

Annual Report

SEB Concept Biotechnology

Status: 31 October 2014



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.

Table of Contents

	Page
Additional Information to the Investors in the Federal Republic of Germany	2
Organisation	3
General Information	5
Management Report	6
Report of the Board of Directors	9
Schedule of Investments	10
Statement of Operations	12
Statement of Changes in Net Assets	13
Statement of Net Assets	14
Statistical Information	15
Notes to the Financial Statements	16
Audit Report	19
Notes to the "EU Savings Tax Directive" (unaudited)	21
Risk Disclosure (unaudited)	22

Additional Information to the Investors in the Federal Republic of Germany

As at 31 October 2014

Units in circulation:

The following Fund is publicly approved for distribution in Germany:

- SEB Concept Biotechnology

The information disclosed above is as at 31 October 2014 and this may change after the year end. The current Fund in circulation and the current registrations per unit class are visible in the distribution matrix on www.sebgroup.lu.

Organisation

Management Company:	SEB Asset Management S.A. 4, rue Peternelchen L-2370 Howald, Luxembourg
Board of Directors of the Management Company:	Chairperson Peter Kubicki Managing Director SEB Wealth Management Denmark Managing Director Ralf Ferner Managing Director SEB Asset Management S.A. Luxembourg Members Alexander Klein Managing Director SEB Investment GmbH Frankfurt am Main, Germany Marie Winberg Director Business Strategy Skandinaviska Enskilda Banken AB (publ) Stockholm, Sweden Elisabeth Scheja Sterner (since 1 July 2014) Head of Global Product & Distribution Strategy Skandinaviska Enskilda Banken AB (publ) Stockholm, Sweden
Conducting officers:	Ralf Ferner, Luxembourg Matthias Ewald, Luxembourg Loic Guillermet, Luxembourg (since 5 June 2014)
Central Administration (including Registrar, Transfer Agent, Administrative Agent and Paying Agent):	The Bank of New York Mellon (Luxembourg) S.A. 2-4, rue Eugène Ruppert L-2453 Luxembourg
Investment Manager:	SEB Investment Management AB Sveavägen 8 SE-106 40 Stockholm, Sweden
Custodian Bank:	Skandinaviska Enskilda Banken S.A. 4, rue Peternelchen L-2370 Howald, Luxembourg
Auditor of the Fund and the Management Company:	PricewaterhouseCoopers, Société coopérative 2, rue Gerhard Mercator L-2182 Luxembourg

Global Distributor:

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

**Representatives and Paying
Agents outside Luxembourg:**

The full list of representatives and Paying Agents outside Luxembourg can be obtained, free of charge, at the registered office of the Management Company and on the website www.sebgroup.lu.

General Information

SEB Concept Biotechnology (the “Fund”) is a Luxembourg investment fund (“Fonds Commun de Placement”) governed by Part I of the Luxembourg Law on Undertakings for Collective Investment of 17 December 2010 (the “Law”) as amended. The Fund, which was set up on 31 August 2000 for an undetermined duration, is managed by SEB Asset Management S.A. (the “Management Company”). The Management Regulations lastly modified with effect from 11 November 2011, have been deposited with the Luxembourg Trade Register and the relating notice has been published in the *Mémorial C* on 17 November 2011. The Management Company was established on 15 July 1988, with subsequent publication of the Articles of Incorporation in the *Mémorial C* on 16 August 1988. The Articles of Incorporation were last amended on 16 July 2014 and published on 24 July 2014. The Management Company is registered under Corporate Identity Number B 28468.

SEB Asset Management S.A. has delegated the Central Administration, including the administrative, registrar, transfer agent and paying agent functions – under its continued responsibility and control – at its own expense to The Bank of New York Mellon (Luxembourg) S.A., 2-4, rue Eugène Ruppert, L-2453 Luxembourg. This company was incorporated in Luxembourg as a “Société Anonyme” on 15 December 1998 and is an indirect wholly-owned subsidiary of The Bank of New York Mellon Corporation. It is registered with the Luxembourg Trade and Companies’ Register under Corporate Identity Number B 67654 (the “Administrative Agent” and the “Registrar and Transfer Agent”).

In its capacity as Administrative Agent, it assumes certain administrative duties which are necessary within the framework of managing the Fund, including the calculation of the Net Asset Value per unit and the provision of accounting services for the Fund.

In its capacity as Registrar and Transfer Agent, it will process all subscriptions, redemptions and transfers of units, and will register these transactions in the Unitholders’ register of the Fund.

The main objective of the investment policy is to achieve a high long-term increase in value. To this end, the Fund invests worldwide predominantly in companies from the biotechnology sector.

The Management Company may decide to issue capitalisation units (“C” units) and distribution units (“D” units). The “D” units may pay a dividend. The “C” units will capitalise income if any, with the result that their value will exceed that of “D” units, in the proportion of the dividends paid to the “D” units.

Currently, the following unit classes are offered for the Fund:

- | | |
|--|--------------|
| ○ Capitalisation units (“C (EUR)” units) | LU0385485148 |
| ○ Distribution units (“D (EUR)” units) | LU0118405827 |

The base currency of the Fund is euro.

The Net Asset Value per unit as well as the issue and redemption prices, which are computed daily on bank business days in Luxembourg, except 24 December and 31 December (“Valuation date”), can be obtained from the registered offices of the Management Company, the Custodian Bank and the Paying Agent.

In addition, the Net Asset Value, fact sheets and other informational marketing material is published on the SEB Luxembourg website www.sebgroup.lu (<http://www.sebgroup.lu>) under the rubric SEB Asset Management S.A.. For Funds registered in other countries, the publication media might differ according to the regulatory requirements. Information about ongoing charges can be found in the Key Investor Information Document (KIID).

Financial reports of the Fund are published annually and semi-annually. These reports as well as the Sales Prospectus, the Management Regulations and other information concerning the Fund can be obtained free of charge at the offices of the Management Company, the Custodian Bank and the Paying Agent.

Management Report

Dear Unitholders,

With this report, we want to give you an overview of the general economic environment, the development of the most important capital markets, our investment policy and the performance of our Fund SEB Concept Biotechnology.

This annual report covers the financial year from 1 November 2013 to 31 October 2014.

We would like to thank you for your confidence and will do everything within our power to justify your decision of investing in our Fund.

Geopolitical risks and an improving US economy

More than anything the last twelve months has been dominated by geopolitical risks and the strength, with all that it implies, of the US economy. Headlines out of Gaza, Iraq and in particular Ukraine have from time to time lifted the volatility of the equity markets and have to some extent helped the continuous grind lower in core European yields. Despite the volatility, the markets have in general performed well with both bonds and equities rising. The only major asset class with a significant loss has been commodities (measured by the Commodities Research Bureau).

As stated the markets have, over the summer of 2014, been dominated by increased geopolitical risk in a somewhat cyclical fashion where Ukraine, the main story, has come into focus from time to time. Although the daily equity and bond movements on news from Ukraine have been significant, the markets have in general weathered the uncertainty and the various escalations in both rhetoric and sanctions well. As such the conflict in Ukraine has gained less and less attention in the markets, and has as of writing a seemingly very little market impact. This was illustrated by the latest escalations of 25 September 2014 where initial rumours about Russia seizing foreign assets were dismissed, or forgotten, on the following day. Focusing on the geopolitical risk out of the Middle East, it is also interesting to note that oil prices have fallen quite significantly post the initial escalation of Islamic State in Iraq and Syria. It illustrates the fact that geopolitical risk have had a reduced long term market impact, even in the assets which historically would be most exposed towards it.

Disregarding the geopolitical noise, the last twelve months have to a large extent been dominated by the continued strengthening of the US economy. Rising consumer confidence, increasing Purchasing Managers Index's and a falling unemployment rate have strengthened the view that US growth is at present firmly anchored. In isolation this strength has been a supportive factor of the rise in equities, as it has led to increasing 2014 and 2015 Earnings Per Share estimates post the winter related slump of Q1 2014. But while the strong momentum in the US economy has led to upward revisions in US equity earnings forecasts, it has also put an increasing focus on the future FED policy. In particular it has sparked a discussion about when the FED should start to hike rates, and whether it should be done before the consensus estimate of late Q2 2015. The speculation about the start of the rate hike cycle has been visible in some pockets of the market, giving reminiscence of the summer of 2013. We have seen a falling correlation between rates and equities (implying a rising correlation between bonds and equities) in the US, weakness in Emerging Markets FX, and some weakness in Emerging Markets local equity returns in the later part of September 2014. However, the speculation has not shown itself as negatively in developed markets as it did in 2013 when Ben Bernanke started to discuss tapering in the US. MSCI World Index remains in positive territory and rates have in general been falling over the last year. But none the less the reminiscence of last summer does indicate that risks in the markets have risen, even though implied equity and bond volatility remains low by historical standards, Volatility Index and the Move Index.

The slowdown in Emerging Markets

While the US economy has gained further strength over the last year we have seen continued weakness in Emerging Markets. Most pronounced for Brazil where leading indicators, GDP, and production have all declined. At the same time we have seen weakness in many of the leading indicators for Emerging Markets as a whole, however with the significant outlier of China which has actually improved over the last couple of months.

It is difficult to pin-point the exact reason behind the weakness, as global growth led by the US seems to be improving and that we have not seen the same kind of political turmoil as we witnessed in the summer of 2013.

Monetary policy

As stated, the strength in the US economy has led to speculation about an earlier than expected start of the rate hike cycle in the US. This as unemployment has dropped faster than what was expected in both the market and by the FED in the official communiques of late 2013.

However, even though employment has continued to gain momentum we have seen subdued core and headline inflation in the US. It therefore seems that even though the unemployment rate has dropped we are still some way off from seeing capacity constraints in the US labour market; something which might be explained by the significant fall in the participation rate since the financial crisis.

Further action by the European Central Bank ("ECB")

Nothing illustrates the divergence between the US and European business cycle better at the moment than the diverging monetary policy. While the FED has continued to taper QE3 the ECB has introduced a new round of Long Term Refinancing Options, have lowered the policy rates, and declared their willingness to buy asset backed securities (ABS) and covered bonds (CB). As such the ECB is now loosening the monetary policy in respect of the falling inflation rates. The latest actions from the ECB will probably put a floor under the relative performance of European equities compared to US equities. This as any further weakness in European growth and inflation should spark speculation about further action from the ECB.

Outlook for the financial markets and economic growth

US macroeconomic growth will most likely stabilize around the current levels. This as the economy is supported by rising employment and an improving housing market.

Looking towards Europe it seems likely that the macroeconomic momentum will strengthen from the current levels. This as the US economy remains strong, the Euro seems bound to weaken and loan demand and supply is improving. Signs of the weak European growth bottoming out have been seen in the latest hard data prints that we have received from the Eurozone.

In light of the strong US growth, the expectation of improving economic growth in Europe and the expectation of rising earnings and sales, equities should deliver a positive return close to, if not above, its historical average. Even though equities are starting to trade at rich multiples they should still be able to perform. The gains however now have to come from actual earnings growth and not just multiple expansion fuelled by central bank liquidity.

Luxembourg, 4 November 2014
SEB Asset Management S.A.



R. Ferner



M. Ewald

Report of the Board of Directors

SEB Concept Biotechnology

Market update

The biotechnology sector had, for the third year in a row, a very strong performance throughout the fiscal year and SEB Concept Biotechnology recorded an increase of about 57% measured in EURO, which was in line with its benchmark, the Nasdaq Biotechnology Index.

The performance during the fiscal year (October 2013 – October 2014) was more stable than last year, even though the strong performance was interrupted by sharp drops mainly in March and April.

The biotechnology sector keeps profiting from a strong IPO market and interest from both larger pharmaceutical companies and other investors. The industry has also matured over the last years and the regulatory environment has improved, comforting potential investors which in turn further increases interest in these companies.

Fund update

Despite the fund's slightly defensive strategy, it managed to keep up with its benchmark's stellar performance and with a lower volatility. On a stock level, the largest contributor to the fund's relative performance was Theravance, where the fund had no holdings, which stock price lost about 45% in local currency during the year. Overweights in Salix Pharmaceuticals, Jazz Pharmaceuticals and Endo International also played out well and contributed to strong performance.

The largest negative contributor to relative performance was the lack of holding in InterMune which stock price rallied more than 400% (in local currency) during this fiscal year following positive news regarding their lung drug and thereafter its acquisition by Roche Holding. Also an underweight in Illumina contributed negatively as the stock price doubled (in local currency) during the period.

Strategy going forward

The fund is managed through an objective and disciplined investment process with a distinct valuation feature. The fund's focus on large companies and attractive valuation implies a slightly defensive character. It is therefore probable that the fund will perform better relative to its benchmark index in gently rising and falling markets than it will do in strongly rising markets. We anticipate that this over time will lead to the fund developing better than its benchmark index.

Note: Performance mentioned in this report is historical and is not indicative of future results.

Schedule of Investments

As at 31 October 2014

SEB Concept Biotechnology

Security description	Total holdings	Currency	Unit price	Market value in EUR	% of Net Assets
Transferable securities admitted to an official stock exchange listing					
Shares					
Ireland					
Alkermes Plc	244,900	USD	50.550	9,880,696.66	2.17
Endo International Plc	306,100	USD	66.920	16,349,214.19	3.59
Jazz Pharmaceuticals Plc	120,500	USD	168.840	16,238,279.49	3.56
Mallinckrodt Plc	57,138	USD	92.180	4,203,774.00	0.92
Perrigo Co Plc	35,273	USD	322.900	4,545,253.08	1.00
Total Ireland				51,217,217.42	11.24
Israel					
Teva Pharmaceutical Industries Ltd ADR	100,402	USD	56.470	4,525,199.95	0.99
Total Israel				4,525,199.95	0.99
Netherlands					
QIAGEN NV	619,700	USD	23.460	11,603,449.74	2.55
Total Netherlands				11,603,449.74	2.55
Spain					
Grifols SA ADR	266,800	USD	35.390	7,536,054.14	1.65
Total Spain				7,536,054.14	1.65
United Kingdom					
Shire Plc ADR	78,141	USD	199.800	12,460,976.31	2.74
Total United Kingdom				12,460,976.31	2.74
United States of America					
Acorda Therapeutics Inc	205,000	USD	34.820	5,697,184.05	1.25
Affymetrix Inc	768,200	USD	9.010	5,524,293.14	1.21
Albany Molecular Research Inc	279,500	USD	23.260	5,188,826.44	1.14
Alexion Pharmaceuticals Inc	81,194	USD	191.360	12,400,886.18	2.72
Alnylam Pharmaceuticals Inc	3,800	USD	92.740	281,273.17	0.06
Amgen Inc	329,204	USD	162.180	42,612,795.04	9.36
Auxilium Pharmaceuticals Inc	226,900	USD	32.170	5,825,902.05	1.28
Biogen Idec Inc	150,415	USD	321.080	38,546,240.26	8.46
BioMarin Pharmaceutical Inc	68,590	USD	82.500	4,516,399.73	0.99
Celgene Corp	369,398	USD	107.090	31,573,380.25	6.93
Cubist Pharmaceuticals Inc	203,039	USD	72.290	11,714,811.70	2.57
Depomed Inc	423,800	USD	15.400	5,209,059.22	1.14
Gilead Sciences Inc	392,700	USD	112.000	35,103,995.13	7.71
Illumina Inc	73,908	USD	192.580	11,360,050.30	2.50
Impax Laboratories Inc	278,200	USD	28.970	6,432,551.06	1.41
Incyte Corp	51,841	USD	67.060	2,774,690.46	0.61
Insys Therapeutics Inc	52,800	USD	40.675	1,714,111.65	0.38
Luminex Corp	342,600	USD	19.000	5,195,395.11	1.14
Medicines Co/The	287,805	USD	25.320	5,816,204.36	1.28
Medivation Inc	7,400	USD	105.700	624,287.05	0.14
Mylan Inc/PA	508,549	USD	53.550	21,735,513.33	4.77
Myriad Genetics Inc	229,300	USD	39.490	7,227,178.98	1.59
PDL BioPharma Inc	834,600	USD	8.530	5,682,049.77	1.25
Regeneron Pharmaceuticals Inc	84,776	USD	393.720	26,640,233.03	5.85
Sagent Pharmaceuticals Inc	204,500	USD	31.640	5,164,251.79	1.13
Salix Pharmaceuticals Ltd	134,992	USD	143.850	15,498,708.84	3.40
SciClone Pharmaceuticals Inc	732,500	USD	7.640	4,466,615.92	0.98
Sucampo Pharmaceuticals Inc	398,400	USD	8.620	2,740,969.59	0.60
Techne Corp	103,100	USD	91.050	7,492,318.60	1.65
United Therapeutics Corp	117,678	USD	130.970	12,301,122.06	2.70

SEB Concept Biotechnology

Security description	Total holdings	Currency	Unit price	Market value in EUR	% of Net Assets
Vertex Pharmaceuticals Inc	152,246	USD	112.640	13,687,248.58	3.01
Total United States of America				360,748,546.84	79.21
Total Shares		EUR		448,091,444.40	98.38
Investment Fund					
Equity Fund					
United States of America					
iShares Nasdaq Biotechnology ETF	38,638	USD	296.620	9,147,295.11	2.01
Total United States of America				9,147,295.11	2.01
Total Equity Fund				9,147,295.11	2.01
Total Investment Fund		EUR		9,147,295.11	2.01
Total Transferable securities admitted to an official stock exchange listing		EUR		457,238,739.51	100.39
Total Portfolio		EUR		457,238,739.51	100.39
Cash at bank					
Cash at bank				10,077,176.47	2.21
Total Cash at bank				10,077,176.47	2.21
Other assets					
Receivable on sale of securities				19,490,633.31	4.28
Receivable on subscriptions				12,239,502.60	2.69
Other assets				1,041.89	0.00
Total other assets				31,731,177.80	6.97
Other liabilities					
Bank overdraft				(7,801,701.38)	(1.71)
Management fees				(511,132.11)	(0.11)
Payable on purchase of securities				(33,593,000.74)	(7.38)
Payable on redemptions				(1,658,325.28)	(0.36)
Bank interest payable on cash accounts				(3,879.32)	(0.00)
Other liabilities				(23,877.98)	(0.01)
Total other liabilities				(43,591,916.81)	(9.57)
Total Net Assets as at 31 October 2014		EUR		455,455,176.97	100.00

A list of changes in the assets held during the financial year under review is available free of charge from SEB Asset Management S.A..

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

Statement of Operations

For the year ended 31 October 2014

SEB Concept Biotechnology

EUR

Income	
Investment income (note 1)	668,489.13
Bank interest on cash accounts	4,416.20
Total income	672,905.33
Expenses	
Management fees (note 3)	4,232,646.83
Custody fees (note 4)	94,037.34
Taxe d'abonnement (note 5)	146,943.10
Bank interest on cash accounts	16,670.80
Other expenses	47,121.20
Total expenses	4,537,419.27
Net loss for the year	(3,864,513.94)

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

Statement of Changes in Net Assets

For the year ended 31 October 2014

SEB Concept Biotechnology

EUR

Net Assets at the beginning of the year	173,374,230.72
Net (loss) for the year	(3,864,513.94)
Net realised gain / (loss) on:	
- sales of securities	68,333,920.58
- foreign exchange	(24,015.56)
Total net realised gain	68,309,905.02
Change in net unrealised appreciation / (depreciation) on:	
- securities	57,028,911.15
Total change in net unrealised appreciation	57,028,911.15
Increase in Net Assets as a result of operations	121,474,302.23
Proceeds on issues of units	508,534,068.27
Payment on redemptions of units	(347,858,748.06)
Dividends paid	(68,676.19)
Total Net Assets as at 31 October 2014	455,455,176.97

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

Statement of Net Assets

As at 31 October 2014

SEB Concept Biotechnology

EUR

Assets	
Portfolio at cost	364,868,218.49
Unrealised appreciation	92,370,521.02
Portfolio at market value (note 1)	457,238,739.51
Cash at bank	10,077,176.47
Other assets	31,731,177.80
Total Assets	499,047,093.78
Liabilities	
Bank overdraft	(7,801,701.38)
Other liabilities	(35,790,215.43)
Total Liabilities	(43,591,916.81)
Total Net Assets as at 31 October 2014	455,455,176.97
"C (EUR)" units outstanding as at 31 October 2014	3,135,846.8710
"D (EUR)" units outstanding as at 31 October 2014	1,450,918.2820
Net Asset Value per "C (EUR)" unit as at 31 October 2014	99.406
Net Asset Value per "D (EUR)" unit as at 31 October 2014	99.063

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

Statistical Information

As at 31 October 2014

SEB Concept Biotechnology

0

EUR

Number of "C (EUR)" units outstanding	
as at 31 October 2014	3,135,846.8710
as at 31 October 2013	2,108,763.6410
as at 31 October 2012	1,964,212.3270
Number of "D (EUR)" units outstanding	
as at 31 October 2014	1,450,918.2820
as at 31 October 2013	634,316.6630
as at 31 October 2012	543,341.9890
Total Net Assets	0
as at 31 October 2014	455,455,176.97
as at 31 October 2013	173,374,230.72
as at 31 October 2012	107,403,188.78
Net Asset Value per "C (EUR)" unit	
as at 31 October 2014	99.406
as at 31 October 2013	63.240
as at 31 October 2012	42.842
Net Asset Value per "D (EUR)" unit	
as at 31 October 2014	99.063
as at 31 October 2013	63.086
as at 31 October 2012	42.797
Performance in % "C (EUR)" units *)	
as at 31 October 2014	57.2
as at 31 October 2013	47.6
as at 31 October 2012	32.8
Performance in % "D (EUR)" units **)	
as at 31 October 2014	57.1
as at 31 October 2013	47.5
as at 31 October 2012	32.8
Dividend paid per D (EUR) unit	0
2014	0.0763
2013	0.0600
2012	0.0304
Ongoing Charges (Unaudited) *** in %	
01/11/2013 - 31/10/2014 "C (EUR)" units	1.59
01/11/2013 - 31/10/2014 "D (EUR)" units	1.59
Portfolio Turnover Rate (Unaudited) ****) (PTR) in %	
01/11/2013 - 31/10/2014	44.6

*) Performance is calculated by the following formula: $((NAV / Unit \text{ as at } 31/10/2014) / (NAV / Unit \text{ as at } 31/10/2013) - 1) * 100$

***) Performance is calculated by the following formula: $((NAV / Unit \text{ as at } 31/10/2014 + \text{dividend} / Unit \text{ paid during the year}) / (NAV / Unit \text{ as at } 31/10/2013) - 1) * 100$

****) Ongoing Charges for the purposes of the financial statements are calculated by the following formula: $(\text{Expenses deducted from the assets including the custodian transaction fees but excluding bank interest on cash accounts} / \text{average TNA}) * 100$. The Ongoing Charges of this financial report are dated 31 October 2014 and might differ from the Ongoing Charges published in the KIID.

*****) PTR is calculated by the following formula: $((Total 1 - Total 2) / \text{average TNA}) * 100$

NAV = Net Asset Value

TNA = Total Net Assets

Total 1 = Total of securities transactions for the year under review (purchases + sales)

Total 2 = Total of subscribed and redeemed units for the year under review (subscriptions + redemptions)

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

Notes to the Financial Statements

As at 31 October 2014

Note 1. Significant Accounting Policies

The financial statements have been prepared in accordance with Luxembourg regulations relating to Undertakings for Collective Investment.

Investments:

a) Transferable securities and money market instruments, which are officially listed on the stock exchange, are valued at the last available price.

b) Transferable securities and money market instruments, which are not officially listed on a stock exchange, but which are traded on another regulated market are valued at a price no lower than the bid price and no higher than the ask price at the time of the valuation and at which the Management Company considers to be an appropriate market price.

c) Transferable securities and money market instruments quoted or traded on several markets are valued on the basis of the last available price on the principal market for the transferable securities or money market instruments in question, unless these prices are not representative.

d) In the event that such prices are not in line with market conditions, or for securities and money market instruments other than those covered in a), b) and c) above for which there are no fixed prices, these securities and money market instruments, as well as other assets, will be valued at the current market value as determined in good faith by the Management Company, following generally accepted valuation principles verifiable by the auditor.

e) Units or shares of UCI(TS) are valued at the last available Net Asset Value obtained from the Administrative Agent of such UCI(TS).

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

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

Currency translation:

All assets denominated in a different currency to the Funds' currency are converted into the Funds' currency at the last available exchange rate.

Separate accounts are maintained for the Fund in the currency in which the Net Asset Value per unit to which it relates is expressed (the "accounting currency").

Transactions denominated in a currency other than the accounting currency are recorded on the basis of exchange rates prevailing on the date they occur or accrue to the Fund.

Assets and liabilities, expressed in a currency other than the accounting currency, are translated on the basis of exchange rates ruling at the balance sheet date.

As at 31 October 2014, the exchange rates were as follows:

1 GBP	=	1.276900000	EUR	1 SEK	=	0.107853116	EUR
1 NOK	=	0.118224913	EUR	1 USD	=	0.798137326	EUR

Income:

Dividends are recorded on the ex-dividend date. Interest income is recognised on an accruals basis.

Note 2. Efficient Portfolio Management

Subject to the conditions and within the limits from time to time laid down by the European Securities and Markets Authority ("ESMA"), and except as otherwise stated in the investment objective and policies of a Fund, the Investment Managers and/or Sub-Investment Manager(s) may employ, investment techniques and instruments such as securities lending, repurchase agreements and other derivatives for investment purposes or efficient portfolio management. Furthermore, new techniques and instruments may be developed which may be suitable for use by the Fund in the future and the Fund may employ such techniques and instruments subject to restrictions imposed by ESMA.

Note 3. Management Fees

In payment for its services, the Management Company receives a commission at a maximum annual rate of:

- 1.50% is charged on SEB Concept Biotechnology "C (EUR)" units (maximum rate: 1.50%)
- 1.50% is charged on SEB Concept Biotechnology "D (EUR)" units (maximum rate: 1.50%)

A twelfth of this rate is being payable at the end of each month and based on the average Net Assets of the Fund calculated daily during the relevant month.

The Management Company pays accounting, administration and all other charges and fees on behalf of the Fund, except for taxes, custody fees, bank and brokerage fees for transactions in securities making up the Fund's portfolio as well as fees on transfers referring to redemption of units.

Note 4. Custody Fees

In remuneration for its services, the Custodian Bank receives from the Net Assets of the Fund a commission of 0.032% per annum, calculated daily based on the securities assets held in custody. These fees are paid at the end of each month.

The Custodian Bank also receives processing fees in line with standard banking practice for transactions on account of the Fund and costs and expenses incurred by the Custodian Bank on the basis of the permitted commissioning of third-party banks and/or securities depositories with the custody of Fund assets, in line with standard market practice.

These fees are paid to the Custodian Bank at the end of each month.

Note 5. Taxation

The Fund is liable in Luxembourg to a subscription tax ("taxe d'abonnement") of 0.05% or 0.01% (as applicable) per annum of its NAV, such tax being payable quarterly on the basis of the value of the aggregate Net Assets of the Fund at the end of the relevant calendar quarter. Investments by the Fund in shares or units of another Luxembourg undertaking for collective investment which are also subject to the taxe d'abonnement are excluded from the NAV of the Fund serving as basis for the calculation of this tax to be paid by the Fund.

No stamp duty or other tax is payable in Luxembourg on the issue of units.

Interest, dividend and other income realised by the Fund on the sale of securities of non-Luxembourg issuers, may be subject to withholding and other taxes levied by the jurisdictions in which the income is sourced.

Note 6. Transaction Fees

Transaction fees incurred by the Fund relating to the purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets are mainly composed of custodian fees and broker fees. Most of the transaction fees are included in the transaction price used to calculate the realised and unrealised gain/(loss) on securities. For the year ended 31 October 2014, the transaction fees were as follows:

SEB Concept Biotechnology	225,219.77	EUR
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Note 7. Significant events during the year

A new prospectus was issued in November 2013.

Directors

There were changes to the Board of Directors of the Company during the year. Please refer to the Organisation section on page 3 for details.

Note 8. Subsequent events after the year end

There were no subsequent events after the year end.



Audit Report

To the Unitholders of
SEB Concept Biotechnology

We have audited the accompanying financial statements of SEB Concept Biotechnology, which comprise the Statement of Net Assets and the Schedule of Investments as at 31 October 2014 and the Statement of Operations and the Statement of Changes in Net Assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility 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 these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation 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.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the Management Company, as well as evaluating the overall presentation of the financial statements.

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

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Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)
R.C.S. Luxembourg B 65 477 - TVA LU25482518



Opinion

In our opinion, the financial statements give a true and fair view of the financial position of SEB Concept Biotechnology as of 31 October 2014, 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 of the financial statements.

Other matters

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg 29 January 2015

A handwritten signature in blue ink, appearing to read 'Thierry Blondeau', with a long, sweeping underline.

Thierry Blondeau

Notes to the “EU Savings Tax Directive” (unaudited)

The Council of the European Union adopted on 3 June 2003 a Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the "Savings Tax Directive") under which Member States of the European Union ("Member States") will be required to provide tax authorities of another Member State with details of payment of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State. Austria, Belgium and the Grand Duchy of Luxembourg have opted alternatively for a withholding tax system for a transitional period in relation to such payments. The Luxembourg law of 21 June 2005 implemented the Savings Directive into Luxembourg law (the "Savings Directive Law"). Pursuant to the Savings Directive Law, from 1 July 2005 until 30 June 2008, the withholding tax rate on interests was 15% and from 1 July 2008 until 30 June 2011, the withholding tax was 20% rising to 35% from 1 July 2011 onwards. After 31 December 2014, Luxembourgish paying agents are obliged to exchange the details on cross-border interest distributions or redemptions of fund units subject to the European Savings Directive (EUSD). Article 9 of the Savings Directive Law provides that no withholding tax will be withheld if the beneficial owner expressly authorizes the paying agent to report information in accordance with the provisions of the Savings Directive Law.

Dividends distributed are subject to the Savings Tax Directive if more than 15% of the assets are invested in debt claims as defined in the Savings Directive Law. Proceeds realised by Unitholders on the disposal of units will be subject to such reporting or withholding if more than 40% of the assets are invested in debt claims as defined by the Savings Directive Law. As from 1 January 2011 the application threshold for the EU Savings Directive changed from 40% to 25%.

The determination of the portion of debt claims has been carried out based on an asset test. Key dates for this asset test were 30 April 2014 and 31 October 2014. The average percentage of the Fund's debt claims is as follows:

SEB Concept Biotechnology:	0.68%
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Therefore, SEB Concept Biotechnology is not subject to the Directive for the period from 1 March 2015 to 28 February 2016.

Risk Disclosure (unaudited)

In the context of risk measurement and in accordance with CSSF Circular 11/512 a UCITS must calculate its global exposure on at least a daily basis.

For SEB Concept Biotechnology, the global exposure is calculated and monitored daily by using the calculation methodology Value at Risk (VaR). The VaR model used is parametric VaR. The observation period is at least 250 days.

The VaR methodology provides an estimate of the maximum potential loss over a specific time period and at a given confidence level, i.e. probability level. Usually for UCITS, the time period is 1 month/20 business days and the confidence level is 99%.

For example, a VaR estimate of 3% on a 20-days' time period with a 99% confidence level means that, with 99% certainty, the percentage the Fund can expect to lose over the next 20 days' period should be a maximum of 3%.

In case of the VaR methodology, the Fund can use either the "relative" or the "absolute" VaR approach.

According to CSSF Circular 11/512, the absolute VaR approach must not be greater than 20% based on a 99% confidence level and a holding period of 1 month/20 business days. In the case of the relative VaR approach, the VaR of the fund must not be greater than twice the VaR of its reference portfolio. Nevertheless, lower limitations than those ones set by the regulator can be set in accordance with the investment policy/strategy of the fund.

In addition to the VaR, the level of leverage generated through the use of derivatives and the use of collateral in relation to efficient portfolio management transactions (i.e. securities lending or repurchase agreements) is monitored twice a month. Leverage is measured as the sum of the absolute notional exposures of the financial derivative instruments (i.e. the absolute sum of all long and short notional positions in derivatives compared to the Net Asset Value of the Fund) and the reinvestment of collateral related to securities lending or repurchase agreement used by the Fund.

The below overview summarises the Fund indicating the VaR approach, the reference portfolio (in the case of relative VaR), the legal VaR limit, the lowest/highest and average utilisation of VaR (expressed as a percentage of the respective absolute or relative legal VaR limit) as well as the average level of leverage for the year ended 31 October 2014:

Fund	Relative/ Absolute VaR	Reference portfolio	Legal VaR- limit	Lowest utilisation of VaR	Highest utilisation of VaR	Average utilisation of VaR	Average Leverage
SEB Concept Biotechnology	Relative	NASDAQ Biotechnology Index	200%	44.50%	48.37%	45.98%	0%

