
ISEC FIRST FUND

A Luxembourg based mutual investment fund

Unaudited Semi-Annual Report
as at June 30, 2021

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.

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ISEC FIRST FUND

Management and Administration

MANAGEMENT COMPANY

ISEC Services AB
17, Vattugatan
111 52 Stockholm
Sweden

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman of the Board:
Lars MELANDER
9A Vårvägen
132 36 Saltsjö-Boo
Sweden

Mikkel Mördrup
CEO ISEC Group AB
17, Vattugatan
111 52 Stockholm
Sweden

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

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

CONDUCTING OFFICERS

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

Linnea STRIMLING
Head of ManCo Services ISEC Services AB
17, Vattugatan
111 52 Stockholm
Sweden

DEPOSITARY AND CENTRAL ADMINISTRATION

RBC Investor Services Bank S.A.
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

REGISTRAR AGENT

RBC Investor Services Bank S.A.
14, Porte de France
L - 4360 Esch-sur-Alzette
Grand Duchy of Luxembourg

PRINCIPAL PAYING AGENT IN LUXEMBOURG

RBC Investor Services Bank S.A.
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 Investment Manager

Investment Managers' Report until June 30, 2021

Investerum Global Value Fund

Investment focus

Investerum Global Value Fund (the "Fund") invests in shares in collective investments in order to achieve long-term capital growth and preserve the shareholders capital. The Fund is not biased toward any specific geographical area or industry and invests without reference to a particular benchmark. The Fund is therefore able to invest in the industry and market offering the best prospects. This Fund invests for the long-term.

Portfolio and market comment

During the first six months of 2021 the Fund had total net redemptions of EUR 0.06m EUR.

Gross subscriptions were 0.96m EUR and gross redemptions were 1.02m EUR. Total AUM increased from 17.9m EUR to 20.1m EUR. NAV increased from 18,199 to 20,514 (+12.72%).

The first six months of 2021 we saw unusually strong and optimistic markets driven by historically low interest rates alongside strong macroeconomics suggesting a global post pandemic recovery. Additionally much stronger corporate earnings than expected have been reported that together with stimulus from central banks and governments created a high risk appetite among investors. Surely the fast and strong rates of recovery have not come without some degree of disturbances, in this case stressed global supply chains and bottlenecks causing raw material, freight and commodity prices to have risen sharply. For example in the US the annual inflation rate was seen at 5.4% in June. Inflationary tendencies are hence probably an important factor to monitor in the near future.

Organizational or other significant events

There have been neither staffing nor organizational changes of significance at Investerum during the period. The investment strategy has remained unchanged during the period.

Significant risks

Most significant risks in the fund are currency risk and credit risk;

Currency risk

The Fund invests globally in fund units that are priced in different currencies. When the fund invests in assets denominated in currencies different from the reference currency, a currency risk arises. The Fund may therefore be affected by exchange rate fluctuations.

Credit risk

The Fund may invest in fixed income related funds, and can consequently be subject to credit risk. Credit risk means the risk that the credit rating of an issuer or counterpart decreases, which could affect the value and the liquidity of the asset.

Environmental, social and governance (ESG)

ESG is paramount to Investerum. We are a signatory of UNPRI and a member of SWESIF. However since the Investerum Global Growth fund is a fund of funds and we hence are not in a driving seat position in our underlying funds, we must rely on the ESG work of others and monitor their progress. Based on our continuous contacts with the underlying fund managers it is our conviction that the ESG protocols of the underlying funds are fully satisfactory. All funds currently invested in are signatories of UNPRI.

Others

During the period, the responsible Investment Manager was Roland Dahlman.

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

ISEC FIRST FUND

Statement of Net Assets as at June 30, 2021

	Note	Investerum Global Value Fund EUR	Combined EUR
ASSETS			
Investment portfolio at market value	(3)	19,850,760	19,850,760
Cash at bank		565,659	565,659
Amounts receivable on sale of investments		758,000	758,000
Interest and dividends receivable		8,114	8,114
Other assets		10,136	10,136
TOTAL ASSETS		21,192,669	21,192,669
LIABILITIES			
Interest payable		202	202
Amounts payable on redemptions		102,556	102,556
Amounts payable on purchases		272,000	272,000
Management fees payable	(4)	7,173	7,173
Investment management fees payable	(4)	32,848	32,848
Administration fees payable	(6)	24,375	24,375
Performance fees payable	(5)	577,484	577,484
Subscription tax payable	(7)	2,501	2,501
Taxes and expenses payable	(8)	45,618	45,618
TOTAL LIABILITIES		1,064,757	1,064,757
TOTAL NET ASSETS		20,127,912	20,127,912
Net asset value per unit			
Class D		20.514	
Number of units outstanding			
Class D		981,169.7930	

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

ISEC FIRST FUND

Investerum Global Value Fund

Statement of Investments as at June 30, 2021

(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	2,841,241	14.11
JO Ham Inm Bldr -Seed- Gbp /Dis	1,373,724	GBP	1,538,957	1,805,059	8.97
			2,634,707	4,646,300	23.08
Luxembourg					
Fidelity /Gl. Technol. -A- Eur /Dis	44,866	EUR	1,225,537	2,139,226	10.63
Fundsmith Eq -T- Eur /Cap	72,172	EUR	2,762,087	3,946,190	19.60
Jup Glb Pan Eur -F Eur Acc /Cap	27,672	EUR	2,649,074	3,903,698	19.39
T JU GL G UNC IC	12,799	EUR	1,300,000	1,339,664	6.66
			7,936,698	11,328,778	56.28
Sweden					
Ivest Bas Value -Acc -A- Sek*	1,940,436	SEK	3,169,261	3,875,682	19.26
			3,169,261	3,875,682	19.26
Total Open - ended investment funds (UCITS)			13,740,666	19,850,760	98.62
TOTAL INVESTMENT PORTFOLIO			13,740,666	19,850,760	98.62

* 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 at June 30, 2021

(expressed as a percentage of net assets)

<u>Geographical breakdown</u>	<u>%</u>	<u>Economic breakdown</u>	<u>%</u>
Luxembourg	56.28	<u>Investment Funds</u>	<u>98.62</u>
Ireland	23.08		98.62
<u>Sweden</u>	<u>19.26</u>		
	98.62		

ISEC FIRST FUND

Notes to the Unaudited Financial Statements as at June 30, 2021

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 June 30, 2021, 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 value increase in the long term through active investment management the Sub-Fund will mainly invest its net assets in a diversified portfolio of UCIs invested in equities ("Equity Funds"), part of the net assets may be invested in bonds ("Bond Funds") and/or in money market instruments ("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:

- at least 50% of the Sub-Fund's net assets will be invested in Equity Funds worldwide;
- no more than 50% of the Sub-Fund's net assets will be invested in Equity Funds having focus on a specific industrial or economical sector;
- no more than 30% 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 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.

ISEC FIRST FUND

Notes to the Unaudited Financial Statements (continued) as at June 30, 2021

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Foreign exchange translation

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 at June 30, 2021. The exchange rates used for Sub-Fund Investerum Global Value Fund as at June 30, 2021 are the following:

1 GBP	= 0.859216	EUR
1 JPY	= 131.559602	EUR
1 NOK	= 10.185811	EUR
1 SEK	= 10.142062	EUR
1 USD	= 1.190100	EUR

Income and expenses expressed in a currency other than the base currency in which units of the relevant Sub-Fund are expressed are translated 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 translated 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. There are no forward foreign exchange contracts outstanding as at June 30, 2021.

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 at June 30, 2021, 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 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 fund.

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 min fee of EUR 43,636.

ISEC FIRST FUND

Notes to the Unaudited Financial Statements (continued) as at June 30, 2021

NOTE 5 – PERFORMANCE FEES

In addition to the Investment Management fee 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 will be 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 June 30, 2021, the total performance fees amounted to EUR 577,483 for the Sub-Fund Investerm Global Value Fund.

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

The Fund will pay to the Depositary, the Central Administration Agent and the Registrar and Transfer Agent annual fees which will 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 period ended June 30, 2021, the following taxes and expenses are payable:

	Investerm Global Value Fund EUR
Administrative Agency Fees	35,884
Depositary Oversight fees	409
AIFMD - Cash Flow Monitor	1,200
Legal Fees	2,712
Audit Fees	5,413
	45,618

NOTE 9 – DIVIDENDS DISTRIBUTED

During the period ended June 30, 2021, no dividend was paid out.

NOTE 10 – PENSIONSSPARFONDEN SUB-FUND

Although the Pensionssparfonden Sub-Fund was set to dormant on May 7, 2019 there are still some cash balances (SEK 23,454.77, USD 2,950.98) in the accounts as per June 30, 2021. The liquidation process has been initiated and the cash will be paid to the investors/shareholders if possible. If this is not possible the Management Company will follow the standard process for liquidating the Sub-Fund.

NOTE 11 – EVENTS THAT OCCURRED DURING THE PERIOD

On March 1, 2021 Mikkel Mørdrup was appointed as a member of the Board of Directors.

ISEC FIRST FUND

Unaudited Appendix

SFTR (EU regulation N 2015/2365)

During the period 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.