

# Unaudited semi-annual report as at 30th June 2022

## **IKC FUND**

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

R.C.S. Luxembourg K20



Management Company: FundRock Management Company S.A.

R.C.S. Luxembourg B 104 196

**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**

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### **Management Company**

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

### **Board of Directors of the Management Company**

**Chairman**  
Michel Marcel VAREIKA  
Independent Non-Executive Director, Luxembourg

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

Thibault GREGOIRE  
Executive Director - Chief Financial Officer  
FundRock Management Company S.A., Luxembourg

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

### **Depository**

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

### **Administration Agent, Registrar and Transfer Agent**

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

### **Investment Manager, Placement and Distribution Agent**

IKC Capital AB  
Rundelsgatan 14  
SE-203 12 Malmö

### **Auditor**

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

### **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

## **IKC FUND - Lux 0 - 100**

### **Statement of net assets (in SEK)**

as at 30th June 2022

#### **Assets**

Securities portfolio at market value	944,814,126.51
Cash at banks	93,448,788.54
Receivable on issues of units	130,437.57
Income receivable on portfolio	419,996.81
Other income receivable	59,239.20
Prepaid expenses	51,784.91
Total assets	<u>1,038,924,373.54</u>

#### **Liabilities**

Bank overdrafts	975,286.62
Payable on redemptions of units	467,403.36
Expenses payable	1,981,834.94
Total liabilities	<u>3,424,524.92</u>
Net assets at the end of the period	<u>1,035,499,848.62</u>

#### **Breakdown of net assets per unit class**

<b>Unit class</b>	<b>Number of units</b>	<b>Currency of unit class</b>	<b>NAV per unit in currency of unit class</b>	<b>Net assets per unit class (in SEK)</b>
IC SEK	5,916,568.121	SEK	175.02	<u>1,035,499,848.62</u>
				<u>1,035,499,848.62</u>

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

# IKC FUND - Lux 0 - 100

## Statement of investments and other net assets (in SEK)

as at 30th June 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
CHF	22,000	Nestlé SA Reg	27,568,909.65	26,249,402.55	2.54
SEK	24,500	Evolution AB Reg	6,244,500.00	22,787,450.00	2.20
USD	30,000	Abbott Laboratories	34,751,351.24	33,387,384.45	3.22
USD	18,800	American Water Works Co Inc New	22,086,144.00	28,648,680.56	2.77
USD	15,800	AmerisourceBergen Corp	21,369,515.46	22,897,261.85	2.21
USD	41,000	Andersons (The) Inc	16,350,997.16	13,854,714.63	1.34
USD	33,000	Archer-Daniels Midland Co	24,465,851.18	26,230,530.48	2.53
USD	42,000	Bristol Myers Squibb Co	31,787,310.17	33,126,185.40	3.20
USD	22,000	Bunge Ltd	21,354,494.92	20,436,828.26	1.97
USD	17,000	Coca-Cola Co	11,032,811.98	10,954,688.16	1.06
USD	5,700	Costco Wholesale Corp	31,341,229.58	27,983,083.92	2.70
USD	9,300	Dollar General Corp	22,478,955.37	23,380,818.12	2.26
USD	13,000	Dollar Tree Inc	21,497,107.65	20,753,032.76	2.00
USD	83,000	Flowers Foods Inc	21,466,423.64	22,376,666.54	2.16
USD	11,000	Hershey Co (The)	21,454,025.03	24,242,959.36	2.34
USD	40,000	Hormel Foods Corp	20,928,371.89	19,404,528.64	1.87
USD	38,000	Kroger Co Reg	15,838,109.92	18,422,625.07	1.78
USD	14,000	Mastercard Inc A	41,790,114.55	45,240,904.63	4.37
USD	8,100	McKesson Corp	21,469,319.02	27,065,353.37	2.61
USD	12,300	Microsoft Corp	22,550,983.28	32,358,045.09	3.13
USD	48,000	Mosaic Co (The)	32,294,241.91	23,221,517.42	2.24
USD	33,500	Nutrien Ltd Reg	32,974,927.56	27,340,133.41	2.64
USD	7,000	Procter & Gamble Co	11,065,073.22	10,309,987.44	1.00
USD	13,300	T-Mobile US Inc	14,907,816.60	18,328,818.76	1.77
USD	12,000	Target Corp	27,617,848.76	17,359,596.16	1.68
USD	23,400	Tyson Foods Inc Cl A	21,013,371.17	20,627,595.75	1.99
USD	21,000	Visa Inc A	41,321,209.92	42,352,043.14	4.09
USD	30,000	Walmart Inc Reg	35,521,837.64	37,360,682.94	3.61
<b>Total shares</b>			<b>640,729,442.82</b>	<b>647,669,666.31</b>	<b>62.54</b>
			<b>674,542,852.47</b>	<b>696,706,518.86</b>	<b>67.28</b>
<b><u>Open-ended investment funds</u></b>					
<b>Investment funds (UCITS)</b>					
SEK	867,861.805252	IKC Avkastningsfond B Cap	104,299,631.76	111,971,530.11	10.81
SEK	118,555.061	IKC Fastighetsfond Units B Cap	18,488,406.90	24,562,237.54	2.37
SEK	100,000	IKC GI Infrastructure B Cap	11,145,967.02	17,458,000.00	1.69
SEK	224,000	IKC Sverige Flexibel Units Dist	41,401,209.87	94,115,840.00	9.09
<b>Total investment funds (UCITS)</b>			<b>175,335,215.55</b>	<b>248,107,607.65</b>	<b>23.96</b>
Total investments in securities			849,878,068.02	944,814,126.51	91.24
Cash at banks				93,448,788.54	9.02
Bank overdrafts				-975,286.62	-0.09
Other net assets/(liabilities)				-1,787,779.81	-0.17
<b>Total</b>				<b>1,035,499,848.62</b>	<b>100.00</b>

\* 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 30th June 2022

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#### **Industrial classification**

(in percentage of net assets)

Non-cyclical consumer goods	26.80 %
Investment funds	23.96 %
Technologies	11.59 %
Cyclical consumer goods	10.84 %
Healthcare	8.63 %
Raw materials	4.88 %
Utilities	2.77 %
Telecommunications services	1.77 %
Total	<u>91.24 %</u>

#### **Geographical classification**

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

United States of America	57.93 %
Sweden	26.16 %
Canada	2.64 %
Switzerland	2.54 %
Bermuda	1.97 %
Total	<u>91.24 %</u>

## **IKC FUND**

### **Notes to the financial statements**

as at 30th June 2022

#### **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 KIID, 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.

##### 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.
- 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.



## IKC FUND

### Notes to the financial statements (continued)

as at 30th June 2022

- 4) The liquidating value of futures, forward and options contracts (or any other derivative instruments) not traded on Regulated Markets or stock exchanges shall mean their net liquidating value determined, pursuant to the policies established in good faith by the Board of Directors of the Management Company, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts (or any other derivative instruments) traded on Regulated Markets or stock exchanges is based upon the last available settlement prices of these contracts on Regulated Markets or stock exchanges on which the particular futures, forward or options contracts (or any other derivative instruments) are traded by the Fund; provided that if a futures, forward or options contract (or any other derivative instruments) could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract is such value as the Board of Directors of the Management Company may deem fair and reasonable.
  - 5) Shares or units in underlying open-ended investment funds are valued at their last available price.
  - 6) 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.

- d) Cost of securities

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

- e) Exchange translation

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

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

1	SEK	=	0.0933995	CHF	Swiss Franc
			0.6941844	DKK	Danish Krona
			0.0933334	EUR	Euro
			0.7661108	HKD	Hong Kong Dollar
			5.3806953	PHP	Philippine Peso
			0.1358915	SGD	Singapore Dollar
			0.0976267	USD	US Dollar

- f) Investment income

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

Interest income is accrued on a *pro rata temporis* basis, net of any withholding tax.

## **IKC FUND**

### **Notes to the financial statements (continued)**

as at 30th June 2022

#### **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.

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:

<b>Sub-Fund</b>	<b>IC SEK Unit Class</b>
- 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 - 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.

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.

#### **Note 6 - 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.

## **IKC FUND**

### **Notes to the financial statements (continued)**

as at 30th June 2022

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#### **Note 7 - 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 30th June 2022.

#### **Note 8 - Covid-19**

The widespread outbreak in early 2020 of an infectious respiratory illness, COVID-19, caused an ongoing global pandemic resulting in significant economic impact. Certain markets have experienced temporary closures, extreme volatility, severe losses, reduced liquidity and increased trading costs. COVID-19 has therefore created market turmoil and increased market volatility generally and this has impacted the prices of all asset classes, resulting in an impact to the Net Asset Values of the Sub-Fund. Towards the end of second quarter of 2020, financial markets started returning to normal conditions, however service providers continued to reinforce business continuity planning and remote working. The financial statements reflect the position at 30th June 2022 and the results for the financial year then ended, therefore COVID-19 doesn't present any going concern issues for the Fund.

#### **Note 9 - Subsequent events**

There are no significant subsequent events.

## **IKC FUND**

### **Additional information**

as at 30th June 2022

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#### **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.

