



ANNUAL REPORT 2023 ISEC First Fund

ISEC First Fund is an open-ended mutual investment fund ("fonds commun de placement") with separate Sub-Funds set up under the laws of the Grand Duchy of Luxembourg.

The Management Company for the Fund is ISEC Services AB, a private limited company established under Swedish law and registered at Bolagverket. ISEC Services AB is licensed by the Swedish Financial Supervisory Authority, Finansinspektionen.

Active Sub-Fund in the umbrella is Investerum Global Value Fund. ISIN: LU0208850171.



FUND
ISEC First Fund

**COMPANY
REGISTRATION NUMBER**
556542-2853

PERIOD
2023-01-01 - 2023-12-31

ISEC SERVICES AB
Vattugatan 17
SE-111 52 Stockholm
Phone: +46 8-509 31 300

www.isec.com/funds

ISEC FIRST FUND

A Luxembourg based mutual investment fund

Annual Report, including Audited Financial Statements
as of December 31, 2023

Subscriptions shall only be valid if made on the basis of the KIID (Key Investor Information Document) or the current prospectus accompanied by the most recent Annual Report, including Audited Financial Statements as well as by the most recent Semi-Annual Report if published more recently than the most recent Annual Report, including Audited Financial Statements. No one is authorised to state other information than the one contained in the Prospectus as well as in the documents herein mentioned, which are available to the public.

ISEC FIRST FUND

Table of contents

	Page
Management and Administration	2
Information to Unitholders	3
Report of the Management Company	4
Report of the Investment Manager	5
Report of the “réviseur d'entreprises agréé”	6
Statement of Net Assets	8
Statement of Operations and Changes in Net Assets	9
Statement of Changes in the Number of Units	10
Statistics	11
Investerum Global Value Fund	
Statement of Investments	12
Geographical and Economic Portfolio Breakdowns	13
Notes to the Audited Financial Statements	14
Unaudited Appendix	18

ISEC FIRST FUND

Management and Administration

MANAGEMENT COMPANY

ISEC Services AB
Vattugatan 17
111 52 Stockholm
Sweden

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman of the Board:
Jonas ELIASSON
Diakongränd 32
128 68 Sköndal
Sweden

Mikkel MÖRDRUP
CEO ISEC Group AB
Vattugatan 17
111 52 Stockholm
Sweden

Therece SELIN
COO ISEC Group AB
Vattugatan 17
111 52 Stockholm
Sweden

Marie FRIMAN
c/o Apriori Law
Nybrogatan 7
114 34 Stockholm
Sweden

CONDUCTING OFFICERS

Helena UNANDER-SCHARIN
CEO ISEC Services AB
Vattugatan 17
111 52 Stockholm
Sweden

Niklaus Wildling
Deputy CEO ISEC Services AB
Vattugatan 17
111 52 Stockholm
Sweden

DEPOSITARY AND CENTRAL ADMINISTRATION

CACEIS Investor Services Bank S.A. (from July 3, 2023)
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

RBC Investor Services Bank S.A. (Until July 3, 2023)
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

REGISTRAR AGENT

CACEIS Investor Services Bank S.A. (from July 3, 2023)
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

RBC Investor Services Bank S.A. (Until July 3, 2023)
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

PRINCIPAL PAYING AGENT IN LUXEMBOURG

CACEIS Investor Services Bank S.A. (from July 3, 2023)
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

RBC Investor Services Bank S.A. (Until July 3, 2023)
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

INVESTMENT MANAGER

Investerum AB
Karlavägen 108, 14 tr
115 26 Stockholm
Sweden

CABINET DE RÉVISION AGRÉÉ

Deloitte Audit
Société à responsabilité limitée
20 Boulevard de Kockelscheuer
L - 1821 Luxembourg
Grand Duchy of Luxembourg

ISEC FIRST FUND

Information to Unitholders

Information about the Net Asset Value of the units of each Sub-Fund and about the issue and redemption prices is available at all times at the registered office of the Management Company.

Copies of the Annual Report, including Audited Financial Statements and all unaudited Semi-Annual Reports of the Fund may be obtained by holders of units from the registered office of the Management Company.

A detailed schedule of portfolio changes is available free of charge upon request at the registered office of the Management Company.

ISEC FIRST FUND

Report of the Management Company

Board of directors of ISEC Services AB for the period from January 1, 2023 until December 31, 2023

At the Annual General Meeting of ISEC Services held on June 15, 2023 the Annual General Meeting of shareholders re-elected Mrs. Marie Friman, Mr. Mikkel Mørdrup and Mrs. Therece Selin for a one-year period under the end of next Annual Meeting of shareholders to be held in 2024. Mr. Jonas Eliasson was elected as new member of the board and replaced Mr. Lars Melander.

The remuneration fee is paid out according to decision at the Annual General Meeting. The Annual General Meeting of shareholders re-elected Deloitte Audit S.à.r.l. as statutory auditor for a one-year period until the end of the next Annual General Meeting of shareholders to be held in 2024.

Sales Activities 2023

For the year 2023, the total value of investments in the ISEC First Fund – Investorum Global Value Fund D increased by an amount of 0.59m or (3.6%). The net outflow of the fund was EUR 1.95m.

The figures stated in the report are historical and not necessarily indicative of future performance.

ISEC FIRST FUND

Report of the Investment Manager

Investment Manager's Report until December 31, 2023

2023 was yet another challenging year for investors. To some extent, the past year began with optimism, especially as the global pandemic faded and life largely returned to its natural rhythms. Supply chains had been reestablished, travel and tourism had a boost, restaurants and concert halls resumed operations, and socializing with friends and family flourished. On the other hand, at the beginning of the year, there was a widespread perception that the situation on most economic fronts would get significantly worse before it got better, largely as a result of rampant inflation.

During the first quarter of the year, the markets were mainly characterized by concerns over the economic implications of increasing inflation. The increasingly rapid rise in long-term interest rates created an unsustainable situation for several niche banks that, by all accounts, did not seem to have managed their risks. The aforementioned niche banks' business turned out to be based, perhaps to a slightly too large extent, on lending to non-profitable younger technology companies. A classic so-called "bank run" (which means that most of a bank's customers attempt to withdraw their savings at the same time) became the final nail in the coffin for the niche banks and became their downfall.

What will be memorable from the quarter was how quickly conditions turned. On March 6, Silicon Valley Bank was named one of America's best banks by the prestigious magazine Forbes. Only a little over a month later, on the tenth of March, the bank collapsed as a result of a "bank run", which was the starting point for a wider problem. Wise from lessons learned from the Lehman crash, central banks around the world acted in a coordinated and prompt manner by ensuring liquidity and also forcing changes in ownerships. It seems that negative spillover effects from the banking crisis were completely avoided thanks to prudent intervention.

During the second quarter of the year, the markets were characterized by interest rate increases, inflation and continued strength in the stock markets. The earnings reports, in general, were surprisingly positive. In particular from companies with strong brands that, through their outstanding price leadership, were able to successfully implement price increases to their customers. Another strong driving force behind the rise in the world index was dampened inflation anxiety, which to a large extent took its origin in the slightly questionable economic signals that were visible. During the end of the quarter, a kind of hype arose within companies with connections to Artificial Intelligence. Investors scrambled to be first, which led to considerable price increases in companies operating in the area. Most central banks raised their key interest rates several times during the quarter. In addition, representatives of several central banks warned that future increases would also occur, which caused long-term interest rates to rise further. This despite the fact that many signals began to point to falling inflation expectations.

After the year's exceptionally strong first six months, many probably experienced a bit of an awakening in connection with sharply rising market interest rates and weak stock market development. During the third quarter of the year, the markets were characterized by strong turbulence, which was probably mainly driven by rising inflation rates and a concern about a general economic downturn as a result of the central banks' interest rate increases. A strong contributing factor to the upward inflationary pressure was rising energy prices. Market interest rates also continued to rise and we need to go back to the time when the Lehman crash occurred in 2007 to find the latest time when such interest levels last occurred.

The last quarter of the year began weakly as a result of leading economic indicators continuing to point to a weakened growth rate. Inflation appeared to have moderated momentarily and most analysts seemed to believe that the cause was the weaker economic signals at hand. An escalated conflict between Israel and Hamas created increased geopolitical uncertainty and the ten-year yield in the US exceeded 5 percent for the first time since 2007. Then everything suddenly turned around. In an "almost-everything-goes-up-rally", the global markets rose sharply. The main driving force behind the rise was falling interest rates, for example the American ten-year yield fell by over one and a quarter percentage points. European interest rates also fell. There was also a widespread perception that the policy rate hikes in 2023 had an adequate tightening effect. Most perceived that we will experience substantial reductions in interest rates, from the central banks, in 2024. All relevant central banks left their policy rates unchanged at the end of the year.

A strong stock market year is behind us, colored by the boom in AI, high inflation, a temporary banking crisis and the horrific situations in Israel and Ukraine.

With great probability, we will in the coming year experience continued geopolitical tension and high inflation. The year 2024 is designated as a "super election year" where 76 countries have elections scheduled. I have great confidence that the underlying funds in the portfolio will perform in an absolutely excellent manner and I am convinced that 2024 will be another successful year for the fund.

Roland Dahlman

The figures stated in the report are historical and not necessarily indicative of future performance.

To the Unitholders of
ISEC Services AB
17, Vattugatan
SE-111 52 Stockholm
Sweden

Report of the "réviseur d'entreprises agréé"

Opinion

We have audited the financial statements of ISEC First Fund (the "Fund") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2023 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at December 31, 2023, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

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 are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the Fund's 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 report of the *réviseur d'entreprises agréé* 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 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 this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund's Management Company for the Financial Statements

The Board of Directors of the Fund's 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 Fund's 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 Fund's 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 Fund's Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *réviseur d'entreprises agréé* 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 dated 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 dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism 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 Fund's Management Company.
- Conclude on the appropriateness of the Board of Directors of the Fund's Management Company 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 report of the *réviseur d'entreprises agréé* 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 report of the *réviseur d'entreprises agréé*.
- 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.

For Deloitte Audit, *Cabinet de Révision Agréé*

Yann Mérimou, *Réviseur d'entreprises agréé*
Partner

ISEC FIRST FUND

Statement of Net Assets as of December 31, 2023

	Note	Investerum Global Value Fund EUR	Combined EUR
ASSETS			
Investment portfolio at market value	(3)	17,092,824	17,092,824
Cash at bank	(3)	130,499	130,499
Amounts receivable on subscriptions		453	453
Interest and dividends receivable, net		8,171	8,171
Other assets		1,514	1,514
TOTAL ASSETS		17,233,461	17,233,461
LIABILITIES			
Interest payable		187	187
Amounts payable on redemptions		95,676	95,676
Management fees payable	(4)	3,467	3,467
Investment management fees payable	(4)	13,412	13,412
Subscription tax payable	(7)	2,106	2,106
Taxes and expenses payable	(8)	43,929	43,929
TOTAL LIABILITIES		158,777	158,777
TOTAL NET ASSETS		17,074,684	17,074,684
Net asset value per unit			
Class D		20.169	
Number of units outstanding			
Class D		846,574.8728	

The accompanying notes form an integral part of these Financial Statements.

ISEC FIRST FUND

Statement of Operations and Changes in Net Assets for the Year ended December 31, 2023

		Investerum Global Value Fund	Combined
	Note	EUR	EUR
TOTAL NET ASSETS AT THE BEGINNING OF THE YEAR		16,481,109	16,481,109
INCOME			
Dividends, net	(3)	65,239	65,239
Bank interest		9,522	9,522
Trailer fees	(10)	84,666	84,666
Other income	(10)	684	684
TOTAL INCOME		160,111	160,111
EXPENSES			
Management fees	(4)	43,516	43,516
Investment management fees	(4)	169,919	169,919
Performance fees	(5)	0	0
Central Administration Agent, Depositary, Registrar and Transfer Agent fees	(6)	79,021	79,021
Audit fees, legal fees, printing and publishing expenses		27,519	27,519
Subscription tax	(7)	4,730	4,730
Bank charges and correspondent fees		2,492	2,492
Interest paid		1,217	1,217
Distribution fees and distribution support fees		3,002	3,002
Other charges		10,846	10,846
TOTAL EXPENSES		342,262	342,262
NET INCOME / (LOSS) FROM INVESTMENTS		(182,151)	(182,151)
Net realised profit on sales of investments	(3)	7,288	7,288
Net realised profit on foreign exchange	(3)	17,514	17,514
Net realised (loss) on forward exchange contracts	(3)	(7,027)	(7,027)
NET REALISED PROFIT / (LOSS)		(164,376)	(164,376)
Change in net unrealised appreciation / (depreciation) on: investments	(3)	2,704,767	2,704,767
NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS		2,540,391	2,540,391
MOVEMENTS IN CAPITAL			
Issue of units		1,297,980	1,297,980
Redemption of units		(3,244,796)	(3,244,796)
TOTAL NET ASSETS AT THE END OF THE YEAR		17,074,684	17,074,684

The accompanying notes form an integral part of these Financial Statements.

ISEC FIRST FUND

Statement of Changes in the Number of Units for the Year ended December 31, 2023

	Investerum Global Value Fund
<hr/>	
Class D	
Number of units outstanding at the beginning of the year	949,173.3301
Number of units issued	69,297.4597
Number of units redeemed	(171,895.9170)
Number of units outstanding at the end of the year	<u>846,574.8728</u>

The accompanying notes form an integral part of these Financial Statements.

ISEC FIRST FUND

Statistics

	Investerum Global Value Fund
	EUR
Total Net Asset Value	
December 31, 2023	17,074,684
December 31, 2022	16,481,109
December 31, 2021	22,144,982
Net asset value per unit at the end of the year	
December 31, 2023	
Class D	20.169
December 31, 2022	
Class D	17.364
December 31, 2021	
Class D	21.989

ISEC FIRST FUND

Investerum Global Value Fund

Statement of Investments as of December 31, 2023

(expressed in EUR)

Description	Quantity	Currency	Cost	Market Value	% net assets
Open - ended investment funds (UCITS)					
Ireland					
Ishares Plc /S&P 500	79,013	USD	1,095,750	3,405,246	20
			1,095,750	3,405,246	20
Luxembourg					
Fundsmith Equity Fund T EUR Acc	58,019	EUR	2,220,463	3,253,340	19
Jup Glb Pan Eur -U2 EUR Acc -Cap	22,326	EUR	2,137,325	2,721,360	16
			4,357,788	5,974,700	35
Sweden					
Investerum Equity Value A Acc*	790,009	SEK	979,471	1,046,362	6
Investerum Strategic Value Acc A SEK*	1,635,549	SEK	2,671,297	3,327,067	19
Lann High Yi Sek-Ac	277,509	SEK	3,015,549	3,339,449	20
			6,666,317	7,712,878	45
Total Open - ended investment funds (UCITS)			12,119,855	17,092,824	100
TOTAL INVESTMENT PORTFOLIO			12,119,855	17,092,824	100

* Related party Fund - refer to Note 4

The accompanying notes form an integral part of these Financial Statements.

ISEC FIRST FUND

Investerum Global Value Fund

Geographical and Economic Portfolio Breakdowns as of December 31, 2023

(expressed as a percentage of net assets)

<u>Geographical breakdown</u>	<u>%</u>	<u>Economic breakdown</u>	<u>%</u>
Sweden	45	Investment Funds	100
Luxembourg	35		100
Ireland	20		
	100		

ISEC FIRST FUND

Notes to the Audited Financial Statements as of December 31, 2023

NOTE 1 – GENERAL

ISEC First Fund (the "Fund") is an open-ended mutual investment fund ("fonds commun de placement") with several separate Sub-Funds ("umbrella fund") set up under the laws of the Grand Duchy of Luxembourg.

The Fund is registered by Part I of the amended Law of December 17, 2010 since July 1, 2011.

On December 31, 2023, one Sub-Fund is in operation:

- Investerum Global Value Fund
 - Class D – Accumulation Units (dedicated to Retail Investors)

NOTE 2 – INVESTMENT OBJECTIVES

The investment objective of the Fund is to manage the assets of the different Sub-Funds for the benefit of the Unitholders for the purpose of earning a rate of return reflective of the investment objectives of the Fund, and of seeking growth of capital in the short and/or medium to long term in accordance with, for each Sub-Fund, the investment objective mentioned in their respective Appendix of the prospectus, as defined for each Sub-Fund by the Board of Directors.

No assurance can however be given that the investment objective as described above will be achieved.

In addition to the investment objectives described below, the Board of Directors resolved by Circular Resolution dated November 18, 2008 to allow each Sub-Fund to invest, for defensive purposes and in the interest of the Unitholders, the liquidity, on a temporary basis, in money market instruments and Government Bonds up to 10% of the Total Net Assets of each Sub-Fund.

The investment objective of each relevant Sub-Fund is as follows:

Investerum Global Value Fund (denominated in EUR):

Within the general investment objectives and policies of the Fund and with an objective of generating absolute value increase in the long term through active investment management the Sub-Fund will invest its net assets in a diversified portfolio of UCIs invested in equities (both listed equities and "Equity Funds"), part of the net assets may be invested in bonds (both listed bonds and "Bond Funds") and/or in money market instruments (both listed fixed income and "Money Market Funds") and/or in Equity Funds with an investment objective allowing part investments in bonds and money market instruments in respect to the following allocation:

- no more than 100% of the Sub-Fund's net assets will be invested in listed equities or Equity Funds;
- no more than 100% of the Sub-Fund's net assets will be invested in Bond Funds and/or Money Market Funds and/or in Equity Funds with an investment objective allowing part investments in bonds and money market instruments worldwide;
- no more than 20% of the Sub-Fund's net assets may be held in cash.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with generally accepted accounting principles applicable to UCITS and in accordance with laws and regulations in force in the Grand Duchy of Luxembourg.

a) Valuation of investments in portfolio

Units or shares of UCIs are valued at their last determined and available net asset value ("NAV"), or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors of the Management Company on a fair and equitable basis.

All other securities and other assets are valued at fair market value as determined in good faith pursuant to the procedures established by the Board of Directors of the Management Company.

b) Valuation of cash

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 is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

c) Net Realised profit/loss on sales of investments

Net realised profit and loss on sales of investments sold are computed on the basis of the average cost of investments sold and are included in the Statement of Operations and Changes in Net Assets.

ISEC FIRST FUND

Notes to the Audited Financial Statements (continued) as of December 31, 2023

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Foreign exchange conversion

All assets and liabilities, which are valued in a currency other than the base currency in which units of the relevant Sub-Fund are expressed, are converted into the base currency at the exchange rate prevailing as of December 31, 2023.

The exchange rates used for Sub-Fund Investerum Global Value Fund as of December 31, 2023 are the following:

1 GBP	=	1.150662	EUR
1 JPY	=	0.006393	EUR
1 NOK	=	0.088625	EUR
1 SEK	=	0.090526	EUR
1 USD	=	0.903791	EUR

Income and expenses expressed in a currency other than the base currency in which units of the relevant Sub-Fund are expressed are converted into the base currency at the applicable exchange rate prevailing at the transaction date.

e) Cost of investments

Cost of investments for each Sub-Fund expressed in a currency other than the base currency is converted at the exchange rate prevailing at the purchase date.

f) Income from investments

Dividends are recognised as income on the date the investments are first quoted ex-dividend, to the extent information thereon is reasonably available to the Fund. Interest is accrued prorata temporis on each net asset valuation.

g) Forward foreign exchange contracts

Profit or loss arising from un-matured forward foreign exchange contracts are determined on the basis of the applicable forward foreign exchange rates at the valuation date, and are recorded in the Statement of Net Assets and in the Statement of Operations and Changes in Net Assets. There are no forward foreign exchange contracts outstanding as of December 31, 2023.

NOTE 4 – INVESTMENT MANAGEMENT FEES

In accordance with the Investment Management Agreement dated November 18, 2019, Investerum AB is entitled to the following Investment Management fees that are based on the average net assets of the Sub-Funds as determined on each valuation date and payable quarterly in arrears:

- An investment management fee of 1.00% per annum in favour of the Investment Manager. The Investment Management Fee may also cover distribution activities of the Investment Manager and can be shared with any appointed distributors/intermediaries in compliance with applicable laws and regulations in respect of Investerum Global Value Fund.

The overall maximum level of the Investment Management Fee (taking into account net amount of possible rebates from the other UCITS and/or UCIs in which the Sub-Fund invests) that may be charged by the Sub-Fund itself and by investment in other UCITS and/or UCIs in which the Sub-Fund invests, shall be calculated based on the weight allocated to each of these underlying investments, and it shall not exceed 4.00% p.a. for Class D. Possible performance fees charged from the Sub-Fund itself and/or to the other UCITS and/or UCIs in which the Sub-Fund invests in are not taken into account in the maximum level of the Investment Management Fee.

As of December 31, 2023, the maximum total of investment management fees charged both to the relevant Sub-Fund and to the UCITS and other UCIs in which such Sub-Fund has invested is as follows:

ISEC First Fund	CCY	Total Maximum Investment Management Fee
Investerum Global Value Fund	EUR	1.00%

If the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same Management Company or by any other company to which the Management Company is linked by common management or control or by a substantial direct or indirect holding, that Management Company or other company may not charge subscription or redemption fees on account of the Fund's investment in the units of other UCITS and/or other UCIs. These positions are identified by an "*" in the statement of investments of each Sub-Fund.

ISEC FIRST FUND

Notes to the Audited Financial Statements (continued) as of December 31, 2023

NOTE 4 – INVESTMENT MANAGEMENT FEES (continued)

The Management Company is entitled to receive out of the assets of the relevant Sub-Fund a Management Company fee of 0.0625% per annum with an annual minimum fee of EUR 43,636.

Effective from December 29, 2023 Investerm Basic Value changed its name to Investerm Strategic Value.

NOTE 5 – PERFORMANCE FEES

In addition to the Investment Management fees described in note 4 above, the Investment Manager is also entitled to a performance fee, as fully described in the prospectus. Performance fee is payable yearly in arrears and is accrued in each NAV calculation.

The performance fee is defined as follows:

- 20% per annum of the performance which exceeds the return of the Sub-Fund Investerm Global Value Fund.

As at December 31, 2023, there are no performance fees for the Sub-Fund Investerm Global Value Fund.

NOTE 6 – CENTRAL ADMINISTRATION AGENT, DEPOSITARY, REGISTRAR AND TRANSFER AGENT FEES

The Fund pays to the Depositary, the Central Administration Agent and the Registrar and Transfer Agent annual fees which can vary up to a maximum of 0.5% of the net asset value at the Fund level subject to a minimum fee per Sub-Fund of EUR 19,600 and a minimum fee of EUR 21,000 at the Fund level.

These fees are payable on a monthly basis and do not include any transaction related fees and costs of sub-custodians or similar agents. The Depositary, the Central Administration Agent as well as the Registrar Agent are also entitled to be reimbursed of reasonable disbursements and out-of-pocket expenses which are not included in the above mentioned fees.

NOTE 7 – SUBSCRIPTION TAX

Under present Luxembourg law, the Fund is subject to “subscription tax” at the annual rate of 0.01% for all Class C units which are dedicated to Institutional Investors and at the annual rate of 0.05% for all Class D Units payable quarterly and calculated on the basis of the net assets calculated as at the end of each calendar quarter.

In case some Sub-Funds are invested in other Luxembourg investment funds, which in turn are subject to the subscription tax provided for by the law of December 17, 2010, as amended, relating to undertakings in collective investment, no subscription tax is due from the Sub-Funds on the portion of assets invested therein.

NOTE 8 – TAXES AND EXPENSES PAYABLE

For the year ended December 31, 2023, the following taxes and expenses are payable:

	Investerm Global Value Fund EUR
Legal Fees	8,515
Administrative Agency Fees	3,255
Audit Fees	12,432
Transfer Fees	12,790
Distribution Fees	657
UCITS V Fees	3,895
Risk Management Fees	780
Trailer Fees	1,605
	43,929

NOTE 9 – TRANSACTION COSTS

For the year ended December 31, 2023 the Fund incurred transaction costs relating to purchase or sale of investment funds as follows:

Investerm Global Value Fund: EUR 0

These transaction costs are composed of brokerage costs and are included in the cost of securities.

The transaction amounts included under the heading "Bank charges and correspondent fees" in the Statement of Operations and Changes in Net Assets of each Sub-Fund are composed of transaction fees which are not included in those transaction costs as noted above.

ISEC FIRST FUND

Notes to the Audited Financial Statements (continued) as of December 31, 2023

NOTE 10 – TRAILER FEES

As of December 31, 2023, the "Trailer Fees" entry in the Statement of Operations and Changes in Net Assets related to rebate fees from underlying investments in target funds for the Sub-Funds. Rebate fee agreements have been negotiated by the Investment Manager when the initial investments were made in the target fund. When investments are made in underlying funds managed by ISEC Services AB or any other company linked to the Management Company, such investments are made to a class with the lowest possible fees, rebates are received for such investments.

NOTE 11 – DIVIDENDS DISTRIBUTED

During the year ended December 31, 2023, no dividend was paid out.

NOTE 12 – EVENTS THAT OCCURRED DURING THE YEAR

In October 2022, CACEIS and Royal Bank of Canada (RBC) announced they had signed a memorandum of understanding for the intended acquisition by CACEIS of the European asset servicing business of RBC. As part of this acquisition, CACEIS would acquire the entire issued share capital of RBC Investor Services Bank S.A. (IS Bank).

Completion of the sale of IS Bank occurred July 3, 2023, following regulatory approval and RBC Investor Services Bank S.A. became CACEIS Investor Services Bank S.A..

NOTE 13 – POST BALANCE SHEET EVENTS

On the January 31 board meeting Mikkel Mördrup was replaced by Andréas Serrander as a member of the board.

There were no other subsequent events which require disclosure in the financial statements.

ISEC FIRST FUND

Unaudited Appendix

Remuneration policy

ISEC Services AB's current remuneration policy is available on the website www.isec.com. In accordance with Articles 1 & 13 in the UCITS V Directive, a table on remuneration related information for 2023 is below:

Total Salaries for ISEC Services AB for 2023 in SEK

	Fixed salaries	Variable salaries	Total salaries	Head Counts
Board of Directors	618,266	-	618,266	5
Senior Management	2,277,487	-	2,277,487	3
Employees in Control Functions	4,860,452	-	4,860,452	9
Other Employees	2,759,581	-	2,759,581	6
Total salaries	10,515,786	-	10,515,786	23

The total remuneration for ISEC Services AB has been allocated to the Fund based on the Fund's pro rata share of the total AUM managed by Investerum AB for 2023 as outlined in the table below:

2023 Remuneration for the Investment Manager – Investerum AB - for ISEC First Fund in EUR

	Fixed salaries	Variable salaries	Total salaries	Head Counts
Investment Manager – Investerum AB	78,000	-	78,000	0.16
Total salaries	78,000	-	78,000	0.16

ISEC FIRST FUND

Unaudited Appendix (continued)

Information According to the ESMA'S "Guidelines on ETFs and Other UCITS Issues"

During the financial year, no techniques for efficient portfolio management were applied.

On December 31, 2023, the Fund was not invested in any derivatives during the year under review.

No collateral was received that could be attributed to the Fund's counterparty risk.

SFTR (EU regulation N 2015/2365)

During the year to which this report relates, the Fund did not engage in transactions which are subject to EU regulation N 2015/2365 on the transparency of securities financing transactions and of reuse. Accordingly, no global, concentration or transaction data, or information on the reuse or safekeeping of collateral is required to be reported.

Information concerning the Sustainable Finance Disclosure Regulation (SFDR) disclosures

In the frame of the SFDR regulation, all the Sub-Funds of the structure are subject to the article 6 of the regulation. Therefore, the investments underlying this financial products do not take into account the EU criteria for environmentally sustainable economic activities.

Risk Exposure

ISEC Services AB use a risk management procedure for the Fund in accordance with the amended Law of December 17, 2010 and other applicable regulations, in particular CSSF Circular 11/512. The methodology used in order to calculate the global exposure for all the Sub-Funds of the Fund is the commitment approach.