

Annual report including audited financial statements as at 31st December 2023

IKC FUND

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

R.C.S. Luxembourg K20



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.

IKC FUND

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IKC FUND

Organisation

Management Company

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

Board of Directors of the Management Company

Chairman
Michel Marcel VAREIKA
Independent Non-Executive Director

Members
Frank DE BOER
Executive Director
(since 7th August 2023)

Romain DENIS
Executive Director
(until 17th July 2023)

Karl FÜHRER
Executive Director
(since 17th July 2023)

Thibault GREGOIRE
Executive Director
(until 15th September 2023)

Carmel MCGOVERN
Independent Non-Executive Director

Xavier PARAIN
Executive Director
(until 10th February 2023)

David RHYDDERCH
Non-Executive Director
(since 5th May 2023)

Depositary

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

Administration Agent, Registrar and Transfer Agent

UI efa S.A.
(formerly European Fund Administration S.A.)
2, rue d'Alsace
L-1122 Luxembourg

Investment Manager, Placement and Distribution Agent

IKC Capital AB
Kungsgatan 6
SE-211 49 Malmö

Auditor

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

IKC FUND

Organisation (continued)

Paying Agents

In Sweden

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

In Luxembourg

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

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Report on activities of the Investment Manager

IKC Fund Lux 0-100

Market review

At the beginning of the year, stock markets rallied as growing expectations of a soft landing in the US economy increased investor risk appetite. In particular, the technology sector rose as long-term US interest rates fell, while the US central bank raised the policy rate as planned in early February. Shortly thereafter, stock markets fell as the inflation rate in the US economy came in higher than expected, reducing risk appetite as investors worried about further rate hikes by the FED. The decline in the stock markets intensified at the end of February following signals of continued strength in the US economy, resulting in renewed interest rate worries. At the beginning of March, the stock markets, especially banking stocks, fell in connection with the bankruptcy of the US regional banks Silicon Valley Bank and Signature Bank, where US authorities took over the operations to guarantee the capital deposited by the customers. Concerns in the stock markets escalated when Credit Suisse failed to raise new equity capital, forcing the Swiss central bank to offer emergency loans to support operations. The stock markets rebounded at the end of March when the FED raised the policy rate and announced a more cautious approach to further increases.

During most of April, the stock markets had a relatively directionless development as weaker inflationary pressures gave investors hope that the FED was nearing the end of further rate hikes while concerns increased about slowing growth in the US economy. However, at the end of the month, the stock markets rose when, among others, Microsoft and Alphabet released stronger-than-expected quarterly reports. At the beginning of May, the stock markets fell in connection with the FED raising the policy rate while the uncertainty surrounding the US debt ceiling increased. Rising risk appetite related to Nvidia's quarterly report and artificial intelligence, in general, contributed to the stock markets, especially the technology sector, rallying in late May and early June. The stock markets fell at mid-month when the FED left the policy rate unchanged. At the end of June, stock markets rallied again as data for the US economy, particularly the services sector, came in better than expected.

In July, stock markets rose, particularly the technology sector, due to positive investor sentiment and indications of falling inflation in the US economy. Meanwhile, the FED raised the policy rate as planned at the end of the month. In early August, the stock markets fell as concerns about rising interest rates and mixed earnings report results contributed to weaker sentiment among investors. The decline in the stock markets escalated after indications of a slowdown in the Chinese economy and concerns of credit downgrades pressuring US banking stocks. In September, rising US interest rates, poor prospects for a political budget deal in the US Congress, and weaker growth prospects in the Chinese economy contributed to the stock markets falling. The decline in the stock markets escalated as the FED left the policy rate unchanged while communicating a hawkish tone regarding further policy rate increases.

At the beginning of October, the stock markets fell as US long-term interest rates rose. Shortly thereafter, Hamas conducted an attack on Israel, which caused energy and defense-related stocks to rise. After a period of increased geopolitical unrest, stock markets rose at the end of October due to better-than-expected order intake in the US manufacturing industry. At the beginning of November, the stock markets rose as the FED left the policy rate unchanged. At mid-month, the stock markets rose, and interest rate-sensitive stocks rallied as US interest rates fell when inflation in the US came in lower than expected. In December, the stock markets rose as inflation expectations fell, and stronger-than-expected US economic data helped boost investor optimism. At mid-month, the FED left the policy rate unchanged while communicating projections of rate cuts ahead. The announcement caused the stock markets, especially interest rate-sensitive stocks, to rally while US interest rates fell and the dollar weakened. After a brief period of profit-taking, the stock markets rose again at the end of December, driven by policy rate optimism.

During 2023, the world index MSCI ACWI measured in SEK rose approximately 17.8 percent, while the Swedish stock market index SIXPRX rose approximately 19.2 percent.

IKC FUND

Report on activities of the Investment Manager (continued)

Performance review

IKC Fund Lux 0-100 increased in value during 2023 by 0,27 percent after deductions for management costs and other expenses.

Both the equity and the fixed income part of the portfolio contributed positively to the fund's performance during the year. The fund had substantial exposure to the US stock market throughout the year. During the year's first half, a relatively high equity exposure contributed positively to the fund's performance. However, sizable portfolio holdings in healthcare and consumer staples negatively affected the fund's performance at the beginning of the year. At the end of February, expectations of a soft landing in the US economy strengthened. Hence, the fund's equity exposure was weighted up, and holdings in interest-rate and cyclically sensitive sectors, e.g., technology, financials, industrials, and materials, were increased, while defensive sectors, e.g., consumer staples and healthcare, were decreased. In the spring, holdings in technology were increased, while holdings in materials were reduced as commodity prices fell.

During the year's second half, a relatively high equity exposure contributed negatively to the fund's performance as holdings in primarily consumer discretionary underperformed the broader market. In the autumn holdings in technology and healthcare, especially electronic design automation companies and obesity pharmaceutical companies, were increased, while holdings in cyclically sensitive sectors, e.g., industrials and consumer discretionary, were reduced. In December, when the FED announced interest rates had peaked, the equity exposure was weighted up, and holdings in technology, especially semiconductor companies, were increased. For the full year, holdings in technology, communication services, financials, industrials, and real estate contributed positively to the fund's performance, while holdings in healthcare, consumer staples, materials, and consumer discretionary contributed negatively during the year.

Market outlook

The outlook for financial markets in 2024 is positive as the global economy appears on track for a soft landing. We expect global growth to slow below 3 percent due to high interest rates and softer demand for goods and services. However, the global economy was expected to experience a hard landing earlier, and consequently, the outlook has improved substantially. The US economy has been resilient, and we expect a soft landing during the year. US inflation is currently on a downward trend and is expected to move closer to the FED's target at the end of the year. Thus, we expect the FED to start lowering policy rates by mid-year and then continue lowering policy rates into the following year. In Europe, we expect growth to improve during the year. The German manufacturing industry is likely to bottom out by mid-year and improve during the year's second half. We expect consumer purchasing power to increase as inflation abates during the year. The ECB is expected to start lowering policy rates by mid-year to mitigate higher real interest rates. The Russian war of aggression against Ukraine continues with no end in sight, which negatively affects the European economy during the year. In China, we expect growth to be below 5 percent as domestic demand for goods and services continues to be soft. Additionally, deflation and a sharp contraction in the real estate sector create a problematic environment for the Chinese economy.

Overall, we have a positive outlook for the stock markets, mainly because of less tightening of financial conditions and better-than-expected growth in the US economy. US corporate earnings are projected to be in double digits during the year while inflation slows down. We expect companies with strong balance sheets, solid cash flows, and pricing power to outperform lower-quality companies in the stock markets during the year. We also expect outperformance thematically regarding artificial intelligence and obesity healthcare during the year. Furthermore, fixed-income investments in longer duration should benefit when interest rates decrease.

Luxembourg, 19th March 2024

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
IKC Fund

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of IKC Fund (the “Fund”) as at 31 December 2023, 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 2023;
- the statement of operations and other changes in net assets for the year then ended;
- the statement of investments and other net assets as at 31 December 2023; 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, 26 April 2024

Antoine Geoffroy

IKC FUND - Lux 0 - 100

Statement of net assets (in SEK) as at 31st December 2023

Assets

Securities portfolio at market value	843,676,025.54
Cash at banks	46,258,064.51
Receivable on issues of units	337,708.55
Income receivable on portfolio	318,435.49
Other income receivable	42,306.52
Other receivables	18,205.62
Total assets	890,650,746.23

Liabilities

Payable on redemptions of units	1,664,954.43
Expenses payable	1,744,609.19
Total liabilities	3,409,563.62
Net assets at the end of the year	887,241,182.61

Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in SEK)
IC SEK	4,826,612.007	SEK	183.82	887,241,182.61
				887,241,182.61

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

IKC FUND - Lux 0 - 100

Statement of operations and other changes in net assets (in SEK) from 1st January 2023 to 31st December 2023

<u>Income</u>	
Dividends, net	6,364,175.89
Bank interest	1,420,390.73
Other commissions received	516,059.11
Other income	299,065.77
Total income	8,599,691.50
<u>Expenses</u>	
Management fees	19,353,109.30
Depositary fees	260,076.97
Transaction fees	961,520.38
Central administration costs	771,081.94
Professional fees	274,790.38
Other administration costs	422,171.48
Subscription duty ("taxe d'abonnement")	93,211.58
Total expenses	22,135,962.03
Net investment loss	-13,536,270.53
<u>Net realised gain/(loss)</u>	
- on securities portfolio	8,406,013.02
- on foreign exchange	-628,111.61
Realised result	-5,758,369.12
<u>Net variation of the unrealised gain/(loss)</u>	
- on securities portfolio	6,201,798.32
Result of operations	443,429.20
Subscriptions	12,314,778.58
Redemptions	-162,805,332.00
Total changes in net assets	-150,047,124.22
Total net assets at the beginning of the year	1,037,288,306.83
Total net assets at the end of the year	887,241,182.61

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

IKC FUND - Lux 0 - 100

Statistical information (in SEK)

as at 31st December 2023

Total net assets	Currency	31.12.2021	31.12.2022	31.12.2023
	SEK	1,277,315,156.03	1,037,288,306.83	887,241,182.61

Net asset value per unit class	Currency	31.12.2021	31.12.2022	31.12.2023
IC SEK	SEK	203.59	183.34	183.82

Number of units	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
IC SEK	5,657,611.973	67,641.244	-898,641.210	4,826,612.007

IKC FUND - Lux 0 - 100

Statement of investments and other net assets (in SEK) as at 31st December 2023

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<u>Investments in securities</u>					
<u>Transferable securities admitted to an official stock exchange listing</u>					
Shares					
CAD	520	Constellation Software Inc	11,845,065.23	13,046,944.78	1.47
CHF	82,500	ABB Ltd Reg	29,674,724.14	36,836,326.00	4.15
DKK	49,800	Novo Nordisk AS B	41,522,786.96	51,899,775.26	5.85
EUR	3,800	ASML Holding NV	28,816,125.11	28,827,522.90	3.25
EUR	2,500	Ferrari NV	9,255,958.75	8,490,924.38	0.96
EUR	940	Hermes Intl SA	18,727,916.92	20,071,877.54	2.26
			56,800,000.78	57,390,324.82	6.47
SEK	17,200	Evolution AB Reg	22,809,855.42	20,677,840.00	2.33
USD	16,750	Alphabet Inc C	17,555,050.56	23,782,818.34	2.68
USD	15,100	Apple Inc Reg	24,514,677.32	29,290,070.25	3.30
USD	570	Autozone Inc	15,681,133.81	14,848,511.84	1.67
USD	2,780	Broadcom Inc Reg	26,151,411.03	31,264,488.16	3.52
USD	9,000	Cadence Design Systems Inc	24,434,790.85	24,697,149.77	2.78
USD	2,000	Costco Wholesale Corp	13,415,838.57	13,300,612.01	1.50
USD	2,450	Elevance Health Inc	14,564,684.71	11,639,869.16	1.31
USD	3,750	Eli Lilly & Co	25,267,952.20	22,023,446.27	2.48
USD	6,000	Hershey Co (The)	16,050,311.73	11,270,298.01	1.27
USD	5,000	KLA Corp Reg	29,271,952.80	29,282,987.53	3.30
USD	3,700	Lam Research Corp	28,959,858.91	29,197,974.68	3.29
USD	4,950	Mastercard Inc A	19,428,375.21	21,270,586.86	2.40
USD	5,250	Mc Donald's Corp	15,733,067.27	15,683,525.83	1.77
USD	14,500	Microsoft Corp	40,008,898.30	54,934,743.55	6.19
USD	1,640	O Reilly Automotive Inc	15,296,835.37	15,698,171.86	1.77
USD	25,200	Oracle Corp	33,151,125.00	26,767,622.73	3.02
USD	13,800	Progressive Corp	19,719,102.11	22,145,494.82	2.50
USD	4,600	Synopsys Inc	24,574,389.82	23,863,503.97	2.69
USD	2,450	United Health Group Inc	14,774,680.29	12,995,253.88	1.47
USD	9,600	Visa Inc A	23,031,210.56	25,181,052.02	2.84
			441,585,346.42	459,138,181.54	51.75
Total shares			604,237,778.95	638,989,392.40	72.02
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
SEK	737,261.8052	IKC Avkastningsfond B Cap	88,604,123.76	102,037,033.84	11.50
SEK	96,055.0609	IKC Fastighetsfond Units B Cap	14,979,580.27	23,113,729.30	2.61
SEK	173,500	IKC Sverige Flexibel Units Dist	32,067,454.96	79,535,870.00	8.96
Total investment funds (UCITS)			135,651,158.99	204,686,633.14	23.07
Total investments in securities			739,888,937.94	843,676,025.54	95.09
Cash at banks				46,258,064.51	5.21
Other net assets/(liabilities)				-2,692,907.44	-0.30
Total				887,241,182.61	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.

IKC FUND - Lux 0 - 100

Industrial and geographical classification of investments as at 31st December 2023

Industrial classification

(in percentage of net assets)

Technologies	37.43 %
Investment funds	23.07 %
Cyclical consumer goods	15.56 %
Healthcare	11.11 %
Industrials	4.15 %
Financials	2.50 %
Non-cyclical consumer goods	1.27 %
Total	<u>95.09 %</u>

Geographical classification

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

United States of America	51.75 %
Sweden	25.40 %
Denmark	5.85 %
The Netherlands	4.21 %
Switzerland	4.15 %
France	2.26 %
Canada	1.47 %
Total	<u>95.09 %</u>

IKC FUND

Notes to the financial statements

as at 31st December 2023

Note 1 - General Information

IKC FUND (the "Fund") is an umbrella contractual common investment fund (*Fonds Commun de Placement*) governed by Part I of the amended Luxembourg law of 17th December 2010 relating to Undertakings for Collective Investment. The Fund is set up in accordance with management regulations signed in Luxembourg with effect as of 12th June 2012 (the "Management Regulations").

The Fund is registered with the Luxembourg Register of Commerce ("RCS") under the number K20. The Management Regulations have been deposited with the RCS. A notice of the deposit of the Management Regulations was published on 12th June 2012 in the *Mémorial, Recueil des Sociétés et Associations* (the *Mémorial C*). Publications made after 1st June 2016 are available on the new platform called *Recueil électronique des sociétés et associations* ("RESA") accessible through the website of the RCS.

The Net Asset Value of each Class of Units is calculated for as of each day on which banks are normally open for business in Luxembourg, except for 24th December in each year.

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

The Fund's reporting period begins on 1st January and ends on 31st December of each year.

Copies of the Management Agreements, of the current prospectus, of the current KID, of the latest reports of the Fund and all information concerning the Fund can be obtained free of charge at the office of the Management Company and the Placement and Distribution Agent.

Note 2 - Significant accounting policies

a) Presentation of the financial statements

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

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

The financial statements are presented on the basis of the Net Asset Value of the Sub-Funds calculated on 31st December 2023. In accordance with the prospectus, the last official trading Net Asset Values of the corresponding Sub-Funds have been calculated on 29th December 2023 as the Net Asset Values are not calculated on 31st December 2023. Nevertheless, an additional Net Asset Value has been calculated for the 31st December 2023 for reporting purposes which is disclosed in these financial statements.

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 shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Management Company may consider appropriate in such case to reflect the true value thereof.
- 2) Securities listed on Regulated Markets, which operate regularly and are recognised and open to the public, are valued at the last available price; in the event that there should be several such markets, on the basis of the last available price of the main market for the relevant security. Should the last available price for a given security not truly reflect its fair market value, then that security shall be valued on the basis of the probable sales price which the Management Company deems it is prudent to assume.

IKC FUND

Notes to the financial statements (continued)

as at 31st December 2023

- 3) Securities not listed on Regulated Markets, which operate regularly and are recognised and open to the public, are valued on the basis of their last available price. Should the last available price for a given security not truly reflect its fair market value, then that security will be valued by the Directors on the basis of the probable sales price which the Management Company deems it is prudent to assume.
 - 4) Shares or units in underlying open-ended investment funds are valued at their last available price.
 - 5) Liquid assets and money market instruments may be valued at nominal value plus any accrued interest or on an amortised cost basis. Securities valued at amortized cost are disclosed at cost value in the statement of investments, amortized interests are recorded as income receivable on portfolio in the statement of net assets. All other assets, where practice allows, may be valued in the same manner. Short-term investments that have a remaining maturity of one year or less may be valued at market value, or where market value is not available or not representative, at amortised cost.
- 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 and is disclosed in the statement of operations and other changes in net assets.

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. Exchange gains or losses are disclosed in the statement of operations and other changes in net assets.

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

1	SEK	=	0.1309380	CAD	Canadian Dollar
			0.0835385	CHF	Swiss Franc
			0.6698561	DKK	Danish Krona
			0.0898607	EUR	Euro
			0.0992556	USD	US Dollar

f) Investment income

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

g) Transaction fees

Transaction costs disclosed under the caption "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the Fund relating to purchases or sales of securities, of fees relating to transactions paid to the Depository and of transaction fees on financial and derivatives instruments.

Note 3 -Management fee

a) Management company fees:

The Management Company receives a management fee not exceeding 0.10% per annum of the net assets of the Sub-Fund, accrued daily and payable monthly in arrears with a minimum annual management fee per Sub-Fund of EUR 25,000.

IKC FUND

Notes to the financial statements (continued)

as at 31st December 2023

b) Investment management fees:

The Investment Manager receives the following Investment Management Fee per annum of the net assets of the Sub-Fund, accrued daily and payable monthly in arrears.

The effective annual rates for the unit class currently offered are as follows:

Sub-Fund	IC SEK Unit Class
IKC FUND - Lux 0 - 100	1.95%

Note 4 -Subscription duty (taxe d'abonnement)

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations which are prevailing, the Fund is subject to an annual *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.

The rate of this tax is reduced to 0.01% of the value of the net assets for Sub-Funds or Classes of units reserved for institutional investors.

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

Note 5 -Trailer fees

Management fee retrocessions received by the Fund in relation to its investments in certain target funds are disclosed as "Other commissions received" in the statement of operations and other changes in net assets.

Note 6 -Central administration costs

Central Administration fees are disclosed in the item "Central administration costs" in the statement of operations and other changes in net assets. For its services to the Company, the Management Company is entitled to receive an administration fee payable monthly in arrears based on the Sub-Fund's net assets calculated daily during the relevant month.

Note 7 - Depositary Fees

The Depositary fees are disclosed in the item "Depositary fees" in the statement of operations and other changes in net assets. This item includes also the Supervisor fees. The depositary bank receives a fee at the end of each month, which is chargeable against the NAV of the Sub-Fund.

Note 8 -Capped expenses

The Investment Manager of the Fund, IKC Capital AB, has committed with effect from the launch date of the Sub-Fund and until further notice to the Fund and the Management Company, to cap the following fees at a level of 0.25% p.a. of the net assets of the Sub-Fund. Any residual due above this level will be paid by the Investment Manager directly to the Fund.

IKC FUND

Notes to the financial statements (continued)

as at 31st December 2023

Fees in scope ("the Fees"):

- Central administration fees (including the administration fee, and the fee in respect of the register and transfer agent functions);
- Other Administration fees (including the fee for risk management and out of pocket expenses);
- Depositary fees;
- Taxe d'abonnement;
- Audit fees;
- CSSF fees.

Expenses supported by the Investment Manager of the Fund are disclosed in "Other income" in the statement of operations and other changes in net assets.

Note 9 -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 Management Company of the Fund.

Note 10 -Swing pricing

Under certain circumstances investment and / or disinvestment costs may have an adverse effect on the unitholders interests in a Sub-Fund.

In order to prevent this effect, called "dilution", the Directors have the authority to allow for the Net Asset Value per unit to be adjusted by effective dealing and other costs and fiscal charges which would be payable on the effective acquisition or disposal of assets in the relevant Sub-Fund if the net capital activity exceeds, as a consequence of the sum of all subscriptions, redemptions or conversions in such a Sub-Fund, such threshold percentage (the "Threshold") as may be determined from time to time by the Directors, of the Sub-Fund's total net assets on a given Valuation Day.

If the net capital activity for a given Valuation Day leads to a net inflow of assets in excess of the Threshold in the relevant Sub-Fund, the Net Asset Value used to process all subscriptions, redemptions or conversions in such a Sub-Fund is adjusted upwards by the swing factor that shall be determined from time to time by the Directors but will not exceed 2% of the relevant Net Asset Value.

If the net capital activity for a given Valuation Day leads to a net outflow of assets in excess of the Threshold in the relevant Sub-Fund, the Net Asset Value used to process all subscriptions, redemptions or conversions in such a Sub-Fund is adjusted downwards by the swing factor that shall be determined from time to time by the Directors but will not exceed 2% of the relevant Net Asset Value.

There was no "Swing Pricing" applied for the Net Asset Value as at 31st December 2023.

Note 11 -Withholding tax refund

The Management Company of the Fund has instigated proceedings to reclaim tax withheld by certain Member States of the European Union on dividend payments it has received. The decision to initiate proceedings against any particular Member State is the result of an analysis of the likely costs and potential benefits of doing so. The likelihood of successfully reclaiming such amounts together with the estimated time to complete proceedings varies across Member States.

On the 2nd March 2021, the claim withholding tax in France allowed a net refund of SEK 547,141.05 for 2017.

On the 20th July 2021, there was a withholding tax refund from France amounted to SEK 552,274.44 for 2018.

For the year 2019 there was a tax refund from France amounted to SEK 624,971.36 on the 21st February 2022.

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Notes to the financial statements (continued)

as at 31st December 2023

For the year 2022 there was a tax refund from USA amounted to SEK 79,379.03 on the 27st February 2023.

For the year 2018 there was a tax refund from USA amounted to SEK 3,442.75 on the 08st March 2023.

Note 12 -Sustainability-related Disclosures

Information on environmental and/or social characteristics and/or sustainable investments is available in the relevant annexes under the (unaudited) Sustainable Finance Disclosure Regulation section.

Note 13 -Events

Xavier Parain resigned from the Board of Directors of FundRock Management Company S.A. on 10th February 2023 and David Rhydderch was appointed by co-optation to the Board on 5th May 2023.

With effect from 15th May 2023, European Fund Administration S.A. changed its name to UI efa S.A..

Romain Denis resigned from the Board of Directors of FundRock Management Company S.A. on 17th July 2023 and Karl Führer was appointed as a director in his place.

Frank deBoer was appointed to the Board of Directors of FundRock Management Company S.A. on 7th August 2023.

Thibault Gregoire resigned from the Board of Directors of FundRock Management Company S.A. on 15th September 2023.

Note 14 -Subsequent events

There are no significant subsequent events.

IKC FUND

Additional information (unaudited)

as at 31st December 2023

1 - Risk management

As required by the amended Circular CSSF 11/512, the Board of Directors of the Management Company needs to determine the global risk exposure of the Fund by applying either the commitment approach or the VaR ("Value at Risk") approach.

The Board of Directors of the Management Company decided to adopt the commitment approach as a method of determining the global exposure.

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.

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 Fund Rock'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 2023 paid by FundRock to its staff: EUR 14,194,779

Fixed remuneration: EUR 13,452,850

Variable remuneration: EUR 741,929

Number of beneficiaries: 208

The aggregated amount of remuneration for the financial year ending 31st December 2023 paid by FundRock to Identified staff/risk takers is EUR 1,867,063.

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.

IKC FUND

Additional information (unaudited) (continued)

as at 31st December 2023

2.2. Remuneration of the Investment Manager

The remuneration to IKC Capital AB for the period from 1st January 2023 until 31st December 2023:

Number of employees: 5

Total compensation to staff: SEK 12,449,316.60

Of which compensation to management: SEK 5,573,942.32

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

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

4 - Sustainability-related Disclosures

In accordance with the requirements of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27th November 2019 on sustainability-related disclosures in the financial services sector (the "SFDR") as amended and as complemented by regulatory technical standards (RTS), it is noted that:

for the Sub-Fund, categorised under article 8, the required (unaudited) RTS annex to the periodic report is presented in the additional informations (unaudited).



ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: IKC FUND - Lux 0 - 100 Legal entity identifier: 529900ODM7BG5E5CPK48

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective : ____% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective : ____%	<input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund promoted environmental and social standards with regards to:

- certain products (including alcohol, controversial weapons, fossil fuel, military equipment, pornography, tobacco, uranium, and GMO (genetically modified organisms,) by applying exclusion criteria
- corporate adherence to international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises, by applying engagement & dialogue and/or exclusion criteria.

The Sub-Fund has been actively managed during the review period and no benchmark was chosen to measure its attainment of the E/S characteristics promoted during the review period.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● **How did the sustainability indicators perform?**

- *Share of investments in companies active in the fossil fuel sector: 0% according to set investment restrictions*
- *Share of investments in investee companies involved in the manufacture or selling of controversial weapons: 0%*
- *Share of investments in investee companies involved in violations of the UN Global Compact principles or OECD Guidelines for Multinational Enterprises and where constructive engagement was limited: 0%*

● **...and compared to previous periods?**

- *Share of investments in companies active in the fossil fuel sector: 0% according to set investment restrictions*
- *Share of investments in investee companies involved in the manufacture or selling of controversial weapons: 0%*
- *Share of investments in investee companies involved in violations of the UN Global Compact principles or OECD Guidelines for Multinational Enterprises and where constructive engagement was limited: 0%*

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

N/A as the sub-fund does not have an objective of sustainable investments.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

N/A

How were the indicators for adverse impacts on sustainability factors taken into account?

N/A

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

N/A

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Sub-Fund established measures within its due diligence procedure and/or investment process, in order to identify principal adverse impacts of investment decisions on sustainability factors and sought to address and mitigate them.

The Sub-Fund considered principal adverse impacts on sustainability factors that were relevant to the investment strategy. Principal adverse impacts were addressed via exclusion and/or engagement. Relevant indicators are:

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Adverse sustainability indicator	Impact 2023	Explanation
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS		
Share of investments in companies active in the fossil fuel sector	0%	Coverage: 75,74%
Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	Coverage: 75,74%
Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	Coverage: 75,74%

Principal adverse impact of investment decisions on sustainability factors were considered both on entity level and on a product level. The portfolio manager analyzes and measures the Fund's impact on ESG indicators through a quantitative ESG tool provided by ISS ESG.

Engagement dialogues were initiated by the Investment Manager with company management, regulators, interest groups, government representatives or peers, seeking to mitigate sustainability risks and principal adverse impacts.

The Investment Manager's engagement activities came in the form of meetings, formal correspondence, participation at conferences, and exchange of information.

The Sub-Fund evaluated the outcome on a regular basis in the Risk function on a regular basis.



What were the top investments of this financial product?

<i>Largest investments</i>	<i>Sector</i>	<i>% Assets</i>	<i>Country</i>
<i>IKC Avkastningsfond B Cap</i>	<i>Financials</i>	<i>11,50</i>	<i>SWEDEN</i>
<i>IKC Sverige Flexibel Units Dist</i>	<i>Financials</i>	<i>8,96</i>	<i>SWEDEN</i>
<i>Microsoft Corp</i>	<i>Technology</i>	<i>6,19</i>	<i>UNITED STATES OF AMERICA</i>
<i>Novo Nordisk AS B</i>	<i>Healthcare</i>	<i>5,85</i>	<i>DENMARK</i>
<i>ABB Ltd Reg</i>	<i>Industrials</i>	<i>4,15</i>	<i>SWITZERLAND</i>
<i>Broadcom Inc Reg</i>	<i>Technology</i>	<i>3,52</i>	<i>UNITED STATES OF AMERICA</i>
<i>Apple Inc Reg</i>	<i>Technology</i>	<i>3,30</i>	<i>UNITED STATES OF AMERICA</i>
<i>KLA Corp Reg</i>	<i>Technology</i>	<i>3,30</i>	<i>UNITED STATES OF AMERICA</i>
<i>Lam Research Corp</i>	<i>Technology</i>	<i>3,29</i>	<i>UNITED STATES OF AMERICA</i>
<i>ASML Holding NV</i>	<i>Technology</i>	<i>3,25</i>	<i>NETHERLANDS</i>
<i>Oracle Corp</i>	<i>Technology</i>	<i>3,02</i>	<i>UNITED STATES OF AMERICA</i>
<i>Visa Inc A</i>	<i>Technology</i>	<i>2,84</i>	<i>UNITED STATES OF AMERICA</i>
<i>Cadence Design Systems Inc</i>	<i>Technology</i>	<i>2,78</i>	<i>UNITED STATES OF AMERICA</i>
<i>Synopsys Inc</i>	<i>Technology</i>	<i>2,69</i>	<i>UNITED STATES OF AMERICA</i>
<i>Alphabet Inc C</i>	<i>Technology</i>	<i>2,68</i>	<i>UNITED STATES OF AMERICA</i>



What was the proportion of sustainability-related investments?

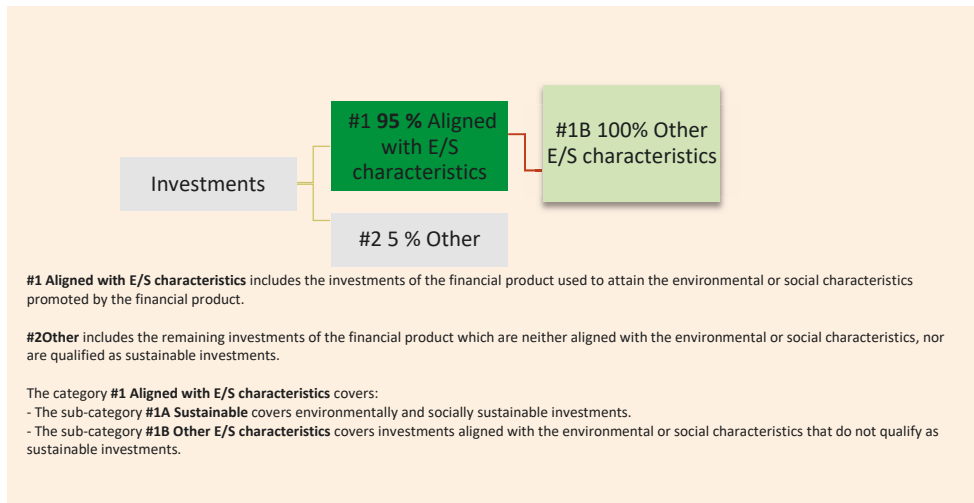
● *What was the asset allocation?*

#1: 95% of the allocation was aligned with the environmental and/or social characteristics promoted by the Sub-Fund.

#2: 5% of the total investments was set aside for cash positions, money market instruments and potential derivatives and other eligible assets which do not incorporate any environmental or social characteristic.

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: As per 2023-12-31

Asset allocation describes the share of investments in specific assets.



In which economic sectors were the investments made?

Financials	25,56%
Technology	40,73%
Healthcare	11,10%
Industrials	4,15%
Consumer Cyclicals	12,26%
Consumer Non-Cyclicals	1,27%
OTHER	0,03%



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

For the Sub-Fund, there is currently no minimum threshold established for such sustainable investments with environmental objectives in economic activities that are compatible with the taxonomy. However, this should not be understood as the Sub-Fund not making or are able to make such investments. The graphs below illustrate to what extent the sustainable investments with an environmental objective were compatible with the EU taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

Enabling activities

directly enable other activities to make a substantial contribution to an environmental objective.

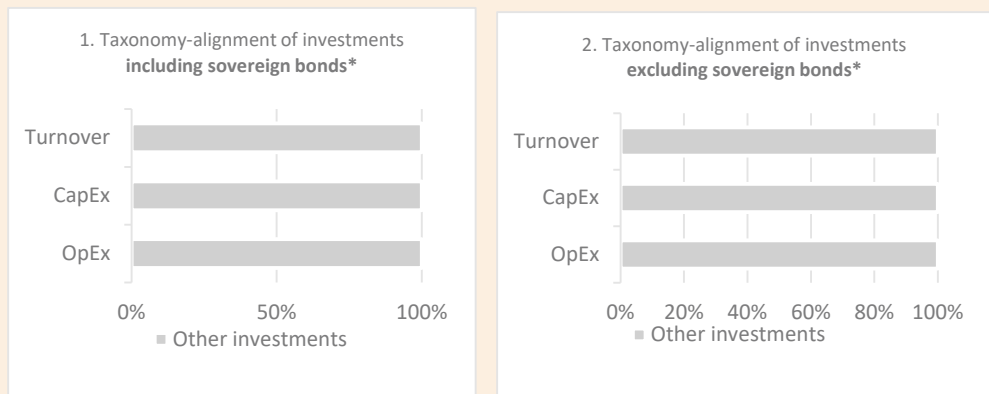
Transitional activities are

activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.


Yes: In fossil gas In nuclear energy

No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

● **What was the share of investments made in transitional and enabling activities?**

The Fund does not have a fixed commitment to carry out investments in transition activities and/or enabling activities and have not made any investments in transitional and enabling activities during the reference period.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

There were no changes in the percentage of investments that were aligned with the EU Taxonomy compared with the previous reference period.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

N/A



What was the share of socially sustainable investments?

N/A



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Cash, cash equivalents and derivatives used with the aim of reducing risk (hedging) or managing the Sub-Fund more efficiently in order to manage subscriptions and redemptions.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Sub-Fund promoted environmental and social characteristics, in support of, for example, environmental protection and climate change mitigation, human rights and labour standards, and efforts against corruption in all its forms, including extortion and bribery, in line with international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The Sub-Fund sought to limit and mitigate principal adverse impacts of its portfolio by the promoted environmental and social characteristics.

The actions taken to meet the environmental and social characteristics included:

- *Excluding certain products, such as: alcohol, controversial weapons, fossil fuel, military equipment, pornography, tobacco, uranium, and GMO (genetically modified organisms,)*
- *Engaging with or excluding certain companies relating to their adherence to international standards such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises.*

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



How did this financial product perform compared to the reference benchmark?

- **How does the reference benchmark differ from a broad market index?**
N/A
- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**
N/A
- **How did this financial product perform compared with the reference benchmark?**
N/A
- **How did this financial product perform compared with the broad market index?**
N/A