

Annual report including audited financial statements as at 31st December 2021

Elite Fund

A mutual investment Fund (F.C.P.) organised under the laws of the Grand-Duchy of Luxembourg with an umbrella structure

R.C.S. Luxembourg K63

Notice

The sole legally binding basis for the purchase of units of the Fund described in this report is the latest valid sales prospectus with its terms of contract.

Elite Fund

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Elite Fund

Organisation

**Management Company
Central Administrator and
Alternative Investment Fund Manager
(AIFM)**

FundRock Management Company S.A.
H2O building
33, rue de Gasperich
L-5826 Hesperange

**Board of Directors of
the Management Company
and the AIFM**

Chairman
Michel Marcel VAREIKA
Independent Non-Executive Director, Luxembourg

Members
Romain DENIS
Executive Director - Managing Director
FundRock Management Company S.A., Luxembourg

Thibault GREGOIRE
Executive Director - Chief Financial Officer
FundRock Management Company S.A., Luxembourg
(since 16th February 2021)

Eric MAY
Non-Executive Director
Founding Partner
BlackFin Capital Partners, Paris
(until 12th February 2021)

Tracey MCDERMOTT
Independent Non-Executive Director, Luxembourg
(until 31st December 2021)

Xavier PARAIN
Executive Director - Chief Executive Officer
FundRock Management Company S.A., Luxembourg

Serge RAGOZIN
Executive Director - Deputy Chief Executive Officer
FundRock Management Company S.A., Luxembourg
(until 12th February 2021)

Depository and Paying Agent

Société Générale Luxembourg
11, avenue Emile Reuter
L-2420 Luxembourg

**Administrative Agent,
Registrar and Transfer Agent**

European Fund Administration S.A.
2, rue d'Alsace
L-1122 Luxembourg

Portfolio Manager

Skandinaviska Enskilda Banken AB (publ).
Kungsträdgårdsgatan 8
SE-106 40 Stockholm

Elite Fund

Organisation (continued)

Auditor

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
L-2182 Luxembourg

Elite Fund

Report from the Management Company

Market update

2021 began with clearly positive signs and strong signals. The Democrats had managed to win the tight US elections and major fiscal packages would be rolled out. The mass vaccination against COVID-19 could start and reduce the pressure in care. The central banks had loaded with the big liquidity can non and the reports for the fourth quarter of 2020 showed that the corporate sector again exceeded analysts' expectations by roe. The global economic system continued to recover, economies reopened and hopes of normalization began to emerge. A classic recovery phase that began during the year before continued during the first quarter.

The capital markets responded with rising interest rates, mainly in the US and cyclical shares and so-called value shares took the lead. An exception was the Chinese market that limped, then Xi Jinping started its marking and regulation against several of the big digital dragons that the state considered to have grown too powerful and who have been allowed to operate in a rather unregulated environment for a long time. That made the Chinese market less interesting for investments.

When the year reached its end, we could sum it up in rising interest rates, from a low level, increased inflation and good profit development in most companies. The year ended in historically high valuations of most markets and many of them reached new” all-time-high” levels.

The year of 2021 for Swedish stocks

The Stockholm Stock Exchange rose in principle uninterrupted for the first eight months and then in September recede down by 6 percent. A buying opportunity for many investors who threw themselves in and lifted the index with 5 percent in October, one percent in November and finished with a magnificent Christmas rally of another 6 percent.

In total, The Stockholm Stock Exchange (SBX index) rose 36.7 percent in 2021 including dividends. The small companies (CSX index) went up 37.1 percent and again had a stronger development than large companies (OMXS30 32.7 percent) and has thus performed better eight years in a row.

The Stockholm Stock Exchange was not only high valued in a historical perspective but also stood out in an international comparison. In average, the Swedish market was at end of year paid 20 times 12-month future earnings, compared with for example Eurostoxx 600 paid 16 times.

The environment was perfect, especially for growth companies and they increased valuations even more, not seldom valued at P/E-levels exceeding 40. On the other hand, many cyclical companies, banks and slowly growing defensive companies, was valued at a large discount to the stock market average.

Eight companies in the SBX index rose over 100 percent, the heavyweights EQT and Nibe went up 135.8 and 103.8 percent, respectively. At the sector level went Finance, Oil Companies and Real Estate best while IT and Communication services performed the worst.

Fund update

The fund performed well during 2021; it rose by 16.8 percent. The equity holdings contributed the most, while the fixed income portfolio had a marginal impact.

Best performers were the holdings in banks (SEB and Nordea) and the Small Cap funds (SEB NanoCap and Strand Småbolagsfond), while the holdings in Eastspring China and Essity gave a negative contribution.

Among the top three largest holdings, you can still find our holdings in Rhenman & Partners Healthcare Fund, Investor and Strand Småbolagsfond.

The Elite Fund - Star Choice fund has since start had a long-term allocation goal of 50 percent Swedish equity, 10 percent international equity and 40 percent low risk investments. During 2021, the allocation has been slightly more defensive.

Elite Fund

Report from the Management Company (continued)

To increase the return on low-risk assets, we made additional investments in the discretionary managed bond portfolio. That portfolio yielded approximately 1.5 percent last year.

ESG Investments

The fund has made several investments in funds/certificates with a clear ESG focus: Lyxor Global Impact Fund, SEB Green Growth Europe, SEB Hydrogen Technology and SEB Energy Storage. Totally, these investments corresponded for approximately 8 percent of the funds' total assets.

The reason behind our ESG investments is that it is our belief that this sector will outperform the general markets in the long run. However, it can be noted that these holdings are also more volatile than the average share and last year's outperformer will often be next year's loser.

Strategy going forward

The high valuations of most stock markets, several global political conflicts and rising inflation give us reason to continue with a cautious strategy in the near future. The allocation in the fund will therefore probably continue with a risk below the historical average.

Luxembourg, 2nd May 2022

The Board of Directors of the Management Company

Note: The information in this report represents historical data and is not an indication of future results.



Audit report

To the Unitholders of
Elite Fund

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Elite Fund (the “Fund”) as at 31 December 2021, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2021;
- the statement of investments and other net assets as at 31 December 2021;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Management Company is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Management Company for the financial statements

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Management Company determines 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 of the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism 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 Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Management Company;



- conclude on the appropriateness of the Board of Directors of the Management Company'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 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 audit 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 audit report. However, future events or conditions may cause the 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 in a manner that achieves fair presentation.

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.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 16 June 2022

Antoine Geoffroy

Elite Fund - Star Choice

Statement of net assets (in SEK)

as at 31st December 2021

Assets

Investments

Securities portfolio at market value	1,891,706,609.45
	<u>1,891,706,609.45</u>

Cash and cash equivalents

Cash at banks	177,754,736.84
	<u>177,754,736.84</u>

Receivables

Income receivable on portfolio	502,203.00
Other income receivable	3,494,105.72
Other receivables	138,628.62
	<u>4,134,937.34</u>

Total assets

2,073,596,283.63

Liabilities

Payables

Expenses payable	1,127,918.15
	<u>1,127,918.15</u>

Borrowings

Bank overdrafts	41,492.95
	<u>41,492.95</u>

Total liabilities

1,169,411.10

Total net assets at the end of the year

2,072,426,872.53

Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in SEK)
C (SEK)	1,171,712.386	SEK	201.039	235,560,106.71
D (SEK)	4,977,586.666	SEK	369.028	1,836,866,765.82
				<u><u>2,072,426,872.53</u></u>

The accompanying notes are an integral part of these financial statements.

Elite Fund - Star Choice

Statement of operations (in SEK)

from 1st January 2021 to 31st December 2021

Income

Investment income

Dividends, net	13,666,062.44
Interest on bonds and other debt securities, net	3,712,591.66
Interest on bank accounts	116,921.27
	<u>17,495,575.37</u>

Realised gain on investments

- on securities portfolio	116,917,151.14
- on foreign exchange	2,839,639.17
	<u>119,756,790.31</u>

Unrealised gains on investments

- on securities portfolio	242,232,351.18
	<u>242,232,351.18</u>

Other income

Other commissions received	1,834,101.50
	<u>1,834,101.50</u>

Total income

381,318,818.36

Expenses

Investment advisory or management fees

Management fees	8,125,401.22
	<u>8,125,401.22</u>

Other expenses

Depository fees	1,570,843.26
Banking charges and other fees	519.75
Transaction fees	674,813.62
Professional fees	214,216.05
Other administration costs	95,131.63
Subscription duty ("taxe d'abonnement")	850,576.26
Bank interest paid	136,342.50
	<u>3,542,443.07</u>

Realised loss on investments

- on securities portfolio	7,345,374.67
	<u>7,345,374.67</u>

Unrealised loss on investments

- on securities portfolio	70,935,376.83
	<u>70,935,376.83</u>

Total expenses

89,948,595.79

Net income

291,370,222.57

The accompanying notes are an integral part of these financial statements.

Elite Fund - Star Choice

Statement of changes in net assets (in SEK) from 1st January 2021 to 31st December 2021

Net income	291,370,222.57
Subscriptions	54,999,999.44
Redemptions	-6,334,527.24
Total changes in net assets	<u>340,035,694.77</u>
Total net assets at the beginning of the year	<u>1,732,391,177.76</u>
Total net assets at the end of the year	<u><u>2,072,426,872.53</u></u>

The accompanying notes are an integral part of these financial statements.

Elite Fund - Star Choice

Statistical information (in SEK)

as at 31st December 2021

Total net assets	Currency	31.12.2019	31.12.2020	31.12.2021
	SEK	1,619,469,741.57	1,732,391,177.76	2,072,426,872.53

Net asset value per unit class	Currency	31.12.2019	31.12.2020	31.12.2021
C (SEK)	SEK	159.435	172.516	201.039
D (SEK)	SEK	292.606	316.041	369.028

Number of units	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
C (SEK)	916,202.762	283,509.624	-28,000.000	1,171,712.386
D (SEK)	4,981,409.757	-	-3,823.091	4,977,586.666

Elite Fund - Star Choice

Statement of investments and other net assets (in SEK)

as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<u>Investments in securities</u>					
<u>Transferable securities admitted to an official stock exchange listing</u>					
Shares					
SEK	135,000	ABB Ltd Reg	26,554,144.28	46,629,000.00	2.25
SEK	150,000	Assa Abloy AB B	30,366,340.00	41,430,000.00	2.00
SEK	48,000	AstraZeneca Plc	39,845,935.40	51,014,400.00	2.46
SEK	77,000	Atlas Copco AB A Reg	10,279,045.41	48,186,600.00	2.33
SEK	100,000	Essity AB B Reg	29,670,485.00	29,540,000.00	1.43
SEK	180,000	Hennes & Mauritz AB B	32,478,406.76	32,054,400.00	1.55
SEK	180,000	Industrivaerden AB C	27,395,466.56	51,138,000.00	2.47
SEK	320,000	Investor AB B	28,187,484.58	72,880,000.00	3.52
SEK	60,000	Lundbergforetagen AB B	14,113,605.05	30,480,000.00	1.47
SEK	730,000	Nokia Corp Reg	30,605,469.00	41,719,500.00	2.01
SEK	300,000	Nordea Bank Abp Reg	26,484,209.42	33,150,000.00	1.60
SEK	110,000	Sandvik AB	25,772,736.00	27,786,000.00	1.34
SEK	200,000	Skandinav Enskil Bank AB Stoc A	19,102,677.83	25,170,000.00	1.21
SEK	550,000	SSAB AB B	21,680,340.00	25,085,500.00	1.21
SEK	340,000	Svenska Handelsbanken AB A	34,578,940.14	33,272,400.00	1.61
SEK	325,000	Telefon AB LM Ericsson B	35,355,410.50	32,431,750.00	1.56
SEK	200,000	Volvo AB B	21,198,527.80	41,930,000.00	2.02
Total shares			453,669,223.73	663,897,550.00	32.04
Basket certificates					
SEK	340,000	Skandinav Enskil Bank AB Stoc Certif Basket 08.09.23	34,047,464.00	48,212,000.00	2.33
Total basket certificates			34,047,464.00	48,212,000.00	2.33
Bonds					
SEK	6,000,000	AB Bonnier Fastigheter Fin FRN 21/06.05.26	6,000,000.00	5,992,200.00	0.29
SEK	10,000,000	Afry AB FRN DMTN Sen 19/27.06.24	10,000,000.00	10,174,900.00	0.49
SEK	10,000,000	Coor Serv Mgt Holding AB FRN Sen 19/20.03.24	10,000,000.00	10,045,000.00	0.48
SEK	10,000,000	Epiroc AB FRN EMTN Sen 18/06.12.23	10,035,440.00	10,154,900.00	0.49
SEK	2,000,000	Fabege AB FRN Ser 121 Sen 20/21.02.24	2,000,000.00	2,024,760.00	0.10
SEK	18,000,000	Hexagon AB FRN 20/07.12.26	18,315,360.00	18,303,930.00	0.88
SEK	12,000,000	Intrum AB FRN 21/01.10.24	12,000,000.00	12,087,780.00	0.58
SEK	5,000,000	Intrum AB FRN Sen 19/03.07.23	5,100,000.00	5,034,575.00	0.24
SEK	2,000,000	Landshypotek Bank AB FRN Ser 800 21/03.03.31	2,000,000.00	2,013,370.00	0.10
SEK	2,000,000	Lansforsakringar Bank FRN 21/25.02.31	2,000,000.00	2,009,740.00	0.10
SEK	5,000,000	Mekonomen AB FRN 21/18.03.26	5,000,000.00	5,036,625.00	0.24
SEK	10,000,000	Millicom Intl Cellular SA FRN EMTN Sen 19/15.05.24	10,050,500.00	10,129,800.00	0.49
SEK	10,000,000	NCC Treasury AB FRN DMTN Ser 122 Sen 19/30.09.24	10,000,000.00	10,016,850.00	0.48
SEK	10,000,000	Nobina AB FRN Sen Reg S 19/13.02.24	10,028,320.00	10,101,850.00	0.49
SEK	14,000,000	Nordic Entertainment Gr AB FRN DMTN Sen 19/23.05.24	14,000,000.00	14,189,840.00	0.68
SEK	5,000,000	NP3 Fastigheter AB FRN 21/03.10.24	5,000,000.00	5,045,300.00	0.24
SEK	11,000,000	SSAB AB FRN 21/16.06.26	11,000,000.00	11,210,430.00	0.54
SEK	4,000,000	Stena Metall Finans AB FRN Sen 18/01.06.23	4,028,800.00	4,031,240.00	0.19
SEK	10,000,000	Stendorren Fastigheter AB FRN 21/18.11.25	10,000,000.00	9,974,050.00	0.48
SEK	11,000,000	Stora Enso Oyj FRN EMTN Sen Reg S 19/20.02.24	11,053,490.00	11,257,070.00	0.54
SEK	12,500,000	Storskogen Gr AB FRN 21/01.12.25	12,506,250.00	12,507,937.50	0.60
SEK	15,000,000	Telenor ASA FRN EMTN Sen Reg S 19/19.03.24	15,000,000.00	15,168,600.00	0.73
SEK	10,000,000	Vattenfall AB FRN EMTN 21/26.05.83	10,000,000.00	10,056,000.00	0.49
SEK	15,000,000	Volvo Treasury AB FRN EMTN Sen 19/06.04.23	15,000,000.00	15,112,950.00	0.73
Total bonds			220,118,160.00	221,679,697.50	10.67
<u>Transferable securities dealt in on another regulated market</u>					
Bonds					
SEK	5,000,000	Nyfosa AB FRN 21/30.04.24	5,000,000.00	5,029,725.00	0.24
SEK	14,000,000	Volvo Car AB FRN EMTN Sen Reg S 19/27.02.23	14,000,000.00	14,237,440.00	0.69
Total bonds			19,000,000.00	19,267,165.00	0.93

* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

Elite Fund - Star Choice

Statement of investments and other net assets (in SEK) (continued) as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
Other transferable securities					
Basket certificates					
SEK	200,000	Skandinavi Enskil Bank AB Stoc Certif Basket 13.09.24	20,279,180.00	19,850,000.00	0.96
SEK	260,000	Skandinavi Enskil Bank AB Stoc Certif Basket 21.09.23	29,666,078.00	31,486,000.00	1.52
Total basket certificates			49,945,258.00	51,336,000.00	2.48
Open-ended investment funds					
Investment funds (UCITS)					
EUR	17,020	CB European Quality Fd European Equity I EUR Cap	16,195,743.39	42,951,976.80	2.07
EUR	385,714.2	Montanaro Smaller Co Plc European Fd Cap	12,447,396.21	38,348,160.05	1.85
			28,643,139.60	81,300,136.85	3.92
SEK	1,073,610.430551	AMF Rantefond Kort Dist	119,859,246.98	119,578,729.75	5.77
SEK	956,763.766926	Lannebo Rantefond kort Units Cap	110,000,815.79	112,247,525.14	5.42
SEK	8,431.1206	Nordic Equities Global Stars Dist	10,000,000.05	14,008,762.16	0.68
SEK	13,022.8498	Nordic Equities Strateg Units Dist	16,350,886.78	38,757,785.14	1.87
SEK	170,937.7465	Nordic Equities Sweden Units	19,224,927.63	59,862,347.54	2.89
SEK	1,094,334.1131	SEB Kortantefond SEK P Cap	110,001,611.84	110,031,355.47	5.31
			385,437,489.07	454,486,505.20	21.94
USD	191,916.352	Eastspring Investments China Equity Fd A USD Cap	17,757,015.64	25,899,615.65	1.25
USD	52,251.715	Goldman Sachs Fds Scv India Equity Ptf Base USD Cap	9,949,547.04	15,926,571.67	0.77
USD	20,000	Lyxor SEB Umbrella PLC Impact Fund F USD Cap	19,598,495.60	29,245,500.92	1.41
USD	4,000	Lyxor SEB Umbrella PLC Impact Fund I Cap	4,742,969.79	5,749,074.23	0.28
USD	28,616.619	William Blair Scv Emerging Mks Leaders Fd I USD Cap	20,643,671.46	39,689,106.13	1.91
			72,691,699.53	116,509,868.60	5.62
Total investment funds (UCITS)			486,772,328.20	652,296,510.65	31.48
Investment funds (UCI)					
SEK	150.831	Partners Gr P Mks CS ELTIF SCA Credit Strategie 2017 R Dist	14,635,654.16	14,900,306.40	0.72
SEK	97,922.619	Rhenman & Partners Fd Healthcare Equity L/S RC2 SEK Cap	13,029,030.66	81,165,121.21	3.92
SEK	200,000	SEB Cred Opportunity IV IC Cap 15.01.21	20,000,000.00	23,120,000.00	1.12
SEK	200,000	SEB NanoCap C SEK Cap	20,000,810.24	53,288,360.00	2.57
SEK	11,504.8652	Strand Smabolagsfond Units Dist	19,015,000.05	62,543,898.69	3.02
Total investment funds (UCI)			86,680,495.11	235,017,686.30	11.35
Total investments in securities			1,350,232,929.04	1,891,706,609.45	91.28
Cash at banks				177,754,736.84	8.58
Bank overdrafts				-41,492.95	0.00
Other net assets/(liabilities)				3,007,019.19	0.14
Total				2,072,426,872.53	100.00

* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

Elite Fund - Star Choice

Industrial and geographical classification of investments as at 31st December 2021

Industrial classification

(in percentage of net assets)

Investment funds	42.83 %
Financials	17.51 %
Industrials	12.62 %
Technologies	4.45 %
Raw materials	3.76 %
Cyclical consumer goods	3.16 %
Healthcare	2.46 %
Non-cyclical consumer goods	1.43 %
Real estate	1.35 %
Telecommunications services	1.22 %
Utilities	0.49 %
Total	<u>91.28 %</u>

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

Sweden	65.90 %
Luxembourg	12.25 %
Finland	4.15 %
Ireland	3.54 %
United Kingdom	2.46 %
Switzerland	2.25 %
Norway	0.73 %
Total	<u>91.28 %</u>

Elite Fund

Notes to the financial statements

as at 31st December 2021

Note 1 - General information

Elite Fund (the "Fund") is an open-ended mutual investment fund "*Fonds Commun de Placement*" ("FCP"), governed by the laws of the Grand Duchy of Luxembourg, registered pursuant to Part II of the amended Law of 17th December 2010 (the "2010 Law") relating to Undertakings for Collective Investment and qualifies as an Alternative Investment Fund ("AIF") in accordance with the law of 12th July 2013 (the "2013 Law") on Alternative Investment Fund Managers.

The Fund is set up in accordance with Management Regulations signed in Luxembourg on 16th April 2003 as an umbrella Fund. The Management Regulations were amended for the last time with effect as of 27th January 2020 and were deposited with the Luxembourg Trade Register. A notice of the deposit was published on 27th January 2020 in the RESA (*Recueil Electronique des Sociétés et Associations*), the new official electronic platform of central publication regarding companies and associations.

The financial year of the Fund ends on 31st December.

The Net Asset Value per unit is calculated on each day that constitutes a Bank Business Day, defined as any day on which bank are open for business in Luxembourg except 24th December and 31st December (the "Valuation Day").

The accounts and the financial statements of the Fund are expressed in SEK and correspond to the financial statements of the sole Sub-Fund open.

The Net Asset Value per unit of each class, subscription and redemption prices in the Sub-Fund are made public at the office of FundRock Management Company S.A.

The audited annual reports and unaudited semi-annual reports are available to unitholders at the office of FundRock Management Company S.A.

The following documents can be inspected by the unitholders at the offices of the Depositary and the AIFM / Management Company:

- Management Regulations,
- Prospectus,
- Agreement with the Depositary,
- Portfolio Management Agreement with Skandinaviska Enskilda Banken AB (publ).

Note 2 - Significant accounting policies

a) Presentation of the financial statements

The financial statements of the Fund are established in accordance with the Luxembourg legal and regulatory requirements concerning Undertakings for Collective Investment and with generally accepted accounting principles in Luxembourg.

In accordance with the prospectus, the last trading/official Net Asset Value is dated 30th December 2020. An unofficial Net Asset Value dated 31st December 2020 has been calculated for reporting purposes and is disclosed in these financial statements.

The financial statements of the Fund have been prepared on a going concern basis.

Elite Fund

Notes to the financial statements (continued)

as at 31st December 2021

b) Valuation

- a) Transferable securities and money market instruments, which are officially listed on a stock exchange, are valued at the last available price.
- b) Transferable securities and money market instruments, which are not officially listed on a stock exchange, but which are traded on another regulated market are valued at a price no lower than the bid price and no higher than the ask price at the time of the valuation and at which the Management Company and the AIFM considers to be an appropriate market price.
- c) Transferable securities and money market instruments quoted or traded on several markets are valued on the basis of the last available price on the principal market for the transferable securities or money market instruments in question, unless these prices are not representative.
- d) In the event that such prices are not in line with market conditions, or for securities and money market instruments other than those covered in a), b) and c) above for which there are no fixed prices, these securities and money market instruments, as well as other assets, will be valued at the current market value as determined in good faith by the Management Company and the AIFM, following generally accepted valuation principles.
- e) Units or shares of UCI(TS) are valued at the last available Net Asset Value obtained from the Administrative Agent of such UCI(TS).

In the case that extraordinary circumstances occur which make it impossible or even wrong to make a valuation in accordance with the above-mentioned criteria, the Management Company and the AIFM is entitled to temporarily apply other generally accepted valuation procedures, which are determined by it in good faith, in order to make an appropriate valuation of the Fund's Assets.

Gains and losses on the sale of securities are determined using the average cost method.

c) Realised gain/(loss) on securities portfolio

The realised gains and losses on the securities portfolio are determined on the basis of the average cost of securities sold and are disclosed in the statement of operations.

d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Sub-Fund is converted into the Sub-Fund's currency at the exchange rate prevailing on the date of purchase.

e) Exchange translation

Bank balances, other assets and liabilities and the value of securities held that are denominated in other currencies than the Sub-Fund's currency are converted at the prevailing exchange rate of the closing day. Income and expenses incurred in currencies other than the Sub-Fund's currency are converted at the prevailing exchange rate of the day of each transaction. Exchange gains or losses are disclosed in the statement of operations.

At the date of the financial statements, the prevailing exchange rates on the closing day were as follows:

1	SEK	=	0.0971563	EUR	Euro
			0.1101752	USD	US Dollar

Elite Fund

Notes to the financial statements (continued)

as at 31st December 2021

f) Investment income

Dividend income is recognised on an ex-dividend basis and is disclosed net of withholding tax.

Interest income accrued and payable are recorded, net of any withholding tax.

g) Transaction fees

Transaction costs disclosed under the item "Transaction fees" in the expenses of the statement of operations are mainly composed of broker fees incurred by the Fund and of fees relating to transactions paid to the depositary.

Note 3 - Management fees

In consideration for its management services related to the Fund, the AIFM / Management Company is entitled to receive a management fee up to:

- 0.80% for each unit class.

These rates include the fees payable to Administrative Agent, the Registrar and Transfer Agent, to the Depositary as well as to the Portfolio Manager.

The management fee is payable monthly at the end of each month and based on the average net assets of the Sub-Fund calculated daily for the relevant month.

Note 4 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the Fund is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter.

Pursuant to Article 175 (a) of the amended law of 17th December 2010 the net assets invested in Undertakings for Collective Investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

The rate of this tax may be reduced to 0.01% of the value of the net assets for Sub-Funds or classes of units reserved to institutional investors (Class I units).

Note 5 - Changes in the investment portfolio

The statement of changes in the investment portfolio for the period covered by the financial statements is available free of charge upon request from the registered office of the AIFM / Management Company.

Note 6 - Events

On 12th February 2021, following regulatory approval by the Commission de Surveillance du Secteur Financier (the "CSSF") in Luxembourg, Apex Group Ltd. became the ultimate controlling shareholder of FundRock Management Company S.A and FundRock Management Company S.A is as of this date a subsidiary of Apex Group Ltd. FundRock Management Company S.A has not changed its name or its operations.

Elite Fund

Notes to the financial statements (continued)

as at 31st December 2021

COVID-19

The widespread outbreak in early 2020 of an infectious respiratory illness, COVID-19, caused an ongoing global pandemic resulting in significant economic impact. Certain markets have experienced temporary closures, extreme volatility, severe losses, reduced liquidity and increased trading costs. COVID-19 has therefore created market turmoil and increased market volatility generally and this has impacted the prices of all asset classes, resulting in an impact to the Net Asset Values of the Sub-Funds. Towards the end of second quarter of 2020, financial markets started returning to normal conditions, however service providers continued to reinforce business continuity planning and remote working. The financial statements reflect the position at 31st December 2021 and the results for the financial year then ended, therefore COVID-19 doesn't present any going concern issues for the Fund.

Note 7 - Subsequent events

Ukraine/Russia

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People by the Russian Federation. Announcements of additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24th February 2022. The sanctions, including suspension of trading in Russian securities in US, UK and EU stock exchanges had significant impact on Russian economy, foreign exchange rates for Russian Rubble and valuation of Russian assets.

Elite Fund

Additional information (unaudited)

as at 31st December 2021

1 - Risk management disclosure

1.1. Risk Profile

The current risk profile of the Sub-Funds as disclosed in the Prospectus has not been amended throughout the reporting period. The AIFM/Management Company monitors the overall risk profile of the Fund, including market, liquidity, counterparty as well as the level of the leverage.

No limits as set by the Board of Directors of the AIFM/Management Company as part of the risk profile have been exceeded or are likely to be exceeded by the Sub-Funds.

1.2. Risk Management systems

The risk monitoring is based on the risk management process adopted by the Board of the AIFM/Management Company and is performed independently from the portfolio management. No changes have been applied to the risk management procedures.

1.3. Leverage

In accordance with the Law of 12th July 2013 (the "2013 Law"), the maximum level of leverage which the AIFM is entitled to employ on behalf of Elite Fund is 110% in accordance with the commitment method and 110% in accordance with the gross method of the total assets.

The AIFM calculates the leverage on a gross and on a commitment method in accordance with Article 7 and Article 8 of the Commission Delegated Regulation EU/231/2013 (the "AIFM Regulation") on a monthly basis. The gross method converts all positions on derivative financial instruments into equivalent positions in the underlying assets, while the commitment method applies the same while allowing netting and hedging arrangements.

The level of leverage during the reporting period is disclosed below:

Sub-Fund	Internal Leverage - limit	Gross Method Leverage			
		Minimum	Average	Maximum	As at 31st December 2021
Elite Fund - Star Choice	110% Gross (110% Commitment)	91.28%	96.72%	99.72%	92.91%
		Commitment Method Leverage			
		Minimum	Average	Maximum	As at 31st December 2021
		98.51%	100.27%	102.25%	100.01%

2 - Remuneration disclosure

2.1. Remuneration of the Management Company

FundRock Management Company S.A. ("FundRock") has established and applies a remuneration policy in accordance with the ESMA Guidelines on sound remuneration policies under the UCITS V Directive (ESMA 2016/575) and AIFMD (ESMA 2016/579) and any related legal & regulatory provisions applicable in Luxembourg. The remuneration policy is aligned with the business strategy, objectives, values and interests of the Management Company and the Funds that it manages and of the investors in such Funds, and which includes, *inter alia*, measures to avoid conflicts of interest; and it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Funds that the Management Company manages.

Elite Fund

Additional information (unaudited) (continued)

as at 31st December 2021

FundRock ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that FundRock's employees who are identified as risk-takers under UCITS V are not remunerated based on the performance of the funds under management.

A paper version of the remuneration policy is made available free of charge to investors at FundRock's registered office. FundRock's remuneration policy can also be found at: <https://www.fundrock.com/policies-and-compliance/remuneration-policy/>

The amount of remuneration for the financial year ending 31st December 2021 paid by FundRock to its staff: EUR 11,293,609

Fixed remuneration: EUR 10,565,583

Variable remuneration: EUR 728,026

Number of beneficiaries: 135

The aggregated amount of remuneration for the financial year ending 31st December 2021 paid by FundRock to Identified staff/risk takers is EUR 2,622,285.

The total amount of remuneration is based on a combination of the assessment of the performance of the individual, the overall results of FundRock, and when assessing individual performance, financial as well as non-financial criteria are taken into account.

The Policy is subject to annual review by the Compliance Officer and the update is performed by HR department of FundRock and is presented for review to the Remuneration Committee and approval by the Board of FundRock.

2.2. Remuneration of the Investment Manager

The remuneration of Skandinaviska Enskilda Banken AB (publ) for the period from 1st January 2021 until 31st December 2021:

Number of employees: 16,347 employees

Total compensation to staff: MSEK 10,546

Of which compensation to management: MSEK 113

3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

During the reporting period, the Fund did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.

4 - Sustainability-related disclosures

The investments underlying this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.

