

SVM Funds ICVC

Interim Report

30 June 2019

(Unaudited)

# SVM Funds ICVC

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## **The Company**

SVM Funds ICVC

*Head Office:*

7 Castle Street

Edinburgh

EH2 3AH

Authorised and regulated by the Financial Conduct Authority.

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## **Authorised Corporate Director (ACD) and Investment Manager**

SVM Asset Management Limited

*Head Office:*

7 Castle Street

Edinburgh

EH2 3AH

Incorporated in United Kingdom under registered number SC125817.

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

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## **Custodian**

State Street Bank and Trust Company

*Registered Office:*

20 Churchill Place

Canary Wharf

London

E14 5HJ

*Correspondence Address:*

Quartermile 3, 10 Nightingale Way

Edinburgh

EH3 9EG

Authorised and regulated by the Financial Conduct Authority.

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## **Depositary**

State Street Trustees Limited

*Registered Office:*

20 Churchill Place

Canary Wharf

London

E14 5HJ

*Correspondence Address:*

Quartermile 3, 10 Nightingale Way

Edinburgh

EH3 9EG

Authorised and regulated by the Financial Conduct Authority.

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## **Registrar**

DST Financial Services International Limited

*Registered Office:*

DST House

St. Nicholas Lane

Basildon

SS15 5FS

United Kingdom

Authorised and regulated by the Financial Conduct Authority.

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## **Independent Auditor**

Scott-Moncrieff

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

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\*Collectively, these comprise the Authorised Corporate Director's Report.

## Authorised Corporate Director's Report

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We present our Interim Report for the SVM Funds ICVC ('the ICVC' or the 'Funds') for the six months ended 30 June 2019.

The performance of the Funds over the six months to 30 June 2019 was as follows. The UK Opportunities Fund and UK Growth Fund rose by 10.8% and 15.0% respectively, with the World Equity Fund rising by 19.6%. The All Europe SRI Fund rose by 14.1% and the Continental Europe Fund rose by 13.4%. Over three years compared to benchmark indices, three of the five Funds, UK Opportunities Fund, UK Growth Fund and the All Europe SRI Fund, have outperformed. Three Funds, UK Opportunities Fund, UK Growth Fund and Continental Europe Fund, are in the top quartile of their peer group over five years.

The global economy grew, despite trade frictions and higher US interest rates. The best performing areas of the stockmarket over the period were shares of growth businesses, with weaker performance by manufacturing.

Percentage growth for 12 months to	30/06/15 %	30/06/16 %	30/06/17 %	30/06/18 %	30/06/19 %
All Europe SRI Fund	7.5	(4.2)	28.3	6.6	(3.7)
Continental Europe Fund	9.3	5.4	26.9	3.2	1.7
UK Growth Fund	14.4	(4.5)	22.2	15.4	(6.7)
UK Opportunities Fund	10.6	(1.3)	23.4	13.8	(8.9)
World Equity Fund	10.2	(0.1)	28.3	7.3	2.3

*Source: Lipper Hindsight, mid to mid, UK net, to 30 June 2019. Figures are for the A share class.*

Information on share prices and monthly factsheets for each of the sub-funds giving stock, performance and market information can be found at [www.svmonline.co.uk](http://www.svmonline.co.uk)

SVM Asset Management is incorporated in United Kingdom under registered number 125817. Authorised and regulated by the Financial Conduct Authority ("FCA").

### Authorised Status

The ICVC is an investment company with variable capital incorporated in United Kingdom and registered under the OEIC Regulations with the FCA and has its head office at 7 Castle Street, Edinburgh EH2 3AH. It has an umbrella structure and each sub-fund is invested as a Securities Scheme which complies with the FCA's Collective Investment Schemes Sourcebook ("COLL") Rules.

The Instrument of Incorporation of the ICVC permits the scheme to operate as a UCITS scheme which complies with COLL.

Shareholders are not liable for the debts of the ICVC.

This report covers the period ending 30 June 2019, including the financial statements which show the financial position of each of the sub-funds.

### About the ICVC

The ICVC is valued on a daily basis and currently has five active Funds, all of which have two share classes. The share classes are subject to different charging structures and subscription limits. All shares are single priced. Details of the Funds and the share classes are contained in the Prospectus. Copies of the Prospectus, Supplementary Information Document, Key Investor Information Document and Instrument of Incorporation can be obtained from the Authorised Corporate Director (ACD).

### Remuneration

The Company operates a remuneration policy as prescribed by, and in accordance with, the UCITS V Directive. Details of the remuneration policy are disclosed on the Company website [www.svmonline.co.uk](http://www.svmonline.co.uk).

**Share Class Information and Expenses Cap**

Each fund has Class A Shares (retail) and Class B Shares (institutional) available for subscription. The annual management fees of the ACD borne by the share classes and the level at which the ACD has agreed to cap the expenses for the period ended 30 June 2019 are given in the following table:

Percentage charge per share class	Annual Fee		Expense Cap	
	A	B	A	B
All Europe SRI Fund	1.50	0.75	1.98	1.23
Continental Europe Fund	1.50	0.75	1.98	1.23
UK Growth Fund	1.50	0.75	1.98	1.23
UK Opportunities Fund	1.50	0.75	1.98	1.23
World Equity Fund	1.50	0.75	1.98	1.23

**Rights on Winding Up**

All classes of shares have the same rights on winding up.

**Risks**

If you invest in the ICVC you should be aware that there are certain risks involved:

- Your investment can be affected by changing conditions on the stockmarkets in which the ICVC invests. Both the value of your investment and any revenue the ICVC may pay, may go down as well as up.
- You are not certain to make a profit and you may make a loss.
- Past performance should not be seen as an indication of future performance.
- If the ICVC invests in overseas securities it may be affected by currency fluctuations. These can have a negative or positive impact on the value of your investment.
- The effect of the initial charge means that, even in the absence of a fall in the share price, if you sell your shares after a short period you may not get back the amount originally invested. You should therefore regard your investment as medium to long term.
- Tax rates, as well as the tax treatment of the ICVC, could change at any time in the future.

Further information on the risks associated with investing in the ICVC can be found in the Prospectus.

The ACD has expressed its own views and opinions in this Report and these may change. None of the views expressed in this Report should be construed as advice to buy or sell a particular investment.

**SVM Asset Management Limited**  
20 August 2019

## Statement of the Authorised Corporate Director's Responsibilities

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The FCA Collective Investment Schemes rules (COLL) require the ACD to prepare Financial Statements for each annual and interim accounting period, which give a true and fair view of the financial position of the ICVC and of its net revenue/expense and the net capital gains/losses for the period.

In preparing the Financial Statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of Authorised Funds;
- keep proper accounting records which enable it to demonstrate that the financial statements comply with the above requirements;
- take reasonable steps for the prevention and detection of fraud and irregularities; and
- prepare the financial statements on the ongoing concern basis unless it is inappropriate to presume that the company will continue in operation.

The ACD is responsible for the management of the ICVC in accordance with the Instrument of Incorporation, the Prospectus and COLL.

## Report of the Authorised Corporate Director

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The Interim Report and Financial Statements have been approved and signed on behalf of the ACD by :

**Colin W McLean**  
Director

**Margaret Lawson**  
Director

**SVM Asset Management Limited**  
Authorised Corporate Director  
20 August 2019

## Accounting Policies

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for the period 1 January 2019 to 30 June 2019 (unaudited)

### **Basis of accounting**

The interim financial statements for each of the sub-funds have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014 and updated in 2017 (SORP 2014), in compliance with FRS 102 and United Kingdom Generally Accepted Accounting Practice.

### **Accounting policies**

There have been no changes to the accounting policies as detailed in the audited financial statements for the year ended 31 December 2018.

# All Europe SRI Fund

## Authorised Fund Manager's Report

for the period 1 January 2019 to 30 June 2019 (unaudited)

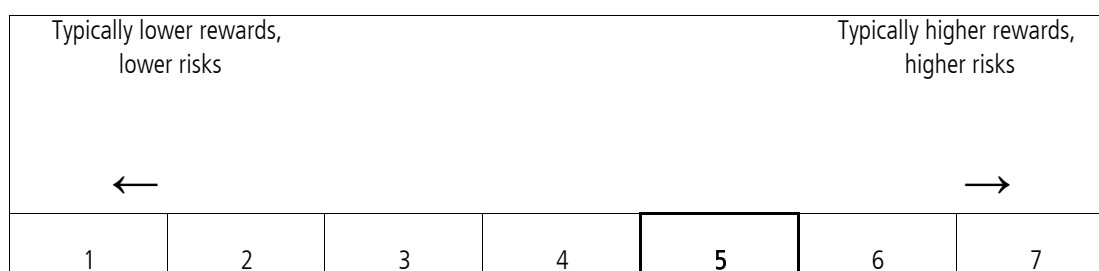
### Investment Objective and Policy

The objective of this Fund is to achieve above average capital growth over the medium to long term (although short term investment opportunities will also be considered) and it aims to outperform the FTSE World Europe Index (or any successor index).

This Fund will invest principally in securities which are dealt in or traded on all European Eligible Securities Markets. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, this Fund may invest in securities which are dealt in or traded on other Eligible Securities Markets or which are otherwise permitted for this Fund.

Whilst focused on profitability and investor returns, the ACD is also aware of the social and environmental aspects of its investments. Although the Fund may negatively screen out some companies the approach is one of positive screening and actively engaging with the management of investee companies. Information on this strategy is available from the ACD on request and is also available on the ACD's website at [www.svmonline.co.uk](http://www.svmonline.co.uk).

### Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 5 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

### The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- The effect of currency movements can be significant where investments are denominated in currencies other than Sterling and may adversely affect the value of your investment.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus.

### Investment Review

Performance	30/06/14 to 30/06/15 %	30/06/15 to 30/06/16 %	30/06/16 to 30/06/17 %	30/06/17 to 30/06/18 %	30/06/18 to 30/06/19 %
All Europe SRI Fund	7.5	(4.2)	28.3	6.6	(3.7)

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2019.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

### Market Review

Equity markets rebounded strongly in the first quarter but market internals turned more cautious towards the end of the period. Cyclical performed very strongly in the early part of 2019 as they rebounded from oversold levels. Risk assets were further aided by the decision of the Federal Reserve to keep interest rates on hold. Towards the end of the quarter, however, investors rotated towards defensive and growth/quality stocks as concerns over economic growth resurfaced. Trade tensions with China increased and are now metastasizing across geographies and industries. Understandably, investors are concerned that this may result in a series of negative feedback loops that tip the global economy into recession. UK domestic stocks faced a double whammy as the probability of a hard Brexit increased. Your fund returned 14.1% versus 16.3% for the FTSE Europe Index.



**Portfolio Review**

Brick producer, Forterra, rose as improving sentiment towards the UK led investors to seek exposure to domestic assets. IWG, the provider of serviced offices, rose strongly as the company announced it had sold its Japanese operations for a price that equated to a significant portion of the company's market capitalisation. In-line with the strategy announced post last year's aborted takeover talks, we expect the company to continue to take steps to demonstrate the value within its portfolio. Informa rose as the integration of UBM into the business appears to have proceeded smoothly. Lanxess gained as the market slowly began to differentiate it from more commodity-focused chemical companies. The Fund's two largest holdings, Prudential Plc and Norcross, both made solid contributions to performance. We feel both stocks remain materially undervalued. Aviation services business, John Menzies, was the main disappointment. Despite strong long-term fundamentals the company has failed to execute properly and profitability has come under pressure. The Fund's small holding in renewable energy company, Simec Atlantis, was disappointing. Investors have become frustrated by the lack of update on its Uskmouth waste-to-energy plant. Aris Bioscience declined as the sector remained out of favour with investors.

**Outlook**

The two key risk exposures for the fund are the global economy and Brexit. These both had a negative impact. Many of our holdings lagged the market without any stock-specific reason and value stocks significantly underperformed growth and quality. Despite the inevitable frustrations associated with this negative short-term performance, we remain very happy with our positioning. We are not dismissive of the risks of a significant economic slowdown or a hard Brexit, but rather feel that both are more than adequately reflected in the valuation of our portfolio. Given the length of the economic expansion it is likely that a recession will occur at some point in the next couple of years. It is therefore less relevant to focus on whether it will occur, but more so on its likely depth and duration. A shallow and short-lived recession would provide a significant opportunity for long-term investors.

SVM Asset Management Limited

August 2019

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

# All Europe SRI Fund

## Portfolio Statement

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>BASIC MATERIALS (9.26%*)</b>		<b>2,880</b>	<b>11.60</b>
Covestro	22,000	872	3.51
LANXESS	25,200	1,176	4.74
Synthomer	223,600	832	3.35
<b>CONSUMER GOODS (7.37%*)</b>		<b>1,947</b>	<b>7.84</b>
JOST - Werke	22,559	619	2.49
TI Fluid Systems	312,000	613	2.47
Unilever	15,000	715	2.88
<b>CONSUMER SERVICES (5.65%*)</b>		<b>1,592</b>	<b>6.42</b>
Informa	60,000	501	2.02
Trainline	13,605	56	0.23
Wizz Air	30,600	1,035	4.17
<b>FINANCIALS (18.46%*)</b>		<b>5,811</b>	<b>23.41</b>
Arix Bioscience	115,717	153	0.62
AXA	50,000	1,026	4.13
Bank of Ireland	48,000	197	0.79
Charter Court Financial Services	213,541	640	2.58
Just	350,000	196	0.79
Legal & General	285,000	770	3.10
Lloyds Banking	1,200,000	683	2.75
Prudential	126,000	2,146	8.65
<b>HEALTH CARE (1.91%*)</b>		<b>460</b>	<b>1.85</b>
Creo Medical	255,724	460	1.85
<b>INDUSTRIALS (32.31%*)</b>		<b>8,239</b>	<b>33.20</b>
Alpha Financial Markets Consulting	358,480	803	3.24
Aluflexpack	27,679	517	2.08
Ashtead	21,250	482	1.94
Biffa	264,617	545	2.20
Bodycote	52,000	425	1.71
Forterra	292,496	861	3.47
IWG	140,000	478	1.93
John Menzies	100,000	456	1.84
Melrose Industries	380,000	686	2.76
Norcros	621,416	1,386	5.58
Rexel	40,000	397	1.60
Smurfit Kappa	40,000	948	3.82
STO Preference Shares	2,900	255	1.03
<b>OIL &amp; GAS (3.07%*)</b>			
<b>TECHNOLOGY (1.92%*)</b>		<b>1,312</b>	<b>5.29</b>
Capgemini	8,500	838	3.38
SDL	96,139	474	1.91
<b>TELECOMMUNICATIONS (3.32%*)</b>		<b>746</b>	<b>3.01</b>
Orange	60,000	746	3.01

# All Europe SRI Fund

## Portfolio Statement

(continued)

as at 30 June 2019 (unaudited)

	Market Value £000	Total Net Assets %
<b>UTILITIES (0.55%*)</b>	113	0.46
Simec Atlantis Energy	731,696	0.46
<b>Portfolio of investments</b>	<b>23,100</b>	<b>93.08</b>
<b>Net other assets (16.18%*)</b>	<b>1,717</b>	<b>6.92</b>
<b>Total net assets</b>	<b>24,817</b>	<b>100.00</b>

All investments held are listed on Regulated Exchanges, unless otherwise stated.

\* Comparative figures shown in brackets relate to 31 December 2018.

## All Europe SRI Fund

### Material Portfolio Changes

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for the period 1 January 2019 to 30 June 2019 (unaudited)

	Cost £000		Proceeds £000
<b>Major purchases</b>		<b>Total sales</b>	
Capgemini	764	Faroe Petroleum	766
Prudential	728	Panalpina Welttransport	543
Aluflexpack	470	HELLA	514
Bodycote	469	RPC	466
Informa	408	Hollywood Bowl	456
LANXESS	324	Forterra	225
Smurfit Kappa	269	Barclays	218
Just	194	Bodycote	67
Covestro	178		
Legal & General	130		

# All Europe SRI Fund

## Comparative table

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as at 30 June 2019 (unaudited)

### Net Asset Value and Ongoing Charges Figure

	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class A - Accumulation</b>			
Closing net asset value (£'000)	1,158	1,289	1,780
Closing number of shares	410,722	521,150	593,208
Closing net asset value per share (p)	281.92	247.23	300.07
Operating charges (ongoing charges figure)	1.98%	1.98%	1.98%
<b>Prices</b>			
Highest share price	292.20	307.50	303.40
Lowest share price	250.90	248.10	256.20
Price at year end	286.40	251.00	303.00
	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class B - Accumulation</b>			
Closing net asset value (£'000)	23,659	21,609	24,966
Closing number of shares	7,519,499	7,873,743	7,576,749
Closing net asset value per share (p)	314.64	274.45	329.51
Operating charges (ongoing charges figure)	1.23%	1.23%	1.23%
<b>Prices</b>			
Highest share price	321.10	336.30	329.90
Lowest share price	275.10	272.00	276.80
Price at year end	315.20	275.20	329.80

## All Europe SRI Fund

### Statement of Total Return

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		2,940		(622)
Revenue	529		402	
Expenses	(152)		(183)	
Interest payable and similar charges	(8)		(7)	
Net revenue before taxation	369		212	
Taxation	(12)		(19)	
Net revenue after taxation		357		193
<b>Total return before equalisation</b>		<b>3,297</b>		<b>(429)</b>
Equalisation		(2)		2
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>3,295</b>		<b>(427)</b>

### Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>22,898</b>		<b>26,746</b>
Amounts receivable on creation of shares	1,197		1,940	
Less: Amounts payable on cancellation of shares	(2,573)		(683)	
		(1,376)		1,257
Change in net assets attributable to shareholders from investment activities		3,295		(427)
<b>Closing net assets attributable to shareholders</b>		<b>24,817</b>		<b>27,576</b>

*Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.*

# All Europe SRI Fund

## Balance Sheet

as at 30 June 2019 (unaudited)

	30/06/19 £000	31/12/18 £000
<b>Fixed Assets</b>		
Investments	<u>23,100</u>	<u>19,192</u>
<b>Current assets:</b>		
Debtors	445	79
Cash and bank balances	<u>2,017</u>	<u>3,723</u>
<b>Total assets</b>	<u><b>25,562</b></u>	<u><b>22,994</b></u>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	<u>(745)</u>	<u>(96)</u>
<b>Total liabilities</b>	<u><b>(745)</b></u>	<u><b>(96)</b></u>
<b>Net assets attributable to shareholders</b>	<u><b>24,817</b></u>	<u><b>22,898</b></u>

# Continental Europe Fund

## Authorised Fund Manager's Report

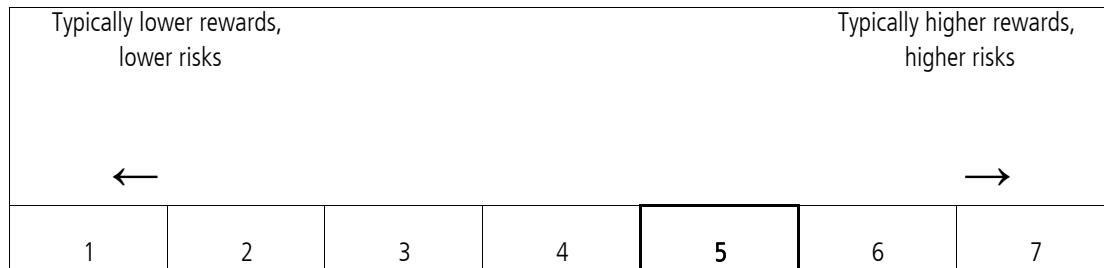
for the period 1 January 2019 to 30 June 2019 (unaudited)

### Investment Objective and Policy

The objective of this Fund is to achieve above average capital growth over the medium to long term (although short term investment opportunities will also be considered) and it aims to outperform the FTSE World Europe ex UK Index (an index which aims to cover 85% of the market capitalisation of listed stocks on European stock markets excluding the UK).

This Fund will invest principally in securities dealt in or traded on European Eligible Securities Markets. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, this Fund may invest in securities which are dealt in or traded on other Eligible Securities Markets or which are otherwise permitted for this Fund.

### Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 5 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

### The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- The effect of currency movements can be significant where investments are denominated in currencies other than Sterling and may adversely affect the value of your investment.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio. The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus.

### Investment Review

Performance	30/06/14 to 30/06/15 %	30/06/15 to 30/06/16 %	30/06/16 to 30/06/17 %	30/06/17 to 30/06/18 %	30/06/18 to 30/06/19 %
Continental Europe Fund	9.3	5.4	26.9	3.2	1.7

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2019.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.



### Market Review

European equity markets got off to a strong start in the first half of 2019 erasing almost all the losses witnessed in 2018. Despite a host of troublesome economic and political news-flow the FTSE World Europe ex UK index posted a return of +17.49%. There can be little doubt that the continued loose monetary policy adopted by central banks globally has helped equities deliver such a return. With minimal yield on offer from fixed income markets the dividend streams still on offer from equities appear very attractive. Unfortunately, the macro economic data underpinning these dividends is far from certain. The ECB for example downgraded their Eurozone GDP forecast twice over the period now expecting only +1.1% for the full year of 2019. Soothing words on accommodative policy have so far managed to offset this less than encouraging data. In China too the country appears still to be experiencing a slowdown although once again concerted government efforts have so far avoided the gloomiest of scenarios. The domestic stock market has been very strong suggesting the worst is already over. If corporate earnings are to support the heady market gains then European companies were far from convincing with a host of profit warnings announced so far this year. The automotive industry's woes appear behind much of this pain. This has hurt Germany in particular where industrial production continues to fall. Both Brexit and the US trade spat with China remain unresolved with both issues remaining highly unpredictable. For EU politics there was some market friendly news as parliamentary elections resulted in no notable surge for populist parties. This was a particularly important issue for the Italian market where a dispute over the budget deficit had threatened to spiral out of control. With less support for populist parties across the board this particular threat to the Eurozone clearly diminishes.

### Portfolio Review

The fund lagged the index over the period but still rose strongly with a return of +13.4%. There was little in the way of unexpected news-flow for our holdings with only one stock declining by more than 5%, United Internet of Germany. This internet and telecoms provider is transitioning to become a full-scale network operator which will necessitate increased capex over the years to come. This has resulted in a cut to the dividend. On a longer term view the strategy is a sound one and we have bought more shares on this weakness. Our cash balance coming into the start of the year impacted performance, as did our lack of consumer non-cyclical stocks, a sector which strongly outperformed the overall market. Three stocks increased by more than 40% over the period, Hypoport a provider of IT services to the banking and insurance industries, Sedana Medical a manufacturer of innovative anesthesia pharmaceuticals and delivery devices and Leonardo an Italian defense contractor. The former two were boosted by their ability to continue to deliver high growth in revenues while the latter recovered from a poor performance in 2018 when the company issued a profit warning. We took profits on Swiss IT distributor and sold our holding in German investment company Mutares where strategy has not developed as we expected. New holdings were initiated in Barco a Belgian manufacturer of audio-visual equipment, Defence and IT specialist Thales, French water and waste company Veolia, packaging companies Metsa Board and Aluflexpack, construction materials supplier H+H of Denmark and IT services supplier Cap Gemini.

### Outlook

It is clear that European economic growth is currently slowing as witnessed by the constant downgrading of GDP forecasts by the likes of the ECB and IMF. As yet it is only the rate of growth that is the concern as opposed to a contraction in the overall economy. This has helped markets shrug off the many negative political and economic developments we have witnessed over the course of the first half of 2019. There is no doubt, however, that markets would have been less forgiving were it not for the current search for yield prompted by central bank largess in the preceding years. This trade shows little sign of abating as the US Federal Reserve now appears to be back in cutting mode while the ECB have made their intentions all too clear. Providing this slowdown is just that, a slowdown, and there are no signs of this worsening, then, under these circumstances, equity markets should still be able to make progress over the remainder of the year. A hard Brexit or breakdown in US/China trade relations are two of the many clear and present risks which could push such a forecast off course.

SVM Asset Management Limited

August 2019

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

# Continental Europe Fund

## Portfolio Statement

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>BASIC MATERIALS (1.45%*)</b>		<b>565</b>	<b>3.13</b>
Covestro	6,603	262	1.45
Metsa Board	72,829	303	1.68
<b>CONSUMER GOODS (3.16%*‡)</b>		<b>585</b>	<b>3.23</b>
JOST - Werke	12,466	342	1.89
Pirelli	52,276	243	1.34
<b>CONSUMER SERVICES (11.59%*)</b>		<b>2,222</b>	<b>12.27</b>
Adevinta	32,041	277	1.53
Dustin	134,742	983	5.43
Schibsted	32,041	649	3.58
Sixt Preference Shares	5,490	313	1.73
<b>FINANCIALS (27.25%*)</b>		<b>4,889</b>	<b>26.97</b>
AXA	56,400	1,158	6.39
BNP Paribas	4,980	186	1.03
Hypoport	1,350	288	1.59
ING	16,883	155	0.86
LEG Immobilien	3,449	306	1.69
Mediobanca	70,140	571	3.14
Partners	1,021	626	3.45
PATRIZIA Immobilien	37,566	604	3.33
Ringkjoebing Landbobank	12,988	664	3.66
S IMMO	19,452	331	1.83
<b>HEALTH CARE (7.50%*)</b>		<b>1,775</b>	<b>9.80</b>
Novartis	11,072	797	4.40
Roche	2,330	513	2.83
Sedana Medical	45,881	465	2.57
<b>INDUSTRIALS (5.49%*‡)</b>		<b>2,948</b>	<b>16.27</b>
Aluflexpack	20,089	375	2.07
Barco	1,872	308	1.70
H+H International	29,625	370	2.04
HELLA	9,510	368	2.03
Leonardo	59,610	587	3.24
Stef	3,850	259	1.43
Thales	7,097	681	3.76
<b>OIL &amp; GAS (4.99%*)</b>		<b>755</b>	<b>4.17</b>
Royal Dutch Shell	11,999	310	1.71
TOTAL	10,117	445	2.46
<b>TECHNOLOGY (11.06%*)</b>		<b>1,992</b>	<b>10.98</b>
Allgeier	21,976	514	2.83
Capgemini	3,926	387	2.14
Scout24	16,139	676	3.72
SeSa	16,270	415	2.29
<b>TELECOMMUNICATIONS (8.83%*)</b>		<b>1,427</b>	<b>7.88</b>
Orange	62,020	770	4.25
United Internet	25,326	657	3.63

# Continental Europe Fund

## Portfolio Statement

(continued)

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>UTILITIES (1.33%*)</b>		<b>803</b>	<b>4.43</b>
Energiekontor	26,918	417	2.30
Veolia Environnement	20,198	386	2.13
<b>Portfolio of investments</b>		<b>17,961</b>	<b>99.13</b>
<b>Net other assets (17.35%*)</b>		<b>158</b>	<b>0.87</b>
<b>Total net assets</b>		<b>18,119</b>	<b>100.00</b>

All investments held are listed on Regulated Exchanges, unless otherwise stated.

\* Comparative figures shown in brackets relate to 31 December 2018.

‡ Since the previous report the Industry Sector Classification headings have been updated by data providers. Where the portfolio statement shows Industry Sectors, the new sector names have been reflected in the report in respect of the current holdings and comparative holdings have been restated where appropriate.

## Continental Europe Fund

### Material Portfolio Changes

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for the period 1 January 2019 to 30 June 2019 (unaudited)

	Cost £000		Proceeds £000
<b>Major purchases</b>		<b>Total sales</b>	
Thales	667	Allgeier	568
H+H International	367	ING	330
Capgemini	354	ALSO	306
Veolia Environnement	352	mutares	272
Aluflexpack	341	LEG Immobilien	231
Allgeier	291	Schibsted	229
Metsa Board	278	Royal Dutch Shell	180
Barco	262	BNP Paribas	92
Mediobanca	110	Alcon	82
Energiekontor	91		

# Continental Europe Fund

## Comparative table

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as at 30 June 2019 (unaudited)

### Net Asset Value and Ongoing Charges Figure

	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class A - Accumulation</b>			
Closing net asset value (£'000)	8,430	7,922	10,557
Closing number of shares	1,602,847	1,710,190	1,990,662
Closing net asset value per share (p)	525.93	463.24	530.32
Operating charges (ongoing charges figure)	1.98%	1.98%	1.98%
<b>Prices</b>			
Highest share price	526.30	557.60	544.10
Lowest share price	467.00	459.60	451.40
Price at year end	526.30	464.20	531.20
	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class B - Accumulation</b>			
Closing net asset value (£'000)	9,689	9,699	12,965
Closing number of shares	1,627,874	1,856,654	2,184,729
Closing net asset value per share (p)	595.18	522.37	593.46
Operating charges (ongoing charges figure)	1.23%	1.23%	1.23%
<b>Prices</b>			
Highest share price	594.60	623.60	607.50
Lowest share price	525.80	517.40	501.30
Price at year end	594.60	522.60	593.90

## Continental Europe Fund

### Statement of Total Return

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
Income				
Net capital gains/(losses)		2,130		(747)
Revenue	345		434	
Expenses	(138)		(182)	
Interest payable and similar charges	(7)		-	
Net revenue before taxation	200		252	
Taxation	(20)		(53)	
Net revenue after taxation		180		199
<b>Total return before equalisation</b>		<b>2,310</b>		<b>(548)</b>
Equalisation		(3)		(6)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>2,307</b>		<b>(554)</b>

### Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>17,621</b>		<b>23,522</b>
Amounts receivable on creation of shares	289		822	
Less: Amounts payable on cancellation of shares	(2,098)		(2,990)	
		(1,809)		(2,168)
Change in net assets attributable to shareholders from investment activities		2,307		(554)
<b>Closing net assets attributable to shareholders</b>		<b>18,119</b>		<b>20,800</b>

*Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.*

# Continental Europe Fund

## Balance Sheet

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as at 30 June 2019 (unaudited)

	30/06/19 £000	31/12/18 £000
<b>Fixed Assets</b>		
Investments	<u>17,961</u>	<u>14,563</u>
<b>Current assets:</b>		
Debtors	77	67
Cash and bank balances	<u>511</u>	<u>3,136</u>
<b>Total assets</b>	<u><b>18,549</b></u>	<u><b>17,766</b></u>
<b>Liabilities:</b>		
<b>Creditors:</b>		
Other creditors	<u>(430)</u>	<u>(145)</u>
<b>Total liabilities</b>	<u><b>(430)</b></u>	<u><b>(145)</b></u>
<b>Net assets attributable to shareholders</b>	<u><b>18,119</b></u>	<u><b>17,621</b></u>

## UK Growth Fund

### Authorised Fund Manager's Report

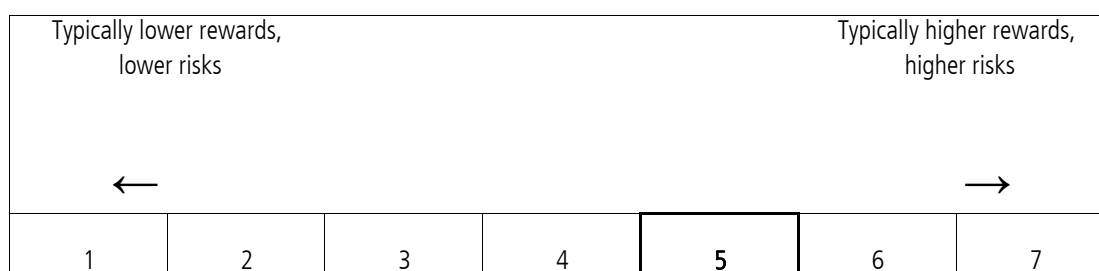
for the period 1 January 2019 to 30 June 2019 (unaudited)

#### Investment Objective and Policy

The objective of this Fund is to achieve above average capital growth over the medium to long term (although short term investment opportunities will also be considered) and it aims to outperform the FTSE All Share Index (or any successor index).

This Fund will invest principally in securities listed on the London Stock Exchange. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, this Fund may invest in securities which are dealt in or traded on the London Stock Exchange but outside the FTSE 100 Index or which are otherwise permitted for this Fund.

#### Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- Fund has been classed as 5 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

#### The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Currency movements may cause the value of your investment to fall as well as rise.
- The Fund uses Contracts for Difference (CFDs) for efficient portfolio management (EPM) purposes. This may create gearing and could lead to greater fluctuations in the Net Asset Value of the Fund. Full details on EPM can be found in Appendix A of the Prospectus.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.

#### Investment Review

Performance	30/06/14 to 30/06/15 %	30/06/15 to 30/06/16 %	30/06/16 to 30/06/17 %	30/06/17 to 30/06/18 %	30/06/18 to 30/06/19 %
UK Growth Fund	14.4	(4.5)	22.2	15.4	(6.7)

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2019.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

#### Market Review

Stockmarkets were helped during the six months under review by a change in central bank policy. The US, Eurozone and UK are now expected to continue stimulative monetary policy, with low interest rates and bond yields. This supports higher equity valuations. Low bond yields are particularly helpful for growth businesses, many of which suffered derating in late 2018, but have reassured investors this year in their results and AGM updates. There may be more risk in cyclical businesses.

The UK economy grew modestly in the second quarter. Services remain stronger than manufacturing, with weakness in housebuilding and construction in particular. The weakness of Sterling in July and August will assist exporters and groups with overseas earnings. UK real wage growth is positive, assisting a number of portfolio companies, particularly in discretionary consumer services.

The SVM UK Growth Fund has relatively low exposure to sectors such as energy, mining and major banks, which are dominated by large global businesses more subject to competition and the impact of the economic cycle. However, many growth companies, which are well represented in the portfolio, performed well over the six months.



**Portfolio Review**

Portfolio exposure to medium-sized companies with an emphasis on the UK and Eurozone contributed to performance. The technology sector performed strongly, and the portfolio emphasis on consumer goods and services was also helpful.

The best contributions to performance over the six months under review came from AB Dynamics, JD Sports Fashion, Gamma Communications, Keystone Law Group and Ocado Group. Ocado distributes retail consumer products. It recovered strongly from concerns about its warehouse fire, moving to a new share price high after it announced a deal to supply its technology to Coles of Australia. AB Dynamics provides testing equipment and services for safety and driverless systems to major car manufacturers. K3 Capital Group was the main disappointment over the six months after two key contracts were delayed.

There were new portfolio investments in Intermediate Capital, Trainline, Compass Group, Experian and Aveva. To fund the purchases, sales were made of Premier Technical Services, IMI mobile, UDG, Onesavings Bank and Ted Baker.

**Outlook**

The change in the United Kingdom's relationship with the EU will challenge British exporters. Tariffs, quotas and skilled labour shortages could become issues. The businesses that handle this best are likely to be those already winning against tough global competition. Key will be their competitive edge and the technological skill embedded in corporate strategies.

A number of medium sized companies have high value-added in supplying major global customers. These critical suppliers may be better placed to overcome additional trade friction. International concern over Britain's future has opened up more attractive share prices, as international investors stand on the sidelines.

In the short term, uncertainty over Brexit is a negative for economic, as is the US/China trade war. Despite the uptick in global growth, debt has been increasing in many nations. This will bring disinflationary pressures in the medium term. The environment favours businesses with genuine organic growth and some pricing power.

The SVM UK Growth Fund continues to be fully invested, emphasising exposure to economic growth in the UK. The portfolio focus is on businesses with a competitive edge that can deliver above-average growth.

SVM Asset Management Limited

August 2019

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

# UK Growth Fund

## Portfolio Statement

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>BASIC MATERIALS (4.90%*)</b>		<b>6,418</b>	<b>3.43</b>
Croda International	86,923	4,446	2.38
Rio Tinto	40,700	1,972	1.05
<b>CONSUMER GOODS (9.21%*)</b>		<b>14,954</b>	<b>8.00</b>
Cranswick	115,235	2,952	1.58
Fevertree Drinks	156,081	3,644	1.95
Hilton Food	236,500	2,245	1.20
Kerry	59,680	5,590	2.99
Reckitt Benckiser	8,468	523	0.28
<b>CONSUMER SERVICES (22.76%*)</b>		<b>42,864</b>	<b>22.92</b>
Applegreen	860,026	4,051	2.17
Ascential	439,852	1,574	0.84
Cineworld	535,474	1,348	0.72
Compass	25,000	472	0.25
Dalata Hotel	541,000	2,308	1.23
easyJet	118,600	1,104	0.59
Flutter Entertainment	30,084	1,761	0.94
GVC	476,700	3,071	1.64
Hostelworld	555,705	1,017	0.54
JD Sports Fashion	808,150	4,791	2.56
Ocado	346,500	4,059	2.17
On the Beach	575,000	2,715	1.46
Ryanair	245,500	2,204	1.18
SSP	806,758	5,550	2.97
Trainline	286,054	1,173	0.63
WH Smith	95,000	1,873	1.00
Wizz Air	112,200	3,793	2.03
<b>FINANCIALS (24.69%*)</b>		<b>48,649</b>	<b>26.02</b>
AJ Bell	325,000	1,261	0.68
Aquis Exchange	200,000	964	0.52
Beazley	1,086,000	5,962	3.19
Burford Capital	317,050	4,870	2.60
Derwent London**	31,740	992	0.53
Draper Esprit	589,300	2,947	1.58
Hiscox	167,000	2,824	1.51
Intermediate Capital	155,000	2,120	1.13
K3 Capital	846,364	1,608	0.86
London Stock Exchange	82,545	4,565	2.44
LondonMetric Property**	452,000	939	0.50
Manolete Partners	232,885	1,048	0.56
Mortgage Advice Bureau	344,100	1,975	1.06
OneSavings Bank	245,000	895	0.48
Plus500	72,200	381	0.20
Prudential	175,100	2,983	1.60
Segro**	292,000	2,120	1.13
Sigma Capital	1,366,000	1,434	0.77
Syncona	1,144,500	2,489	1.33
UNITE**	551,298	5,356	2.86
Workspace**	104,370	916	0.49

## Portfolio Statement

(continued)

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>HEALTH CARE (3.94%*)</b>		<b>8,047</b>	<b>4.30</b>
AstraZeneca	58,588	3,770	2.01
Dechra Pharmaceuticals	150,700	4,145	2.22
Indivior	310,000	132	0.07
<b>INDUSTRIALS (21.76%*)</b>		<b>48,439</b>	<b>25.90</b>
AB Dynamics	275,253	6,744	3.61
Alpha Financial Markets Consulting	1,321,460	2,960	1.58
Ashtead	110,850	2,513	1.34
Boku	1,197,000	1,317	0.70
DCC	73,859	5,179	2.77
Diploma	138,910	2,129	1.14
discoverIE	511,546	2,123	1.14
Experian	179,500	4,269	2.28
HomeServe	241,362	2,865	1.53
Johnson Service	3,205,353	4,789	2.56
Keystone Law	956,000	4,876	2.61
Knights	400,000	1,024	0.55
Renishaw	40,000	1,699	0.91
Rentokil Initial	798,000	3,177	1.70
Severfield	600,000	410	0.22
Weir	119,750	1,815	0.97
XP Power	25,000	550	0.29
<b>OIL &amp; GAS (1.17%*)</b>		<b>1,908</b>	<b>1.02</b>
Hunting	323,000	1,657	0.89
Petrofac	58,700	251	0.13
<b>TECHNOLOGY (5.13%*)</b>		<b>8,716</b>	<b>4.66</b>
Blue Prism	184,217	2,548	1.36
FDM	282,000	2,577	1.38
Ideagen	998,725	1,528	0.82
Kainos	318,364	2,063	1.10
<b>TELECOMMUNICATIONS (1.36%*)</b>		<b>3,821</b>	<b>2.04</b>
Gamma Communications	332,288	3,821	2.04

# UK Growth Fund

## Portfolio Statement

(continued)

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>DERIVATIVES (-1.01%*)</b>		<b>623</b>	<b>0.33</b>
<b>CONTRACTS FOR DIFFERENCE</b>			
Aveva - CFD	35,000	259	0.14
British American Tobacco - CFD	30,000	(17)	(0.01)
CD Project - CFD	65,200	503	0.27
Compass Group - CFD	75,000	(22)	(0.01)
Melrose - CFD	915,000	80	0.04
Onesavings Bank - CFD	242,024	(18)	(0.01)
Oxford Instruments - CFD	30,091	71	0.04
Reckitt Benckiser - CFD	10,350	(12)	(0.01)
Rio Tinto - CFD	38,400	184	0.10
Watkin Jones - CFD	1,572,222	(405)	(0.22)
<b>Portfolio of investments<sup>^</sup></b>		<b>184,439</b>	<b>98.62</b>
<b>Net other assets (6.09%*)</b>		<b>2,577</b>	<b>1.38</b>
<b>Total net assets</b>		<b>187,016</b>	<b>100.00</b>

All investments held are listed on Regulated Exchanges, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

\* Comparative figures shown in brackets relate to 31 December 2018.

\*\* Real Estate Investment Trust (REIT).

<sup>^</sup> Including investment liabilities of £473,935.

## UK Growth Fund

### Material Portfolio Changes

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for the period 1 January 2019 to 30 June 2019 (unaudited)

	Cost £000		Proceeds £000
<b>Major purchases</b>		<b>Major sales</b>	
AstraZeneca	3,527	UDG Healthcare	2,994
AB Dynamics	2,982	Keywords Studios	2,366
Intermediate Capital	2,086	Ted Baker	2,268
WH Smith	1,927	IMImobile	1,797
AJ Bell	1,253	Synthomer	1,645
Knights	1,122	Mondi	1,631
Trainline	1,095	J Sainsbury	1,470
Syncona	981	Hargreaves Lansdown	1,305
Experian	880	Premier Technical Services	1,110
Keystone Law	676	Hill & Smith	1,024

## UK Growth Fund

### Comparative table

as at 30 June 2019 (unaudited)

#### Net Asset Value and Ongoing Charges Figure

	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class A - Accumulation</b>			
Closing net asset value (£'000)	11,977	11,204	14,607
Closing number of shares	2,616,835	2,829,925	3,067,471
Closing net asset value per share (p)	457.70	395.93	476.18
Operating charges (ongoing charges figure)	1.78%	1.77%	1.80%
<b>Prices</b>			
Highest share price	472.90	506.50	478.40
Lowest share price	400.80	395.80	386.70
Price at year end	461.40	399.60	478.40
	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class B - Accumulation</b>			
Closing net asset value (£'000)	175,039	167,285	158,076
Closing number of shares	34,236,368	37,946,761	30,093,954
Closing net asset value per share (p)	511.27	440.84	525.28
Operating charges (ongoing charges figure)	1.03%	1.02%	1.06%
<b>Prices</b>			
Highest share price	525.30	559.50	526.20
Lowest share price	444.30	438.60	422.20
Price at year end	513.20	442.80	526.20

## UK Growth Fund

### Statement of Total Return

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
Income				
Net capital gains		25,915		5,121
Revenue	2,463		2,317	
Expenses	(1,095)		(1,081)	
Interest payable and similar charges	-		-	
Net revenue before taxation	1,368		1,236	
Taxation	(12)		(7)	
Net revenue after taxation		1,356		1,229
<b>Total return before equalisation</b>		<b>27,271</b>		<b>6,350</b>
Equalisation		10		56
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>27,281</b>		<b>6,406</b>

### Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>178,489</b>		<b>172,683</b>
Amounts receivable on creation of shares	7,992		21,220	
Less: Amounts payable on cancellation of shares	(26,746)		(1,752)	
		(18,754)		19,468
Change in net assets attributable to shareholders from investment activities		27,281		6,406
<b>Closing net assets attributable to shareholders</b>		<b>187,016</b>		<b>198,557</b>

*Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.*

# UK Growth Fund

## Balance Sheet

as at 30 June 2019 (unaudited)

	30/06/2019 £000	31/12/2018 £000
<b>Fixed Assets</b>		
Investments	<u>184,913</u>	<u>169,512</u>
<b>Current assets:</b>		
Debtors	605	405
Cash and bank balances	<u>2,447</u>	<u>10,707</u>
<b>Total assets</b>	<u><b>187,965</b></u>	<u><b>180,624</b></u>
<b>Liabilities:</b>		
Investment liabilities	<u>(474)</u>	<u>(1,885)</u>
<b>Creditors:</b>		
Bank overdrafts	-	(29)
Other creditors	<u>(475)</u>	<u>(221)</u>
<b>Total other liabilities</b>	<u><b>(475)</b></u>	<u><b>(250)</b></u>
<b>Total liabilities</b>	<u><b>(949)</b></u>	<u><b>(2,135)</b></u>
<b>Net assets attributable to shareholders</b>	<u><b>187,016</b></u>	<u><b>178,489</b></u>



# UK Opportunities Fund

## Authorised Fund Manager's Report

for the period 1 January 2019 to 30 June 2019 (unaudited)

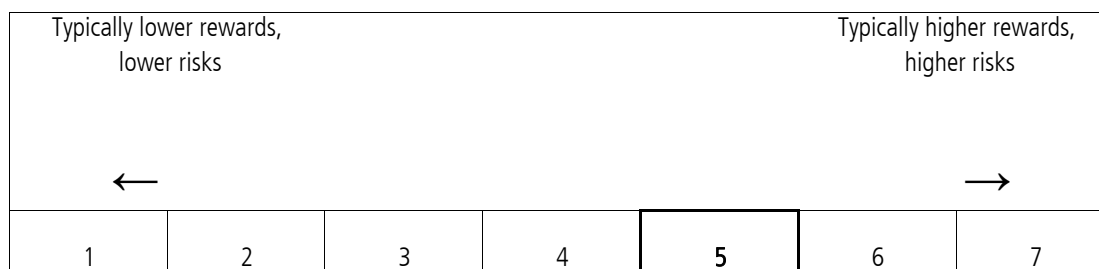
### Investment Objective and Policy

The objective of this Fund is to achieve above average capital growth over the medium to long term (although short term investment opportunities will also be considered) and it aims to outperform the FTSE All Share Index (or any successor index).

The Fund will seek to invest in the full range of opportunities available to it, which will include shares on the Alternative Investment Market. The Fund also will seek to generate returns regardless of market capitalisation.

The Fund will invest principally in securities of UK companies listed on the London Stock Exchange. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, this Fund may invest in other permitted transferable securities.

### Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 5 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

### The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Currency movements may cause the value of your investment to fall as well as rise.
- The Fund uses Contracts for Difference (CFDs) for efficient portfolio management (EPM) purposes. This may create gearing and could lead to greater fluctuations in the Net Asset Value of the Fund. Full details on EPM can be found in Appendix A of the Prospectus.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.

### Investment Review

Performance	30/06/14 to 30/06/15 %	30/06/15 to 30/06/16 %	30/06/16 to 30/06/17 %	30/06/17 to 30/06/18 %	30/06/18 to 30/06/19 %
UK Opportunities Fund	10.6	(1.3)	23.4	13.8	(8.9)

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2019.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

### Market Review

Equity markets rebounded strongly in the first quarter but market internals turned more cautious towards the end of the period. Cyclical performed very strongly in the early part of 2019 as they rebounded from oversold levels. Risk assets were further aided by the decision of the Federal Reserve to keep interest rates on hold. Towards the end of the quarter, however, investors rotated towards defensive and growth/quality stocks as concerns over economic growth resurfaced. Trade tensions with China increased and are now metastasizing across geographies and industries. Understandably, investors are concerned that this may result in a series of negative feedback loops that tip the global economy into recession. UK domestic stocks faced a double whammy as the probability of a hard Brexit increased. Your fund returned 10.8% versus 13.0% for the FTSE index.

**Portfolio Review**

Jadestone Energy rose as investors began to recognise the significant cash generation potential of its assets. The company is scheduled to produce c.5m barrels of oil this year at a production cost of \$21-24 per barrel. The resultant cashflow will enable it to extend the life of its existing assets, as well as sanctioning new projects and participating in selective M&A opportunities. Brick producer, Forterra, rose as improving sentiment towards the UK led investors to seek exposure to domestic assets. JD Sports performed well as trading came in ahead of expectations. IWG, the provider of serviced offices, rose strongly as the company announced it had sold its Japanese operations for a price that equated to a significant portion of the company's market capitalisation. In-line with the strategy announced post last year's aborted takeover talks, we expect the company to continue to take steps to demonstrate the value within its portfolio. Informa rose as the integration of UBM into the business appears to have proceeded smoothly. Ryanair declined as fares remained under pressure due to excess industry capacity and subdued demand. A number of the Fund's smaller holdings suffered double-digits returns for a variety of reasons. After a positive contribution to performance in 2018, the short book was a negative in the current period.

**Outlook**

The two key risk exposures for the Fund are the global economy and Brexit. These both had a negative impact. Many of our holdings lagged the market without any stock-specific reason and value stocks significantly underperformed growth and quality. Despite the inevitable frustrations associated with this negative short-term performance, we remain very happy with our positioning. We are not dismissive of the risks of a significant economic slowdown or a hard Brexit, but rather feel that both are more than adequately reflected in the valuation of our portfolio. At the time of writing, the median PE ratio of the portfolio is just over 10x forward earnings. Given the length of the economic expansion it is likely that a recession will occur at some point in the next couple of years. It is therefore less relevant to focus on whether it will occur, but more so on its likely depth and duration. A shallow and short-lived recession would provide a significant opportunity for long-term investors.

SVM Asset Management Limited

August 2019

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

# UK Opportunities Fund

## Portfolio Statement

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>UNITED KINGDOM (65.29%*)</b>		<b>109,031</b>	<b>70.91</b>
<b>BASIC MATERIALS (3.21%*)</b>		<b>6,884</b>	<b>4.48</b>
Synthomer	1,849,677	6,884	4.48
<b>CONSUMER GOODS (4.24%*)</b>		<b>7,391</b>	<b>4.81</b>
Team17	1,328,508	3,852	2.51
TI Fluid Systems	1,800,000	3,539	2.30
<b>CONSUMER SERVICES (5.17%*)</b>		<b>9,042</b>	<b>5.88</b>
Arena Events	2,318,000	916	0.60
Informa	843,252	7,044	4.58
Marshall Motor	423,994	636	0.41
Trainline	108,844	446	0.29
<b>FINANCIALS (12.67%*)</b>		<b>23,235</b>	<b>15.11</b>
Aquis Exchange	230,921	1,113	0.72
Arden Partners	812,500	114	0.07
Arix Bioscience	812,383	1,073	0.70
Charter Court Financial Services	968,669	2,901	1.89
Cluff Natural Resources	42,857,142	707	0.46
Lloyds Banking	11,330,000	6,449	4.19
Prudential	487,000	8,296	5.40
St Modwen Properties	588,174	2,582	1.68
<b>HEALTH CARE (2.21%*)</b>		<b>4,304</b>	<b>2.80</b>
Creo Medical	1,897,683	3,416	2.22
Venture Life	2,114,000	888	0.58
<b>INDUSTRIALS (25.64%*)</b>		<b>41,656</b>	<b>27.09</b>
Alpha Financial Markets Consulting	2,253,491	5,048	3.28
Balfour Beatty	1,240,000	3,006	1.96
Biffa	1,710,554	3,524	2.29
Bodycote	61,279	501	0.32
Essentra	1,370,426	5,819	3.78
Forterra	1,638,373	4,825	3.14
John Menzies	806,554	3,674	2.39
Melrose Industries	3,805,432	6,870	4.47
Norcros	3,319,709	7,403	4.82
Speedy Hire	1,545,000	986	0.64
<b>OIL &amp; GAS (12.15%*)</b>		<b>16,519</b>	<b>10.74</b>
BP	1,632,000	8,963	5.83
Energiean Oil & Gas	427,574	3,523	2.29
Hurricane Energy	1,902,102	972	0.63
Jersey Oil & Gas	730,454	460	0.30
Pantheon Resources	7,723,265	1,603	1.04
Savannah Petroleum	5,942,000	998	0.65

# UK Opportunities Fund

## Portfolio Statement

(continued)

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>AUSTRALIA (0.13%*)</b>		-	-
<b>CANADA (1.22%*)</b>		<b>5,328</b>	<b>3.47</b>
Jadestone Energy	9,347,436	5,328	3.47
<b>IRELAND (9.07%*)</b>		<b>14,441</b>	<b>9.40</b>
DCC	115,705	8,113	5.28
Ryanair	705,000	6,328	4.12
<b>ISLE OF MAN (3.65%*)</b>		<b>6,858</b>	<b>4.46</b>
GVC	950,000	6,120	3.98
Petro Matad	10,849,614	738	0.48
<b>SINGAPORE (0.29%*)</b>		<b>581</b>	<b>0.38</b>
Simec Atlantis Energy	3,747,431	581	0.38
<b>DERIVATIVES (-3.64%*)</b>		<b>(2,473)</b>	<b>(1.61)</b>
<b>CONTRACTS FOR DIFFERENCE</b>			
Ashtead Group - CFD	160,500	399	0.26
Berkeley - CFD†	60,000	81	0.05
Boohoo.Com - CFD†	660,000	(212)	(0.14)
Colruyt - CFD†	46,000	442	0.29
Covestro - CFD	70,000	(470)	(0.31)
Cranswick - CFD†	49,000	86	0.05
Grenke - CFD†	24,000	(208)	(0.14)
Halma - CFD†	144,000	(742)	(0.48)
Hikma Pharmaceuticals - CFD†	20,000	-	-
Howden Joinery - CFD†	370,000	(3)	-
International Consolidated Airlines - CFD	660,000	(349)	(0.23)
IWG - CFD	1,116,000	1,192	0.78
Just Group - CFD	2,300,000	(637)	(0.41)
Keywords Studios - CFD†	96,103	(610)	(0.40)
Legal & General - CFD	1,730,000	56	0.04
Lookers - CFD	975,000	(527)	(0.34)
Newriver Reit - CFD†	310,797	105	0.07
Rightmove - CFD†	400,000	(230)	(0.15)
SDL - CFD	653,867	(585)	(0.38)
Smurfit Kappa - CFD	140,000	49	0.03
Spirax Sarco Engineering - CFD†	30,286	(735)	(0.48)
Tesco - CFD	3,340,000	117	0.08
Wizz Air - CFD	217,400	308	0.20
<b>Portfolio of investments^</b>		<b>133,766</b>	<b>87.01</b>
<b>Net other assets (23.99%*)</b>		<b>19,979</b>	<b>12.99</b>
<b>Total net assets</b>		<b>153,745</b>	<b>100.00</b>

All investments held are listed on Regulated Exchanges, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

\* Comparative figures shown in brackets relate to 31 December 2018.

† Short positions.

^ Including investment liabilities of £5,307,977.

## UK Opportunities Fund

### Material Portfolio Changes

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for the period 1 January 2019 to 30 June 2019 (unaudited)

	Cost £000		Proceeds £000
<b>Major purchases</b>		<b>Major sales</b>	
St Modwen Properties	2,431	Faroe Petroleum	5,306
Synthomer	1,492	Forterra	3,525
Jadestone Energy	1,418	Bodycote	3,380
Lloyds Banking	1,157	John Laing	2,350
Pantheon Resources	1,111	Hollywood Bowl	1,670
Speedy Hire	972	Melrose Industries	1,340
Forterra	767	BP	728
Cluff Natural Resources	750	Prudential	638
GVC	747	DCC	618
Bodycote	701	Lloyds Banking	586

# UK Opportunities Fund

## Comparative table

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as at 30 June 2019 (unaudited)

### Net Asset Value and Ongoing Charges Figure

	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class A - Accumulation</b>			
Closing net asset value (£'000)	27,504	26,158	31,745
Closing number of shares	5,515,226	5,839,768	6,164,727
Closing net asset value per share (p)	498.70	447.94	514.95
Operating charges (ongoing charges figure)	1.80%	1.78%	1.82%
<b>Prices</b>			
Highest share price	524.60	562.90	517.80
Lowest share price	452.30	444.60	452.60
Price at year end	501.90	451.30	517.20
	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class B - Accumulation</b>			
Closing net asset value (£'000)	126,241	136,141	130,442
Closing number of shares	22,271,444	26,823,062	22,552,936
Closing net asset value per share (p)	566.83	507.55	578.38
Operating charges (ongoing charges figure)	1.05%	1.03%	1.07%
<b>Prices</b>			
Highest share price	593.40	632.60	579.30
Lowest share price	510.40	501.70	503.40
Price at year end	568.40	509.30	579.30

## UK Opportunities Fund

### Statement of Total Return

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
Income				
Net capital gains		17,102		9,971
Revenue	3,078		2,889	
Expenses	(954)		(1,484)	
Interest payable and similar charges	(336)		-	
Net revenue before taxation	1,788		1,405	
Taxation	-		(8)	
Net revenue after taxation		1,788		1,397
<b>Total return before equalisation</b>		<b>18,890</b>		<b>11,368</b>
Equalisation		(82)		52
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>18,808</b>		<b>11,420</b>

### Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>162,299</b>		<b>162,187</b>
Amounts receivable on creation of shares	3,077		12,983	
Less: Amounts payable on cancellation of shares	(30,439)		(3,222)	
		(27,362)		9,761
Change in net assets attributable to shareholders from investment activities		18,808		11,420
<b>Closing net assets attributable to shareholders</b>		<b>153,745</b>		<b>183,368</b>

*Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.*

# UK Opportunities Fund

## Balance Sheet

as at 30 June 2019 (unaudited)

	30/06/19 £000	31/12/18 £000
<b>Fixed Assets</b>		
Investments	<u>139,074</u>	<u>130,033</u>
<b>Current assets:</b>		
Debtors	840	426
Cash and bank balances	<u>21,837</u>	<u>39,511</u>
<b>Total assets</b>	<b><u>161,751</u></b>	<b><u>169,970</u></b>
<b>Liabilities:</b>		
Investment liabilities	<u>(5,308)</u>	<u>(6,669)</u>
<b>Creditors:</b>		
Bank overdrafts	(1,275)	(755)
Other creditors	<u>(1,423)</u>	<u>(247)</u>
<b>Total other liabilities</b>	<b><u>(2,698)</u></b>	<b><u>(1,002)</u></b>
<b>Total liabilities</b>	<b><u>(8,006)</u></b>	<b><u>(7,671)</u></b>
<b>Net assets attributable to shareholders</b>	<b><u>153,745</u></b>	<b><u>162,299</u></b>



# World Equity Fund

## Authorised Fund Manager's Report

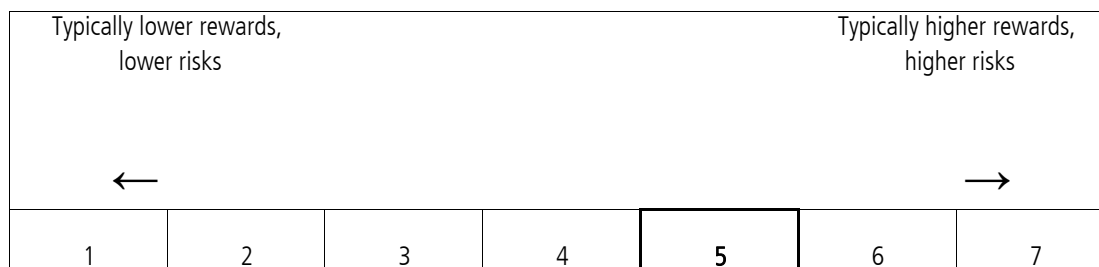
for the period 1 January 2019 to 30 June 2019 (unaudited)

### Investment Objective and Policy

The objective of this Fund is to achieve above average capital growth over the medium to long term (although short term investment opportunities will also be considered) and it aims to outperform its peers in the IA Global Growth Sector.

The Fund will invest in a portfolio of global equities and other equity related instruments such as Exchange Traded Funds.

### Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 5 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

### The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Currency movements may cause the value of your investment to fall as well as rise.
- The Fund is exposed to currency risk. The Fund may use currency management techniques, including hedging and entering into derivatives contracts, for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.
- The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus.

### Investment Review

Performance	30/06/14 to 30/06/15 %	30/06/15 to 30/06/16 %	30/06/16 to 30/06/17 %	30/06/17 to 30/06/18 %	30/06/18 to 30/06/19 %
World Equity Fund	10.2	(0.1)	28.3	7.3	2.3

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2019.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

### Market Review

Equity markets rebounded strongly in the first quarter but market internals turned more cautious towards the end of the period. Cyclical performed very strongly in the early part of 2019 as they rebounded from oversold levels. Risk assets were further aided by the decision of the Federal Reserve to keep interest rates on hold. Towards the end of the quarter, however, investors rotated towards defensive and growth/quality stocks as concerns over economic growth resurfaced. Trade tensions with China increased and are now metastasizing across geographies and industries. Understandably, investors are concerned that this may result in a series of negative feedback loops that tip the global economy into recession. UK domestic stocks faced a double whammy as the probability of a hard Brexit increased. Your fund returned 19.6% versus 16.8% for the average fund.

**Portfolio Review**

The Fund's largest holdings performed strongly. Microsoft was the largest single contributor to fund performance. The company announced results that reinforced the strength of its business model, with revenue up 15% year on year at constant currency and earnings per share up 20% year on year. Alongside these results, management gave an early insight into FY2020 with the company expecting another year of double-digit revenue and profits growth. Luxfer Industries rose significantly as it announced it was abandoning the acquisition of Neo Performance Materials (Neo), as well as releasing another set of impressive results. We were particularly pleased to see the company forgo the acquisition of Neo as we felt it added complexity and diluted its transformation plan. Jadestone Energy rose as investors began to recognise the significant cash generation potential of its assets. The company is scheduled to produce c.5m barrels of oil this year at a production cost of \$21-24 per barrel. The resultant cashflow will enable it to extend the life of its existing assets, as well as sanctioning new projects and participating in selective M&A opportunities. Long-term holding, Visa, performed strongly as electronic payments continued to take a greater share of global financial transactions. Canada Pacific gained as the group continued to benefit from further operational improvements as well as a buoyant North American economy. Aris Bioscience declined as the sector remained out of favour with investors. Indonesian cable company, Link II, fell as revenue declined year on year compared to the previous period's double digit run-rate. Ryanair continued to languish as subdued demand and increased capacity weighed on industry profits.

**Outlook**

Economic and geopolitical risks remain but monetary policy is supportive and consumer demand robust. We are not dismissive of a significant economic slowdown, but rather feel that it is more than adequately reflected in the valuation of our portfolio. Given the length of the economic expansion it is likely that a recession will occur at some point in the next couple of years. It is therefore less relevant to focus on whether it will occur, but more so on its likely depth and duration. A shallow and short-lived recession would provide a significant opportunity for long-term investors.

SVM Asset Management Limited

August 2019

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

# World Equity Fund

## Portfolio Statement

as at 30 June 2019 (unaudited)

	Holdings	Market Value £000	Total Net Assets %
<b>UNITED KINGDOM (35.15%*)</b>		<b>7,101</b>	<b>31.37</b>
Alpha Financial Markets Consulting	303,528	680	3.00
Creo Medical	195,000	351	1.55
Essentra	165,000	701	3.10
Luxfer	91,530	1,742	7.70
Melrose Industries	240,000	433	1.91
Norcros	125,001	279	1.23
Prudential	52,600	896	3.96
Synthomer	213,162	793	3.50
Team17	193,340	561	2.48
TI Fluid Systems	338,000	665	2.94
<b>AUSTRALIA (0.16%*)</b>		<b>-</b>	<b>-</b>
<b>CANADA (4.27%*)</b>		<b>1,503</b>	<b>6.64</b>
Canadian Pacific Railway	5,380	993	4.39
Jadestone Energy	894,500	510	2.25
<b>CAYMAN ISLANDS (1.95%*)</b>		<b>390</b>	<b>1.72</b>
JHL Biotech	250,000	390	1.72
<b>GERMANY (1.15%*)</b>		<b>357</b>	<b>1.58</b>
Covestro	9,000	357	1.58
<b>HONG KONG (6.46%*)</b>		<b>1,489</b>	<b>6.58</b>
AIA	175,240	1,489	6.58
<b>INDONESIA (1.65%*)</b>		<b>-</b>	<b>-</b>
<b>IRELAND (3.37%*)</b>		<b>942</b>	<b>4.16</b>
Ryanair	105,100	942	4.16
<b>ISLE OF MAN (3.05%*)</b>		<b>593</b>	<b>2.62</b>
GVC	92,000	593	2.62
<b>JAPAN (8.79%*)</b>		<b>1,745</b>	<b>7.71</b>
Denka	26,300	613	2.71
Hitachi	39,190	1,132	5.00
<b>JERSEY (4.26%*)</b>		<b>530</b>	<b>2.34</b>
Wizz Air	15,680	530	2.34
<b>SOUTH KOREA (3.51%*)</b>		<b>789</b>	<b>3.49</b>
SK Hynix	16,660	789	3.49
<b>SWITZERLAND (1.64%*)</b>		<b>458</b>	<b>2.02</b>
Aluflexpack	24,554	458	2.02
<b>UNITED STATES (24.14%*)</b>		<b>6,676</b>	<b>29.50</b>
Alphabet	954	809	3.57
Delta Air Lines	25,230	1,130	4.99
MagnaChip Semiconductor	40,000	325	1.44
Microsoft	20,160	2,131	9.42
Visa	10,000	1,348	5.96
Walt Disney	8,500	933	4.12

# World Equity Fund

## Portfolio Statement

(continued)

as at 30 June 2019 (unaudited)

	Market Value £000	Total Net Assets %
<b>DERIVATIVES (-0.42%*)</b>	-	-
<b>Portfolio of investments</b>	22,573	99.73
<b>Net other assets (0.87%*)</b>	60	0.27
<b>Total net assets</b>	<b>22,633</b>	<b>100.00</b>

All investments held are listed on Regulated Exchanges, unless otherwise stated.

\* Comparative figures shown in brackets relate to 31 December 2018.

	Total Net Assets %	Total Net Assets %
	30/06/19	31/12/18
<b>SECTOR ANALYSIS</b>		
Basic Materials	7.8	9.6
Consumer Goods	5.4	4.6
Consumer Services	18.2	15.6
Financials	16.5	11.5
Health Care	3.3	5.6
Industrials	28.3	28.5
Oil & Gas	2.3	2.7
Technology	17.9	21.4
Derivatives	-	(0.4)
<b>Net other assets (0.87%*)</b>	<b>0.3</b>	<b>0.9</b>
<b>Total net assets</b>	<b>100.0</b>	<b>100.0</b>

## World Equity Fund

### Material Portfolio Changes

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for the period 1 January 2019 to 30 June 2019 (unaudited)

	Cost £000		Proceeds £000
<b>Major purchases</b>		<b>Major sales</b>	
Visa	1,146	Alphabet	997
Walt Disney	903	Allergan	570
Aluflexpack	417	Wizz Air	522
MagnaChip Semiconductor	328	RPC	512
Ryanair	310	IWG	416
Creo Medical	293	Forterra	410
Norcros	258	Ashtead	406
Canadian Pacific Railway	171	Tosoh	381
Essentra	129	Faroe Petroleum	320
Covestro	124	Link Net	294

# World Equity Fund

## Comparative table

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as at 30 June 2019 (unaudited)

### Net Asset Value and Ongoing Charges Figure

	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class A - Accumulation</b>			
Closing net asset value (£'000)	2,076	1,980	2,482
Closing number of shares	670,187	764,717	827,487
Closing net asset value per share (p)	309.71	258.87	299.92
Operating charges (ongoing charges figure)	1.98%	1.98%	1.98%
<b>Prices</b>			
Highest share price	315.60	323.20	304.50
Lowest share price	258.60	257.30	267.20
Price at year end	311.20	260.30	301.10
	Interim 30/06/19	Final 31/12/18	Final 31/12/17
<b>Share Class B - Accumulation</b>			
Closing net asset value (£'000)	20,557	18,166	28,142
Closing number of shares	5,980,261	6,345,390	8,552,324
Closing net asset value per share (p)	343.75	286.30	329.06
Operating charges (ongoing charges figure)	1.23%	1.23%	1.23%
<b>Prices</b>			
Highest share price	348.60	355.20	332.70
Lowest share price	285.00	283.50	290.70
Price at year end	344.20	286.90	329.40

## World Equity Fund

### Statement of Total Return

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
Income				
Net capital gains		3,833		303
Revenue	251		289	
Expenses	(141)		(195)	
Interest payable and similar charges	-		-	
Net revenue before taxation	110		94	
Taxation	(15)		(19)	
Net revenue after taxation		95		75
<b>Total return before equalisation</b>		<b>3,928</b>		<b>378</b>
Equalisation		(1)		(3)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>3,927</b>		<b>375</b>

### Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2019 to 30 June 2019 (unaudited)

	Period Ended 30 June 2019		Period Ended 30 June 2018	
	£000	£000	£000	£000
<b>Opening net assets attributable to shareholders</b>		<b>20,146</b>		<b>30,624</b>
Amounts receivable on creation of shares	286		440	
Less: Amounts payable on cancellation of shares	(1,726)		(2,113)	
		(1,440)		(1,673)
Change in net assets attributable to shareholders from investment activities		3,927		375
<b>Closing net assets attributable to shareholders</b>		<b>22,633</b>		<b>29,326</b>

*Comparative information is provided for the Statement of Change in Net Assets Attributable to Shareholders. Since this information is for the prior interim period, the net assets at the end of that period do not correspond to the net assets at the start of the current period.*

# World Equity Fund

## Balance Sheet

as at 30 June 2019 (unaudited)

	30/06/2019 £000	31/12/2018 £000
<b>Fixed Assets</b>		
Investments	<u>22,573</u>	<u>20,056</u>
<b>Current assets:</b>		
Debtors	46	13
Cash and bank balances	<u>566</u>	<u>284</u>
<b>Total assets</b>	<u><b>23,185</b></u>	<u><b>20,353</b></u>
<b>Liabilities:</b>		
Investment liabilities	<u>-</u>	<u>(86)</u>
<b>Creditors:</b>		
Other creditors	<u>(552)</u>	<u>(121)</u>
<b>Total other liabilities</b>	<u><b>(552)</b></u>	<u><b>(121)</b></u>
<b>Total liabilities</b>	<u><b>(552)</b></u>	<u><b>(207)</b></u>
<b>Net assets attributable to shareholders</b>	<u><u><b>22,633</b></u></u>	<u><u><b>20,146</b></u></u>



## General Information

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### About OEICs

The SVM Funds ICVC (the "ICVC") is an umbrella Open Ended Investment Company ("OEIC"). An OEIC is a collective investment vehicle with variable capital. Investments in OEIC funds are pooled with those of other investors. This means investments can be spread across a far wider range of securities, helping investors to spread the risk to their money. The ICVC has separate sub-funds. Each sub-fund is managed in accordance with the investment objectives set out in the Prospectus and the FCA Collective Investment Schemes sourcebook ("COLL").

It should be remembered that the value of your shares will be affected by fluctuations in the relevant markets and foreign currency exchange rates (where applicable) and may, therefore, go down as well as up. You should view your investment over the medium to long-term.

Please contact us on 0845 358 1100 for more information. We may record and monitor calls to help us improve our service.

All sub-funds are classified as schemes which comply with Chapter 5 of the COLL sourcebook.

The base currency of the Company is Sterling.

### Shares

The Company currently offers 2 share classes; Class A and Class B. Each share class has a different ACD fee.

### Prices and Dealing Times

The price used for either the purchase or sale of shares is normally the next price calculated after your instructions are received and accepted at our Edinburgh Office. Advisers have no authority to guarantee applications or prices.

The latest prices are obtainable from the Dealing Desk on 0845 066 1110.

Shares may be bought or sold between 9.00am and 5.00pm on Mondays to Fridays inclusive.

### Protected Cell Regime

The ICVC has adopted a 'protected cell regime' which means that the liabilities of each sub-fund are now segregated from the other sub-funds, so the debts of each sub-fund cannot therefore be passed to another. This has the benefit of providing stronger investor protection.

### Cross Holdings

There were no cross holdings between sub-funds in SVM ICVC as at 30 June 2019.

### Prospectus

The Prospectus, which is available from the ACD free of charge, outlines how the ICVC is managed and gives details of the types of assets in which each sub-fund may invest. Full terms and conditions are available from the ACD.

### Personal Taxation

Unless your shares are held within an ISA, if you sell your shares or switch your shares to a different sub-fund, this is treated as a disposal for Capital Gains Tax purposes. Tax rules can change. The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change.

Shareholders are recommended to consult with their professional tax advisors if they are in any doubt about their position.

### Queries

If you have any queries about the operation of your sub-fund you should in the first instance contact the ACD. Please supply details of your holding (including surname, initials and account number).