

# **Annual report including audited financial statements as at 31st December 2019**

## **IOR**

Investment Fund-Specialised Investment Fund (FCP-SIF), Luxembourg

R.C.S. Luxembourg K64

#### 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.

**IOR**

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## Organisation

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**Management Company  
Central Administrator and  
Alternative Investment Fund Manager  
(AIFM)**

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

**Board of Directors of  
the Management Company  
and the AIFM**

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

### **Members**

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

Eric MAY  
Non-Executive Director  
Founding Partner  
BlackFin Capital Partners, Paris

Tracey MCDERMOTT  
Independent Non-Executive Director, Luxembourg

Grégory NICOLAS  
Executive Director - Co-Managing Director  
FundRock Management Company S.A., Luxembourg

Xavier PARAIN  
Executive Director - Chief Executive Officer  
FundRock Management Company S.A., Luxembourg  
(since 1st April 2019)

Serge RAGOZIN  
Executive Director - Deputy Chief Executive Officer  
FundRock Management Company S.A., Luxembourg

Ross THOMSON  
Executive Director - Managing Director  
FundRock Management Company S.A., Luxembourg  
(until 22nd July 2019)

### **Conducting Officers**

Romain DENIS  
Executive Director - Co-Managing Director

Gregory NICOLAS  
Executive Director - Co-Managing Director

Matteo SBROLLA  
Director Investment Management and Distribution Oversight  
(since 17th December 2019)

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### Organisation (continued)

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**Depository and  
Paying Agent**

Société Générale Luxembourg  
11, avenue Emile Reuter  
L-2420 Luxembourg  
(since 27th January 2020)

Skandinaviska Enskilda Banken S.A.  
4, rue Peternelchen  
L-2370 Howald  
(until 26th January 2020)

**Central Administration Agent**

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

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

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

**Portfolio Manager**

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

**Auditor**

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

# IOR

## General information

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IOR (the "Fund") was incorporated on 15th November 2007 and is organised as an FCP-SIF, a common mutual investment fund (*Fonds Commun de Placement* - Specialised investment Fund), governed by the Laws of the Grand Duchy of Luxembourg and subject to the amended Law of 13th February 2007 on Specialised Investment Funds (the "2007 Law"). The Fund is established for an unlimited duration and qualifies as an Alternative Investment Fund ("AIF") under the Luxembourg Law of 12th July 2013 on Alternative Investment Fund Managers, (the "AIFM Law"). The Fund is managed by FundRock Management Company S.A. (the "Management Company"), a Management Company governed by Chapter 15 of the amended 2010 Law, relating to Undertakings for Collective Investment. The Management Company also acts as Alternative Investment Fund Manager (the "AIFM") in accordance with the provisions of Chapter 2 of the 2013 Law.

The updated Management Regulations of the Fund have been signed by the Management Company and the Depositary on 14th October 2016, effective as of 1st November 2016.

For this Fund, the Management Company decided to issue one class of units:

Distribution Units ("D" units)

The "D" Units may pay a dividend.

The base currency of the Fund is Euro.

The Units of the Fund are reserved to Eligible Investors within the meaning of article 2 of the 2007 Law. The Management Company will refuse to issue Units to persons and companies that do not characterize as Eligible Investors.

The Net Asset Value per unit as well as the issue and redemption prices, which are computed quarterly on bank business days in Luxembourg except 24th December and 31st December, can be obtained from the registered offices of the Management Company, the AIFM, the Depositary and the Paying Agents.

The Fund's financial year begins on 1st January of each year and ends on 31st December of the same year. Financial reports of the Fund are published annually.

The following documents can be inspected by the Unitholders at the offices of the Depositary and the Management Company:

- Management Regulations
- the Issue Document
- Agreement with the Depositary
- Portfolio Management Agreement with Skandinaviska Enskilda Banken AB (publ).

**Market update**

The economic forecasting challenges of early 2020 are in some ways, diametrically opposite to those of a year ago. Concerns in early 2019 about tightening of US monetary policy were followed late in the summer by recession worries due to a collapse in Treasury bond yields that led to a negative slope in the US yield curve. This curve is viewed by many as a reliable recession indicator. During the autumn, optimism and risk appetite gradually improved in financial markets. The Federal Reserves “mid-cycle“ correction by means of three key interest rate cuts in 2019 was favourably received, while trade risks decreased due to progress in US-Chinese trade negotiations. Manufacturing activity is showing signs of bottoming out, while domestic demand has remained resilient in most countries.

The sharp fluctuations in the mood of financial markets this past year have generally not coincided with forecasts of the real economy. Downward adjustments in the course of 2019 have been relatively small. Global GDP growth appears to have bottomed out in 2019 and will now accelerate a bit to 3.1 per cent in 2020 and 3.3 per cent in 2021 mainly due to recovery in emerging market economies (according to OECD, IMF).

The uncertainty factors that have inhibited growth in varying degrees over the past few years are likely to persist in 2020 and 2021. The tensions between the United States and China are based on complex factors, and this past month’s drama in US-Iran relations accentuates the latent highly inflammable situation in the Middle East. Negotiations on future relations between the European Union and the United Kingdom will also be complex and prolonged, and this will continue to hamper economic activity especially in the UK. But at the same time, participants involved in all these encounters have powerful reasons for avoiding escalation. They are thus unlikely to be the main cause of a new recession.

A minor acceleration in growth and ultra-low bond yields will help to sustain the relatively high share valuations. Main scenario is slightly positive returns, with good performance for both cyclical industrials and structurally favoured growth companies in digitization and sustainability.

**Fund update**

Developments for the fund were positive during the year. The funds equity and private equity portfolios contributed positive to fund performance, while the hedge fund and fixed income portfolios had a negative impact. The fund performance for the fiscal year was 11.85%

Over the year we bought shares in Hoist, Elekta and Recipharm and we sold shares in Autoliv, Active Biotech, MTG and Veoneer.

During the year we bought units in Fidelity Asian Special Situations fund, JOHCM Global Select Fund, Morgan Stanley Investment Fund Global Opportunity, Kempen Global Small-Cap Fund and SEB Global Ethical Index Fund and we sold units in JOHCM European Select Values Fund and Macquarie Solutions Asia New Stars Fund.

We made new commitments in Atomico V, Creandum V, EQT Infrastructure IV, EQT Ventures II and Proventus Capital Partners IV.

Within the hedge fund portfolio we redeemed the holding in Brummer Multi Strategi 2XL.

The relatively weak SEK have had an overall negative impact on the fund.

**Strategy going forward**

The environment for equities and other risky assets will still be supportive. Growth is improving, interest rates will stay low for a foreseeable future and valuations are not too stretched. The intension is to increase the equity part of the portfolio if our main scenario turns out to be correct. We will though of course follow markets and statistics closely and be prepared if the scenario turns.

The outbreak of Covid19 has of course brought a great deal uncertainty to the analysis. Several countries have locked down and potentially slowed the global economy down. On the other hand, governments have added

## **IOR**

### **Report on activities of the Directors of the Management Company (continued)**

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substantial support programs and central banks are still on the supporting side. The higher market volatility will probably stay for some months ahead.

#### **General Outlook**

Since the year end we have seen the development of the coronavirus covid-19 outbreak initially in China and now reaching most continents. At present it is not possible to assess the detailed impact of the emerging risk, on the investments in our portfolio but there is growing concern about the impact on the world economy. There has been a significant correction in the financial markets in the last few weeks. The Board and the Manager continue to watch the efforts of governments to contain the spread of the virus and monitor the economic impact, if any, on the investments in our portfolio.

Since the significant correction in the financial markets from mid-February to mid-March, markets have almost recovered to pre-outbreak levels. The fund has also recovered from the March lows and is slightly down year to date.

Luxembourg, 30th June 2020

The Board of Directors of the Management Company

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





## **Audit report**

To the Unitholders of  
**IOR**

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### **Our opinion**

In our opinion, the accompanying financial statements give a true and fair view of the financial position of IOR (the “Fund”) as at 31 December 2019, 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 2019;
- the statement of investments and other net assets as at 31 December 2019;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### **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 Ethics Standards Board for Accountants’ Code of Ethics for Professional 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.

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### **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.

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**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.

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**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, 30 June 2020

Anne Derouané

# IOR

## Statement of net assets (in EUR) as at 31st December 2019

### Assets

#### Investments

Securities portfolio at market value	88,678,875.86
	<u>88,678,875.86</u>

#### Cash and cash equivalents

Cash at banks	6,895,413.61
	<u>6,895,413.61</u>

#### Receivables

Receivable on sales of securities	2,244,053.01
Other receivables	74,385.75
	<u>2,318,438.76</u>

#### Total assets

97,892,728.23

### Liabilities

#### Payables

Payable on redemptions of units	21,486.87
Unrealised loss on not registered securities transactions	14,065.00
Expenses payable	194,106.36
	<u>229,658.23</u>

#### Borrowings

Bank overdrafts	29.50
	<u>29.50</u>

#### Other liabilities

Other payables	1,854.57
	<u>1,854.57</u>

#### Total liabilities

231,542.30

#### Total net assets at the end of the year

97,661,185.93

#### Breakdown of net assets per unit class

Unit class	Number of units	Currency of unit class	NAV per unit in currency of unit class	Net assets per unit class (in EUR)
D	422,692.738	EUR	231.045	<u>97,661,185.93</u>
				<u>97,661,185.93</u>

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

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## Statement of operations (in EUR) from 1st January 2019 to 31st December 2019

### Income

#### Investment income

Income from distributions from investments	4,817,974.88
Interest on bonds and other debt securities, net	1,929.89
Interest on bank accounts	3,826.92
	<u>4,823,731.69</u>

#### Realised gain on investments

- on securities portfolio	<u>3,105,070.37</u>
	3,105,070.37

#### Appreciation of unrealised results on investments

- on securities portfolio	<u>13,271,505.86</u>
	13,271,505.86

#### Other income

Other commissions received	75,737.18
	<u>75,737.18</u>

#### Total income

21,276,045.10

### Expenses

#### Investment advisory or management fees

Management fees	368,388.90
	<u>368,388.90</u>

#### Other expenses

Banking charges and other fees	519.26
Transaction fees	48.85
Subscription duty ("taxe d'abonnement")	8,363.39
Bank interest paid	46,413.94
Interest paid on investments	91,288.07
	<u>146,633.51</u>

#### Realised loss on investments

- on securities portfolio	2,929,664.85
- on foreign exchange	153,771.84
	<u>3,083,436.69</u>

#### Depreciation of unrealised results on investments

- on securities portfolio	7,313,263.11
- on not registered securities transactions	14,065.00
	<u>7,327,328.11</u>

#### Total expenses

10,925,787.21

#### Net income

10,350,257.89

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

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### Statement of changes in net assets (in EUR) from 1st January 2019 to 31st December 2019

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Net income	10,350,257.89
Subscriptions	0.00
Redemptions	-21,486.87
Total changes in net assets	<hr/> 10,328,771.02
Total net assets at the beginning of the year	<hr/> 87,332,414.91
<b><u>Total net assets at the end of the year</u></b>	<b><u><hr/>97,661,185.93</u></b>

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

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### Statistical information (in EUR) as at 31st December 2019

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<b>Total net assets</b>	<b>Currency</b>	<b>31.12.2017</b>	<b>31.12.2018</b>	<b>31.12.2019</b>
	EUR	84,858,829.25	87,332,414.91	97,661,185.93

  

<b>Net asset value per unit</b>	<b>Currency</b>	<b>31.12.2017</b>	<b>31.12.2018</b>	<b>31.12.2019</b>
D	EUR	203.089	206.564	231.045

  

<b>Number of units</b>	<b>outstanding at the beginning of the year</b>	<b>issued</b>	<b>redeemed</b>	<b>outstanding at the end of the year</b>
D	422,785.359	-	-92.621	422,692.738

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## Statement of investments and other net assets (in EUR) as at 31st December 2019

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>					
SEK	540,841	Azelio AB Reg	1,158,746.47	617,572.69	0.63
SEK	200,000	Elekta AB Shares B	2,125,664.50	2,347,504.21	2.40
SEK	400,000	Hoist Finance AB	2,619,445.54	1,900,840.86	1.95
SEK	100,000	Investor AB B	3,751,476.23	4,864,386.50	4.98
SEK	110,000	Kinnevik AB B Reg	2,166,669.99	2,396,985.45	2.45
SEK	200,000	Oncopptides AB Reg	971,878.95	2,415,065.13	2.47
SEK	200,000	Recipharm AB B	2,189,659.37	2,835,655.67	2.90
			14,983,541.05	17,378,010.51	17.78
USD	17,544	Bloom Energy Corp A Reg	377,903.37	116,730.81	0.12
<b>Total shares</b>			15,361,444.42	17,494,741.32	17.90
<b>Bonds</b>					
EUR	300,000	Proventus Capital Par IV AB VAR 18/21.12.28	305,133.00	308,818.00	0.32
SEK	47,700	Proventus Capital Part II AB FRN 11/29.06.21	43,207.40	25,311.56	0.03
SEK	6,749,750	Proventus Capital Part III AB FRN Ser A1 14/14.05.24	848,366.25	1,017,686.46	1.04
			891,573.65	1,042,998.02	1.07
<b>Total bonds</b>			1,196,706.65	1,351,816.02	1.39
<b><u>Other transferable securities</u></b>					
<b>Shares</b>					
USD	55,882	Cerebras Systems Inc Pref Ser C	439,018.89	445,021.11	0.46
USD	2,755	Cerebras Systems Inc Pref Ser D	39,155.94	39,576.97	0.04
USD	2,046.1	Docker Inc Common Stock**	419,405.88	1,749.59	0.00
USD	2,000,000	Green Bay Ventures LLC Class A Units*	1,213,050.09	1,512,363.94	1.55
<b>Total shares</b>			2,110,630.80	1,998,711.61	2.05
<b>Closed-ended investment funds</b>					
EUR	1,000,000	Atomico Ventures III LP*	715,729.07	927,101.24	0.95
EUR	680,000	Berens Afri Dev Par I Ac Fd LP*	320,415.00	647,477.00	0.66
EUR	1,000,000	Creandum III LP*	491,276.97	1,508,901.00	1.55
EUR	1,500,000	Creandum IV LP*	1,073,565.06	2,031,449.00	2.08
EUR	1,000,000	Creandum V LP*	133,791.86	118,446.36	0.12
EUR	1,209	EQT Credit II Holding BV*	25,013.11	110,616.37	0.11
EUR	1,000,000	EQT Credit Opp III (No.1)*	370,504.28	372,441.00	0.38
EUR	86,387.35	EQT Holding Guernsey II Ltd*	86,387.35	4,278,434.24	4.38
EUR	10,800	EQT Infrastructure II Holding B.V.*	37,244.12	637,254.71	0.65
EUR	1,000,000	EQT Infrastructure III*	838,732.65	1,080,606.00	1.11
EUR	1,000,000	EQT Infrastructure IV (No.1) EUR SCSp*	195,432.44	189,337.00	0.19
EUR	1,000,000	EQT Infrastructure No1 LP*	0.00	4,474.00	0.01
EUR	12,000	EQT Mid Market Holding BV*	38,608.18	364,119.01	0.37
EUR	1,000,000	EQT Mid Mkt Europe No1 Feeder LP*	502,788.07	557,285.00	0.57
EUR	1,000,000	EQT Ventures (No.1) SCSp*	752,010.69	809,944.00	0.83
EUR	1,000,000	EQT Ventures II (Ser 1) SCSp Dist*	0.00	0.00	0.00
EUR	1,000,000	EQT VI Fd*	318,711.66	428,881.00	0.44
EUR	1,000,000	IK VIII N4 LP*	802,380.35	961,975.00	0.99
EUR	1,000,000	Northzone IX LP*	95,131.92	81,381.00	0.08
EUR	1,000,000	Northzone VII LP*	741,748.08	1,056,311.00	1.08
EUR	1,500,000	Northzone VIII LP*	1,207,129.58	1,684,749.53	1.73
EUR	26,968	SEB Priv Equity Fd SICAV-SIF Opportunity II	35,247.54	89,542.00	0.09
			8,781,847.98	17,940,725.46	18.37
GBP	745,000	Haddeo Partners LLP Interim*	879,585.67	791,950.80	0.81
SEK	5,000,000	Alder Fd I AB Class B Shares*	432,980.18	333,781.70	0.34
SEK	20,000,000	Greenbridge Inv LP*	1,472,385.02	2,068,317.73	2.12

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



# IOR

## Statement of investments and other net assets (in EUR) (continued) as at 31st December 2019

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
SEK	10,000,000	Monterro 1 AB*	67,690.21	896,583.60	0.92
SEK	10,000,000	Monterro Tec Inv AB*	877,042.85	1,183,375.54	1.21
SEK	5,000,000	Segulah IV F&F LP*	138,367.17	87,124.85	0.09
SEK	10,000,000	Segulah V F&F LP*	751,059.59	658,194.89	0.67
			<u>3,739,525.02</u>	<u>5,227,378.31</u>	<u>5.35</u>
USD	1,000,000	Arlon Food Agric Partner II LP*	489,013.03	384,079.45	0.39
USD	1,000,000	Atomico V SCSp*	292,179.02	290,191.14	0.30
USD	1,200,000	Atomico Ventures IV LP*	853,651.53	1,574,532.79	1.61
USD	1,200,000	EQT Mid Mkt Asia III*	665,295.43	735,144.74	0.75
USD	1,200,000	EQT Mid Mkt US*	1,004,680.54	1,037,486.42	1.06
USD	28.1903	Frontier Fd (Bermuda) Ltd A5 Ser 1	21,053.02	0.00	0.00
USD	581.2796	Frontier Fd (Bermuda) Ltd A5 Ser 2	180,621.99	305,113.67	0.31
USD	2,000,000	Innovation Works Dev LP*	0.01	3,159,324.84	3.24
USD	1,000,000	Maloekoe Capital Partners*	558,240.91	337,734.03	0.35
USD	1,000,000	New Silk Route PE Asia Fd*	541,506.07	271,604.17	0.28
USD	1,000,000	SAIF Partners IV LP*	594,449.94	1,259,282.98	1.29
USD	1,000,000	Sonanz Impact 1 GmbH & Co*	437,406.89	357,721.56	0.37
			<u>5,638,098.38</u>	<u>9,712,215.79</u>	<u>9.95</u>
<b>Total closed-ended investment funds</b>			<u>19,039,057.05</u>	<u>33,672,270.36</u>	<u>34.48</u>
<b>Open-ended investment funds</b>					
<b>Investment funds (UCITS)</b>					
EUR	866,095.64	J O Hambro Cap Mgt Umbr Fd Plc Global Select B EUR Cap	2,100,000.00	2,637,261.22	2.70
EUR	88,059.18	Kempen Intl Fds (Lux) Global Small Cap A Cap	2,500,000.12	2,733,356.95	2.80
			<u>4,600,000.12</u>	<u>5,370,618.17</u>	<u>5.50</u>
SEK	248,082.524139	Lannebo Fonder Smabolag Units Dist	1,044,998.21	3,019,047.80	3.09
USD	30,126.53	Fidelity Fds Asian Special Situations Fd A USD Dist	1,321,877.00	1,471,308.13	1.51
USD	49,018.941	Morgan Stanley Inv Fds Global Opportunity Fund A USD Cap	3,177,960.06	3,769,747.37	3.86
USD	1,855,826.639	SEB Fd 3 Ethical Global Index C USD Cap	2,321,771.47	2,844,818.43	2.91
			<u>6,821,608.53</u>	<u>8,085,873.93</u>	<u>8.28</u>
<b>Total investment funds (UCITS)</b>			<u>12,466,606.86</u>	<u>16,475,539.90</u>	<u>16.87</u>
<b>Investment funds (UCI)</b>					
SEK	25,001.466263	Bodenholm One	2,730,307.36	2,912,810.51	2.98
SEK	13,933.550125	Carve 2 Units	1,634,403.45	1,593,105.28	1.63
SEK	11,041.0683	Gladiator Units	2,964,920.13	2,914,689.90	2.99
SEK	42,391.854769	Lannebo NanoCap Dist	4,272,192.12	6,808,572.55	6.97
SEK	10,809.960477	Ram One A Units	1,421,606.74	1,444,996.85	1.48
			<u>13,023,429.80</u>	<u>15,674,175.09</u>	<u>16.05</u>
USD	23,856	Arisaig Asia Consumer Fd Ltd Red Pref Shares	961,186.56	2,011,621.56	2.06
<b>Total investment funds (UCI)</b>			<u>13,984,616.36</u>	<u>17,685,796.65</u>	<u>18.11</u>
<b>Total investments in securities</b>			<u>64,159,062.14</u>	<u>88,678,875.86</u>	<u>90.80</u>
Cash at banks				6,895,413.61	7.06
Bank overdrafts				-29.50	0.00
Other net assets/(liabilities)				2,086,925.96	2.14
<b>Total</b>				<u>97,661,185.93</u>	<u>100.00</u>

\*Number/Nominal value not applicable as the investment fund does not issue any share or unit (see Note 4)

\*\*See Note 5

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

## IOR

### Industrial and geographical classification of investments as at 31st December 2019

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#### Industrial classification

(in percentage of net assets)

Investment funds	69.46 %
Financials	12.32 %
Healthcare	7.77 %
Energy	0.63 %
Technologies	0.50 %
Industrials	0.12 %
Total	<u>90.80 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Sweden	44.41 %
Luxembourg	12.49 %
Cayman Islands	8.50 %
Jersey	6.67 %
Guernsey	4.94 %
United Kingdom	3.66 %
Ireland	2.70 %
United States of America	2.56 %
The Netherlands	2.13 %
British Virgin Islands	2.06 %
Germany	0.37 %
Bermuda	0.31 %
Total	<u>90.80 %</u>

**Note 1 - 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 Specialised Investment Funds and with generally accepted accounting principles in Luxembourg.

In accordance with the prospectus, the last trading/official Net Asset Value is dated 30th December 2019. An unofficial Net Asset Value dated 31st December 2019 has been calculated for reporting purposes and is disclosed in these financial statements.

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

b) Valuation

- (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 AIFM 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 of 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 condition, 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, is value at the current market value as determined in good faith by the AIFM, following generally accepted valuation principles verifiable by auditor.
- (e) Liquid assets are valued at their nominal value plus accrued interest.
- (f) Time deposits may be valued at their yield value if a contract exists between the AIFM and the Depositary stipulating that these time deposits can be withdrawn at any time ant their yield value is equal to the realized value.
- (g) All assets denominated in a different currency to the Fund's currency are converted into this Fund's currency at the last available average exchange rate.
- (h) Financial instruments which are not traded on the futures exchanges but on a regulated market are valued at their settlement value, as stipulated by the AIFM in accordance with generally accepted principles taking into consideration the principles of proper accounting, the customary practices in line with the market, and the interests of the Unitholders, provided that the above-mentioned principles correspond with generally accepted valuation regulations which can be verified by the auditor.
- (i) The value of the participations in UCIs and investment funds is based on the last available valuation. Generally, such participations will be valued in accordance with the methods provided by the documents governing such vehicles. These valuations shall normally be provided by the Company administrator or valuation agent of the vehicle and adjusted for subsequent calls and distributions, as necessary, at year end.

## IOR

### Notes to the financial statements (continued)

as at 31st December 2019

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- (j) In case of extraordinary circumstances, which make the valuation in accordance with the above-mentioned criteria impossible or improper, the AIFM is authorised to temporarily follow other valuation regulations in good faith and which are according to the verifiable valuation regulations laid down by the independent auditors in order to achieve a proper valuation of the Fund's assets.

#### c) Realised gain/ (loss) on securities portfolio

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

#### d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Fund is converted to the 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 Fund's currency are converted at the prevailing exchange rate of the closing day. Income and expenses incurred in currencies other than the Fund's currency are converted at the prevailing exchange rate of the day of each transaction. Exchange gains and losses are disclosed in the statement of operations.

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

1	EUR	=	7.4729158	DKK	Danish Krona
			0.8473847	GBP	Pound Sterling
			8.7480223	HKD	Hong Kong Dollar
			10.5090333	SEK	Swedish Krona
			1.1227000	USD	US Dollar

#### f) Investment income

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

Interest income accrued and payable are recorded, net of any withholding tax.

### Note 2 - Management fees

Out of the Fund's net assets, FundRock Management Company S.A. is entitled to an all-in fee up to 0.40% p.a. for its services as Management Company, AIFM and Central Administration. This fee is paid semi-annually (June and December) and based on the average net assets of the Fund calculated quarterly during the relevant period. This fee shall in particular serve as compensation for the Administrative Agent, the Registrar and Transfer Agent, the Paying Agent and the Portfolio Manager of the Fund as well for the services of the Depositary.

Furthermore, the Fund pays all taxes owed on the Fund's assets and income.

Bank and brokerage fees for transactions in securities marking up the Fund's portfolio as well as fees on transfers referring to redemption of Units is borne by the Fund.

All other costs and expenses are not to be borne by the Fund

Investment in target funds can lead to duplicate (or, if the target funds are fund of funds, triplicate) costs, in particular to double (or triple) management fees, since fees are incurred both on the side of the Fund as well on the side of the target fund (as well on the side of the target funds of the target funds).

## IOR

### Notes to the financial statements (continued) as at 31st December 2019

#### Note 3 - 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 subscription duty ("*taxe d'abonnement*") of 0.01% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter.

Pursuant to Article 68 (2) of the amended law of 13th February 2007 the net assets invested in Undertakings for Collective Investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

#### Note 4 - Commitments and guarantees

The Fund has commitments in a limited number of direct or indirect investments and will therefore require follow-up investments to be drawn over the next few years.

Target name	Currency	Commitment (in local currency)	Funded Commitment (in local currency)	Recallable (in local currency)	Outstanding callable commitment (in local currency)
Alder Fd I AB Class B Shares	SEK	5 000 000.00	4 804 412.00	-	195 588.00
Arlon Food and Agric Partners II LP	USD	1 000 000.00	659 888.00	91 480.00	431 592.00
Atomico Ventures IV LP	USD	1 200 000.00	1 008 382.22	-	191 617.78
Atomico Ventures III LP	EUR	1 000 000.00	967 167.01	-	32 832.99
Atomico V SCSp	USD	1 000 000.00	318 740.87	-	681 259.13
Berens Afri Dev Par I Ac Fd LP	EUR	680 000.00	680 000.00	-	-
Creandum III, L.P.	EUR	1 000 000.00	1 000 000.00	96 035.00	96 035.00
Creandum IV, L.P.	EUR	1 500 000.00	1 178 577.00	-	321 423.00
CREANDUM V LP	EUR	1 000 000.00	120 021.00	-	879 979.00
EQT Credit II Holding BV	EUR	1 209.00	-	-	-
EQT Credit Opp III (No.1)	EUR	1 000 000.00	425 388.00	100 132.00	674 744.00
EQT Holding Guernsey II Ltd	EUR	86 387.35	-	-	-
EQT Infrastructure No1 LP	EUR	1 000 000.00	1 134 628.00	187 281.00	52 653.00
EQT Infrastructure III	EUR	1 000 000.00	937 269.00	143 513.00	206 244.00
EQT Infrastructure II Holding B.V.	EUR	10 800.00	-	-	10 800.00
EQT Infrastructure IV (No.1) EUR SCSp	EUR	1 000 000.00	199 027.00	20 182.00	821 155.00
EQT Mid Market Holding BV	EUR	12 000.00	-	-	-
EQT Mid Mkt Europe No1 Feeder LP	EUR	1 000 000.00	687 305.00	240 401.00	553 096.00
EQT Mid Mkt US	USD	1 200 000.00	1 170 208.00	126 213.00	156 005.00
EQT Mid Mkt Asia III	USD	1 200 000.00	806 273.00	128 457.00	522 184.00
EQT Ventures (No.1) SCSp	EUR	1 000 000.00	829 829.00	126 590.00	296 761.00
EQT VI Fd	EUR	1 000 000.00	1 116 727.00	191 080.00	74 353.00
EQT Ventures II (Ser 1) SCSP Dist	EUR	1 000 000.00	-	-	-

## IOR

### Notes to the financial statements (continued) as at 31st December 2019

Target name	Currency	Commitment (in local currency)	Funded Commitment (in local currency)	Recallable (in local currency)	Outstanding callable commitment (in local currency)
Green Bay Ventures LLC Class A Units	USD	2 000 000.00	1 419 000.00	-	581 000.00
Greenbridge Inv LP	SEK	20 000 000.00	14 793 263.00	-	5 206 737.00
Haddeo Partners LLP Interim	GBP	745 000.00	745 000.00	-	-
IK VIII N4 LP	EUR	1 000 000.00	818 639.00	-	181 361.00
Innovation Works Dev LP	USD	2 000 000.00	2 000 000.00	-	-
Maloekoe Capital Partners	USD	1 000 000.00	655 551.00	-	344 449.00
Monterro 1 AB	SEK	10 000 000.00	8 735 613.00	-	1 264 387.00
Monterro Tec Inv AB	SEK	10 000 000.00	8 692 872.00	-	1 307 128.00
New Silk Route PE Asia Fd	USD	1 000 000.00	863 400.00	-	136 600.00
Northzone VII L.P.	EUR	1 000 000.00	834 847.00	-	165 153.00
Northzone VIII L.P.	EUR	1 500 000.00	1 180 008.00	-	319 992.00
Northzone IX L.P.	EUR	1 000 000.00	95 131.00	-	904 869.00
SAIF Partners IV. L.P.	USD	1 000 000.00	-	-	1 000 000.00
Segulah IV F&F LP	SEK	5 000 000.00	4 970 215.00	-	29 785.00
Segulah V F&F LP	SEK	10 000 000.00	7 065 122.00	-	2 934 878.00
Sonanz Impact 1 GmbH & Co	USD	1 000 000.00	500 000.00	-	500 000.00
Proventus Capital II AB 29/06/2021	SEK	10 000 000.00	177 000.00	-	9 823 000.00
Proventus Capital III AB 29/06/2016	SEK	20 000 000.00	19 000 000.00	-	1 000 000.00
Proventus Capital IV AB	EUR	2 000 000.00	300 000.00	-	1 700 000.00

#### **Note 5 - Docker Inc Common Stock**

In October 2019, the Board of Directors of Docker Inc. determined that a recapitalization, restructuring and a new Series A financing followed by a divestiture of certain assets were in the Company's best interest. The result of the actions has been that the previous Series A through Series E preferred shares were converted to common stock and subjected to a 10:1 for reverse stock split.

The result of those actions is that the holdings of IOR (FCP-SIF) are now 2046.1 shares of common stock.

#### **Note 6 - Subsequent event(s)**

In accordance with the Luxembourg law of 12th July 2013 on alternative investment fund managers, no delegation of portfolio management can be conferred on the depositary of a fund. Following the organisational changes to be undergone by Skandinaviska Enskilda Banken S.A., the current Depositary, it will become a branch of its mother company, Skandinaviska Enskilda Banken AB (publ.) that is appointed as portfolio manager of the Fund. Consequently, the current Depositary will not be able to continue to act as a depositary of the Fund. Therefore, the Board of Directors has decided to appoint Société Générale Luxembourg as the new Depositary of the Fund with effect from 27th January 2020.

Due to increased regulatory requirements imposed on the Depositary and the Management Company the management fee will increase from max 0.40% per annum to max 0.50% per annum. This fee includes the fees

## **IOR**

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

as at 31st December 2019

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payable to the Administrative Agent, the Registrar and Transfer Agent, to the Depositary as well as to the Portfolio Manager. The aforementioned changes will take effect on 27th January 2020.

Since the end of the reporting period we have seen the development of the coronavirus covid-19 outbreak across the world. At present it is not possible to assess the detailed impact of the emerging risk, on the investments of the Company but there is growing concern about the impact on the world economy. There has been a significant correction in the financial markets in the wake of the outbreak. However, the Board and the Management Company are of the opinion that these events do not impact the financial statements as of 31st December 2019, nor do they present any issues with regards to the going concerns of the Company.

# IOR

## Additional information (unaudited)

as at 31st December 2019

### 1 - Risk management disclosure

#### 1.1. Risk Profile

The current risk profile of the Sub-Fund as disclosed in the Prospectus has not been amended throughout the reporting period. The AIFM monitors the overall risk profile of the Fund, including market, liquidity, counterparty as well as the level of the leverage.

No limits as set by the Board of Directors of the AIFM as part of the risk profile have been exceeded or are likely to be exceeded by the Sub-Funds.

#### 1.2. Risk Management systems

The risk monitoring is based on the risk management process adopted by the Board of the AIFM and is performed independently from the portfolio management. No changes have been applied to the risk management procedures.

#### 1.3. Leverage

In accordance with the Law of 12th July 2013 (the "2013 Law"), the maximum level of leverage which the AIFM is entitled to employ on behalf of IOR is 200% in accordance with the commitment method and 200% in accordance with the gross method of the total assets.

The AIFM calculates the leverage on a gross and on a commitment method in accordance with Article 7 and Article 8 of the Commission Delegated Regulation EU/231/2013 (the "AIFM Regulation") on a monthly basis. The gross method converts all positions on derivative financial instruments into equivalent positions in the underlying assets, while the commitment method applies the same while allowing netting and hedging arrangements.

The level of leverage during the reporting period is disclosed below:

Sub-Fund	Internal Leverage -limit	Gross Method Leverage			
		Minimum	Average	Maximum	As at 31st December 2019
IOR	200% Gross (200% Commitment)	92.72%	94.47%	95.36%	92.72%
		Commitment Method Leverage			
		Minimum	Average	Maximum	As at 31st December 2019
		97.83%	100.87%	105.16%	97.83%

### 2 - Remuneration disclosure

#### 2.1. Remuneration of the Management Company

FundRock Management Company S.A. ("FundRock") has established and applies a remuneration policy in accordance with the principles laid out under the AIFMD and UCITS V directive, and any related legal & regulatory provisions applicable in Luxembourg. The remuneration policy is aligned with the business strategy, objectives, values and interests of the Management Company and the Funds that it manages and of the investors in such Funds, and which includes, *inter alia*, measures to avoid conflicts of interest; and it is consistent with and promotes sound and effective risk management and does not encourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Funds that the Management Company manages.

As an independent management company relying on a full-delegation model (i.e. delegation of the collective portfolio management function), FundRock ensures that its remuneration policy adequately reflects the predominance of its oversight activity within its core activities. As such, it should be noted that FundRock's employees who are identified as risk-takers under UCITS V are not remunerated based on the performance of the funds under management.



## IOR

### **Additional information (unaudited) (continued)**

as at 31st December 2019

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A paper version of the remuneration policy is made available free of charge to investors at FundRock's registered office.

The amount of remuneration for the financial year ending 31st December 2019 paid by FundRock to its staff: EUR 10,152,416

Fixed remuneration: EUR 9,700,097

Variable remuneration: EUR 452,319

Number of beneficiaries: 119

The aggregated amount of remuneration for the financial year ending 31st December 2019 paid by FundRock to Identified staff/risk takers is as follows:

Identified staff/risk takers: EUR 1,196,213

Other risk takers: EUR Nil

The total amount of remuneration is based on a combination of the assessment of the performance of the individual, the overall results of FundRock, and when assessing individual performance, financial as well as non-financial criteria are taken into account.

The Policy is subject to annual review by the Compliance Officer and the update is performed by HR department of FundRock and is presented for review to the Remuneration Committee and approval by the Board of FundRock.

#### 2.2. Remuneration of the Investment Manager

The remuneration to SEB Investment Manager AB for the period from 1st January 2019 until 31st December 2019:

Number of employees: 14,939 employees per 31st December 2019

Total compensation to staff: MSEK 11,567

Of which compensation to management: MSEK 25.8

### **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.