

Unaudited semi-annual report as at 30th June 2016

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

SEB Fund Services S.A.
4, rue Peternelchen
L-2370 Howald

Board of Directors of the Management Company

Chairman
Gustaf UNGER
Head of Investor Services, Transaction Banking
Skandinaviska Enskilda Banken AB (publ), Sweden

Directors
Göran FORS
Head of Sales and Market Development
Asset Servicing
Skandinaviska Enskilda Banken AB (publ), Sweden

Marie JUHLIN
Managing Director
SEB Fund Services S.A., Luxembourg
(since 29th March 2016)

Jonas LINDGREN
Head of Prime Brokerage, SEB Equities
Skandinaviska Enskilda Banken AB (publ), Sweden

Erika LUNDQUIST
Managing Director
Skandinaviska Enskilda Banken S.A., Luxembourg

Magnus WALLBERG
Deputy Managing Director, CFO/ COO
Skandinaviska Enskilda Banken S.A., Luxembourg
(until 29th March 2016)

Depositary

Skandinaviska Enskilda Banken S.A.
4, rue Peternelchen
L-2370 Howald

Central Administration Agent

SEB Fund Services S.A.
4, rue Peternelchen
L-2370 Howald

Administration Agent, Registrar and Transfer Agent

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

IKC FUND

Organisation (continued)

**Investment Manager, Placement
and Distribution Agent**

IKC Fonder AB
Rundelsgatan 14
SE-203 12 Malmö

Paying Agents

In Sweden
Skandinaviska Enskilda Banken AB (publ)
Rissneleden 110
SE-106 40 Stockholm

In Luxembourg
Skandinaviska Enskilda Banken S.A.
4, rue Peternelchen
L-2370 Howald

**Auditor of the Fund and of
the Management Company**

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

IKC FUND

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 Directive 2014/ 91/ EU of the European Parliament and of the Council of 23rd July 2014 amending the Directive 2009/ 65/ EC had been transposed by the law of 10th May 2016 coming into force on 1st June 2016 and amending the amended law of 17th December 2010.

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 main objective of each Sub-Fund is to invest in transferable securities and other eligible assets with the purpose of spreading investment risks and achieving long-term capital growth.

At the date of the present report, the following Sub-Funds are offered to investors:

IKC FUND - IKC WORLD WIDE OPPORTUNITIES	in SEK
IKC FUND - Lux 0 - 50	in SEK
IKC FUND - Lux 0 - 100	in SEK.

At the date of the present report, Class of Units IB SEK and IC SEK are available for subscription and are reserved to Institutional Investors.

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 Net Asset Value per Unit of each Class, as well as the Subscription Price and Redemption Price, may be obtained from the registered office of the Management Company and any newspaper the Management Company may determine from time to time.

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

The audited annual reports and unaudited semi-annual reports comprise combined financial statements of the Fund expressed in SEK, being the reference currency of the Fund, and financial information on each Sub-Fund expressed in the reference currency of each Sub-Fund.

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.

IKC FUND

Combined statement of net assets (in SEK)

as at 30th June 2016

Assets

Securities portfolio at market value	1,663,926,635.81
Deposits on futures contracts	16,524,683.22
Cash at banks	80,179,302.05
Other liquid assets	59,744,710.83
Formation expenses, net	164,024.82
Receivable on issues of units	6,110.53
Income receivable on portfolio	437,841.93
Unrealised gain on futures contracts	24,061.06
Other receivables	1,314,070.75
Prepaid expenses	29,422.09
Total assets	1,822,350,863.09

Liabilities

Bank overdrafts	49,771,165.56
Other liquid liabilities	18,378,754.57
Unrealised loss on futures contracts	1,070,600.97
Expenses payable	4,026,920.06
Other liabilities	23,887.32
Total liabilities	73,271,328.48
Net assets at the end of the period	1,749,079,534.61

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

IKC FUND - IKC WORLD WIDE OPPORTUNITIES

Statement of net assets (in SEK)

as at 30th June 2016

Assets

Securities portfolio at market value	42,174,558.90
Deposits on futures contracts	52,768.92
Cash at banks	7,744,974.02
Other liquid assets	2,726,483.15
Formation expenses, net	2,929.21
Income receivable on portfolio	62,269.11
Unrealised gain on futures contracts	24,061.06
Other receivables	56,971.04
Prepaid expenses	827.33
Total assets	52,845,842.74

Liabilities

Bank overdrafts	975,996.46
Other liquid liabilities	1,039,268.05
Expenses payable	177,364.85
Other liabilities	23,887.32
Total liabilities	2,216,516.68

Net assets at the end of the period 50,629,326.06

Number of Class IC SEK Units outstanding	431,413.106
Net asset value per Class IC SEK Unit	117.36

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

IKC FUND - IKC WORLD WIDE OPPORTUNITIES

Statement of investments and other net assets (in SEK)

as at 30th June 2016

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					
EUR	86	Hermes Intl SA	227,554.53	272,650.83	0.54
EUR	1,000	LVMH Moët Hennessy L Vuit SE	1,160,672.45	1,279,622.35	2.53
EUR	1,800	Paddy Power Betfair Plc	896,408.18	1,600,468.83	3.16
			2,284,635.16	3,152,742.01	6.23
MYR	157,000	Eco World Dev Group Bhd	418,677.53	419,877.47	0.83
PHP	5,880,000	Alsons Consolidated Res Inc	2,050,951.17	2,117,811.36	4.18
PHP	949,100	Bloomberry Resorts Corp	987,718.42	1,134,906.29	2.24
PHP	1,006,600	D&L Industries Inc	1,749,722.85	1,810,932.93	3.58
PHP	215,960	DoubleDragon Properties Corp	2,000,205.67	2,364,595.45	4.67
PHP	238,200	Max's Group Inc	1,013,808.28	1,248,287.72	2.46
PHP	662,000	Megaworld Corp	440,023.58	554,358.73	1.09
PHP	420,980	SM Prime Holdings Inc	1,563,974.52	2,069,684.10	4.09
PHP	33,614	Universal Robina Corp	1,046,237.85	1,259,109.45	2.49
			10,852,642.34	12,559,686.03	24.80
SEK	51,810	BIMobject AB	1,117,497.86	1,424,775.00	2.81
SEK	10,000	Fastighets Balder AB B	1,458,161.00	2,129,000.00	4.20
SEK	10,000	Kambi Group Plc B	1,155,219.00	1,225,000.00	2.42
SEK	4,000	NetEnt AB B	310,316.67	332,000.00	0.66
			4,041,194.53	5,110,775.00	10.09
THB	49,500	Airports of Thailand PCL Nv DR	4,137,920.35	4,657,997.17	9.20
THB	120,000	Bangkok Dusit Medical Serv PCL Uts NV DR	581,092.58	692,003.93	1.37
THB	21,500	Bumrungrad Hospital PCL BH Units Non-Voting DR	1,133,387.17	946,740.04	1.87
THB	54,100	Central Plaza Hotel Pub Co Ltd Units Non-Voting DR	581,557.40	486,242.55	0.96
THB	213,000	Interlink Com PCL Units Non Voting DR	970,377.68	1,017,593.23	2.01
THB	97,500	Sino-Thai Engineer & Const PCL Units Non-Voting DR	581,528.22	559,900.67	1.11
			7,985,863.40	8,360,477.59	16.52
USD	8,000	Infosys Ltd spons ADR repr 1 Share	1,105,612.18	1,211,108.22	2.39
			26,688,625.14	30,814,666.32	60.86
Total shares					
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
SEK	74,832.8352	IKC Asien B Cap	7,501,814.09	7,714,516.98	15.24
SEK	29,130.3788	IKC Filippinerna Units C Cap	3,002,039.47	3,645,375.60	7.20
			10,503,853.56	11,359,892.58	22.44
Total investment funds (UCITS)					
Total investments in securities			37,192,478.70	42,174,558.90	83.30
Cash at banks				7,744,974.02	15.30
Bank overdrafts				-975,996.46	-1.93
Other net assets/ (liabilities)				1,685,789.60	3.33
Total				50,629,326.06	100.00

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

IKC FUND - IKC WORLD WIDE OPPORTUNITIES

Industrial and geographical classification of investments as at 30th June 2016

Industrial classification

(in percentage of net assets)

Investment funds	22.44 %
Real estate	14.05 %
Transportation	9.20 %
Hotels, restaurants and leisure	9.00 %
Software and services	5.86 %
Utilities	4.18 %
Raw materials	3.58 %
Capital goods	3.35 %
Health care equipment and services	3.24 %
Consumer durables and apparel	3.07 %
Food, beverage and tobacco	2.49 %
Technology hardware and equipment	2.01 %
Investment companies	0.83 %
Total	<u>83.30 %</u>

Geographical classification

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

Sweden	30.11 %
Philippines	24.80 %
Thailand	16.52 %
Ireland	3.16 %
France	3.07 %
Malta	2.42 %
India	2.39 %
Malaysia	0.83 %
Total	<u>83.30 %</u>

IKC FUND - Lux 0 - 50

Statement of net assets (in SEK)

as at 30th June 2016

Assets

Securities portfolio at market value	53,624,924.22
Deposits on futures contracts	359,305.68
Cash at banks	6,566,970.25
Other liquid assets	434,498.72
Formation expenses, net	3,315.07
Receivable on issues of units	6,110.53
Other receivables	133,803.48
Prepaid expenses	862.33
Total assets	61,129,790.28

Liabilities

Other liquid liabilities	199,531.82
Unrealised loss on futures contracts	81,189.84
Expenses payable	173,174.33
Total liabilities	453,895.99

Net assets at the end of the period 60,675,894.29

Number of Class IC SEK Units outstanding 546,019.127
Net asset value per Class IC SEK Unit 111.12

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

IKC FUND - Lux 0 - 50

Statement of investments and other net assets (in SEK)

as at 30th June 2016

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					
EUR	818	Danone	438,024.26	488,038.37	0.80
EUR	125	LVMH Moët Hennessy L Vuit SE	145,815.46	159,952.79	0.26
EUR	1,000	Vinci SA	481,889.97	599,258.44	0.99
			<u>1,065,729.69</u>	<u>1,247,249.60</u>	<u>2.05</u>
SEK	6,200	Axfood AB	980,923.70	1,000,680.00	1.65
SEK	7,000	Fastighets Balder AB B	1,067,152.35	1,490,300.00	2.46
SEK	10,000	Hufvudstaden AB A	1,145,914.40	1,321,000.00	2.18
SEK	2,000	ICA Gruppen AB	577,900.00	563,400.00	0.93
SEK	115,000	Victoria Park AB A	1,562,499.25	2,162,000.00	3.56
			<u>5,334,389.70</u>	<u>6,537,380.00</u>	<u>10.78</u>
Total shares			<u>6,400,119.39</u>	<u>7,784,629.60</u>	<u>12.83</u>
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
SEK	16,947.4889	IKC Asien B Cap	1,850,879.47	1,747,116.63	2.88
SEK	43,352.6652	IKC Avkastningsfond Units Cap	4,501,797.32	4,712,868.23	7.77
SEK	12,651.4905	IKC Fastighetsfond Units B Cap	1,349,999.99	1,520,456.13	2.51
SEK	16,218.1681	IKC Filippinerna Units C Cap	1,850,878.23	2,029,541.56	3.34
SEK	28,009.5448001	IKC Global Brand Units B Cap	3,900,862.14	5,299,966.07	8.73
SEK	25,472.5271	IKC Sverige Flexibel Units Dist	3,300,845.86	4,295,432.24	7.08
SEK	713,784.5124	SEB Fonder AB Likviditetsfond Cap	7,300,000.00	7,286,526.44	12.01
SEK	19,995	Simplicity Fore A	2,079,886.28	2,329,617.45	3.84
SEK	74,929.9439	SPP Foretags A Cap	8,005,170.77	8,004,930.75	13.19
SEK	8,427.6244	SPP Penningmarknadsfond	1,000,000.00	1,000,480.37	1.65
			<u>35,140,320.06</u>	<u>38,226,935.87</u>	<u>63.00</u>
USD	7,000	UBS (Lux) Bond Fd Full Cycle Asian (USD) I A1 Cap	5,654,701.77	7,613,358.75	12.55
Total investment funds (UCITS)			<u>40,795,021.83</u>	<u>45,840,294.62</u>	<u>75.55</u>
Total investments in securities			<u>47,195,141.22</u>	<u>53,624,924.22</u>	<u>88.38</u>
Cash at banks				6,566,970.25	10.82
Other net assets/ (liabilities)				483,999.82	0.80
Total				<u>60,675,894.29</u>	<u>100.00</u>

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

IKC FUND - Lux 0 - 50

Industrial and geographical classification of investments as at 30th June 2016

Industrial classification

(in percentage of net assets)

Investment funds	75.55 %
Real estate	8.20 %
Food retailing, drugstores and pharmacies	2.58 %
Capital goods	0.99 %
Food, beverage and tobacco	0.80 %
Consumer durables and apparel	0.26 %
Total	<u>88.38 %</u>

Geographical classification

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

Sweden	73.78 %
Luxembourg	12.55 %
France	2.05 %
Total	<u>88.38 %</u>

IKC FUND - Lux 0 - 100

Statement of net assets (in SEK)

as at 30th June 2016

Assets

Securities portfolio at market value	1,568,127,152.69
Deposits on futures contracts	16,112,608.62
Cash at banks	65,867,357.78
Other liquid assets	56,583,728.96
Formation expenses, net	157,780.54
Income receivable on portfolio	375,572.82
Other receivables	1,123,296.23
Prepaid expenses	27,732.43
Total assets	<u>1,708,375,230.07</u>

Liabilities

Bank overdrafts	48,795,169.10
Other liquid liabilities	17,139,954.70
Unrealised loss on futures contracts	989,411.13
Expenses payable	3,676,380.88
Total liabilities	<u>70,600,915.81</u>

Net assets at the end of the period 1,637,774,314.26

Number of Class IB SEK Units outstanding	781.250
Net asset value per Class IB SEK Unit	121.01
Number of Class IC SEK Units outstanding	13,714,420.952
Net asset value per Class IC SEK Unit	119.41

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 2016

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					
EUR	14,000	Industria de Diseno Textil SA	2,893,579.59	3,939,919.56	0.24
EUR	14,150	LVMH Moët Hennessy L Vuit SE	15,778,934.43	18,106,656.18	1.10
EUR	60,000	Vinci SA	26,298,095.01	35,955,506.10	2.19
			44,970,609.03	58,002,081.84	3.53
PHP	4,170,080	Aboitiz Power Corp	34,237,895.46	34,582,307.91	2.11
PHP	44,930	Ayala Corp AC	6,612,223.17	6,869,483.12	0.42
PHP	3,332,400	Ayala Land Inc	24,002,926.60	23,284,601.17	1.42
PHP	6,143,100	Bloomberry Resorts Corp	6,749,972.92	7,345,741.08	0.45
PHP	676,500	DoubleDragon Properties Corp	6,730,024.81	7,407,153.29	0.45
PHP	524,300	JG Summit Holdings Inc	7,739,181.69	8,120,041.73	0.50
PHP	2,664,900	Max's Group Inc	11,706,075.00	13,965,415.39	0.85
PHP	13,141,720	Metro Pacific Investments Corp	15,175,847.74	16,495,479.33	1.01
PHP	4,063,680	Petron Corp	6,174,057.71	8,152,384.31	0.50
PHP	22,960	Philippine Lg Distance Tel Co	8,195,421.59	8,889,765.31	0.54
PHP	512,160	Puregold Price Club Inc	3,318,149.00	3,887,614.45	0.24
PHP	65,025	SM Investments Corp	10,010,763.89	11,323,659.12	0.69
PHP	8,727,150	SM Prime Holdings Inc	38,882,254.12	42,905,704.73	2.62
PHP	1,354,098	Universal Robina Corp	48,883,974.23	50,721,651.25	3.10
			228,418,767.93	243,951,002.19	14.90
SEK	48,810	Betsson AB B	7,069,804.63	3,421,581.00	0.21
SEK	143,910	Evolution Gaming Group AB	35,128,153.96	36,481,185.00	2.23
SEK	315,000	Fastighets Balder AB B	46,427,694.46	67,063,500.00	4.09
SEK	100,000	Hufvudstaden AB A	11,120,179.95	13,210,000.00	0.81
SEK	252,187	ICA Gruppen AB	62,393,068.78	71,041,077.90	4.34
SEK	15,000	Intrum Justitia AB	4,368,000.00	3,948,000.00	0.24
SEK	516,000	NetEnt AB B	35,566,915.01	42,828,000.00	2.61
SEK	20,000	Nolato AB B	4,274,656.00	4,430,000.00	0.27
SEK	120,000	Unibet Group Plc SDR	10,380,453.00	9,276,000.00	0.57
SEK	945,000	Victoria Park AB B	17,340,649.40	18,049,500.00	1.10
			234,069,575.19	269,748,843.90	16.47
USD	95,000	American Water Works Co Inc New	42,287,895.39	68,090,488.88	4.16
USD	40,000	ConAgra Foods Inc	14,376,116.08	16,219,351.30	0.99
USD	80,000	Hormel Foods Corp	21,990,376.75	24,832,807.26	1.52
USD	30,000	Tyson Foods Inc Cl A	13,095,260.79	16,993,680.30	1.04
			91,749,649.01	126,136,327.74	7.71
			599,208,601.16	697,838,255.67	42.61
Total shares					
Bonds					
SEK	20,000,000	Saab AB FRN EMTN 13/ 10.12.18	20,000,535.84	20,210,200.00	1.23
			20,000,535.84	20,210,200.00	1.23
<u>Open-ended investment funds</u>					
Investment funds (UCITS)					
EUR	3,500	JPMorgan Inv Fds Global Dividend C EUR Cap	5,730,976.41	5,836,112.88	0.36
SEK	181,800	Coeli SICAV I Sweden Fd I SEK Cap	20,349,958.58	19,514,412.00	1.19
SEK	819,091.2731	IKC Asien B Cap	81,953,757.30	84,440,119.34	5.15
SEK	473,942.4776	IKC Avkastningsfond Units Cap	50,802,933.58	51,522,286.74	3.15
SEK	5,000	IKC Fastighetsfond Units A Cap	500,000.00	597,450.00	0.04
SEK	361,071.7828	IKC Fastighetsfond Units B Cap	36,890,149.99	43,393,606.86	2.65

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) (continued) as at 30th June 2016

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets
SEK	781,204.7834	IKC Filippinerna Units C Cap	86,644,885.49	97,759,966.59	5.97
SEK	900,039.214	IKC Global Brand Units B Cap	127,226,632.63	170,305,420.07	10.40
SEK	1,385,345.677	IKC Pension Variabel Cap	155,000,000.00	153,357,766.44	9.36
SEK	866,864.2896	IKC Sverige Flexibel Units Dist	125,114,765.99	146,179,325.16	8.92
			<u>684,483,083.56</u>	<u>767,070,353.20</u>	<u>46.83</u>
USD	1,500	JPMorgan Fds Global Healthcare C USD Cap	1,841,735.36	3,899,717.59	0.24
USD	6,831.193	JPMorgan Fds Systematic Alpha C USD Hedged Cap	8,393,554.49	8,479,567.52	0.52
USD	59,573	UBS (Lux) Bond Fd Full Cycle Asian (USD) I A1 Cap	56,094,455.08	64,792,945.83	3.96
			<u>66,329,744.93</u>	<u>77,172,230.94</u>	<u>4.72</u>
Total investment funds (UCITS)			<u>756,543,804.90</u>	<u>850,078,697.02</u>	<u>51.91</u>
Total investments in securities			<u>1,375,752,941.90</u>	<u>1,568,127,152.69</u>	<u>95.75</u>
Cash at banks				65,867,357.78	4.02
Bank overdrafts				-48,795,169.10	-2.98
Other net assets/ (liabilities)				52,574,972.89	3.21
Total				<u><u>1,637,774,314.26</u></u>	<u><u>100.00</u></u>

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

Industrial and geographical classification of investments
as at 30th June 2016**Industrial classification**

(in percentage of net assets)

Investment funds	51.91 %
Food, beverage and tobacco	10.81 %
Real estate	10.49 %
Software and services	4.84 %
Capital goods	4.37 %
Food retailing, drugstores and pharmacies	4.34 %
Utilities	3.12 %
Hotels, restaurants and leisure	1.63 %
Consumer durables and apparel	1.34 %
Investment companies	1.11 %
Telecommunication services	0.54 %
Energy	0.50 %
Raw materials	0.27 %
Retailing	0.24 %
Diversified financial services	0.24 %
Total	<u>95.75 %</u>

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

Sweden	62.77 %
Philippines	14.90 %
United States of America	7.71 %
Luxembourg	6.27 %
France	3.29 %
Malta	0.57 %
Spain	0.24 %
Total	<u>95.75 %</u>

IKC FUND

Notes to the financial statements

as at 30th June 2016

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 Undertakings for Collective Investment.

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.
- 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.

IKC FUND

Notes to the financial statements (continued)

as at 30th June 2016

- 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 sales of securities

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

d) Cost of securities

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

e) Exchange translation

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

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

1	SEK	=	0.3786633	BRL	Brazilian Real
			0.1149196	CHF	Swiss Franc
			0.7907418	DKK	Danish Krona
			0.1062814	EUR	Euro
			0.9146637	HKD	Hong Kong Dollar
			12.0879837	JPY	Japanese Yen
			2.1769748	MXN	Mexican Peso
			0.4748766	MYR	Malaysian Ringgit
			5.5529025	PHP	Philippian Peso
			4.1444851	THB	Thailand Bath
			0.3392347	TRY	New Turkish Lira (1 TRY=1,000,000 TRL)
			0.1179085	USD	US Dollar

f) Combined financial Statements

The combined financial statements of the Fund are expressed in SEK and are equal to the sum of the corresponding captions in the financial statements of each Sub-Fund.

g) Formation expenses

Expenses incurred in connection with the establishment of the Fund and the creation of the Sub-Funds are amortised over a period of five years.

IKC FUND

Notes to the financial statements (continued)

as at 30th June 2016

If the launch of a Sub-Fund occurs after the launch date of the Fund, the costs of formation in relation to the launch of the new Sub-Fund is charged to such Sub-Fund alone and may be amortised over a maximum of 5 years with effect from the Sub-Fund's launch date.

h) 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.

i) Other liquid assets / Other liquid liabilities

The captions "Other liquid assets" and "Other liquid liabilities" are mainly composed of cash accounts held at brokers.

j) Futures contracts

Futures contracts are posted off-balance sheet and are valued at the last available price applicable to the asset. Unrealised gain / (loss) is recorded in the statement of net assets.

Note 2 - Subscription, redemption and conversion fees

A subscription, redemption and conversion charge not exceeding 2% of the fixed price at which Units are offered, may be added for the purpose of compensating the Placement and Distribution Agent and financial intermediaries who assist in placing the Units.

Note 3 - Management fee

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-Funds	IC SEK Unit Class	IB SEK Unit Class
- IKC FUND - IKC WORLD WIDE OPPORTUNITIES	2.50%	-
- IKC FUND - Lux 0 - 50	2.00%	-
- IKC FUND - Lux 0 - 100	2.35%	1.40%

The Management Company receives a management fee not exceeding 0.10% per annum of the net assets of the Sub-Funds, accrued daily and payable monthly in arrears with a minimum annual management fee per Sub-Fund of EUR 25,000. Furthermore, the Management Company receives an annual fee of EUR 12,000 per Sub-Fund for the provision of risk management services.

Note 4 - Central administration costs

Out of the Sub-Fund's assets, an administration fee consisting of a flat fee of EUR 25,000 p.a. plus a variable fee of maximum 0.040% p.a. is payable to the Central Administration Agent. The fees will be accrued on a daily basis, based on the net assets of the Sub-Fund and will be paid out monthly in arrears.

IKC FUND

Notes to the financial statements (continued)

as at 30th June 2016

The Central Administration Agent is furthermore entitled to receive out of the Sub-Fund's assets, in respect of the register and transfer agent functions, a fee of EUR 10,000 for up to two active Classes of Units and EUR 2,100 for each additional active Class of Units in accordance with Luxembourg customary banking practice, accrued daily and payable monthly in arrears. The Central Administration Agent will also be compensated for all reasonable out of pocket expenses.

Note 5 - Depositary Fees

The Depositary receives a depositary fee determined as an annual percentage calculated per market on a monthly basis based on the Sub-Funds assets and paid monthly in arrears.

The Depositary also receives a supervisory fee of 0.0075% p.a. calculated on the Net Asset Value of the Sub-Funds. In addition, the Depositary is entitled to be reimbursed out of the assets of the Sub-Funds for its reasonable out of pocket expenses and disbursements.

Note 6 - 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 7 - Capped expenses

The Investment Manager of the Fund, IKC Fonder AB, has committed with effect from the launch date of the Sub-Funds 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-Funds. Any residual due above this level will be paid by the Investment Manager directly to the Fund.

Fees in scope ("the Fees"):

- Infrastructure fee;
- Central Administration fees (including the administration fee, the depositary fee and the fee in respect of the register and transfer agent functions and the out of pocket expenses);
- Formation expenses;
- Taxe d'abonnement;
- Audit fees;
- CSSF fees.

IKC FUND

Notes to the financial statements (continued)

as at 30th June 2016

Note 8 - Futures contracts

As at 30th June 2016, the Fund was committed in the following futures contracts with Skandinaviska Enskilda Banken AB (publ) in London:

IKC FUND - IKC WORLD WIDE OPPORTUNITIES

	Number of contracts	Denomination	Currency	Exposure (in SEK)	Unrealised result (in SEK)
Purchase	36	THAI SET 50 FUT 09/ 16 SGX	THB	1,568,214.10	24,061.06
					<u>24,061.06</u>

IKC FUND - Lux 0 - 50

	Number of contracts	Denomination	Currency	Exposure (in SEK)	Unrealised result (in SEK)
Sale	4	Euro Stoxx 50 EUR (Price) Index FUT 09/ 16 EUX	EUR	-1,074,506.41	-10,914.43
Sale	18	OMX Stockholm 30 Index FUT 07/ 16 OMX	SEK	-2,373,300.00	-59,886.00
Sale	1	S&P 500 Index FUT 09/ 16 CME	USD	-886,386.19	-10,389.41
					<u>-81,189.84</u>

IKC FUND - Lux 0 - 100

	Number of contracts	Denomination	Currency	Exposure (in SEK)	Unrealised result (in SEK)
Sale	303	Euro Stoxx 50 EUR (Price) Index FUT 09/ 16 EUX	EUR	-81,393,860.59	-627,203.13
Sale	616	OMX Stockholm 30 Index FUT 07/ 16 OMX	SEK	-81,219,600.00	-362,208.00
					<u>-989,411.13</u>

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 shareholders' 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 Share 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.

IKC FUND

Notes to the financial statements (continued)

as at 30th June 2016

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 2016 for the Sub-Funds.

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