid Costs and Accrued Income	1	984	1 221
Other Assets		0	40
TOTAL ASSETS		1 950 626	1 758 579
LIABILITIES			
OTC Derivative Instruments with Negative Market Value		-6 229	0
TOTAL INVESTMENTS WITH NEGATIVE MARKET VALUE		-6 229	0
Accrued Costs and Prepaid Income	2	-9 150	-10 011
Other Liabilities	3	-484	-222
TOTAL LIABILITIES		-15 863	-10 232
FUND ASSETS		1 934 763	1 748 347
MEMORANDUM ITEMS			
		30.06.2021	31.12.2020
Pledged Assets for OTC Derivative Instruments		6 042	0
NOTE 1 - PREPAID COSTS AND ACCRUED INCOME			
		30.06.2021	31.12.2020
Dividends		984	1 221
TOTAL PREPAID COSTS AND ACCRUED INCOME		984	1 221
NOTE 2 - ACCRUED COSTS AND PREPAID INCOME			
		30.06.2021	31.12.2020
Management Fee		-8 571	-9 391
Accrued Costs External Research		-579	-619
TOTAL ACCRUED COSTS AND PREPAID INCOME		-9 150	-10 011
NOTE 3 - OTHER LIABILITIES			
		30.06.2021	31.12.2020
Redemption of Units in Progress		-124	-3
Subscription of Units in Progress		-356	-214
Other Liabilities		-5	-5
TOTAL OTHER LIABILITIES		-484	-222

Accounting Principles

The Semi-Annual Report has been prepared in accordance with the regulations of the Swedish Financial Supervisory Authority regarding reporting by investment funds, the Swedish Investment Funds Act and the Swedish Investment Funds Association's recommendation regarding reporting key ratios in investment funds and ESMA (European Securities and Market Authorities) guidelines regarding held derivatives.

All financial instruments traded on a market place have been valued in the accounts at the applicable market value. The applicable market value is comprised of the last price paid, local time. Holdings in foreign currencies are valued at the last price paid for the currency at half-year end. Where market prices are unavailable or, in the opinion of the fund company, are misleading, the fund company may establish the value based on the objective criteria of another party. The valuation of non-standardised instruments is based on accepted models such as Black-Scholes and Black 76 (European options) or numerical methods such as binomial trees. In the event accepted methods are not available, the valuation of OTC derivatives is derived from market quotes for similar, standardised instruments. Accordingly, the Fund's holdings of currency futures are valued on the basis of quotations from future currency exchanges for standardised time periods.

As of 30 June 2021, the Fund had no holdings for which a current market value was not available.

Summary of Holdings per 30 June 2021

Financial Instruments with Positive Market Value (1)	Country (2)	Quantity	Price (3)	Market Value (SEK '000)	% of Fund Assets
SHARES WITH POSITIVE MARKET VALUE					
Pharmaceuticals					33.83
Almirall	ES	980,000	14.71	146,146	7.55
Supernus Pharmaceuticals	US	530,000	30.79	139,540	7.21
Haw Par	SP	1,061,000	13.70	92,387	4.78
Lundbeck	DK	320,000	199.50	87,046	4.50
Bristol-Myers Squibb	US	147,000	66.82	83,992	4.34
Astellas Pharma	JP	550,000	1,934.50	81,881	4.23
Corline Biomedical*	SE	2,100,000	11.25	23,625	1.22
Biotechnology					26.00
Ironwood Pharmaceuticals	US	1,520,000	12.87	167,276	8.65
Vertex Pharmaceuticals	US	52,000	201.63	89,654	4.63
Pharming	NL	8,700,000	0.96	84,584	4.37
AbbVie	US	85,000	112.64	81,870	4.23
Ascelia	SE	1,430,000	35.25	50,408	2.61
Medivir	SE	3,620,000	8.06	29,177	1.51
Healthcare Equipment					16.94
Drägerwerk	DE	195,000	79.60	157,360	8.13
Accuray	US	2,300,000	4.52	88,895	4.59
Stille*	SE	470,000	117.00	54,990	2.84
Surgical Innovations	UK	70,250,000	3.20	26,590	1.37
Healthcare Distributors					8.68
McKesson	US	52,000	191.24	85,034	4.40
Cardinal Health	US	170,000	57.09	82,989	4.29
Healthcare Services					8.39
Cigna	US	41,000	237.07	83,114	4.30
Dedicare	SE	922,000	60.20	55,504	2.87
Medica Group	UK	1,150,000	174.00	23,668	1.22
TOTAL SHARES WITH POSITIVE MARKET VALUE				1,815,730	93.85
TOTAL FINANCIAL INSTRUMENTS WITH POSITIVE MARKET VALUE				1,815,730	93.85
TOTAL INVESTMENTS WITH POSITIVE MARKET VALUE				1,815,730	93.85
FINANCIAL INSTRUMENTS WITH NEGATIVE MARKET VALUE					
OTC DERIVATIVE INSTRUMENTS WITH NEGATIVE MARKET VALUE (4)					
Currency Futures USD/SEK 2021-11-09**				-6,229	-0.32
TOTAL OTC DERIVATIVES WITH NEGATIVE MARKET VALUE				-6,229	-0.32
TOTAL FINANCIAL INSTRUMENTS WITH NEGATIVE MARKET VALUE				-6,229	-0.32
Other Assets / Liabilities, Net				125,262	6.47
TOTAL FUND ASSETS				1,934,763	100.00
Transferable securities which are admitted to trading on a regulated market or similar market outside EEA				1,737,115	89.78
* Transferable securities which are subject to regular trading on another market which is registered and open to the public				78,615	4.06
** Other financial instruments				-6,229	-0.32
TOTAL				1,809,501	93.53

(1) The shares are classified in sub-sectors based on the MSCI Global Industry Classification Standard (GICS).

(2) Refers to the country of residence of the company. If the company is listed in another country, this is stated within parentheses. The following abbreviations have been used: DE Tyskland, DK Danmark, ES Spanien, JP Japan, NL Nederländerna, SE Sverige, SP Singapore, UK Storbritannien, US USA.

(3) Refers to local currency.

(4) The total underlying exposure arising by virtue of the futures contracts entered into by the Fund was SEK 427,545,000. All contracts are with Skandinaviska Enskilda Banken as a counterparty and the Fund has not received any collateral.

Other Information

The first occasion on which to subscribe in HealthInvest Alpha Fund was 31 January 2013. On 1 November 2017, the Fund was opened for subscription through two unit classes (A and B) and, in conjunction therewith, the Fund's existing shareholders received units in unit class A. On 5 June 2019, unit class C was launched, on 11 September 2019, unit class D was launched and on 17 February 2020, unit class E was launched. Unit classes A and B ceased on 31 January 2020.

FUND FACTS HEALTHINVEST ALPHA FUND

UNIT CLASS (1)	C	D	E
Unit Value	135.89 SEK	132.99 SEK	137.96 SEK
Number of Units	649,879	12,386,640	1,443,901
Fund Assets (SEK)	88,310,831	1,647,252,059	199,200,223
RETURN (2)			
Return Since Start of Unit Class (%)	35.89	32.99	22.25
Return MSCI World HC Index Since Start of Unit Class (%)	32.21	24.84	7.50
Average Annual Return Since Start of Unit Class (%)	15.97	17.12	15.86
Average Annual Return MSCI World HC TRN Index Since Start (%)	14.45	13.09	5.44
Average Annual Return, 2 years (%)	16.14	-	-
Average Annual Return MSCI World HC TRN Index, 2 years (%)	13.56	-	-
RISK MEASURES			
Beta-Value	0.85	-	-
Standard Deviation (%)	14.80	-	-
Standard Deviation MSCI World HC TRN Index (%)	12.25	-	-
Downside risk (%)	6.52	-	-
Downside risk MSCI World HC TRN Index (%)	6.49	-	-
Active risk (%)	10.07	-	-
Sharpe Ratio	1.09	-	-
Sharpe Ratio MSCI World HC TRN Index	1.11	-	-
FEES			
Fixed Management Fee (%)	1.00	1.20	1.20
Performance-based Management Fee (%)	20	20	-
Annual Return Threshold (%) (3)	RXVX +4%	RXVX +4%	-
High watermark	Yes	Yes	-
Ongoing Charges (%)	1.10	1.30	1.30

(1) Unit class D and E lack a 24-month history, as a consequence of which key ratios cannot be calculated.

(2) The return figures since launch are calculated on the basis of the launch date of the respective unit class. Unit class C was launched on 5 June 2019, unit class D was launched on 11 September 2019 and unit class E was launched on 17 February 2020.

(3) The annual hurdle rate is comprised of OMRX T-Bill Index + 4% (unit classes C and D).

Other Information

RETURN AND RISK MEASURES FOR UNIT HOLDERS (1)

RETURN

Return Since the Fund's Inception (%)	327.27
Return MSCI World HC TRN Index Since the Fund's Inception (%)	279.56
Average Annual Return, Since Start (%)	18.83
Average Annual Return MSCI World HC TRN, Since Start (%)	17.17
Average Annual Return, 5 years (%)	16.16
Average Annual Return MSCI World HC TRN Index, 5 years (%)	12.54
Average Annual Return, 2 years (%)	17.06
Average Annual Return MSCI World HC TRN Index, 2 years (%)	13.56

RISK MEASURES (2)

Beta-Value	0.87
Standard Deviation (%)	14.93
Standard Deviation MSCI World HC TRN Index (%)	12.25
Downside risk (%)	6.48
Downside risk MSCI World HC TRN Index (%)	10.07
Active risk (%)	6.49
Sharpe Ratio	1.14
Sharpe Ratio MSCI World HC TRN Index	1.11

(1) Current unit classes are relatively new. In order to illustrate the return and measure of risk in the Fund over an extended period, key ratios are reported for a client who has been invested in the Fund since launch on 31 January 2013.

(2) The measure of risk is calculated on the basis of return data for the last 24 months for unit holders who have been invested in the Fund since launch.

CHANGE IN FUND ASSETS

(TSEK)		Opening Fund Assets	Issuance of Units	Redemptions	Change in unit classes (1)	Profit for the Year	Closing Fund Assets
31.01.2013		0	80,536	0		0	80,536
02.01.2013 - 31.12.2013		80,536	28,585	-122		28,283	137,282
2014		137,282	16,025	-27,136		20,692	146,863
2015		146,863	114,269	-17,331		41,130	284,931
2016		284,931	581,536	-111,680		132,401	887,189
2017	MicroCap Fund/						
	Unit Class A	887,189	314,986	-199,579		250,993	1,253,589
	Unit Class B	-	1,006	0		8	1,014
	TOTAL	887,189	315,992	-199,579		251,001	1,254,603
2018	Unit Class A	1,253,589	297,823	-277,656		-115,373	1,158,385
	Unit Class B	1,014	304,033	-4,703		-16,680	283,665
	TOTAL	1,254,603	601,857	-282,358		-132,052	1,442,050
2019	Unit Class A	1,158,385	154,097	-309,906		245,091	1,247,667
	Unit Class B	283,665	60,462	-57,610		61,783	348,300
	Unit Class C	-	101,756	-53,051		7,957	56,662
	Unit Class D	-	1,101	0		61	1,162
	TOTAL	1,442,050	317,416	-420,566		314,892	1,653,792
2020	Unit Class A	1,247,667	3,668	-14,545	-1,225,281	-11,509	0
	Unit Class B	348,300	5,070	-6,579	-343,491	-3,300	0
	Unit Class C	56,662	15,026	-1,688		9,202	79,202
	Unit Class D	1,162	44,226	-149,753	1,412,554	192,514	1,500,702
	Unit Class E	-	24,728	-23,735	156,219	11,232	168,443
	TOTAL	1,653,792	92,716	-196,300	0	198,139	1,748,347
30.06.2021	Unit Class C	79,202	11,500	-11,704		9,313	88,311
	Unit Class D	1,500,702	69,013	-86,810		164,347	1,647,252
	Unit Class E	168,443	64,595	-56,922		23,085	199,200
	TOTAL	1,748,347	145,108	-155,437		196,745	1,934,763

(1) Unit classes A and B ceased on 31 January 2020, and the unit holders instead received units in unit class D. Unit class E, which is open to the Swedish Pension Agency, was launched on 17 February 2020 and the Pension Agency's units were transferred from unit class D to unit class E.

Other Information

RETURN AND CHANGE IN UNIT VALUE

MicroCap Fund/ Alpha Fund A	Unit Value (SEK)	Number of Units	Fund Assets (SEK '000)	Return MicroCap Fund/ Alpha A (%)	Return MSCI World Health Care Index (%) (1)
31.01.2013	100.00	805,359	80,536	-	-
01.02.2013 - 31.12.2013	127.28	1,078,601	137,282	28.88	28.61
2014	146.55	1,002,167	146,863	16.40	43.35
2015	178.81	1,593,522	284,931	24.40	15.56
2016	226.42	3,918,416	887,189	29.12	0.14
2017	279.23	4,489,385	1,253,589	25.68	7.84
2018	255.81	4,528,229	1,158,385	-8.39	11.28
2019	314.06	3,972,746	1,247,667	22.77	29.78
01.01.2020 - 31.01.2020*	-	-	-	-0.95	1.59

Alpha Fund B	Unit Value (SEK)	Number of Units	Fund Assets (SEK '000)	Return Alpha B (%)	Return MSCI World Health Care Index (%) (1)
31.10.2017	100.00	10,003	1,000	-	-
01.11.2017 - 31.12.2017	100.74	10,064	1,014	0.74	-0.18
2018	91.92	3,085,938	283,665	-8.75	11.28
2019	112.52	3,095,483	348,300	22.41	29.78
01.01.2020 - 31.01.2020*	-	-	-	-0.97	1.59

Alpha Fund C	Unit Value (SEK)	Number of Units	Fund Assets (SEK '000)	Return Alpha C (%)	Return MSCI World Health Care Index (%) (1)
05.06.2019	100.00	40,632	4,063	-	-
06.06.2019 - 31.12.2019	108.14	523,963	56,662	8.14	15.75
2020	122.29	647,647	79,202	13.08	-0.23
30.06.2021	135.89	649,879	88,311	11.12	14.49

Alpha Fund D	Unit Value (SEK)	Number of Units	Fund Assets (SEK '000)	Return Alpha D (%)	Return MSCI World Health Care Index (%) (1)
11.09.2019	100.00	10,000	1,000	-	-
12.09.2019 - 31.12.2019	106.08	10,956	1,162	6.08	9.29
2020	119.77	12,529,601	1,500,702	12.91	-0.23
30.06.2021	132.99	12,386,640	1,647,252	11.03	14.49

Alpha Fund E	Unit Value (SEK)	Number of Units	Fund Assets (SEK '000)	Return Alpha E (%)	Return MSCI World Health Care Index (%) (1)
17.02.2020 - 31.12.2020*	121.75	1,383,521	168,443	7.89	-6.10
30.06.2021	137.96	1,443,901	199,200	13.31	14.49

(1) Pertains to a unit holder who invested in the Fund at the beginning.

(2) The return for the benchmark index is in SEK and including reinvested dividends.

* The stated return pertains to the period of time during which the unit class was active.

HealthInvest Partners AB

HealthInvest Partners is an independent Swedish fund management company which has been under the supervision of the Swedish Financial Supervisory Authority (Finansinspektionen) since 6 September 2006. HealthInvest Partners offers active management in the healthcare sector to institutions and private investors.

BOARD OF DIRECTORS

The Board of Directors of the fund company has extensive experience in corporate management, fund management, equity research and financial instruments trading and has scientific expertise within the healthcare area. The directors have invested in HealthInvest Alpha Fund.

Johan Stern, Chairman of the Board of Directors, born 1951, is also active as a member on other boards. Stern was employed and a partner of the US fund company, FMG Fund Managers Ltd, from 1999 to 2002. Prior to that, Stern worked at Skandinaviska Enskilda Banken ("SEB"), and was responsible for SEB's operations in the US from 1996 to 1998. Stern holds a degree in economics from the University of Stockholm.

Ingemar Kihlström, Member of the Board of Directors, born 1952, works as a consultant in the healthcare sector at Ingemar Kihlström AB and is active as a member on several boards. Previously, Kihlström was employed as senior healthcare analyst at ABG Sundal Collier from 2000 to 2003, and as senior healthcare analyst at Aros Securities from 1997 to 2000. Kihlström was awarded his Ph.D. in Physiology at Uppsala University in 1982 and became associate professor in physiology at Uppsala University in 1986.

Anders Hallberg, Member of the Board of Directors, born 1973, is the deputy CEO of the fund company and is the portfolio manager of HealthInvest Alpha Fund. Hallberg is presented below under Management Organisation.

MANAGEMENT ORGANISATION

Anders Hallberg, born 1973, is the deputy CEO and portfolio manager of HealthInvest Small & MicroCap Fund. Hallberg has a background as a healthcare analyst and portfolio manager at Carnegie Investment Bank. During the period January 2003 - February 2006, Hallberg managed Carnegie Global Healthcare Fund which, at this time, was the best performing healthcare fund in the world. In 2000, Hallberg was ranked by the

publication, *Finansstidningen*, as the number one healthcare analyst in Sweden and, in 2006, Hallberg was named Star Portfolio Manager (DI/Morningstar) in the healthcare funds segment. Hallberg holds a M.Sc. in Economics and a B.Sc. in Business Administration.

Markus Wistrand, born 1976, is the CEO of the fund company and financial analyst. He was previously employed in the Swedish medical technology company Q-Med. Wistrand holds a M.Sc. in Biotechnology from Uppsala University and a M.Sc. in Business Administration from Stockholm University. Wistrand also holds a Ph.D. in Computational Biology from Karolinska Institutet.

EXTERNAL COLLABORATIONS

HealthInvest Partners collaborate with external partners in the following areas:

- Sustainable Investments Expertise.
- Accounting Expertise.
- Bespoke Primary Research to access a network of experts in order to conduct interviews with professional specialists.



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