

Annual report including audited financial statements as at 31st December 2022

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 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

Carmel MCGOVERN
Independent Non-Executive Director, Luxembourg
(since 30th June 2022)

Xavier PARAIN
Executive Director - Head of FundRock
FundRock Management Company S.A., Luxembourg
(until 10th February 2023)

Depository and Paying Agent

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

**Administrative Agent 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

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

Rhenman & Partners Fund

Organisation (continued)

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

During the year ending 31st of December 2022, the EUR unit class (IC1, EUR) decreased by 8.3 percent, the SEK unit class (RC1, SEK) decreased by 1.3 percent and the USD unit class (IC1, USD) decreased by 13.9 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 also achieved through exposure to several different subsectors within the healthcare sphere: pharmaceuticals, biotechnology, medical technology and healthcare services.

The overall stock market year was weak with major indices having their worst year since the Global Financial Crisis. The western world saw the highest rates of inflation in over forty years, which led to unprecedented rate hikes from central banks. Russia invaded Ukraine, setting off the largest land war in Europe in three decades. This in turn led to a weaker economic outlook and economists calling for stagflation for the first time since the 1970s.

The fund's best performing holding was the US pharmaceutical distributor McKesson. The company is one of three large distributors of pharmaceuticals and medical technology products in the US. McKesson also provides a wide array of healthcare technology services. Distribution of pharmaceuticals is relatively non-cyclical, thus the stock saw increased interest in a bleak macroeconomic backdrop. The company has virtually no earnings exposure to Europe, which meant that investors viewed it as a relative safe haven when rotating exposure out of war-stricken Europe. Lastly, the company delivered strong earnings growth on the back of issuing its long-term guidance in late 2021.

The Cigna Group was the fund's next best contributor during the year. Cigna is a health insurer and pharmacy benefits manager focused on the commercial market. Cigna benefitted from improved sentiment for their segment of the sector due to a strong pipeline of biosimilar drugs coming to the market. In addition, the company benefitted from a general market rotation from growth stocks to value stocks.

The worst contributor to the fund's performance in 2022 was biotechnology company Mirati Therapeutics. The company develops targeted oncology therapies and is one of the leaders in the development of new cancer drugs known as KRAS inhibitors. The potential for KRAS inhibitors is considered extensive as mutations in the KRAS gene are relatively frequent, not least in more common tumor types such as non-small cell lung cancer and colon cancer. Biotech stocks in general struggled during the beginning of the year as interest rate hikes prompted a rotation from growth stocks to value stocks. Moreover, during the second half of the year Mirati released data for a combined therapy of adagrasib and Keytruda. The objective response rate of 49% was below market expectations, causing the stock to decline further.

The second worst contributor to the fund's performance was the French care provider Orpea. Orpea is the largest provider of nursing homes in Europe. During the year, a book was released, targeting Orpea's business practices, alleging mistreatment of patients and lack of personnel amongst other things. Following a public uproar, the French nursing home sector came under intense political scrutiny which pressured the Orpea stock significantly.

Looking forward, the healthcare sector will undeniably be affected by the highly uncertain macroeconomic environment. Many strategists are concerned that earnings estimates will have to come down as interest rates hikes have their full impact later in the year. Several scenarios are possible, and we believe that prudence and patience are warranted. We therefore continue to be diversified in the fund in terms of value versus growth, and small cap versus large cap. This strategy, we believe, should be able to cope with most outcomes. The healthcare sector with its key sub-sectors pharmaceuticals, biotechnology, medical technology, and healthcare services should, in all probability, be able to do fundamentally well in 2023, and we stay focused on what we believe will create value for the fund in the longer term.

Luxembourg, 18th April 2023

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 2022, 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 2022;
- the statement of investments and other net assets as at 31 December 2022;
- 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, 23 May 2023

Philippe Sergiel

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statement of net assets (in EUR)

as at 31st December 2022

Assets

Investments

Securities portfolio at market value	1,128,170,322.75
	<u>1,128,170,322.75</u>

Cash and cash equivalents

Cash at banks	4,708,511.87
	<u>4,708,511.87</u>

Receivables

Receivable on sales of securities	6,445,942.97
Receivable on issues of units	2,351,933.16
Income receivable on portfolio	421,262.08
	<u>9,219,138.21</u>

Total assets

1,142,097,972.83

Liabilities

Payables

Short sales of securities at market value	179,929,130.18
Payable on redemptions of units	9,984,290.15
Bank interest payable	522,403.86
Expenses payable	1,822,816.56
	<u>192,258,640.75</u>

Borrowings

Bank overdrafts	2.99
Collateralized debt at banks	87,941,744.83
	<u>87,941,747.82</u>

Total liabilities

280,200,388.57

Total net assets at the end of the year

861,897,584.26

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)	93,107.455	EUR	807.60	75,193,682.61
IC1 (USD)	112,935.123	USD	192.89	20,407,100.24
IC2 (SEK)	150,000.001	SEK	658.76	8,882,730.00
IC2 (USD)	57,180.741	USD	265.32	14,212,469.37
IC3 (EUR)	46,998.846	EUR	1,015.25	47,715,684.57
IC4 (EUR)	272,669.350	EUR	659.06	179,704,645.93
ID1 (SEK)	1,515,973.378	SEK	412.06	56,153,723.66
RC1 (EUR)	12,336.366	EUR	692.71	8,545,494.62
RC1 (SEK)	2,810,990.679	SEK	770.01	194,572,754.96
RC2 (SEK)	3,163,211.491	SEK	817.47	232,448,052.21
RC2 (USD)	209,125.186	USD	122.82	24,061,246.09
				<u><u>861,897,584.26</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 2022 to 31st December 2022

Income

Investment income

Dividends, net	8,649,166.66
Interest on bank accounts	18,658.38
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	8,667,825.04

Realised gain on investments

- on securities portfolio	289,923,214.91
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	289,923,214.91

Unrealised gains on investments

- on securities portfolio	142,509,711.65
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	142,509,711.65

Total income

441,100,751.60

Expenses

Investment advisory or management fees

Management fees	14,456,561.10
Performance fees	98,567.10
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	14,555,128.20

Other expenses

Depositary fees	179,735.36
Banking charges and other fees	2,271,176.72
Transaction fees	758,581.07
Central administration costs	617,071.89
Professional fees	23,643.21
Other administration costs	68,150.71
Subscription duty ("taxe d'abonnement")	280,008.83
Bank interest paid	3,193.50
Dividends paid on short sales of securities	1,803,843.15
Interest paid on collateralized debt at banks	2,489,390.72
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	8,494,795.16

Realised loss on investments

- on securities portfolio	195,024,890.89
- on foreign exchange	2,937,978.31
	<hr/>
	197,962,869.20

Unrealised loss on investments

- on securities portfolio	301,376,395.91
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	301,376,395.91

Total expenses

522,389,188.47

Net expenditure

-81,288,436.87

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 2022 to 31st December 2022

Net expenditure	-81,288,436.87
Dividends paid	-2,520,436.42
Subscriptions	58,381,010.81
Redemptions	-116,056,142.49
Total changes in net assets	<u>-141,484,004.97</u>
Total net assets at the beginning of the year	<u>1,003,381,589.23</u>
Total net assets at the end of the year	<u><u>861,897,584.26</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 2022

Total net assets	Currency	31.12.2020	31.12.2021	31.12.2022
	EUR	881,900,367.39	1,003,381,589.23	861,897,584.26

Net asset value per unit class	Currency	31.12.2020	31.12.2021	31.12.2022
IC1 (EUR)	EUR	780.13	880.28	807.60
IC1 (USD)	USD	211.68	223.90	192.89
IC2 (SEK)	SEK	572.33	660.56	658.76
IC2 (USD)	USD	288.47	306.45	265.32
IC3 (EUR)	EUR	953.10	1,098.35	1,015.25
IC4 (EUR)	EUR	618.34	713.00	659.06
ID1 (SEK)	SEK	397.12	434.40	412.06
RC1 (EUR)	EUR	675.64	759.14	692.71
RC1 (SEK)	SEK	681.93	780.47	770.01
RC2 (SEK)	SEK	717.54	824.34	817.47
RC2 (USD)	USD	133.64	141.91	122.82

Number of units	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
IC1 (EUR)	98,739.010	12,818.672	-18,450.227	93,107.455
IC1 (USD)	137,546.823	11,996.032	-36,607.732	112,935.123
IC2 (SEK)	226,949.021	-	-76,949.020	150,000.001
IC2 (USD)	39,402.332	17,778.409	-	57,180.741
IC3 (EUR)	52,233.719	-	-5,234.873	46,998.846
IC4 (EUR)	272,669.350	-	-	272,669.350
ID1 (SEK)	1,257,241.180	330,963.643	-72,231.445	1,515,973.378
RC1 (EUR)	13,266.121	613.497	-1,543.252	12,336.366
RC1 (SEK)	3,091,870.284	188,944.500	-469,824.105	2,810,990.679
RC2 (SEK)	3,605,913.833	200,428.898	-643,131.240	3,163,211.491
RC2 (USD)	209,125.186	-	-	209,125.186

Dividends paid	Currency	Dividend per unit class	Ex-dividend date
ID1 (SEK)	SEK	17.38	28.02.2022

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Statement of investments and other net assets (in EUR)

as at 31st December 2022

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	30,014	Anteris Technologies Ltd	441,823.12	423,493.90	0.05
AUD	30,000	CSL Ltd	1,358,136.00	5,486,836.07	0.64
			1,799,959.12	5,910,329.97	0.69
CHF	32,500	Lonza Group AG Reg	18,714,101.46	14,915,406.70	1.73
CHF	65,000	Roche Holding Ltd Pref	19,742,728.45	19,125,692.55	2.22
CHF	60,000	Straumann Holding AG	7,150,041.52	6,417,602.97	0.74
			45,606,871.43	40,458,702.22	4.69
DKK	505,000	Alk-Abello A/S	5,408,279.30	6,522,827.85	0.76
DKK	56,000	Genmab A/S	11,560,230.09	22,147,781.01	2.57
DKK	250,000	Novo Nordisk AS B	21,285,617.45	31,534,795.30	3.66
			38,254,126.84	60,205,404.16	6.99
EUR	38,000	Argenx SE	8,602,498.08	13,235,400.00	1.54
EUR	50,000	Merck KGaA	8,120,263.62	9,045,000.00	1.05
EUR	340,000	Sanofi SA	29,792,144.48	30,545,600.00	3.54
EUR	30,000	UCB	2,622,722.71	2,206,800.00	0.26
EUR	200,000	Valneva SE	4,404,078.88	1,244,800.00	0.14
			53,541,707.77	56,277,600.00	6.53
JPY	190,000	Chugai Pharmaceutical Co Ltd	1,551,136.46	4,543,788.69	0.53
JPY	50,000	Ono Pharmaceutical Co Ltd	1,215,236.78	1,094,550.92	0.13
JPY	161,000	Santen Pharmaceutical Co Ltd	1,691,894.12	1,227,785.78	0.14
JPY	400,000	Takeda Pharmaceutical Co Ltd	11,468,016.98	11,676,156.59	1.35
JPY	140,000	Terumo Corp	1,870,718.89	3,723,816.32	0.43
			17,797,003.23	22,266,098.30	2.58
NOK	998,753	CSAM Health Group AS	6,420,706.72	3,609,828.62	0.42
SEK	230,706	AstraZeneca Plc	20,457,862.89	29,107,156.70	3.38
SEK	450,000	BioInvent Intl AB	2,108,094.48	1,296,489.56	0.15
SEK	12,668,248	Episurf Medical AB B	4,925,302.63	2,676,165.06	0.31
SEK	611,464	Sedana Medical AB	4,693,124.69	1,027,876.59	0.12
SEK	325,000	Vitrolife AB Reg	7,907,444.62	5,439,907.50	0.63
			40,091,829.31	39,547,595.41	4.59
USD	75,000	10x Genomics Inc A Reg	2,380,420.31	2,560,307.27	0.30
USD	117,000	Abbott Laboratories	11,651,966.77	12,033,753.34	1.39
USD	130,000	AbbVie Inc	10,362,934.25	19,681,764.95	2.28
USD	255,000	Agilon Health Inc	5,346,598.81	3,855,637.27	0.45
USD	325,000	Alignment Healthcare Inc	5,446,577.72	3,580,495.57	0.42
USD	150,000	Alkermes Plc	3,791,654.94	3,671,834.75	0.43
USD	340,000	Allogene Therapeutics Inc Reg	2,407,485.49	2,003,466.20	0.23
USD	73,000	Alnylam Pharmaceuticals Inc	8,947,050.36	16,252,236.64	1.88
USD	173,000	AmerisourceBergen Corp	22,490,483.05	26,856,367.98	3.11
USD	200,000	Apellis Pharmaceuticals Inc Reg	5,538,574.86	9,688,510.00	1.13
USD	85,000	Arvinas Inc Reg	4,364,994.84	2,724,108.86	0.32
USD	230,000	Axonics Inc Reg	7,752,299.56	13,473,136.92	1.56
USD	2,000	Axsome Therapeutics Inc	114,192.79	144,512.62	0.02
USD	83,000	Becton Dickinson & Co	19,127,630.08	19,773,197.81	2.29
USD	90,000	Bio-Techne Corp	6,995,169.31	6,987,868.28	0.81
USD	30,000	Biogen Inc	8,501,711.76	7,782,659.61	0.90
USD	254,000	BioMarin Pharmaceutical Inc	19,878,186.55	24,625,471.92	2.85
USD	109,000	BioNTech SE ADR spon repr 1 Share	16,201,613.82	15,339,341.42	1.78
USD	585,000	Boston Scientific Corp	20,483,516.84	25,357,581.15	2.94
USD	62,000	Cigna Corp Reg	12,473,062.36	19,245,004.45	2.23
USD	47,000	Cooper Companies Inc (The)	13,338,618.07	14,559,454.78	1.69
USD	171,000	CVS Health Corp	11,507,740.31	14,928,558.72	1.73
USD	216,322	Cytokinetics Inc	7,100,903.23	9,285,562.83	1.08
USD	50,000	Danaher Corp	12,867,639.42	12,432,432.43	1.44
USD	783,519	Dynavax Technologies Corp	5,605,480.39	7,809,866.65	0.91
USD	144,000	Edwards Lifesciences Corp	10,192,899.70	10,064,958.55	1.16

* 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 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
					*
USD	45,000	Elevance Health Inc	16,678,732.90	21,625,040.98	2.51
USD	88,000	Eli Lilly & Co	16,789,866.66	30,159,651.51	3.50
USD	163,800	Envista Holdings Corporation Reg	6,062,405.70	5,166,655.11	0.60
USD	900,000	Esperion Therapeutics Inc	21,683,646.78	5,252,705.04	0.61
USD	375,000	Essa Pharma Inc	3,864,607.33	885,287.37	0.10
USD	110,000	Exact Sciences Corp Reg	7,634,089.20	5,101,971.99	0.59
USD	370,000	G1 Therapeutics Inc Reg	7,715,714.58	1,882,149.05	0.22
USD	270,000	Gilead Sciences Inc	17,780,272.82	21,714,834.42	2.52
USD	85,000	Glaukos Corp	3,655,380.25	3,478,195.70	0.40
USD	240,000	Harmony Biosciences Hgs Inc	7,882,290.18	12,388,402.27	1.44
USD	90,000	HCA Healthcare Inc	19,064,234.77	20,231,767.30	2.35
USD	180,000	Health Catalyst Inc Reg	7,455,667.43	1,792,496.14	0.21
USD	39,000	Humana Inc	13,346,387.00	18,713,204.36	2.17
USD	50,000	IGM Biosciences Inc	1,067,617.26	796,758.63	0.09
USD	150,000	Immunocore Hgs PLC ADR DR	4,633,169.66	8,019,579.37	0.93
USD	1,500,000	ImmunoGen Inc Reg	8,252,270.57	6,969,881.50	0.81
USD	61,000	Inspire Medical Systems Inc	12,433,573.70	14,393,817.04	1.67
USD	29,000	Insulet Corp	7,639,769.13	7,997,854.70	0.93
USD	50,000	Intellia Therapeutics Inc	3,778,908.09	1,634,268.58	0.19
USD	125,000	Intra-Cellular Therapies Inc	2,283,730.06	6,197,011.57	0.72
USD	5,000	Intuitive Surgical Inc	1,144,623.10	1,242,915.36	0.14
USD	50,000	Ionis Pharmaceuticals Inc	2,203,250.69	1,769,169.52	0.21
USD	864,378	Iovance Biotherapeutics Inc Reg	10,952,298.69	5,174,364.54	0.60
USD	20,000	IQVIA Holdings Inc Reg	4,135,944.64	3,838,868.33	0.45
USD	430,000	Iveric Bio Inc	6,194,060.04	8,624,572.58	1.00
USD	128,000	Jazz Pharmaceuticals Plc	15,608,147.03	19,103,171.10	2.22
USD	100,000	Johnson & Johnson	14,556,455.11	16,548,784.49	1.92
USD	30,000	Karuna Therapeutics Inc	6,394,825.13	5,522,506.91	0.64
USD	39,000	McKesson Corp	6,182,827.99	13,705,260.20	1.59
USD	350,000	Medtronic Plc Reg	29,820,302.78	25,483,160.80	2.95
USD	555,030	MeiraGTx Holdings Reg Plc	7,649,719.91	3,390,131.25	0.39
USD	215,000	Merck & Co Inc	15,757,435.82	22,346,948.33	2.59
USD	400,000	Mersana Therapeutics Inc	2,642,130.39	2,195,887.40	0.25
USD	300,000	Mirati Therapeutics Inc Reg	24,581,739.21	12,734,085.91	1.48
USD	165,000	Natera Inc Reg	7,001,356.10	6,209,236.97	0.72
USD	550,000	Nektar Therapeutics	12,034,665.51	1,164,457.35	0.14
USD	85,000	Neurocrine Biosciences Inc	6,575,650.39	9,510,890.44	1.11
USD	200,000	Nkarta Inc	3,307,136.30	1,122,300.81	0.13
USD	35,000	NovoCure Ltd Reg	3,045,666.54	2,405,030.68	0.28
USD	80,000	Nuvalent Inc	2,371,757.08	2,231,860.98	0.26
USD	250,000	Oak StreEt Health Inc Reg	4,865,804.31	5,037,706.68	0.58
USD	194,390	Olink Holding AB ADR DR	4,731,479.93	4,621,872.87	0.54
USD	360,000	Outset Medical Inc	7,573,042.34	8,707,855.17	1.01
USD	350,000	Pfizer Inc	14,346,286.17	16,800,786.92	1.95
USD	235,210	Phathom Pharmaceuticals Inc Reg	6,990,433.32	2,472,299.59	0.29
USD	150,000	Phreesia Inc Reg	5,326,015.14	4,547,285.59	0.53
USD	370,000	Privia Health Group Inc	9,002,491.37	7,871,750.43	0.91
USD	378,000	R1 RCM Inc	8,388,720.19	3,877,558.67	0.45
USD	300,000	Rapid Micro Biosystems Inc	3,505,415.54	317,579.28	0.04
USD	37,000	Regeneron Pharmaceuticals Inc	23,466,539.19	25,008,318.89	2.90
USD	200,000	Relay Therapeutics Inc	3,257,681.21	2,799,194.34	0.32
USD	438,000	Revanche Therapeutics Inc	6,737,918.84	7,574,574.92	0.88
USD	1,225,081	Rigel Pharmaceuticals Inc	3,314,563.61	1,721,505.92	0.20
USD	215,000	Royalty Pharma Plc A Reg	8,737,544.68	7,959,904.45	0.92
USD	820,000	Sangamo Therapeutics Inc Reg	9,391,186.57	2,412,103.61	0.28
USD	41,000	Seattle Genetics Inc Reg	3,757,569.06	4,935,978.26	0.57
USD	47,000	ShockWave Medical Inc Reg	8,612,924.81	9,053,042.30	1.05
USD	195,871	Silk Road Medical Inc Reg	7,826,306.32	9,697,674.22	1.13
USD	797,330	Stereotaxis Inc	3,357,373.81	1,546,183.05	0.18
USD	130,000	Teladoc Health Inc Reg	12,941,308.39	2,880,228.58	0.33
USD	470,750	Tenet Healthcare Corp Reg	26,840,350.96	21,516,597.97	2.50
USD	40,000	Thermo Fisher Scientific Inc	18,123,179.95	20,635,720.65	2.40
USD	38,000	United Health Group Inc	12,140,828.33	18,873,802.05	2.19
USD	34,500	Veeva Syst Inc	7,656,349.97	5,215,804.02	0.61
USD	80,000	Vertex Pharmaceuticals Inc	12,079,043.07	21,642,606.21	2.51
USD	1,000,000	ViewRay Inc Reg	4,947,418.15	4,196,917.89	0.49

* 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 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
USD	25,000	West Pharmaceutical Serv Inc Reg	6,401,473.96	5,511,967.77	0.64
USD	294,076	Xencor Inc	7,605,273.36	7,173,862.05	0.83
			878,656,254.66	898,053,909.90	104.19
			1,082,168,459.08	1,126,329,468.58	130.68
Total shares					
Warrants and rights					
SEK	50,976	Episurf Medical AB Call Wts 23.05.23 Ser TO4B	0.00	1,741.32	0.00
Total warrants and rights					
0.00					
1,741.32					
0.00					
Short positions in transferable securities admitted to an official stock exchange listing					
Shares					
USD	-35,000	Bristol Myers Squibb Co	-2,458,379.23	-2,359,126.89	-0.27
Total shares					
-2,458,379.23					
-2,359,126.89					
-0.27					
Transferable securities dealt in on another regulated market					
Shares					
SEK	974,228	Bio-Works Technologies AB Reg	896,377.94	1,839,112.85	0.21
Total shares					
896,377.94					
1,839,112.85					
0.21					
Short positions in open-ended investment funds					
Tracker funds (UCI)					
USD	-710,000	Health Care Select Sector SPDR Fd (The)	-45,226,602.47	-90,358,799.01	-10.48
USD	-310,000	iShares Trust Nasdaq Biotech ETF Dist	-32,149,338.10	-38,128,155.89	-4.42
USD	-400,000	iShares Trust US Medical Index Fd Dist	-20,489,631.16	-19,699,283.34	-2.29
USD	-377,900	SPDR Ser Trust S&P Biotech ETF Dist	-31,448,800.06	-29,383,765.05	-3.41
Total tracker funds (UCI)					
-129,314,371.79					
-177,570,003.29					
-20.60					
Total securities: investments and short positions					
951,292,086.00					
948,241,192.57					
110.02					
Cash at banks					
4,708,511.87					
0.55					
Bank overdrafts and collateralized debt at banks					
-87,941,747.82					
-10.20					
Other net assets/(liabilities)					
-3,110,372.36					
-0.37					
Total					
861,897,584.26					
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.

Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

Industrial and geographical classification of investments and short positions as at 31st December 2022

Industrial classification

(in percentage of net assets)

Healthcare	128.87 %
Financials	0.92 %
Technologies	0.83 %
Investment funds	-20.60 %
Total	<u>110.02 %</u>

Geographical classification

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

United States of America	72.78 %
Denmark	6.99 %
Ireland	5.60 %
United Kingdom	5.23 %
Switzerland	4.69 %
France	3.68 %
Germany	2.83 %
Japan	2.58 %
Sweden	1.96 %
The Netherlands	1.54 %
Australia	0.69 %
Norway	0.42 %
Cayman Islands	0.39 %
Jersey	0.28 %
Belgium	0.26 %
Canada	0.10 %
Total	<u>110.02 %</u>

Rhenman & Partners Fund

Notes to the financial statements

as at 31st December 2022

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 2022

- 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	=	1.5733658	AUD	Australian Dollar
			0.9872845	CHF	Swiss Franc
			7.4362303	DKK	Danish Krona
			0.8875078	GBP	Pound Sterling
			140.8340139	JPY	Japanese Yen
			10.5136886	NOK	Norwegian Krona
			11.1242700	SEK	Swedish Krona
			1.0674500	USD	US Dollar

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2022

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) 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 - Central administration costs

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

Note 4 - 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 5 - 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:

- 2.00% p.a. for the classes RC1 (EUR), RC1 (SEK),
- 1.50% p.a. for the classes RC2 (SEK), IC1 (EUR), IC1 (USD), ID1 (SEK),
- 0.75% p.a. for the classes IC3 (EUR),
- 1.00% 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.

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2022

Note 6 - 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.

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.

Rhenman & Partners Fund

Notes to the financial statements (continued)

as at 31st December 2022

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)	58,619.91	0.03%
	RC2 (SEK)	39,234.91	0.02%
	ID1 (SEK)	712.28	0.00%
		98,567.10	EUR

Note 7 - 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-Fund or classes of units reserved to institutional investors (Class I units).

Note 8 - 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	55,000	16,183,278.31
AstraZeneca Plc	SEK	200,000	25,233,116.35
Abbott Laboratories	USD	95,000	9,770,996.30
AbbVie Inc	USD	130,000	19,681,764.95
Alkermes Plc	USD	150,000	3,671,834.75
Alnylam Pharmaceuticals Inc	USD	64,000	14,248,536.23
AmerisourceBergen Corp	USD	165,000	25,614,455.01
Apellis Pharmaceuticals Inc Reg	USD	195,000	9,446,297.25
Becton Dickinson & Co	USD	85,000	20,249,660.41
Biogen Inc	USD	30,000	7,782,659.61
BioMarin Pharmaceutical Inc	USD	140,000	13,573,094.76
Boston Scientific Corp	USD	595,000	25,791,044.08
Cigna Corp Reg	USD	53,000	16,451,374.77
Cooper Companies Inc (The)	USD	30,000	9,293,269.01
CVS Health Corp	USD	165,000	14,404,749.64
Edwards Lifesciences Corp	USD	45,000	3,145,299.55
Elevance Health Inc	USD	40,000	19,222,258.65
Eli Lilly & Co	USD	88,000	30,159,651.51
Esperion Therapeutics Inc	USD	290,000	1,692,538.29

Rhenman & Partners Fund

Notes to the financial statements (continued) as at 31st December 2022

Description	Currency	Quantity	Market value (in EUR)
G1 Therapeutics Inc Reg	USD	90,382	459,763.23
Gilead Sciences Inc	USD	140,000	11,259,543.77
Humana Inc	USD	41,000	19,672,855.87
ImmunoGen Inc Reg	USD	516,952	2,402,062.79
Intuitive Surgical Inc	USD	5,000	1,242,915.36
Iovance Biotherapeutics Inc Reg	USD	250,000	1,496,557.22
Jazz Pharmaceuticals Plc	USD	131,500	19,625,523.44
Johnson & Johnson	USD	63,000	10,425,734.23
McKesson Corp	USD	39,000	13,705,260.20
Medtronic Plc Reg	USD	300,000	21,842,709.26
Merck & Co Inc	USD	175,000	18,189,376.55
Mirati Therapeutics Inc Reg	USD	75,000	3,183,521.48
Neurocrine Biosciences Inc	USD	83,000	9,287,104.78
Pfizer Inc	USD	320,000	15,360,719.47
Rigel Pharmaceuticals Inc	USD	1,112,000	1,562,602.46
Seattle Genetics Inc Reg	USD	40,000	4,815,588.55
Thermo Fisher Scientific Inc	USD	18,500	9,544,020.80
United Health Group Inc	USD	40,000	19,867,160.05
Vertex Pharmaceuticals Inc	USD	80,000	21,642,606.21
Xencor Inc	USD	159,978	3,902,596.96
			<u>495,104,102.11</u>

Note 9 - 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	87,941,744.83

Interest accrued on this debt is disclosed in the statement of operations under the item "Interest paid on collateralized debt at banks".

Note 10 - 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 11 - Subsequent events

Xavier Parain resigned from the Board of Directors of the Management Company on 10th February 2023 and no other director was appointed.

Rhenman & Partners Fund

Additional information (unaudited)

as at 31st December 2022

1 - Risk management disclosure

1.1. Risk Profile

The current risk profile of the Sub-Fund 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 2022
Rhenman & Partners Fund - Rhenman Healthcare Equity L/S	400% Gross (300% Commitment)	141.67%	153.09%	200.58%	141.67%
		Commitment Method Leverage			
		Minimum	Average	Maximum	As at 31st December 2022
		140.06%	153.04%	203.73%	141.67%

2 - Remuneration disclosure

2.1. Remuneration of the Management Company

FundRock Management Company S.A. ("FundRock") as subject to CSSF Circular 18/698 has implemented a remuneration policy in compliance with Articles 111a and 111b of the 2010 Law and/or Article 12 of the 2013 Law respectively.

FundRock as subject to Chapter 15 of the 2010 Law and AIFM must also comply with the guidelines of the European Securities and Markets Authority ESMA/2016/5758 and ESMA/2016/5799 to have sound processes in place. 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.

Further, consideration has been given to the requirements as outlined in Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector, the SFDR Requirements.

Rhenman & Partners Fund

Additional information (unaudited) (continued)

as at 31st December 2022

The remuneration policy is aligned with the business strategy, objectives, values and interests of FundRock 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.

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 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 total amount of remuneration for the financial year ending 31st December 2022 paid by FundRock to its staff:
EUR 12,587,217
Fixed remuneration: EUR 11,485,489
Variable remuneration: EUR 1,101,728

Number of beneficiaries: 147

The aggregated amount of remuneration for the financial year ending 31st December 2022 paid by FundRock to Identified staff/risk takers is EUR 2,524,731.

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 2021 till 31st August 2022:

Number of employees: 9 (10 before end of June 2022)
Total compensation to staff: SEK 37,201,351
Of which compensation to management: SEK 11,531,571

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

In accordance with the requirements of the EU Regulations 2019/1288 and of the Council of 27th November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR") as amended, the Sub-Fund is categorised under SFDR Article 6.

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

Rhenman & Partners Fund

Additional information (unaudited) (continued)

as at 31st December 2022

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	183,314,417.56
as a percentage of lendable assets of the Sub-Fund	16.25%
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	183,314,417.56
Aggregate transaction data	
Country (countries) in which the counterparties are established	SE
Type of settlement and clearing for securities borrowing	
tri-party	-
Central Counterparty	-
bilateral	183,314,417.56
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	495,104,102.11
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	-2,262,815.51
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	-

