

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

Rhenman & Partners Fund

Investment Fund (F.C.P.), Luxembourg

R.C.S. Luxembourg K8



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.

Rhenman & Partners Fund

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Rhenman & Partners 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)

Depositary and Paying Agent

Skandinaviska Enskilda Banken AB (publ) - Luxembourg Branch
4, rue Peternelchen
L-2370 Howald

**Sub-Administrator including
Registrar and Transfer Agent**

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

Portfolio Manager

Rhenman & Partners Asset Management AB
Strandvägen 5A
SE-114 51 Stockholm

Rhenman & Partners Fund

Organisation (continued)

Auditor	PricewaterhouseCoopers, Société coopérative 2, rue Gerhard Mercator L-2182 Luxembourg
Placement and Distribution Agent	FundRock Management Company S.A. H2O building 33, rue de Gasperich L-5826 Hesperange
Prime Broker	Skandinaviska Enskilda Banken AB (publ) Kungsträdgårdsgatan 8 SE-106 40 Stockholm
Paying Agent in Sweden	Skandinaviska Enskilda Banken AB (publ) Kungsträdgårdsgatan 8 SE-106 40 Stockholm

Rhenman & Partners Fund

Report from the Investment Manager

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S – 2021 Annual Report

During the year ending 31st December 2021, the EUR unit class (IC1, EUR) increased by 12.8 percent, the SEK unit class (RC1, SEK) increased by 14.5 percent and the USD unit class (IC1, USD) increased by 5.8 percent.

The fund aims to hold approximately one-third each of small, medium and large-cap healthcare companies over time. This strategy allows for a balanced and diversified portfolio despite the focus on one specific industry. Diversification is further achieved through exposure to several different sub-sectors within the healthcare sphere: pharmaceuticals, biotechnology, medical technology, healthcare services and healthcare IT.

The overall stock market year was strong, with continued fiscal and monetary stimulus as the world recovered and gradually opened-up in the wake of the Covid-19 pandemic. Despite a strong overall performance, the differences between sectors, regions and individual stocks were significant, with major profit-generating companies benefiting at the expense of smaller, capital-intensive hopefuls. This was due to several factors, not least the rising fears of a tightening monetary policy.

One of the fund's key holdings was the US pharmaceutical company Horizon Therapeutics, a company specializing in the treatment of rare diseases. The company's two flagship products, Krystexxa, for the treatment of refractory gout, and Tepezza, an IGF-1R inhibitor for the treatment of thyroid eye disease caused by excessive levels of thyroid hormones, continued to grow strongly driven by significant medical need and few treatment options. UnitedHealth Group was the fund's next best contributor during the year. UnitedHealth is a fully integrated health insurance company that provides insurance across all markets in the US and provides care and care technology through its Optum segment. Investors began discounting a higher growth profile given the significant investments the company has made in its provider and technology segment. This together with a favorable political backdrop served the company well during the year.

One of the worst contributors to the fund's performance in 2021 was the US healthcare technology company Teladoc Health. Teladoc Health is the largest independent virtual care provider in the United States. During the pandemic, the company benefited from its position as a market leader in the widespread transition to virtual online care solutions. However, the high expectations from public investors coupled with the pandemic waning and competition increasing, meant that the company failed to deliver on expectations and the share price decreased significantly during the year. The second worst contributor to the fund's performance was the US biotechnology company Biogen. Following the initial positive reaction that followed the FDA's controversial decision in June to approve Aduhelm for treating Alzheimer's, the share price fell back during the second half of the year. This was due to both prescribing physicians and payers being hesitant about the treatment due to the lack of clear clinical data. The launch therefore turned out worse than expected, causing forecasts to be revised down. In addition, competition increased on several fronts as Eli Lilly, Roche and Eisai/Bioarctic made progress on their respective drug candidates with similar mechanisms of action.

Looking forward, the healthcare sector will undeniably be affected by the midterm elections in the United States in 2022. As for now, the Build Back Better bill seems to be deadlocked in Congress. The political outlook aside, inflation trends, supply-chain issues, geopolitical risks and tightening monetary policy will be critical to stock market developments. The biotechnology sector is without question a wild card that could perform quite well if the major pharmaceutical companies start buying up more of these smaller companies. The pace of innovation remains high, and we are finding strong valuation support, especially in the pharmaceutical and healthcare services sector. Given the increasing macroeconomic and geopolitical risks, the interest from generalists should rise as the healthcare sector has defensive qualities. We are therefore balancing, on the one hand, a positive view on our sector with a, on the other hand, less positive view on the economic outlook overall.

Luxembourg, 20th April 2022

The Investment Manager

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



Audit report

To the Unitholders of
Rhenman & Partners Fund

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Rhenman & Partners 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, 3 June 2022

Philippe Sergiel

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statement of net assets (in EUR)

as at 31st December 2021

Assets

Investments

Securities portfolio at market value	1,598,110,640.43
	<u>1,598,110,640.43</u>

Cash and cash equivalents

Cash at banks	334,839.61
	<u>334,839.61</u>

Receivables

Receivable on sales of securities	5,573,712.65
Income receivable on portfolio	448,334.87
Prepaid expenses	848.25
	<u>6,022,895.77</u>

Total assets

1,604,468,375.81

Liabilities

Payables

Short sales of securities at market value	165,805,316.68
Payable on purchases of securities	4,969,377.96
Income payable on short position on portfolio	357,311.02
Bank interest payable	330,543.49
Expenses payable	8,425,961.80
	<u>179,888,510.95</u>

Borrowings

Bank overdrafts	18,663.43
Collateralized debt at banks	421,179,612.20
	<u>421,198,275.63</u>

Total liabilities

601,086,786.58

Total net assets at the end of the year

1,003,381,589.23

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 EUR)
IC1 (EUR)	98,739.010	EUR	880.28	86,918,392.21
IC1 (USD)	137,546.823	USD	223.90	27,091,213.86
IC2 (SEK)	226,949.021	SEK	660.56	14,562,836.13
IC2 (USD)	39,402.332	USD	306.45	10,621,804.87
IC3 (EUR)	52,233.719	EUR	1,098.35	57,371,133.17
IC4 (EUR)	272,669.350	EUR	713.00	194,414,191.51
ID1 (SEK)	1,257,241.180	SEK	434.40	53,054,154.60
RC1 (EUR)	13,266.121	EUR	759.14	10,070,813.41
RC1 (SEK)	3,091,870.284	SEK	780.47	234,415,951.62
RC2 (SEK)	3,605,913.833	SEK	824.34	288,754,846.75
RC2 (USD)	209,125.186	USD	141.91	26,106,251.10
				<u><u>1,003,381,589.23</u></u>

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

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statement of operations (in EUR)

from 1st January 2021 to 31st December 2021

Income

Investment income

Dividends, net	10,982,856.52
	<u>10,982,856.52</u>

Realised gain on investments

- on securities portfolio	201,949,444.60
- on option contracts	1,456,857.83
	<u>203,406,302.43</u>

Unrealised gains on investments

- on securities portfolio	245,757,841.82
	<u>245,757,841.82</u>

Total income

460,147,000.77

Expenses

Investment advisory or management fees

Management fees	15,701,060.27
Performance fees	26,671,214.94
	<u>42,372,275.21</u>

Other expenses

Depository fees	191,555.33
Banking charges and other fees	2,665,935.45
Transaction fees	738,330.80
Central administration costs	649,576.88
Professional fees	22,854.85
Other administration costs	56,939.91
Subscription duty ("taxe d'abonnement")	314,439.88
Bank interest paid	9,730.35
Dividends paid on short sales of securities	1,392,790.87
Interest paid on collateralized debt at banks	3,374,059.80
Other fees	1,155.96
	<u>9,417,370.08</u>

Realised loss on investments

- on securities portfolio	68,342,752.00
- on option contracts	71,830.86
- on foreign exchange	23,348,465.48
	<u>91,763,048.34</u>

Unrealised loss on investments

- on securities portfolio	201,673,552.30
	<u>201,673,552.30</u>

Total expenses

345,226,245.93

Net income

114,920,754.84

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

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statement of changes in net assets (in EUR)

from 1st January 2021 to 31st December 2021

Net income	114,920,754.84
Dividends paid	-2,410,245.17
Subscriptions	114,835,557.83
Redemptions	-105,864,845.66
Total changes in net assets	<u>121,481,221.84</u>
Total net assets at the beginning of the year	<u>881,900,367.39</u>
Total net assets at the end of the year	<u><u>1,003,381,589.23</u></u>

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

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statistical information (in EUR)

as at 31st December 2021

Total net assets	Currency	31.12.2019	31.12.2020	31.12.2021
	EUR	740,528,970.30	881,900,367.39	1,003,381,589.23

Net asset value per unit class	Currency	31.12.2019	31.12.2020	31.12.2021
IC1 (EUR)	EUR	666.08	780.13	880.28
IC1 (USD)	USD	168.74	211.68	223.90
IC2 (SEK)	SEK	504.24	572.33	660.56
IC2 (USD)	USD	228.86	288.47	306.45
IC3 (EUR)	EUR	793.38	953.10	1,098.35
IC4 (EUR)	EUR	514.46	618.34	713.00
ID1 (SEK)	SEK	370.83	397.12	434.40
RC1 (EUR)	EUR	579.39	675.64	759.14
RC1 (SEK)	SEK	605.94	681.93	780.47
RC2 (SEK)	SEK	634.95	717.54	824.34
RC2 (USD)	USD	106.10	133.64	141.91

Number of units	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
IC1 (EUR)	92,091.116	12,427.761	-5,779.867	98,739.010
IC1 (USD)	95,992.338	51,237.685	-9,683.200	137,546.823
IC2 (SEK)	226,949.021	-	-	226,949.021
IC2 (USD)	39,402.332	-	-	39,402.332
IC3 (EUR)	56,034.070	-	-3,800.351	52,233.719
IC4 (EUR)	272,507.627	161.723	-	272,669.350
ID1 (SEK)	1,259,709.036	100,828.958	-103,296.814	1,257,241.180
RC1 (EUR)	13,826.798	1,331.126	-1,891.803	13,266.121
RC1 (SEK)	3,074,492.437	500,086.848	-482,709.001	3,091,870.284
RC2 (SEK)	3,628,957.837	705,401.805	-728,445.809	3,605,913.833
RC2 (USD)	209,125.186	-	-	209,125.186

Dividends paid	Currency	Dividend per unit class	Ex-dividend date
ID1 (SEK)	SEK	19.86	26.02.2021

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statement of investments and other net assets (in EUR)

as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<u>Securities: investments and short positions</u>					
<u>Transferable securities admitted to an official stock exchange listing</u>					
Shares					
AUD	30,000	CSL Ltd	1,358,136.00	5,576,821.82	0.56
CHF	99,536	Roche Holding Ltd Pref	29,019,593.00	36,444,070.79	3.63
CHF	7,000	Straumann Holding AG Reg	6,052,925.54	13,095,454.44	1.30
			35,072,518.54	49,539,525.23	4.93
DKK	17,820	Alk-Abello A/S B	1,934,265.38	8,217,898.03	0.82
DKK	56,462	Genmab A/S	9,847,577.30	19,965,074.48	1.99
DKK	300,000	Novo Nordisk AS B	23,197,050.67	29,646,096.79	2.96
			34,978,893.35	57,829,069.30	5.77
EUR	50,000	Argenx SE	7,475,863.15	15,765,000.00	1.57
EUR	53,000	Merck KGaA	6,547,151.42	12,031,000.00	1.20
EUR	165,000	Orpea SA	16,813,398.70	14,536,500.00	1.45
EUR	285,000	Sanofi SA	23,650,936.98	25,245,300.00	2.52
EUR	180,000	UCB	15,739,641.28	18,063,000.00	1.80
EUR	250,000	Valneva SE	5,686,866.29	6,125,000.00	0.61
			75,913,857.82	91,765,800.00	9.15
GBP	500,000	Faron Pharmaceuticals Oy	1,883,064.84	1,593,105.10	0.16
JPY	201,000	Chugai Pharmaceutical Co Ltd	1,640,939.10	5,733,326.48	0.57
JPY	50,000	Ono Pharmaceutical Co Ltd	1,215,236.78	1,090,556.62	0.11
JPY	161,000	Santen Pharmaceutical Co Ltd	1,691,894.12	1,729,975.62	0.17
JPY	430,000	Takeda Pharmaceutical Co Ltd	12,328,118.25	10,301,559.70	1.03
JPY	112,000	Terumo Corp	1,062,500.64	4,156,945.22	0.41
			17,938,688.89	23,012,363.64	2.29
NOK	999,000	CSAM Health Group AS	6,422,294.61	8,566,345.58	0.85
SEK	300,000	AstraZeneca Plc	25,381,866.15	30,972,844.87	3.09
SEK	450,000	BioInvent Intl AB	2,108,094.48	2,019,588.02	0.20
SEK	12,677,034	Episurf Medical AB B	4,928,718.55	5,603,215.80	0.56
SEK	616,018	Sedana Medical AB	4,728,077.67	5,867,448.65	0.59
			37,146,756.85	44,463,097.34	4.44
USD	530,000	1Life Healthcare Inc Reg	16,069,455.14	8,191,502.46	0.82
USD	140,000	Abbott Laboratories	13,056,593.55	17,332,512.32	1.72
USD	335,000	AbbVie Inc	26,704,484.42	39,900,598.17	3.98
USD	52,000	Abiomed Inc	11,898,856.76	16,429,310.34	1.64
USD	210,000	Accolade Inc Reg	7,481,122.02	4,869,458.13	0.49
USD	750,000	Aerie Pharmaceuticals Inc	17,483,831.71	4,631,421.53	0.46
USD	15,000	Align Technology Inc	8,512,219.70	8,671,446.16	0.86
USD	210,000	Alkermes Plc	5,302,314.30	4,296,798.03	0.43
USD	175,000	Alnylam Pharmaceuticals Inc	21,267,707.25	26,105,295.57	2.60
USD	218,000	AmerisourceBergen Corp	21,627,546.20	25,483,831.81	2.54
USD	250,000	Annexon Inc Reg	5,323,096.94	2,526,829.70	0.25
USD	92,000	Anthem Inc	23,531,521.19	37,513,793.10	3.74
USD	430,000	Apellis Pharmaceuticals Inc Reg	11,604,321.16	17,883,884.59	1.78
USD	315,000	Axonics Inc Reg	8,351,874.85	15,517,241.38	1.55
USD	91,000	Becton Dickinson & Co	19,392,637.47	20,130,788.18	2.01
USD	115,000	Biogen Inc	34,284,876.76	24,270,584.10	2.42
USD	150,000	Biohaven Pharm Hg Co Ltd Reg	8,261,806.08	18,183,937.37	1.81
USD	265,000	BioMarin Pharmaceutical Inc	19,106,248.14	20,595,311.40	2.05
USD	910,000	Boston Scientific Corp	30,556,372.27	34,004,926.11	3.39
USD	255,000	Centene Corp	13,117,945.71	18,483,462.35	1.84
USD	140,000	Cigna Corp Reg	24,139,826.87	28,279,556.65	2.82
USD	54,260	Cooper Companies Inc (The)	15,540,553.00	19,996,203.73	1.99
USD	410,000	CVS Health Corp	23,816,898.28	37,205,840.96	3.71
USD	150,000	Cytokinetics Inc	4,819,961.07	6,014,250.53	0.60
USD	36,000	Danaher Corp	9,931,694.07	10,419,035.89	1.04
USD	60,000	Deciphera Pharmaceuticals Inc Reg	2,852,102.93	515,657.99	0.05
USD	750,000	Dynavax Technologies Corp	4,345,724.92	9,282,635.47	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.

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statement of investments and other net assets (in EUR) (continued)

as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
					*
USD	100,000	Edwards Lifesciences Corp	5,462,168.27	11,396,023.93	1.14
USD	170,000	Eli Lilly & Co	26,318,639.57	41,306,650.25	4.12
USD	265,000	Epizyme Inc Reg	3,045,279.08	582,776.21	0.05
USD	1,000,000	Esperion Therapeutics Inc	23,114,435.23	4,398,311.05	0.43
USD	420,000	Essa Pharma Inc	4,328,360.21	5,246,305.42	0.52
USD	110,000	Exact Sciences Corp Reg	8,898,091.18	7,531,052.07	0.75
USD	200,000	FibroGen Inc	6,903,166.91	2,480,647.43	0.24
USD	325,000	G1 Therapeutics Inc Reg	7,425,293.91	2,918,939.13	0.29
USD	275,000	Gilead Sciences Inc	17,641,762.96	17,564,875.09	1.75
USD	175,000	Glaukos Corp	7,525,782.89	6,841,133.00	0.68
USD	200,000	Guardant Health Inc Reg	16,939,255.83	17,596,762.85	1.76
USD	220,000	Harmony Biosciences Hgs Inc	5,759,547.28	8,251,935.26	0.82
USD	59,000	HCA Healthcare Inc	5,917,708.90	13,334,166.08	1.33
USD	240,000	Health Catalyst Inc Reg	9,940,889.91	8,364,532.02	0.83
USD	425,000	Horizon Therapeutics Plc	13,046,166.96	40,286,769.88	4.02
USD	55,000	Humana Inc	17,020,598.39	22,442,206.19	2.24
USD	90,000	Immunocore Hgs PLC ADR DR	2,928,491.43	2,710,767.07	0.27
USD	1,500,000	ImmunoGen Inc Reg	8,300,334.56	9,790,640.40	0.98
USD	150,000	Innovage Hg Corp	2,453,549.76	659,746.66	0.07
USD	46,373	Inspire Medical Systems Inc	9,900,009.43	9,384,739.95	0.94
USD	390,000	Intra-Cellular Therapies Inc	7,125,237.77	17,956,192.82	1.79
USD	40,000	Intuitive Surgical Inc	8,546,301.74	12,642,505.27	1.26
USD	75,000	Ionis Pharmaceuticals Inc	3,304,876.03	2,007,609.08	0.20
USD	600,000	Iovance Biotherapeutics Inc Reg	9,878,780.06	10,075,650.95	1.01
USD	350,000	Iveric Bio Inc	4,114,728.50	5,147,783.25	0.51
USD	290,000	Jazz Pharmaceuticals Plc	34,791,527.68	32,500,000.00	3.24
USD	253,000	Johnson & Johnson	35,477,992.63	38,072,405.00	3.79
USD	300,653	Macrogenics Inc	4,602,417.62	4,244,792.97	0.42
USD	177,000	McKesson Corp	29,198,597.85	38,702,401.48	3.86
USD	296,000	Medtronic Plc Reg	26,639,021.64	26,936,312.46	2.69
USD	450,000	MeiraGTx Holdings Reg Plc	6,590,388.56	9,397,431.39	0.94
USD	300,000	Merck & Co Inc	20,021,160.45	20,225,193.53	2.01
USD	150,000	Mirati Therapeutics Inc Reg	20,143,628.96	19,355,647.44	1.92
USD	250,000	Myovant Sciences Ltd Reg	3,921,437.90	3,424,085.15	0.34
USD	950,000	Nektar Therapeutics	20,787,149.51	11,290,024.63	1.13
USD	151,100	Neurocrine Biosciences Inc	11,535,873.46	11,320,537.47	1.13
USD	120,387	NovoCure Ltd Reg	11,079,058.27	7,950,964.07	0.79
USD	220,000	Oak StreEt Health Inc Reg	8,421,887.68	6,413,441.24	0.64
USD	500,000	Olema Pharmaceuticals Inc	7,196,336.51	4,116,819.14	0.41
USD	140,000	Olink Holding AB ADR DR	3,939,591.79	2,241,379.31	0.22
USD	1,000,000	Pfizer Inc	40,135,403.01	51,944,053.48	5.18
USD	186,210	Phathom Pharmaceuticals Inc Reg	6,204,426.67	3,221,983.37	0.32
USD	123,465	Phreesia Inc Reg	5,614,008.81	4,524,588.23	0.45
USD	300,000	Pieris Pharmaceuticals Inc Reg	1,824,711.36	997,536.95	0.10
USD	580,000	Privia Health Group Inc	13,900,128.67	13,198,979.59	1.32
USD	101,262	Progyny Inc	4,533,766.46	4,484,994.46	0.45
USD	550,000	R1 RCM Inc Reg	11,764,847.57	12,332,424.35	1.23
USD	196,087	Rapid Micro Biosystems Inc	2,815,602.89	1,835,297.04	0.18
USD	1,520,000	Rigel Pharmaceuticals Inc	4,112,492.72	3,543,279.38	0.36
USD	115,000	Sage Therapeutics Inc	5,511,131.48	4,303,395.50	0.43
USD	765,000	Sangamo Therapeutics Inc Reg	9,692,122.78	5,047,061.93	0.50
USD	127,000	Seattle Genetics Inc Reg	11,639,299.25	17,271,463.76	1.72
USD	34,000	ShockWave Medical Inc Reg	2,889,088.08	5,333,585.50	0.53
USD	200,000	Silk Road Medical Inc Reg	7,452,581.27	7,496,481.35	0.75
USD	800,000	Stereotaxis Inc	3,368,616.57	4,363,124.56	0.44
USD	125,000	Teladoc Health Inc Reg	19,626,786.65	10,096,323.02	1.00
USD	210,000	Tenet Healthcare Corp Reg	11,866,127.14	15,090,517.24	1.50
USD	44,000	Thermo Fisher Scientific Inc	16,691,663.63	25,825,615.76	2.57
USD	113,000	United Health Group Inc	29,076,128.21	49,913,634.77	4.97
USD	60,000	Veeva Syst Inc	13,566,145.29	13,484,166.08	1.34
USD	165,000	Vertex Pharmaceuticals Inc	25,139,795.14	31,873,680.51	3.18
USD	775,000	ViewRay Inc Reg	4,302,128.17	3,756,377.55	0.37

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

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

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statement of investments and other net assets (in EUR) (continued)

as at 31st December 2021

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
USD	60,000	Vocera Communications Inc	3,135,477.68	3,422,237.86	0.34
USD	450,000	Xencor Inc	12,202,164.23	15,881,421.53	1.58
USD	90,000	Zimmer Biomet Hgs Inc	11,868,542.67	10,057,705.84	1.00
			<u>1,167,500,306.43</u>	<u>1,313,146,200.22</u>	<u>130.86</u>
Total shares			1,378,214,517.33	1,595,492,328.23	159.01
Warrants and rights					
SEK	50,976	Episurf Medical AB Call Wts 23.05.23 Ser TO4B	0.00	15,747.12	0.00
Total warrants and rights			<u>0.00</u>	<u>15,747.12</u>	<u>0.00</u>
<u>Transferable securities dealt in on another regulated market</u>					
Shares					
SEK	974,228	Bio-Works Technologies AB Reg	896,377.94	2,602,565.08	0.26
Total shares			<u>896,377.94</u>	<u>2,602,565.08</u>	<u>0.26</u>
<u>Short positions in open-ended investment funds</u>					
Tracker funds (UCI)					
USD	-770,000	Health Care Select Sector SPDR Fd (The)	-49,048,568.87	-95,430,418.72	-9.51
USD	-335,000	iShares Trust Nasdaq Biotech ETF Dist	-32,454,375.96	-44,975,105.56	-4.48
USD	-257,900	SPDR Ser Trust S&P Biotech ETF Dist	-21,118,417.52	-25,399,792.40	-2.53
Total tracker funds (UCI)			<u>-102,621,362.35</u>	<u>-165,805,316.68</u>	<u>-16.52</u>
Total securities: investments and short positions			1,276,489,532.92	1,432,305,323.75	142.75
Cash at banks and cash collateralized at banks				334,839.61	0.03
Bank overdrafts and collateralized debt at banks				-421,198,275.63	-41.98
Other net assets/(liabilities)				-8,060,298.50	-0.80
Total				<u>1,003,381,589.23</u>	<u>100.00</u>

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

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

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

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

Industrial classification

(in percentage of net assets)

Healthcare	150.40 %
Non-cyclical consumer goods	6.40 %
Financials	0.85 %
Industrials	0.83 %
Technologies	0.45 %
Telecommunications services	0.34 %
Investment funds	-16.52 %
Total	<u>142.75 %</u>

Geographical classification

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

United States of America	99.07 %
Ireland	10.38 %
Denmark	5.77 %
Switzerland	4.93 %
France	4.58 %
United Kingdom	3.36 %
Japan	2.29 %
Sweden	1.83 %
British Virgin Islands	1.81 %
Belgium	1.80 %
The Netherlands	1.57 %
Germany	1.20 %
Cayman Islands	0.94 %
Norway	0.85 %
Jersey	0.79 %
Australia	0.56 %
Canada	0.52 %
Bermuda	0.34 %
Finland	0.16 %
Total	<u>142.75 %</u>

Rhenman & Partners Fund

Notes to the financial statements

as at 31st December 2021

Note 1 - General information

Rhenman & Partners Fund (the "Fund") is an open-ended mutual investment fund set up under the laws of the Grand Duchy of Luxembourg as a "*Fonds Commun de Placement*" ("FCP") 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 managed by FundRock Management Company S.A. (the "Management Company"), a management company incorporated under chapter 15 of the amended 2010 Law, relating to Undertakings for Collective Investment and having its registered office in Luxembourg. The Management Company also acts as Alternative Investment Fund Manager (the "AIFM") in accordance with the provisions of Chapter 2 of the 2013 Law.

The Fund is set up in accordance with Management Regulations signed in Luxembourg on 5th June 2009 and which have been deposited with the Luxembourg "*Registre de Commerce et des Sociétés*". A notice of such deposit was published in the "*Mémorial C, Recueil des Sociétés et Associations*" (the "*Mémorial*") on 18th June 2009. A notice of the amendment of the Management Regulations has been published for the last time on 26th June 2018. On 1st June 2016, the Luxembourg "*Mémorial C*" has been replaced by RESA ("*Recueil Electronique des Sociétés et Associations*"), the new official electronic platform of central publication regarding companies and associations. Publications made after 1st June 2016 are available on this new platform accessible through the website of the RCS.

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

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

The Net Asset Value per unit of the Sub-Fund is calculated monthly as of the last Business Day of each month in Luxembourg ("Valuation Day"), under the overall responsibility of the AIFM.

The Net Asset Value per unit of each class, subscription and redemption prices in the Sub-Fund are available at the registered office of the AIFM.

Financial reports of the Fund are published annually and semi-annually. These reports, as well as the sales prospectus and other information concerning the Fund are available at the registered office of the Management Company, the Placement and Distribution Agent or its Agents and the Depositary.

Note 2 - Significant accounting policies

a) Presentation of the financial statements

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

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

b) Valuation

- 1) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2021

- 2) The value of assets, which are listed or dealt in on any stock exchange, is based on the last available price of the last business day on the stock exchange, which is normally the principal market for such assets.
- 3) The value of assets dealt in on any other regulated market which is recognised, operating regularly and open to the public (a "Regulated Market") is based on the closing price of the last business day.
- 4) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (2) or (3) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the AIFM.
- 5) The liquidating value of options contracts not traded on exchanges or on other Regulated Markets is their net liquidating value determined, pursuant to the policies established by the AIFM, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on exchanges or on other Regulated Markets are based upon the closing prices of these contracts on the last business day on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors of the AIFM may deem fair and reasonable.
- 6) Units or shares of open-ended underlying funds are valued at their last determined and available Net Asset Value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors of the AIFM on a fair and equitable basis and in good faith. Exchange Traded Funds ("ETFs") are priced as assets listed or dealt in on any stock exchange.
- 7) All other securities and other assets are valued at fair market value as determined in good faith pursuant to the procedures established by the AIFM.

c) Net realised gain/(loss) on securities portfolio

The net realised gain/(loss) on securities portfolio is determined on the basis of the average cost of securities sold.

d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Sub-Fund is converted to 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.

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

1	EUR	=	1.5639015	AUD	Australian Dollar
			1.0353974	CHF	Swiss Franc
			7.4377413	DKK	Danish Krona
			0.8395554	GBP	Pound Sterling
			8.8628339	HKD	Hong Kong Dollar
			130.9423078	JPY	Japanese Yen
			10.0292475	NOK	Norwegian Krona
			10.2941787	SEK	Swedish Krona
			1.1368000	USD	US Dollar

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2021

f) Formation expenses

Expenses incurred in connection with the establishment of the Fund and the creation of the Sub-Fund are amortised over a period of five years. Formation expenses were fully amortised on a straight line basis over a period of five years.

g) Investment income

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

h) Interest income

Interest income is recognized on an accrual basis.

i) Short sales

When a Sub-Fund engages in a short sale, an amount equal to the proceeds received by the Sub-Fund is reflected as an asset and equivalent liability. The amount of the liability is subsequently marked to market to reflect the market value of the short sale. The Sub-Fund is exposed to the risk of depreciation to the extent that the market value of the security sold short exceeds the proceeds of the short sales.

Securities sold short are borrowed from the prime broker.

j) Options contracts

Premiums received on issued options are disclosed under the item "Short option contracts at market value" in the statement of net assets and are presented as cost received in the statement of investments and other net assets.

Open option contracts outstanding at the date of the financial statements are valued at the last settlement or closing price on the stock exchanges or regulated markets. Realised gains and losses, unrealised gains and losses are disclosed in the statement of operations.

k) 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 and of fees relating to transactions paid to the depositary as well as of transaction fees on financial instruments and derivatives.

Note 3 - Subscription, Redemption and Conversion fees

For the Sub-Fund Rhenman & Partners Fund - Rhenman Healthcare Equity L/S:

The Offer price per unit as well as the Redemption price per unit is equivalent to the Net Asset Value per unit of the relevant class (or Gross Net Asset Value with respect to the subscription of Class IC2 Units) increased by the subscription fee of the respective unit class for subscriptions and decreased by the redemption fee of the respective unit class for redemptions as indicated hereafter:

	Subscription fee	Redemption fee	Conversion fee
Unit class R	max 3%	max 3%	max 3%
Unit class I	max 3%	max 3%	max 3%

The subscription, redemption and conversion fee will revert to the Placement and Distribution Agent, i.e. FundRock Management Company S.A..

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2021

Since the new Prospectus was launched in February 2021, no subscription, redemption or conversion fees will be levied.

Note 4 - Central administration costs

Central administration fees are disclosed in the item "Central administration costs" in the statement of operations.

Note 5 - Depositary fees

The Depositary fees are disclosed in the item "Depositary fees" in the statement of operations. This item includes also the Supervisor fees.

Note 6 - Management fees

The AIFM is entitled to receive out of the Sub-Fund's assets a management fee of 0.075% p.a., consisting of an infrastructure fee (0.025% p.a. with a maximum of EUR 75.000 p.a.) and the AIFM fee (0.05% p.a.).

The Portfolio Manager receives out of the Sub-Fund's assets an annual portfolio management services fees, calculated for each Valuation Day, consisting of (a) the investment management fee paid out monthly of:

- 2.0% p.a. for the classes RC1 (EUR), RC1 (SEK),
- 1.5% p.a. for the classes RC2 (SEK), IC1 (EUR), IC1 (USD), ID1 (SEK),
- 0.75% p.a. for the classes IC3 (EUR),
- 1.0% p.a. for the classes IC2 (SEK), IC2 (USD) and RC2 (USD),
- 0.75% p.a. for the classes IC4 (EUR).

and of (b) the research fee of maximum 0.30% p.a. paid out quarterly in arrears.

Note 7 - Performance fees

The Portfolio Manager is also entitled to receive a performance fee, payable out of the Sub-Fund's assets.

Calculation of the performance fee for all classes except for Class IC4 (EUR)

The performance fee is calculated and accrued monthly in the respective unit classes as described below and is paid out quarterly in arrears. The first period ended on 30th June 2009 and being followed by each successive quarter thereafter (the "Calculation Period").

For each Calculation Period, the performance fee in respect of each unit is equal to 20% of the appreciation in the Gross Asset Value per each Unit of that class during the Calculation Period above the Base Net Asset Value per each Unit of that class. For Class D Units the Gross Net Asset Value (GNAV) used for the calculation of the Performance Fee will be adjusted by any dividend distributions made during the relevant Calculation Period.

The Gross Net Asset Value is calculated after the accrual of all fees but prior to the accrual of any Performance Fee on the relevant Valuation Day.

The Base Net Asset Value per each Unit is the greater of the Net Asset Value of that Unit at the time of issue of that Unit Class multiplied by the 3 months EURO Interbank Offered Rate on the last business day of the previous calculation period adjusted for monthly return and the highest Gross Net Asset Value of that Unit achieved as of the end of any previous Calculation Period (if any) during which such Unit was in issue multiplied by the 3 months EURO Interbank Offered Rate for the relevant calculation period adjusted for monthly return. The calculation cannot be based on a negative EURO Interbank Offered Rate.

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2021

For the Class IC2 Units, certain adjustments will be made to reduce inequities that would occur for investors subscribing for Units at a time when the Net Asset Value per Unit is other than the Peak Net Asset Value per Unit (Equalisation).

For Class IC4 (EUR)

For Class IC4 (EUR) Units, the performance fee is calculated and accrued monthly and is paid out annually in arrears. The Calculation Period will start on 1st January and end on 31st December each year. For each Calculation Period, the performance fee in respect of each unit is equal to 10%.

The Portfolio Manager shall be entitled to a Performance Fee if the Sub-Fund produces an excess performance, defined as any positive difference between the performance of the current Gross Net Asset Value (GNAV) per Unit and the Base Net Asset Value per Unit for the same calculation period. If the difference is negative, excess performance is defined to be zero, and in such case the Portfolio Manager is not entitled to a Performance Fee and the negative performance at the end of any Calculation Period will not be carried forward to the next Calculation Periods. A Performance Fee will only be paid if the excess performance is above a 5% annual hurdle rate and if that is the case the Performance Fee will be calculated on the entire difference between the GNAV and the Base Net Asset Value.

The GNAV is calculated after the accrual of all fees but prior to the accrual of any Performance Fee on the relevant Valuation Day.

The Base Net Asset Value per each Unit is equal to the Net Asset Value of that Unit at the end of the previous Calculation Period.

In the case of Units redeemed during a Calculation Period, the accrued Performance Fee in respect of those Units shall be crystallized and subsequently paid to the Portfolio Manager at the end of the Calculation Period.

Sub-Fund	Unit class	Performance fee amount in Sub-Fund currency	Performance fee ratio in % of average total net assets	
RHENMAN & PARTNERS FUND - RHENMAN HEALTHCARE EQUITY L/S	RC1 (SEK)	7,499,058.87	3.29%	
	RC2 (SEK)	9,322,080.90	3.42%	
	IC1 (EUR)	2,383,580.46	2.95%	
	RC1 (EUR)	283,805.12	2.89%	
	IC3 (EUR)	872,377.27	1.56%	
	IC4 (EUR)	2,867,980.63	1.56%	
	IC2 (SEK)	489,473.49	3.52%	
	IC2 (USD)	214,402.16	2.13%	
	ID1 (SEK)	1,719,324.43	3.42%	
	IC1 (USD)	492,172.85	2.04%	
	RC2 (USD)	526,958.76	2.13%	
			<u>26,671,214.94</u>	
			EUR	

Note 8 - 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.

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2021

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-Fund or classes of units reserved to institutional investors (Class I units).

Note 9 - Pledged assets

At the date of the financial statements, the following securities serve as pledged assets in relation to collateralized debt at banks, short sales and security borrowing operations. The counterparty of the following positions is Skandinaviska Enskilda Banken AB (publ), Stockholm.

Description	Currency	Quantity	Market value (in EUR)
Roche Holding Ltd Pref	CHF	85,000	31,121,865.63
Straumann Holding AG Reg	CHF	4,040	7,557,947.99
Merck KGaA	EUR	40,000	9,080,000.00
Genmab A/S	DKK	42,500	15,028,083.76
Alk-Abello A/S B	DKK	17,814	8,215,131.06
Novo Nordisk AS B	DKK	37,266	3,682,638.14
AstraZeneca Plc	SEK	299,293	30,899,852.20
Jazz Pharmaceuticals Plc	USD	230,000	25,775,862.07
Alkermes Plc	USD	209,354	4,283,580.26
Horizon Therapeutics Plc	USD	350,000	33,177,339.90
Medtronic Plc Reg	USD	280,000	25,480,295.57
Abbott Laboratories	USD	100,000	12,380,365.94
AbbVie Inc	USD	335,000	39,900,598.17
Abiomed Inc	USD	52,000	16,429,310.34
Accolade Inc Reg	USD	188,246	4,365,028.64
Aerie Pharmaceuticals Inc	USD	255,098	1,575,288.49
Alnylam Pharmaceuticals Inc	USD	60,715	9,057,045.83
AmerisourceBergen Corp	USD	188,000	21,976,882.48
Anthem Inc	USD	93,000	37,921,551.72
Becton Dickinson & Co	USD	68,000	15,042,786.77
BioMarin Pharmaceutical Inc	USD	160,000	12,434,905.00
Biogen Inc	USD	115,000	24,270,584.10
Boston Scientific Corp	USD	730,000	27,278,676.99
Cigna Corp Reg	USD	140,000	28,279,556.65
CVS Health Corp	USD	410,000	37,205,840.96
Centene Corp	USD	255,000	18,483,462.35
Cooper Companies Inc (The)	USD	45,000	16,583,655.88
Edwards Lifesciences Corp	USD	85,000	9,686,620.34
Epizyme Inc Reg	USD	204,205	449,078.55
Esperion Therapeutics Inc	USD	420,259	1,848,429.80
Exact Sciences Corp Reg	USD	75,000	5,134,808.23
FibroGen Inc	USD	125,000	1,550,404.64
G1 Therapeutics Inc Reg	USD	90,382	811,752.48
Gilead Sciences Inc	USD	275,000	17,564,875.09

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2021

Description	Currency	Quantity	Market value (in EUR)
Guardant Health Inc Reg	USD	154,600	13,602,297.68
HCA Healthcare Inc	USD	59,000	13,334,166.08
Humana Inc	USD	38,632	15,763,405.63
ImmunoGen Inc Reg	USD	516,952	3,374,194.09
Intuitive Surgical Inc	USD	33,000	10,430,066.85
Iovance Biotherapeutics Inc Reg	USD	250,000	4,198,187.90
Johnson & Johnson	USD	253,000	38,072,405.00
Eli Lilly & Co	USD	160,625	39,028,709.98
McKesson Corp	USD	60,000	13,119,458.13
Merck & Co Inc	USD	255,000	17,191,414.50
Mirati Therapeutics Inc Reg	USD	75,000	9,677,823.72
Neurocrine Biosciences Inc	USD	50,000	3,746,041.52
Pfizer Inc	USD	630,000	32,724,753.69
Rigel Pharmaceuticals Inc	USD	1,400,000	3,263,546.80
Seattle Genetics Inc Reg	USD	127,000	17,271,463.76
Teladoc Health Inc Reg	USD	60,000	4,846,235.05
Thermo Fisher Scientific Inc	USD	44,000	25,825,615.76
United Health Group Inc	USD	120,000	53,005,629.84
Vertex Pharmaceuticals Inc	USD	150,000	28,976,073.19
Xencor Inc	USD	159,978	5,645,951.23
Zimmer Biomet Hgs Inc	USD	90,000	10,057,705.84
			<u>917,689,252.26</u>

Note 10 - Collateralized debt at banks

Collateralized debt at banks is money borrowed from Skandinaviska Enskilda Banken AB (publ), Stockholm to leverage the portfolio.

Sub-Fund	Currency	Amount
Rhenman & Partners Fund - Rhenman Healthcare Equity L/S	EUR	421,179,612.20

Note 11 - Changes in the investment portfolio

The statement of changes in the investment portfolio for the period covered by the report is available free of charge upon request from the registered office of the AIFM.

Note 12 - 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-Fund. 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 Company.

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2021

Note 13 - 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.

The accounts of the Sub-Fund Rhenman & Partners Fund - Rhenman Global Opportunities L/S were closed on 22nd June 2021.

Note 14 - Subsequent events

There are no significant subsequent events.

Rhenman & Partners 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 has been reviewed during the reporting period without material changes. 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-Fund.

1.2. Risk Management systems

The risk monitoring is based on the risk management process adopted by the Board of Directors 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 Rhenman & Partners Fund is 300% in accordance with the commitment method and 400% 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
Rhenman & Partners Fund - Rhenman Healthcare Equity L/S	400% Gross (300% Commitment)	185.17%	210.22%	220.19%	215.46%
		Commitment Method Leverage			
		Minimum	Average	Maximum	As at 31st December 2021
		184.63%	212.52%	223.39%	218.44%

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.

Rhenman & Partners 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 to Rhenman & Partners Asset Management AB for the period from 1st September 2020 till 31st August 2021:

Number of employees: 10

Total compensation to staff: SEK 51,381,445

Of which compensation to management: SEK 9,713,223

The Portfolio Manager receives out of the Sub-Fund's assets an annual portfolio management services fees, calculated for each Valuation Day, consisting of the research fee of maximum 0.30% p.a. paid out quarterly in arrears.

3 - Sustainability-related disclosures

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Rhenman & Partners Fund

Additional information (unaudited) (continued)

as at 31st December 2021

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

At the date of the financial statements, the Fund is concerned by securities borrowing operations for the following portfolios in the context of the requirements of the SFTR regulation 2015/2365 on transparency of securities financing transactions and of reuse of collateral.

	Rhenman & Partners Fund - Rhenman Healthcare Equity L/S (in EUR)
Global data: assets used for securities borrowing	
in absolute terms	169,305,070.37
as a percentage of lendable assets of the Sub-Fund	10.59%
Concentration data	
10 largest collateral issuers	
first	-
gross volumes for open trades	-
Top 10 counterparties of securities borrowing	
name of counterparty	Skandinaviska Enskilda Banken AB (publ)
gross volume of outstanding transactions	169,305,070.37
Aggregate transaction data	
Type of settlement and clearing for securities borrowing	
tri-party	-
Central Counterparty	-
bilateral	169,305,070.37
Data on reuse of collateral received	
% foreseen in prospectus	no reuse and no pledge
collateral received that is reused	-
cash collateral reinvestment returns to the Sub-Fund	-
Safekeeping of collateral received	
number of depositaries	-
name of depositaries	-
amounts of assets received as collateral	-
Safekeeping of collateral granted	
segregated accounts	917,689,252.26
pooled accounts	-
other accounts	-
Return and cost components for securities borrowing	
Return component of the Sub-Fund	
In absolute terms	-
As a percentage of overall returns	0.00%
Cost component of the Sub-Fund	-2,657,943.19
Return component of the capital management company	
In absolute terms	-
As a percentage of overall returns	0.00%
Cost component of the capital management company	-
Return component of third parties	
In absolute terms	-
As a percentage of overall returns	0.00%
Cost component of third parties	-

