

SVM Funds ICVC

Interim Report

30 June 2017

(Unaudited)

SVM Funds ICVC

The Company

SVM Funds ICVC

Head Office:

7 Castle Street

Edinburgh

EH2 3AH

Authorised and regulated by the Financial Conduct Authority.

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.

Custodian

State Street Bank and Trust Company

Registered Office:

20 Churchill Place

Canary Wharf

London

E14 5HJ

Correspondence Address:

525 Ferry Road

Edinburgh

EH5 2AW

Depository

State Street Trustees Limited

Registered Office:

20 Churchill Place

Canary Wharf

London

E14 5HJ

Correspondence Address:

525 Ferry Road

Edinburgh

EH5 2AW

Authorised and regulated by the Financial Conduct Authority.

Registrar

International Financial Data Services (UK) Limited

Registered Office:

IFDS House

St. Nicholas Lane

Basildon, SS15 5FS

United Kingdom

Authorised and regulated by the Financial Conduct Authority.

Independent Auditor

Scott-Moncrieff

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

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Authorised Corporate Director's Report

We present our Interim Report for the SVM Funds ICVC ('the ICVC' or the 'Funds') for the six months ended 30 June 2017.

All of the funds showed positive performance over the six months to 30 June 2017.

Investor concern about Brexit reduced, and the Bank of England raised its 2017 forecast for the UK. The global economy grew, with improvement most marked in Continental Europe. Shares of growth businesses, such as technology, performed best over the period.

The performance of the Funds over the six months to 30 June 2017 was as follows. The UK Opportunities Fund and UK Growth Fund rose by 6.4% and 10.9% respectively. The Continental Europe Fund rose by 10.4% and All Europe SRI Fund rose by 8.9%. World Equity Fund rose by 5.4%. Over longer time periods compared to benchmark indices, three of the five Funds, UK Opportunities Fund, UK Growth Fund and Continental Europe Fund, have outperformed over three and five years. These three Funds are in the top quartile of their peer group over five years.

| Percentage growth for 12 months to | 30/06/2013 % | 30/06/2014 % | 30/06/2015 % | 30/06/2016 % | 30/06/2017 % |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| All Europe SRI Fund | 24.1 | 14.4 | 7.5 | (4.2) | 28.3 |
| Continental Europe Fund | 27.0 | 19.4 | 9.3 | 5.4 | 26.9 |
| UK Growth Fund | 27.5 | 11.2 | 14.4 | (4.5) | 22.2 |
| UK Opportunities Fund | 29.5 | 12.9 | 10.6 | (1.3) | 23.4 |
| World Equity Fund | 33.2 | 6.3 | 10.2 | (0.1) | 28.3 |

Source: Lipper Hindsight, mid to mid, UK net, to 30 June 2017. 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

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

Authorised Status

The ICVC is an investment company with variable capital incorporated in United Kingdom and registered under the OEIC Regulations with the Financial Conduct Authority ("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. The Prospectus is dated 20 September 2016.

Shareholders are not liable for the debts of the ICVC.

This report covers the period ending 30 June 2017 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 European Union Directive 2014/91/EU (known as the "UCITS V Directive") came into effect on 18 March 2016. The Company is required to operate a remuneration policy in accordance with applicable requirements of the UCITS V Directive. Details of the Company's remuneration and associated financial disclosures will be made within the annual report for the period to 31 December 2017. Prior to this date, the data would not be in respect of a full performance period and the information available would not provide a proper basis for comparison.

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, and the level at which the ACD has agreed to cap the expenses for the period ended 30 June 2017 of, the share classes 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.

Prospectus Changes

- The Prospectus was not changed during the period.

A copy of the Prospectus is available on request.

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.

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
11 August 2017

Statement of the Authorised Corporate Director's Responsibilities

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

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
11 August 2017

Accounting Policies

For the period 1 January 2017 to 30 June 2017 (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 Authorised Funds issued by the Investment Association in May 2014 (SORP 2014), 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 2016.

All Europe SRI Fund

Authorised Fund Manager's Report

for the period 1 January 2017 to 30 June 2017 (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.

Synthetic Risk and Reward Indicator

| | | | | | | |
|-----------------------------------------|---|---|-------------------------------------------|---|---|---|
| Typically lower rewards, lower risks | | | Typically higher rewards, higher risks | | | |
| ← | | | → | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

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 investments to fall as well as rise.
- 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 | 30/06/12 to 30/06/13 % | 30/06/13 to 30/06/14 % | 30/06/14 to 30/06/15 % | 30/06/15 to 30/06/16 % | 30/06/16 to 30/06/17 % |
|---------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| All Europe SRI Fund | 24.1 | 14.4 | 7.5 | (4.2) | 28.3 |

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2017.

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 markets have continued to grind higher over the past six months, albeit with the majority of this move coming in the first few months of the year. Improving global economic data through the first quarter led to hopes of a sustainable cyclical upturn, with industrials outperforming. Politics, however, continued to set the narrative. In the UK, Theresa May's decision to hold an early general election initially buoyed both sterling and domestic earners, as investors expected this to lead to greater political clarity. The election, however, did not provide any party with an overall majority and has resulted in a less stable government and increased uncertainty over the shape of Brexit. Improving economic momentum in Europe, allied with market-friendly outcomes in the Dutch and French elections, supported cyclical and domestic earning stocks in the continent. Your fund slightly underperformed rising 8.9% versus the FTSE World Europe Index that rose 10.5%.

Portfolio Review

The portfolio underperformed the benchmark during the period under review largely due to asset allocation. The fund remains overweight UK equities, which underperformed continental Europe. At a stock-specific level, the fund benefited from the strong performance of a number of holdings. UK tech company, Blue Prism, continued to perform strongly as revenues exceeded market expectations. The company is a global leader in the fast-growing robotic process automation sector. FDM, the IT recruitment specialist, increased guidance on the back of strong momentum in both US and UK. Swiss life sciences company, Lonza, benefited as investors responded positively to acquisitions.

Plastic packaging company, RPC, was the main detractor to performance. The stock was the subject to a well-timed 'bear raid', when a sell-side broker released a negative note shortly after the company had completed a rights issue to fund a large acquisition. We disagree with their thesis and believe the stock is significantly undervalued. Continued oil price weakness negatively impacted a number of our oil & gas holdings. BT declined following a profits warning and the discovery of accounting irregularities in its Italian business.

During the period we increased the portfolio's cyclical bias and exposure to industrials while reducing its defensive and oil & gas holdings.

Outlook

As was the case last year, the near-term outlook for the UK domestic economy will remain highly uncertain until the terms of Britain's exit from the EU become clear. In the long-run, however, we continue to believe that the strength of the UK's domestic institutions, intellectual capital, and openness to trade will reassert. While European growth has improved and political risk appears to have diminished, challenges remain. The new French President, Emmanuel Macron, and his En Marche! party will face many obstacles in his attempts to reform the French economy. We remain more positive on the long-term outlook of the UK than continental Europe.

With returns scarce, equities remain the most attractive asset class. Ultimately, companies with pricing power and strong management will outperform, regardless of their industry. Our long-term track record demonstrates an ability to identify these companies and add considerable value.

SVM Asset Management Limited

July 2017

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 2017 (unaudited)

| | Holdings | Market Value £000 | Total Net Assets % |
|-----------------------------------|-----------|----------------------|-----------------------|
| BASIC MATERIALS (2.67%*) | | 1,410 | 5.91 |
| Clariant | 30,500 | 514 | 2.15 |
| Synthomer | 183,600 | 896 | 3.76 |
| CONSUMER GOODS (3.34%*) | | 865 | 3.63 |
| Bellway | 29,000 | 865 | 3.63 |
| CONSUMER SERVICES (3.12%*) | | 1,321 | 5.53 |
| Galenica | 15,000 | 549 | 2.30 |
| Stagecoach | 213,170 | 397 | 1.66 |
| Wizz Air | 15,600 | 375 | 1.57 |
| FINANCIALS (26.00%*) | | 5,957 | 24.96 |
| Arix Bioscience | 86,667 | 172 | 0.72 |
| AXA | 25,000 | 535 | 2.24 |
| Bank of Ireland | 1,440,000 | 289 | 1.21 |
| Barclays | 85,000 | 174 | 0.73 |
| British Land** | 150,000 | 902 | 3.78 |
| Legal & General | 235,000 | 611 | 2.56 |
| Lloyds Banking | 1,200,000 | 798 | 3.34 |
| Novae | 61,000 | 350 | 1.47 |
| Prudential | 51,000 | 910 | 3.81 |
| Vonovia | 40,000 | 1,216 | 5.10 |
| HEALTH CARE (8.17%*) | | 181 | 0.76 |
| Abzena | 308,167 | 148 | 0.62 |
| Creo Medical | 39,474 | 33 | 0.14 |
| INDUSTRIALS (21.11%*) | | 6,788 | 28.46 |
| Aumann | 8,623 | 449 | 1.88 |
| Biffa | 343,350 | 757 | 3.17 |
| Eddie Stobart Logistics | 218,483 | 343 | 1.44 |
| Forterra | 254,874 | 648 | 2.72 |
| Ibstock | 131,682 | 323 | 1.36 |
| John Menzies | 50,000 | 349 | 1.46 |
| Johnson Service | 386,361 | 500 | 2.10 |
| Koninklijke Volkerwessels | 20,787 | 441 | 1.85 |
| Melrose Industries | 280,000 | 678 | 2.84 |
| Norcros | 351,926 | 633 | 2.65 |
| RPC | 178,463 | 1,347 | 5.65 |
| St Ives | 57,203 | 29 | 0.12 |
| STO Preference Shares | 2,900 | 291 | 1.22 |
| OIL & GAS (5.18%*) | | 505 | 2.12 |
| Atlantis Resources | 367,000 | 136 | 0.57 |
| Faroe Petroleum | 447,492 | 369 | 1.55 |
| TECHNOLOGY (15.25%*) | | 2,992 | 12.54 |
| Blue Prism | 59,358 | 457 | 1.92 |
| Corero Network Security | 866,364 | 74 | 0.31 |
| FDM | 41,074 | 311 | 1.30 |
| Micro Focus International | 60,213 | 1,369 | 5.74 |
| Nokia | 80,000 | 385 | 1.61 |
| SDL | 65,000 | 396 | 1.66 |

All Europe SRI Fund

Portfolio Statement

(continued)

as at 30 June 2017 (unaudited)

| | Holdings | Market Value £000 | Total Net Assets % |
|-------------------------------------|----------|-------------------------|--------------------------|
| TELECOMMUNICATIONS (12.16%*) | | 1,672 | 7.01 |
| BT | 99,000 | 290 | 1.22 |
| Gamma Communications | 74,424 | 450 | 1.89 |
| Orange | 30,000 | 371 | 1.55 |
| Swisscom | 1,500 | 561 | 2.35 |
| Portfolio of investments | | 21,691 | 90.92 |
| Net other assets | | 2,165 | 9.08 |
| Total net assets | | 23,856 | 100.00 |

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

* Comparative figures shown in brackets relate to 31 December 2016.

** Real Estate Investment Trust (REIT).

All Europe SRI Fund

Material Portfolio Changes

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Cost £000 | | Proceeds £000 |
|---------------------------|--------------|--------------------|------------------|
| Major purchases | | Major sales | |
| Lonza | 905 | Lonza | 1,101 |
| Eddie Stobart Logistics | 546 | Roche | 1,008 |
| Galenica | 524 | FDM | 613 |
| Clariant | 470 | Novartis | 593 |
| Koninklijke Volkerwessels | 413 | Blue Prism | 522 |
| SDL | 411 | Ithaca Energy | 446 |
| Novae | 379 | SeSa | 374 |
| Wizz Air | 359 | Orange | 372 |
| John Menzies | 355 | Swisscom | 362 |
| Arix Bioscience | 345 | AURELIUS | 345 |

All Europe SRI Fund

Comparative table

as at 30 June 2017 (unaudited)

Net Asset Value and Ongoing Charges Figure

| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
|--------------------------------------------|------------------|----------------|----------------|----------------|
| Share Class A - Accumulation | | | | |
| Closing net asset value (£'000) | 1,723 | 1,630 | 2,604 | 5,304 |
| Closing number of shares | 623,936 | 643,205 | 1,119,117 | 2,586,293 |
| Closing net asset value per share (p) | 276.19 | 253.39 | 232.67 | 205.08 |
| Operating charges (ongoing charges figure) | 1.98% | 1.98% | 2.00% | 2.00% |
| Prices | | | | |
| Highest share price | 286.00 | 256.20 | 235.20 | 220.90 |
| Lowest share price | 256.30 | 206.80 | 205.00 | 188.00 |
| Price at year end | 279.00 | 256.20 | 234.50 | 206.20 |
| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
| Share Class B - Accumulation | | | | |
| Closing net asset value (£'000) | 22,133 | 19,764 | 20,439 | 14,022 |
| Closing number of shares | 7,323,283 | 7,152,590 | 8,151,404 | 6,423,721 |
| Closing net asset value per share (p) | 302.22 | 276.33 | 250.75 | 218.29 |
| Operating charges (ongoing charges figure) | 1.23% | 1.23% | 1.23% | 1.25% |
| Prices | | | | |
| Highest share price | 310.00 | 276.80 | 252.20 | 233.50 |
| Lowest share price | 277.00 | 221.90 | 218.20 | 199.70 |
| Price at year end | 302.60 | 276.80 | 251.40 | 219.40 |

All Europe SRI Fund

Statement of Total Return

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|-------------------------------------------------------------------------------------|------------------------------|--------------|------------------------------|----------------|
| | £000 | £000 | £000 | £000 |
| Income | | | | |
| Net capital gains/(losses) | | 1,811 | | (1,789) |
| Revenue | 371 | | 379 | |
| Expenses | (146) | | (137) | |
| Interest payable and similar charges | (2) | | - | |
| Net revenue before taxation | 223 | | 242 | |
| Taxation | (8) | | (17) | |
| Net revenue after taxation | | 215 | | 225 |
| Total return before equalisation | | 2,026 | | (1,564) |
| Equalisation | | 1 | | (9) |
| Change in net assets attributable to shareholders from investment activities | | 2,027 | | (1,573) |

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|------------------------------------------------------------------------------|------------------------------|---------------|------------------------------|---------------|
| | £000 | £000 | £000 | £000 |
| Opening net assets attributable to shareholders | | 21,394 | | 23,043 |
| Amounts receivable on creation of shares | 1,613 | | 2,034 | |
| Less: Amounts payable on cancellation of shares | (1,178) | | (3,426) | |
| | | 435 | | (1,392) |
| Change in net assets attributable to shareholders from investment activities | | 2,027 | | (1,573) |
| Closing net assets attributable to shareholders | | 23,856 | | 20,078 |

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 2017 (unaudited)

| | 30/06/17 £000 | 31/12/16 £000 |
|------------------------------------------------|----------------------|----------------------|
| Fixed Assets | | |
| Investments | <u>21,691</u> | <u>20,752</u> |
| Current assets: | | |
| Debtors | 117 | 85 |
| Cash and bank balances | <u>2,116</u> | <u>680</u> |
| Total assets | <u>23,924</u> | <u>21,517</u> |
| Liabilities: | | |
| Creditors: | | |
| Other creditors | <u>(68)</u> | <u>(123)</u> |
| Total liabilities | <u>(68)</u> | <u>(123)</u> |
| Net assets attributable to shareholders | <u>23,856</u> | <u>21,394</u> |

Continental Europe Fund

Authorised Fund Manager's Report

for the period 1 January 2017 to 30 June 2017 (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 (or any successor 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

| | | | | | | |
|-----------------------------------------|---|---|-------------------------------------------|---|----------|---|
| Typically lower rewards, lower risks | | | Typically higher rewards, higher risks | | | |
| ← | | | → | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

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 6 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 investments to fall as well as rise.
- 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 | 30/06/12 to 30/06/13 % | 30/06/13 to 30/06/14 % | 30/06/14 to 30/06/15 % | 30/06/15 to 30/06/16 % | 30/06/16 to 30/06/17 % |
|-------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Continental Europe Fund | 27.0 | 19.4 | 9.3 | 5.4 | 26.9 |

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2017.

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

The European investment climate in the first half of 2017 could be characterised by an encouraging economic and corporate outlook combined with a tantalising array of potentially market moving political and macro-economic events. The continued improvement in the Eurozone economy could hardly be denied as January's composite Purchasing Managers' Index, which encompasses both service and manufacturing sectors, rose to a 6 year high. This was accompanied by an overall positive set of Q1 corporate results all pointing to earnings upgrades rather than the customary decline which so often characterises market estimates at this time of year. Underscoring this scenario was the ECB's upgrade to its Eurozone GDP growth forecast which went from +1.8% to +1.9%, hardly a momentous move but still firmly in the right direction with the potential for more to come. What was surprising about this calm, almost benign environment, was the fact that it was accompanied by a flood of events every one of which had the potential to throw the progress off course. Leaving aside President Trump's stream of executive orders and the impact these may have had or will have on global trade, Europe itself had a series of home grown events in particular the Dutch and French elections as well as the ECB policy response to the improving economic fundamentals. While the former two resulted in market friendly outcomes, with both Marine Le Pen and Geert Wilders suffering overwhelming defeats, the latter is still some way from clarity. Bond yields rose strongly in June as Mario Draghi appeared to offer a less than clear outline for near term action which was enough for interest rates to move from rock bottom levels. In the US the direction, though even here not necessarily the trajectory, for interest rates is more evident with a further 25bps rise seen in March. Despite these moves, the cost of debt remained low, and a host of M+A deals demonstrated the willingness of companies to take advantage of this. Among the more notable of announcements were Kraft Heinz's move on Unilever, Intesa Sanpaolo's interest in Generali and PPG's offer for Akzo Nobel. The reverse of this is the continued pain low rates inflict on the banking sector and while many have adapted to this environment, the weaker players continue to suffer as witnessed by no fewer than 3 bank failures in June alone. Intriguingly in all 3 cases deals were immediately put in place featuring larger and stronger rivals thereby avoiding the inevitable market turmoil we would have witnessed over such events in the very recent past.

Portfolio Review

The fund rose strongly over the course of the first half of 2017 though lagging the FTSE World Europe ex UK index. The largest negative contribution came from German investment company Aurelius which fell almost a third after a short selling report was issued targeting the company. Despite including some potentially new information, but at the same time discounting much of the report's conclusions as invalid, the new balance of positive and negative factors in the investment case signalled an unclear risk/reward at the new price and the position was sold. Our holdings in oil majors Total and Royal Dutch Shell also hampered performance as both suffered from a decline in the commodity price following its rebound toward the end of 2016. We remain holders of both companies thanks to the underlying restructuring stories inherent in each rather than a fundamentally bullish outlook for the oil price itself. A number of our Italian holdings such as IT distributor SeSa and defence manufacturer Leonardo performed well as the whole Italian market rebounded following a sharp sell off at the start of the year. Likewise many financials performed well as the European system showed signs of stability and rates gradually increased. Danske Bank, ING and Mediobanca all posted double digit returns while Partners Group of Switzerland was the best contributor to performance.

In addition to our sale of Aurelius we also divested our holdings in Poste Italiane, Tamedia and building products manufacturer Braas Monier which was subject to a takeover. Three new holdings were introduced Aumann, a German manufacturer of equipment to the automotive industry, Dutch construction company Koninklijke Volkerwessels as well as SeSa the Italian IT distributor.

Outlook

For the first time in a long time there appears to be some relative political and economic stability in Europe while the financial system shows some encouraging signs of addressing its underlying problems. Equity markets have, however, performed well and now reflect much of this good news. Recent earnings announcements have resulted in aggregate earnings upgrades and this will have to continue if we are to see good upside from here. Though far from its peak levels global growth still supports such a scenario and the easing of political fears means we see no immediate reason to doubt good progress for markets though as always we will monitor developments carefully to identify any change in trend.

SVM Asset Management Limited

July 2017

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 2017 (unaudited)

| | Holdings | Market Value £000 | Total Net Assets % |
|------------------------------------|----------|----------------------|-----------------------|
| BASIC MATERIALS (8.21%*) | | 1,944 | 7.74 |
| Covestro | 10,220 | 575 | 2.29 |
| Metsa Board | 142,500 | 802 | 3.19 |
| PCAS | 38,000 | 567 | 2.26 |
| CONSUMER SERVICES (11.35%*) | | 2,828 | 11.25 |
| Cairo Communication | 253,624 | 862 | 3.43 |
| Dustin | 78,900 | 501 | 1.99 |
| Schibsted 'B' Shares | 53,835 | 927 | 3.69 |
| Sixt Preference Shares | 14,250 | 538 | 2.14 |
| FINANCIALS (34.49%*) | | 7,565 | 30.11 |
| AXA | 56,400 | 1,207 | 4.80 |
| BNP Paribas | 16,999 | 954 | 3.80 |
| Danske Bank | 39,775 | 1,177 | 4.69 |
| ING | 76,000 | 1,020 | 4.06 |
| Mediobanca | 134,725 | 1,030 | 4.10 |
| mutares | 25,414 | 303 | 1.21 |
| Partners | 1,021 | 491 | 1.95 |
| PATRIZIA Immobilien | 27,805 | 403 | 1.60 |
| Spar Nord Bank | 98,140 | 980 | 3.90 |
| HEALTH CARE (5.19%*) | | 1,390 | 5.53 |
| Fresenius | 4,622 | 308 | 1.22 |
| Novartis | 9,605 | 623 | 2.48 |
| Roche | 2,330 | 459 | 1.83 |
| INDUSTRIALS (13.22%*) | | 4,473 | 17.80 |
| Aumann | 10,067 | 524 | 2.09 |
| Hella KGaA Hueck | 23,629 | 896 | 3.57 |
| Huhtamaki | 15,490 | 471 | 1.87 |
| Koninklijke Volkerwessels | 30,752 | 653 | 2.60 |
| Leonardo | 84,160 | 1,076 | 4.28 |
| Stef | 10,574 | 853 | 3.39 |
| OIL & GAS (6.85%*) | | 1,429 | 5.69 |
| Royal Dutch Shell 'A' Shares | 25,270 | 518 | 2.06 |
| TOTAL | 23,652 | 911 | 3.63 |
| TECHNOLOGY (5.38%*) | | 2,079 | 8.27 |
| ALSO | 7,050 | 692 | 2.75 |
| Nokia | 94,560 | 455 | 1.81 |
| Scout24 | 14,080 | 399 | 1.59 |
| SeSa | 24,733 | 533 | 2.12 |
| TELECOMMUNICATIONS (8.49%*) | | 1,398 | 5.57 |
| NOS | 53,600 | 250 | 1.00 |
| Orange | 62,020 | 766 | 3.05 |
| United Internet | 8,982 | 382 | 1.52 |
| UTILITIES (1.49%*) | | 659 | 2.62 |
| Energiekontor | 46,125 | 659 | 2.62 |
| Portfolio of investments | | 23,765 | 94.58 |
| Net other assets | | 1,362 | 5.42 |
| Total net assets | | 25,127 | 100.00 |

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

* Comparative figures shown in brackets relate to 31 December 2016.

Continental Europe Fund

Material Portfolio Changes

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Cost £000 | | Proceeds £000 |
|---------------------------|--------------|-----------------------|------------------|
| Major purchases | | Total sales | |
| Koninklijke Volkerwessels | 610 | Poste Italiane | 689 |
| SeSa | 608 | United Internet | 688 |
| Schibsted 'B' Shares | 488 | BRAAS Monier Building | 611 |
| Mediobanca | 423 | AURELIUS | 602 |
| Aumann | 423 | Partners | 549 |
| Energiekontor | 290 | Tamedia | 333 |
| Leonardo | 289 | SeSa | 236 |
| BNP Paribas | 240 | | |
| Spar Nord Bank | 234 | | |
| Hella KGaA Hueck | 229 | | |

Continental Europe Fund

Comparative table

as at 30 June 2017 (unaudited)

Net Asset Value and Ongoing Charges Figure

| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
|--------------------------------------------|------------------|----------------|----------------|----------------|
| Share Class A - Accumulation | | | | |
| Closing net asset value (£'000) | 10,919 | 10,310 | 10,652 | 12,173 |
| Closing number of shares | 2,182,118 | 2,273,817 | 2,654,977 | 3,545,877 |
| Closing net asset value per share (p) | 500.39 | 453.42 | 401.22 | 343.31 |
| Operating charges (ongoing charges figure) | 1.98% | 1.98% | 2.01% | 2.01% |
| Prices | | | | |
| Highest share price | 515.80 | 454.10 | 403.80 | 361.00 |
| Lowest share price | 451.40 | 345.80 | 339.60 | 303.30 |
| Price at year end | 501.30 | 454.10 | 402.00 | 343.60 |
| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
| Share Class B - Accumulation | | | | |
| Closing net asset value (£'000) | 14,208 | 12,241 | 9,791 | 3,392 |
| Closing number of shares | 2,546,779 | 2,430,354 | 2,214,163 | 904,460 |
| Closing net asset value per share (p) | 557.90 | 503.65 | 442.17 | 375.03 |
| Operating charges (ongoing charges figure) | 1.23% | 1.23% | 1.23% | 1.26% |
| Prices | | | | |
| Highest share price | 574.20 | 503.70 | 444.50 | 392.10 |
| Lowest share price | 501.30 | 381.00 | 371.00 | 330.80 |
| Price at year end | 558.20 | 503.70 | 442.50 | 375.40 |

Continental Europe Fund

Statement of Total Return

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|-------------------------------------------------------------------------------------|------------------------------|--------------|------------------------------|--------------|
| | £000 | £000 | £000 | £000 |
| Income | | | | |
| Net capital gains/(losses) | | 2,072 | | (647) |
| Revenue | 497 | | 523 | |
| Expenses | (185) | | (155) | |
| Interest payable and similar charges | - | | - | |
| Net revenue before taxation | 312 | | 368 | |
| Taxation | (27) | | (49) | |
| Net revenue after taxation | | 285 | | 319 |
| Total return before equalisation | | 2,357 | | (328) |
| Equalisation | | 2 | | 11 |
| Change in net assets attributable to shareholders from investment activities | | 2,359 | | (317) |

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|------------------------------------------------------------------------------|------------------------------|---------------|------------------------------|---------------|
| | £000 | £000 | £000 | £000 |
| Opening net assets attributable to shareholders | | 22,551 | | 20,443 |
| Amounts receivable on creation of shares | 2,438 | | 3,299 | |
| Less: Amounts payable on cancellation of shares | (2,221) | | (2,919) | |
| | | 217 | | 380 |
| Change in net assets attributable to shareholders from investment activities | | 2,359 | | (317) |
| Closing net assets attributable to shareholders | | 25,127 | | 20,506 |

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

as at 30 June 2017 (unaudited)

| | 30/06/17 £000 | 31/12/16 £000 |
|------------------------------------------------|----------------------|----------------------|
| Fixed Assets | | |
| Investments | <u>23,765</u> | <u>21,350</u> |
| Current assets: | | |
| Debtors | 152 | 98 |
| Cash and bank balances | <u>1,280</u> | <u>1,177</u> |
| Total assets | <u>25,197</u> | <u>22,625</u> |
| Liabilities: | | |
| Creditors: | | |
| Other creditors | <u>(70)</u> | <u>(74)</u> |
| Total liabilities | <u>(70)</u> | <u>(74)</u> |
| Net assets attributable to shareholders | <u>25,127</u> | <u>22,551</u> |

Authorised Fund Manager's Report

for the period 1 January 2017 to 30 June 2017 (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

| | | | | | | |
|-----------------------------------------|---|---|-------------------------------------------|---|---|---|
| Typically lower rewards, lower risks | | | Typically higher rewards, higher risks | | | |
| ← | | | → | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

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 investments 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 | 30/06/12 to 30/06/13 % | 30/06/13 to 30/06/14 % | 30/06/14 to 30/06/15 % | 30/06/15 to 30/06/16 % | 30/06/16 to 30/06/17 % |
|----------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| UK Growth Fund | 27.5 | 11.2 | 14.4 | (4.5) | 22.2 |

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2017.

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

The UK stockmarket made good progress in the six months under review. The British economy proved relatively resilient despite Brexit uncertainty, with the Bank of England raising its 2017 growth forecast. However, UK inflation is higher following the fall in the Pound. Many British companies have significant overseas earnings, and were helped by better economic performance in the global economy, and particularly, Continental Europe. US economic growth was faster than expected.

In 2016, investor interest focused on companies and sectors that would benefit from a rise in inflation. This favoured banks, mining and oil & gas. These sectors typically depend on the economic cycle, lacking pricing power without a rise in commodity prices or, in the case of banks, interest rates. But, that pattern changed during the period under review, with better performance by growth businesses less dependent on the economic cycle.

Portfolio Review

Over the six month review period, there were good contributions to performance from Ryanair, Beazley Group, Burford Capital, Watkin Jones, GVC Holdings, and travel concession business, SSP Group. GVC Holdings acquired competitor, Bwin, in 2016 and should be able to enhance growth as well as make some cost savings as the businesses are merged. The main disappointments over the period were BT and global packaging business, RPC Group. RPC saw profit taking after it raised finance for an acquisition.

There were new portfolio investments in Sophos, filling station operator, Applegreen, Gamma, trade exhibitions operator, Ascential, and Animalcare Group. Animalcare sells pharmaceutical and branded products to vets and vet wholesalers, and acquired a larger European business which offers cost-cutting and growth potential. Gamma Communications provides phone and data services. Sophos is benefiting from the growing threats to internet security. Watkin Jones develops and manages student accommodation, selling the developed properties on to institutional investors. Sales were made of Worldpay, Inmarsat, Rio Tinto, Autotrader and Ladbrokes.

While UK inflation will increase this year and next, it is not yet clear that it will become embedded in wages or run away to higher levels. Much of the recent pick-up in global inflation has been driven by the oil price; global productivity growth remains disappointing. And, although the fall in the Pound lifted inflation, retailers are finding it difficult to pass this on. The Pound has been more stable in 2017.

The portfolio has relatively low exposure to banks, oil & gas, and mining, other than gold and silver. These sectors are dominated by large global businesses, more subject to competition and the impact of the economic cycle. The portfolio also has relatively low investment in sectors, such as retailing, at risk of disruption from newer online businesses.

Outlook

Despite the improvement in global growth, debt has been increasing in many nations. In the UK, US and much of Europe, total debt is higher than immediately prior to the financial crisis, 10 years ago. Much of the global inflation boost in 2016 and early 2017 came from the oil price alone, but it now looks less likely that OPEC can maintain significant future production cuts. The more subdued outlook for longer term inflation reduces the likelihood of material interest rate rises in the UK and other developed economies. This increased the attraction of shares of growth businesses with good dividend yields.

The Fund is fully invested, emphasising scalable businesses with a competitive edge that can deliver above average growth.

SVM Asset Management Limited

July 2017

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 2017 (unaudited)

| | Holdings | Market Value £000 | Total Net Assets % |
|------------------------------------|-----------|----------------------|-----------------------|
| BASIC MATERIALS (5.52%*) | | 10,617 | 7.12 |
| Croda International | 89,044 | 3,486 | 2.34 |
| Fresnillo | 41,700 | 628 | 0.42 |
| Randgold Resources | 37,300 | 2,555 | 1.71 |
| Rio Tinto | 40,700 | 1,337 | 0.90 |
| Synthomer | 534,857 | 2,611 | 1.75 |
| CONSUMER GOODS (10.16%*) | | 18,035 | 12.11 |
| Associated British Foods | 38,900 | 1,154 | 0.77 |
| Compass | 189,423 | 3,114 | 2.09 |
| Cranswick | 95,335 | 2,676 | 1.80 |
| Eve Sleep | 1,201,007 | 1,165 | 0.78 |
| Fevertree Drinks | 156,081 | 2,656 | 1.78 |
| Kerry | 54,680 | 3,645 | 2.45 |
| Reckitt Benckiser | 10,500 | 813 | 0.55 |
| Ted Baker | 117,000 | 2,812 | 1.89 |
| CONSUMER SERVICES (32.70%*) | | 43,377 | 29.11 |
| Applegreen | 365,000 | 1,661 | 1.11 |
| Ascential | 439,852 | 1,410 | 0.95 |
| ASOS | 44,795 | 2,588 | 1.74 |
| Booker | 1,251,000 | 2,341 | 1.57 |
| CVS | 107,486 | 1,353 | 0.91 |
| Dalata Hotel | 541,000 | 2,299 | 1.54 |
| Dignity | 87,374 | 2,148 | 1.44 |
| Dixons Carphone | 176,000 | 499 | 0.33 |
| Go-Ahead | 40,740 | 714 | 0.48 |
| GVC | 548,500 | 4,149 | 2.78 |
| Hostelworld | 95,240 | 327 | 0.22 |
| JD Sports Fashion | 1,025,150 | 3,712 | 2.49 |
| Just Eat | 71,000 | 464 | 0.31 |
| Paddy Power Betfair | 56,984 | 4,664 | 3.13 |
| Playtech | 212,250 | 2,025 | 1.36 |
| Restaurant | 334,700 | 1,096 | 0.74 |
| Ryanair | 372,717 | 5,849 | 3.93 |
| SSP | 834,000 | 3,991 | 2.68 |
| WH Smith | 22,000 | 378 | 0.25 |
| Wizz Air | 71,000 | 1,709 | 1.15 |
| FINANCIALS (14.54%*) | | 23,693 | 15.90 |
| Beazley | 1,086,000 | 5,309 | 3.56 |
| Burford Capital | 363,000 | 3,247 | 2.18 |
| Derwent London** | 62,740 | 1,658 | 1.11 |
| London Stock Exchange | 82,545 | 2,994 | 2.01 |
| Londonmetric Property** | 907,000 | 1,515 | 1.03 |
| OneSavings Bank | 385,500 | 1,464 | 0.98 |
| Prudential | 229,100 | 4,088 | 2.74 |
| St Modwen Properties | 128,621 | 468 | 0.31 |
| UNITE** | 454,254 | 2,950 | 1.98 |
| HEALTH CARE (6.11%*) | | 8,910 | 5.98 |
| Animalcare | 142,000 | 504 | 0.34 |
| AstraZeneca | 15,625 | 812 | 0.54 |
| BTG | 55,000 | 387 | 0.26 |
| Dechra Pharmaceuticals | 75,000 | 1,275 | 0.86 |
| Hutchison China MediTech | 47,537 | 1,711 | 1.15 |
| UDG Healthcare | 488,000 | 4,221 | 2.83 |

UK Growth Fund

Portfolio Statement

(continued)

as at 30 June 2017 (unaudited)

| | Holdings | Market Value £000 | Total Net Assets % |
|---------------------------------------------|-----------|----------------------|-----------------------|
| INDUSTRIALS (19.72%*) | | 29,861 | 20.04 |
| Ashtead | 165,850 | 2,657 | 1.78 |
| Breedon | 1,625,000 | 1,398 | 0.94 |
| DCC | 74,559 | 5,223 | 3.51 |
| DS Smith | 238,500 | 1,140 | 0.77 |
| Hill & Smith | 86,108 | 1,184 | 0.79 |
| Ibstock | 512,400 | 1,258 | 0.84 |
| John Menzies | 58,000 | 404 | 0.27 |
| Johnson Service | 3,758,853 | 4,868 | 3.27 |
| Keywords Studios | 200,000 | 1,480 | 0.99 |
| Marshalls | 169,000 | 633 | 0.42 |
| Polypipe | 186,000 | 710 | 0.48 |
| Premier Technical Services | 133,000 | 165 | 0.11 |
| Renishaw | 40,000 | 1,450 | 0.97 |
| Rentokil Initial | 798,000 | 2,186 | 1.47 |
| Ricardo | 155,000 | 1,200 | 0.81 |
| RPC | 199,845 | 1,508 | 1.01 |
| Severfield | 600,000 | 466 | 0.31 |
| Weir | 110,750 | 1,931 | 1.30 |
| OIL & GAS (0.70%*) | | 535 | 0.36 |
| Petrofac | 117,400 | 535 | 0.36 |
| TECHNOLOGY (7.39%*) | | 8,756 | 5.88 |
| FDM | 272,000 | 2,060 | 1.38 |
| Kainos | 275,000 | 741 | 0.50 |
| Micro Focus International | 193,440 | 4,397 | 2.96 |
| SDL | 130,000 | 793 | 0.53 |
| Sophos | 173,218 | 765 | 0.51 |
| TELECOMMUNICATIONS (0.72%*) | | 2,009 | 1.35 |
| Gamma Communications | 332,288 | 2,009 | 1.35 |
| DERIVATIVES (-0.41%*) | | 741 | 0.50 |
| CONTRACTS FOR DIFFERENCE | | | |
| Astrazeneca - CFD | 15,200 | 47 | 0.03 |
| British American Tobacco - CFD | 57,400 | (93) | (0.06) |
| Melrose - CFD | 915,000 | 618 | 0.41 |
| Onesavings Bank - CFD | 370,000 | (184) | (0.12) |
| Oxford Instruments - CFD | 39,384 | 21 | 0.01 |
| Reckitt Benckiser - CFD | 10,350 | (21) | (0.01) |
| Shire - CFD | 40,085 | (464) | (0.31) |
| Watkin Jones - CFD | 1,412,222 | 817 | 0.55 |
| Portfolio of investments[^] | | 146,534 | 98.35 |
| Net other assets | | 2,460 | 1.65 |
| Total net assets | | 148,994 | 100.00 |

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 2016.

** Real Estate Investment Trust (REIT).

[^] Including derivative liabilities £761,428.

UK Growth Fund

Material Portfolio Changes

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Cost £000 | | Proceeds £000 |
|--------------------------|--------------|---------------------------|------------------|
| Major purchases | | Major sales | |
| Fevertree Drinks | 2,541 | British American Tobacco | 3,802 |
| Gamma Communications | 1,808 | Worldpay | 2,746 |
| OneSavings Bank | 1,723 | Sage | 2,573 |
| Keywords Studios | 1,643 | Hikma Pharmaceuticals | 2,534 |
| Barclays | 1,539 | Micro Focus International | 2,299 |
| Glencore | 1,530 | Shire | 2,166 |
| Applegreen | 1,498 | Auto Trader | 2,164 |
| Eve Sleep | 1,495 | Virgin Money | 1,704 |
| British American Tobacco | 1,485 | McCarthy & Stone | 1,682 |
| Ascential | 1,335 | Intertek | 1,652 |

UK Growth Fund

Comparative table

as at 30 June 2017 (unaudited)

Net Asset Value and Ongoing Charges Figure

| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
|--------------------------------------------|------------------|----------------|----------------|----------------|
| Share Class A - Accumulation | | | | |
| Closing net asset value (£'000) | 14,077 | 16,278 | 15,780 | 23,074 |
| Closing number of shares | 3,295,700 | 4,221,913 | 3,976,636 | 6,902,539 |
| Closing net asset value per share (p) | 427.14 | 385.55 | 396.81 | 334.28 |
| Operating charges (ongoing charges figure) | 1.74% | 1.77% | 1.85% | 1.83% |
| Prices | | | | |
| Highest share price | 442.40 | 401.50 | 402.40 | 365.30 |
| Lowest share price | 387.90 | 337.50 | 329.70 | 294.10 |
| Price at year end | 428.70 | 386.70 | 401.00 | 334.80 |
| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
| Share Class B - Accumulation | | | | |
| Closing net asset value (£'000) | 134,917 | 129,795 | 124,652 | 82,212 |
| Closing number of shares | 28,743,686 | 30,766,812 | 28,957,132 | 22,866,418 |
| Closing net asset value per share (p) | 469.38 | 421.87 | 430.47 | 359.53 |
| Operating charges (ongoing charges figure) | 0.99% | 1.02% | 1.10% | 1.08% |
| Prices | | | | |
| Highest share price | 484.70 | 437.50 | 436.00 | 390.30 |
| Lowest share price | 423.70 | 367.00 | 354.70 | 315.80 |
| Price at year end | 469.80 | 422.20 | 434.50 | 360.10 |

UK Growth Fund

Statement of Total Return

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|-------------------------------------------------------------------------------------|------------------------------|---------------|------------------------------|-----------------|
| | £000 | £000 | £000 | £000 |
| Income | | | | |
| Net capital gains/(losses) | | 14,612 | | (18,078) |
| Revenue | 2,270 | | 2,000 | |
| Expenses | (876) | | (823) | |
| Interest payable and similar charges | - | | - | |
| Net revenue before taxation | 1,394 | | 1,177 | |
| Taxation | 2 | | (11) | |
| Net revenue after taxation | | 1,396 | | 1,166 |
| Total return before equalisation | | 16,008 | | (16,912) |
| Equalisation | | (48) | | 34 |
| Change in net assets attributable to shareholders from investment activities | | 15,960 | | (16,878) |

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|------------------------------------------------------------------------------|------------------------------|----------------|------------------------------|----------------|
| | £000 | £000 | £000 | £000 |
| Opening net assets attributable to shareholders | | 146,073 | | 140,432 |
| Amounts receivable on creation of shares | 4,810 | | 17,369 | |
| Less: Amounts payable on cancellation of shares | (17,849) | | (4,590) | |
| | | (13,039) | | 12,779 |
| Change in net assets attributable to shareholders from investment activities | | 15,960 | | (16,878) |
| Closing net assets attributable to shareholders | | 148,994 | | 136,333 |

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 2017 (unaudited)

| | 30/06/17 £000 | 31/12/16 £000 |
|------------------------------------------------|-----------------------|-----------------------|
| Fixed Assets | | |
| Investments | <u>147,296</u> | <u>142,901</u> |
| Current assets: | | |
| Debtors | 572 | 217 |
| Cash and bank balances | <u>2,847</u> | <u>4,207</u> |
| Total assets | <u>150,715</u> | <u>147,325</u> |
| Liabilities: | | |
| Investment liabilities | <u>(762)</u> | <u>(996)</u> |
| Creditors: | | |
| Other creditors | <u>(959)</u> | <u>(256)</u> |
| Total liabilities | <u>(1,721)</u> | <u>(1,252)</u> |
| Net assets attributable to shareholders | <u>148,994</u> | <u>146,073</u> |

UK Opportunities Fund

Authorised Fund Manager's Report

for the period 1 January 2017 to 30 June 2017 (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

| | | | | | | |
|-----------------------------------------|---|---|-------------------------------------------|---|---|---|
| Typically lower rewards, lower risks | | | Typically higher rewards, higher risks | | | |
| ← | | | → | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

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 investments 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 Counterparties. If a Counterparty business fails, the Fund may incur losses.

Investment Review

| Performance | 30/06/12 to 30/06/13 % | 30/06/13 to 30/06/14 % | 30/06/14 to 30/06/15 % | 30/06/15 to 30/06/16 % | 30/06/16 to 30/06/17 % |
|-----------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| UK Opportunities Fund | 29.5 | 12.9 | 10.6 | (1.3) | 23.4 |

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2017.

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

The UK market has continued to grind higher during 2017, albeit with the majority of this move coming in the first few months of the year. Improving global economic data through the first quarter led to hopes of a sustainable cyclical upturn, with industrials outperforming. Politics, however, continued to set the narrative. Theresa May's decision to hold an early general election initially buoyed both Sterling and UK domestic earners, as investors expected this to lead to political clarity. The election, however, did not provide any party with an overall majority and has resulted in a less stable government and increased uncertainty over the shape of Brexit. Your fund outperformed rising 6.4% versus the FTSE All-Share Index that rose 5.5%.

Portfolio Review

The portfolio outperformed the benchmark during the period under review largely due to asset allocation, with our underweight in FTSE 100 companies helping performance. At a stock-specific level, the fund benefited from the strong performance of a number of holdings. Forterra, the UK brickmaker, outperformed as it delivered strong results and private equity backers sold the remainder of their stake following last year's IPO. Specialty chemicals company, Synthomer, reported results that exceeded market expectations and continued to boost growth via strategic acquisitions. Increasing confidence in the global economic outlook, particularly in the early part of the year, helped a number of our industrial holdings such as Bodycote and Melrose. Our airline holdings, Ryanair, IAG, and Wizz Air, benefited from an improving yield environment.

Plastic packaging company, RPC, was the main detractor to performance. The stock was the subject of a well-timed 'bear raid', when a sell-side broker released a negative note shortly after the company had completed a rights issue to fund a large acquisition. We disagree with their thesis and believe the stock is significantly undervalued. Continued oil price weakness negatively impacted a number of our oil & gas holdings. BT declined following a profits warning and the discovery of accounting irregularities in its Italian business.

During the period we increased our exposure to financials and the portfolio's cyclical bias and reduced our defensive and oil & gas holdings.

Outlook

As was the case last year, the near-term outlook for the UK domestic economy will remain highly uncertain until the terms of Britain's exit from the EU become clear. In the long-run, however, we continue to believe that the strength of the UK's domestic institutions, intellectual capital, and openness to trade will reassert. With returns scarce, equities remain the most attractive asset class. Ultimately, companies with pricing power and strong management will outperform, regardless of their industry. Our long-term track record demonstrates an ability to identify these companies and add considerable value.

SVM Asset Management Limited

July 2017

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 2017 (unaudited)

| | Holdings | Market Value £000 | Total Net Assets % |
|--------------------------------------------|------------|----------------------|-----------------------|
| UNITED KINGDOM (80.09%*) | | 121,542 | 80.07 |
| BASIC MATERIALS (3.13%*) | | 7,107 | 4.68 |
| Synthomer | 1,455,997 | 7,107 | 4.68 |
| CONSUMER GOODS (3.37%*) | | 12,134 | 8.00 |
| Bellway | 130,000 | 3,879 | 2.56 |
| Imperial Tobacco | 236,000 | 8,255 | 5.44 |
| CONSUMER SERVICES (5.96%*) | | 6,852 | 4.52 |
| Hollywood Bowl | 915,000 | 1,530 | 1.01 |
| Informa | 710,752 | 4,762 | 3.14 |
| Marshall Motor | 423,994 | 560 | 0.37 |
| FINANCIALS (9.32%*) | | 24,187 | 15.93 |
| Arden Partners | 812,500 | 325 | 0.21 |
| Arix Bioscience | 583,333 | 1,156 | 0.76 |
| Arrow Global | 730,000 | 2,966 | 1.95 |
| John Laing | 1,051,450 | 3,202 | 2.11 |
| Lloyds Banking | 10,230,000 | 6,806 | 4.48 |
| Novae | 499,000 | 2,862 | 1.89 |
| Prudential | 385,000 | 6,870 | 4.53 |
| FIXED INCOME (17.24%*) | | 9,996 | 6.58 |
| United Kingdom Treasury Bill 0% 11/09/2017 | 10,000,000 | 9,996 | 6.58 |
| HEALTH CARE (0.57%*) | | 1,030 | 0.67 |
| Abzena | 1,753,833 | 842 | 0.55 |
| Creo Medical | 223,683 | 188 | 0.12 |
| INDUSTRIALS (17.73%*) | | 38,295 | 25.23 |
| Balfour Beatty | 1,090,000 | 2,934 | 1.93 |
| Biffa | 2,356,650 | 5,196 | 3.42 |
| Bodycote | 355,706 | 2,687 | 1.77 |
| Eddie Stobart Logistics | 1,494,217 | 2,346 | 1.55 |
| Filtrona | 400,000 | 2,268 | 1.49 |
| Forterra | 2,563,126 | 6,517 | 4.29 |
| Ibstock | 709,097 | 1,741 | 1.15 |
| John Menzies | 450,000 | 3,136 | 2.07 |
| Johnson Service | 1,995,849 | 2,585 | 1.70 |
| Melrose Industries | 2,080,000 | 5,034 | 3.32 |
| Norcros | 1,979,859 | 3,564 | 2.35 |
| St Ives | 571,878 | 287 | 0.19 |
| OIL & GAS (6.51%*) | | 4,816 | 3.18 |
| Faroe Petroleum | 2,960,941 | 2,443 | 1.61 |
| Hurricane Energy | 1,402,102 | 449 | 0.30 |
| Jersey Oil & Gas | 272,727 | 742 | 0.49 |
| Pantheon Resources | 1,068,450 | 539 | 0.36 |
| Savannah Petroleum | 1,865,000 | 643 | 0.42 |
| TECHNOLOGY (8.91%*) | | 10,982 | 7.24 |
| Corero Network Security | 1,033,636 | 88 | 0.06 |
| FDM | 221,739 | 1,680 | 1.11 |
| Micro Focus International | 405,358 | 9,214 | 6.07 |
| TELECOMMUNICATIONS (7.35%*) | | 6,143 | 4.04 |
| BT | 696,000 | 2,037 | 1.34 |
| Gamma Communications | 679,193 | 4,106 | 2.70 |

UK Opportunities Fund

Portfolio Statement

(continued)

as at 30 June 2017 (unaudited)

| | Holdings | Market Value £000 | Total Net Assets % |
|--------------------------------------------|-----------|----------------------|-----------------------|
| IRELAND (1.06%*) | | 7,769 | 5.12 |
| Ryanair | 495,000 | 7,769 | 5.12 |
| NETHERLANDS (0.00%*) | | 1,793 | 1.18 |
| Koninklijke Volkerwessels | 84,511 | 1,793 | 1.18 |
| SINGAPORE (0.30%*) | | 3,368 | 2.21 |
| Atlantis Resources | 1,333,556 | 493 | 0.32 |
| XP Power | 118,760 | 2,875 | 1.89 |
| DERIVATIVES (2.92%*) | | (126) | (0.08) |
| CONTRACTS FOR DIFFERENCE | | | |
| Barclays - CFD | 2,147,500 | (337) | (0.22) |
| BP - CFD | 1,850,000 | 524 | 0.35 |
| British Land - CFD | 1,030,000 | (30) | (0.02) |
| Chocoladefabriken Lindt & Spruengli - CFD† | 150 | (100) | (0.07) |
| Colruyt - CFD† | 36,000 | (149) | (0.10) |
| Computacenter - CFD† | 30,000 | - | - |
| Diageo - CFD | 140,000 | 219 | 0.14 |
| Elis - CFD† | 20,000 | (10) | (0.01) |
| Glaxosmithkline - CFD | 460,000 | 1,237 | 0.82 |
| Greggs - CFD† | 111,770 | (43) | (0.03) |
| GRENKE - CFD† | 3,000 | (88) | (0.06) |
| GVC - CFD | 300,000 | (163) | (0.11) |
| Halma - CFD† | 150,000 | (484) | (0.32) |
| IMI - CFD† | 132,036 | (293) | (0.19) |
| International Consolidated Airlines - CFD | 600,000 | 991 | 0.65 |
| Legal & General - CFD | 1,560,000 | 287 | 0.19 |
| Lookers - CFD | 975,000 | (442) | (0.29) |
| Mitie - CFD† | 300,000 | (222) | (0.15) |
| RPC - CFD | 1,191,089 | 605 | 0.40 |
| Safestore - CFD† | 75,000 | (65) | (0.04) |
| SDL - CFD | 490,000 | (57) | (0.04) |
| Spirax Sarco Engineering - CFD† | 32,786 | (820) | (0.54) |
| Stagecoach - CFD | 1,405,985 | (840) | (0.54) |
| Travis Perkins - CFD | 75,000 | 26 | 0.02 |
| Wizz Air - CFD | 124,400 | 128 | 0.08 |
| Portfolio of investments^ | | 134,346 | 88.50 |
| Net other assets | | 17,457 | 11.50 |
| Total net assets | | 151,803 | 100.00 |

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 2016.

^ Including derivative liabilities of £4,142,702.

† Short positions

UK Opportunities Fund

Material Portfolio Changes

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Cost £000 | | Proceeds £000 |
|--------------------------------------------|--------------|--------------------------------------------|------------------|
| Major purchases | | Major sales | |
| United Kingdom Treasury Bill 0% 11/09/2017 | 10,005 | United Kingdom Treasury Bill 0% 31/01/2017 | 10,000 |
| Imperial Tobacco | 8,506 | United Kingdom Treasury Bill 0% 03/04/2017 | 10,000 |
| Ryanair | 6,489 | United Kingdom Treasury Bill 0% 18/04/2017 | 5,000 |
| Eddie Stobart Logistics | 3,742 | Vodafone | 4,489 |
| Forterra | 3,132 | Smiths | 3,297 |
| John Menzies | 3,129 | Ithaca Energy | 2,971 |
| Novae | 3,075 | FDM | 2,664 |
| Koninklijke Volkerwessels | 2,673 | GKN | 2,485 |
| Arrow Global | 2,634 | BT | 2,306 |
| XP Power | 2,335 | CRH | 1,440 |

UK Opportunities Fund

Comparative table

as at 30 June 2017 (unaudited)

Net Asset Value and Ongoing Charges Figure

| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
|--------------------------------------------|------------------|----------------|----------------|----------------|
| Share Class A - Accumulation | | | | |
| Closing net asset value (£'000) | 30,848 | 29,849 | 33,670 | 44,665 |
| Closing number of shares | 6,400,695 | 6,588,159 | 8,010,458 | 12,583,216 |
| Closing net asset value per share (p) | 481.95 | 453.07 | 420.33 | 354.96 |
| Operating charges (ongoing charges figure) | 1.75% | 1.79% | 1.85% | 1.83% |
| Prices | | | | |
| Highest share price | 499.90 | 454.80 | 422.10 | 378.50 |
| Lowest share price | 452.60 | 373.60 | 352.40 | 328.20 |
| Price at year end | 484.00 | 454.80 | 422.10 | 356.30 |
| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
| Share Class B - Accumulation | | | | |
| Closing net asset value (£'000) | 120,954 | 115,157 | 87,466 | 65,566 |
| Closing number of shares | 22,427,713 | 22,796,479 | 18,821,729 | 16,862,143 |
| Closing net asset value per share (p) | 539.31 | 505.15 | 464.71 | 388.83 |
| Operating charges (ongoing charges figure) | 1.01% | 1.04% | 1.10% | 1.08% |
| Prices | | | | |
| Highest share price | 557.40 | 505.60 | 465.70 | 411.50 |
| Lowest share price | 503.40 | 412.60 | 386.00 | 358.80 |
| Price at year end | 540.00 | 505.60 | 465.70 | 390.20 |

UK Opportunities Fund

Statement of Total Return

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|-------------------------------------------------------------------------------------|------------------------------|--------------|------------------------------|----------------|
| | £000 | £000 | £000 | £000 |
| Income | | | | |
| Net capital gains/(losses) | | 8,183 | | (9,520) |
| Revenue | 2,897 | | 1,843 | |
| Expenses | (1,305) | | (1,087) | |
| Interest payable and similar charges | - | | - | |
| Net revenue before taxation | 1,592 | | 756 | |
| Taxation | - | | (5) | |
| Net revenue after taxation | | 1,592 | | 751 |
| Total return before equalisation | | 9,775 | | (8,769) |
| Equalisation | | (25) | | 51 |
| Change in net assets attributable to shareholders from investment activities | | 9,750 | | (8,718) |

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|------------------------------------------------------------------------------|------------------------------|----------------|------------------------------|----------------|
| | £000 | £000 | £000 | £000 |
| Opening net assets attributable to shareholders | | 145,006 | | 121,136 |
| Amounts receivable on creation of shares | 3,519 | | 17,556 | |
| Less: Amounts payable on cancellation of shares | (6,472) | | (4,532) | |
| | | (2,953) | | 13,024 |
| Change in net assets attributable to shareholders from investment activities | | 9,750 | | (8,718) |
| Closing net assets attributable to shareholders | | 151,803 | | 125,442 |

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 2017 (unaudited)

| | 30/06/17 £000 | 31/12/16 £000 |
|------------------------------------------------|------------------------------|------------------------------|
| Fixed Assets | | |
| Investments | <u>138,489</u> | <u>125,128</u> |
| Current assets: | | |
| Debtors | 811 | 562 |
| Cash and bank balances | <u>17,062</u> | <u>22,391</u> |
| Total assets | <u>156,362</u> | <u>148,081</u> |
| Liabilities: | | |
| Investment liabilities | <u>(4,143)</u> | <u>(2,791)</u> |
| Creditors: | | |
| Bank overdrafts | (100) | (50) |
| Other creditors | <u>(316)</u> | <u>(234)</u> |
| Total other liabilities | <u>(416)</u> | <u>(284)</u> |
| Total liabilities | <u>(4,559)</u> | <u>(3,075)</u> |
| Net assets attributable to shareholders | <u><u>151,803</u></u> | <u><u>145,006</u></u> |

World Equity Fund

Authorised Fund Manager's Report

for the period 1 January 2017 to 30 June 2017 (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

| | | | | | | |
|-----------------------------------------|---|---|-------------------------------------------|---|---|---|
| Typically lower rewards, lower risks | | | Typically higher rewards, higher risks | | | |
| ← | | | → | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

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 6 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 | 30/06/12 to 30/06/13 % | 30/06/13 to 30/06/14 % | 30/06/14 to 30/06/15 % | 30/06/15 to 30/06/16 % | 30/06/16 to 30/06/17 % |
|-------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| World Equity Fund | 33.2 | 6.3 | 10.2 | (0.1) | 28.3 |

Source: Lipper Hindsight, mid to mid, UK net to 30 June 2017.

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

Global markets have continued to move higher over the past six months, albeit with the majority of this move coming in the first few months of the year. Improving global economic data through the first quarter led to hopes of a sustainable cyclical upturn, with industrials outperforming. In the US, the Federal Reserve raised rates twice despite core inflation remaining below their target rate. Politics, however, continued to set the narrative. In the UK, Theresa May's decision to hold an early general election initially buoyed both sterling and domestic earners, as investors expected this to lead to greater political clarity. The election, however, did not provide any party with an overall majority and has resulted in a less stable government and increased uncertainty over the shape of Brexit. Improving economic momentum in Europe, allied with market-friendly outcomes in the Dutch and French elections, supported cyclical and domestic earning stocks in the continent. China continued to gradually tighten policy. Mainland interbank rates and onshore corporate bond yields rose as the People's Bank of China (PBoC) reduced liquidity. Your fund underperformed rising 5.4% versus the average fund that rose 7.0%.

Portfolio Review

The portfolio slightly underperformed the average fund during the period under review largely due to stock selection. At a stock-specific level, the fund benefited from the strong performance of a number of holdings. Japanese chemicals company, Tosoh, performed strongly as results exceeded market expectations. The supply/demand outlook for its main products remains positive and the stock still trades at a discount to peers. AIA, the pan-Asian life insurance provider, delivered impressive new business growth and made good progress with its onshore Chinese division. US semiconductor company, Micron, benefited from strong DRAM demand and subsequent pricing improvements.

Plastic packaging company, RPC, was the main detractor to performance. The stock was the subject to a well-timed 'bear raid', when a sell-side broker released a negative note shortly after the company had completed a rights issue to fund a large acquisition. We disagree with their thesis and believe the stock is significantly undervalued. Takara Leben underperformed as its core condominium business marginally missed expectations and they failed to realise value from their solar assets. Nonetheless, we believe the shares are undervalued and have retained our holding. During the period we increased the portfolios cyclical bias and exposure to technology stocks while reducing its defensive and oil & gas holdings.

Outlook

In the US, the initial optimism that President Trump would prove positive for business appears to have dissipated following a series of self-inflicted wounds. Markets appear to have got ahead of themselves, though, in assuming that Trump's tax-cutting agenda is dead. Both he and the GOP have a considerable incentive to reach an accommodation on tax cuts before 2018's midterm elections. As was the case last year, the near-term outlook for the UK domestic economy will remain highly uncertain until the terms of Britain's exit from the EU become clear. In the long-run, however, we continue to believe that the strength of the UK's domestic institutions, intellectual capital, and openness to trade will reassert. While European growth has improved and political risk appears to have diminished, challenges remain. The new French President, Emmanuel Macron, and his En Marche! party will face many obstacles in his attempts to reform the French economy. The Chinese economy remains heavily reliant on credit growth and the regime's capacity for economic pain is limited. The question is when, and not if, China will relent and loosen policy. This may create opportunities in the mining sector.

With returns scarce, equities remain the most attractive asset class. Ultimately, companies with pricing power and strong management will outperform, regardless of their industry. Our long-term track record demonstrates an ability to identify these companies and add considerable value.

SVM Asset Management Limited

July 2017

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 2017 (unaudited)

| | Holdings | Market Value £000 | Total Net Assets % |
|---------------------------------|-----------|----------------------|-----------------------|
| UNITED KINGDOM (28.89%*) | | 8,546 | 29.08 |
| Arix Bioscience | 125,000 | 248 | 0.84 |
| Forterra | 282,000 | 717 | 2.44 |
| Imperial Tobacco | 33,710 | 1,179 | 4.01 |
| Lloyds Banking | 1,380,800 | 919 | 3.13 |
| Luxfer ADR | 66,600 | 625 | 2.13 |
| Micro Focus International | 67,243 | 1,528 | 5.20 |
| RPC | 231,467 | 1,746 | 5.94 |
| SDL | 65,000 | 397 | 1.35 |
| Synthomer | 243,162 | 1,187 | 4.04 |
| AUSTRALIA (0.38%*) | | 140 | 0.48 |
| Bionomics | 592,337 | 140 | 0.48 |
| GERMANY (1.98%*) | | 451 | 1.54 |
| Aumann | 8,662 | 451 | 1.54 |
| HONG KONG (9.61%*) | | 1,549 | 5.27 |
| AIA | 275,240 | 1,549 | 5.27 |
| INDONESIA (0.00%*) | | 374 | 1.27 |
| Link Net | 1,250,000 | 374 | 1.27 |
| IRELAND (0.92%*) | | - | - |
| JAPAN (14.06%*) | | 4,390 | 14.95 |
| Denka | 150,000 | 595 | 2.03 |
| Hitachi | 233,500 | 1,106 | 3.77 |
| Isuzu Motors | 60,700 | 579 | 1.97 |
| Resona | 155,830 | 662 | 2.25 |
| Takara Leben | 104,000 | 360 | 1.23 |
| Tosoh | 137,700 | 1,088 | 3.70 |
| JERSEY (0.00%*) | | 481 | 1.64 |
| Wizz Air | 20,000 | 481 | 1.64 |
| NETHERLANDS (0.00%*) | | 545 | 1.86 |
| Koninklijke Volkerwessels | 25,680 | 545 | 1.86 |
| SOUTH KOREA (0.76%*) | | 1,541 | 5.24 |
| KT&G | 8,250 | 647 | 2.20 |
| Nexen Tire Preference Shares | 64,017 | 259 | 0.88 |
| SK Hynix | 14,000 | 635 | 2.16 |
| UNITED STATES (40.81%*) | | 12,047 | 41.01 |
| Allergan | 5,118 | 962 | 3.27 |
| Alphabet 'A' Shares | 2,744 | 1,982 | 6.75 |
| Citigroup | 29,388 | 1,517 | 5.16 |
| Comcast 'A' Shares | 10,888 | 326 | 1.11 |
| Delta Air Lines | 28,780 | 1,195 | 4.07 |
| Facebook | 6,180 | 719 | 2.45 |
| Hess | 16,582 | 549 | 1.87 |
| Micron Technology | 50,560 | 1,226 | 4.17 |
| Microsoft | 20,000 | 1,056 | 3.60 |
| Oracle | 27,800 | 1,075 | 3.66 |
| Visa 'A' Shares | 19,800 | 1,440 | 4.90 |

World Equity Fund

Portfolio Statement

(continued)

as at 30 June 2017 (unaudited)

| | Market Value £000 | Total Net Assets % |
|--------------------------------------------------------------|-------------------------|--------------------------|
| DERIVATIVES (-0.07%*) | (107) | (0.36) |
| CROSS CURRENCY FORWARDS | | |
| Bought USD5,500,000 for JPY611,380,000 Settlement 20/09/2017 | 18 | 0.06 |
| Bought USD1,912,919 for GBP1,500,000 Settlement 13/09/2017 | (29) | (0.10) |
| Bought USD4,429,250 for GBP3,500,000 Settlement 20/09/2017 | (96) | (0.32) |
| Portfolio of investments^ | 29,957 | 101.98 |
| Net other liabilities | (582) | (1.98) |
| Total net assets | 29,375 | 100.00 |

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

* Comparative figures shown in brackets relate to 31 December 2016.

Stocks shown as ADR's represent American Depositary Receipts.

^ Including derivative liabilities £124,548.

| | Total Net Assets % | Total Net Assets % |
|-------------------------|--------------------------|--------------------------|
| SECTOR ANALYSIS | 30/06/17 | 31/12/16 |
| Basic Materials | 9.8 | 9.6 |
| Consumer Goods | 7.1 | 4.7 |
| Consumer Services | 6.8 | 4.9 |
| Financials | 22.8 | 21.8 |
| Health Care | 3.8 | 8.2 |
| Industrials | 19.6 | 16.6 |
| Oil & Gas | 1.9 | 6.6 |
| Technology | 30.6 | 19.1 |
| Telecommunications | - | 5.9 |
| Derivatives | (0.4) | (0.1) |
| Net other assets | (2.0) | 2.7 |
| Total net assets | 100.0 | 100.0 |

World Equity Fund

Material Portfolio Changes

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Cost £000 | | Proceeds £000 |
|---------------------------|--------------|-------------------------|------------------|
| Major purchases | | Major sales | |
| Eddie Stobart Logistics | 712 | China Mobile | 1,262 |
| Facebook | 637 | Pfizer | 1,204 |
| KT&G | 581 | Eddie Stobart Logistics | 711 |
| Forterra | 554 | Ashland Global | 635 |
| Koninklijke Volkerwessels | 510 | Vonovia | 635 |
| SK Hynix | 508 | Faroe Petroleum | 626 |
| Aumann | 464 | BT | 475 |
| Wizz Air | 461 | CK Hutchison | 441 |
| SDL | 413 | Momenta Pharmaceuticals | 387 |
| Link Net | 394 | Hitachi | 355 |

World Equity Fund

Comparative table

as at 30 June 2017 (unaudited)

Net Asset Value and Ongoing Charges Figure

| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
|--------------------------------------------|------------------|----------------|----------------|----------------|
| Share Class A - Accumulation | | | | |
| Closing net asset value (£'000) | 2,516 | 2,584 | 6,823 | 13,369 |
| Closing number of shares | 890,900 | 964,509 | 3,077,888 | 6,497,325 |
| Closing net asset value per share (p) | 282.40 | 267.97 | 221.69 | 205.77 |
| Operating charges (ongoing charges figure) | 1.96% | 1.96% | 1.99% | 2.00% |
| Prices | | | | |
| Highest share price | 290.60 | 271.60 | 234.60 | 210.80 |
| Lowest share price | 267.20 | 193.90 | 201.30 | 190.70 |
| Price at year end | 283.50 | 268.90 | 222.00 | 207.00 |
| | Interim 30/06/17 | Final 31/12/16 | Final 31/12/15 | Final 31/12/14 |
| Share Class B - Accumulation | | | | |
| Closing net asset value (£'000) | 26,859 | 27,511 | 36,347 | 27,251 |
| Closing number of shares | 8,702,292 | 9,429,482 | 15,203,636 | 12,385,247 |
| Closing net asset value per share (p) | 308.64 | 291.75 | 239.06 | 220.03 |
| Operating charges (ongoing charges figure) | 1.21% | 1.21% | 1.23% | 1.25% |
| Prices | | | | |
| Highest share price | 316.50 | 294.80 | 251.40 | 224.90 |
| Lowest share price | 290.70 | 209.20 | 216.50 | 203.60 |
| Price at year end | 308.90 | 291.90 | 239.20 | 221.30 |

World Equity Fund

Statement of Total Return

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|-------------------------------------------------------------------------------------|------------------------------|--------------|------------------------------|--------------|
| | £000 | £000 | £000 | £000 |
| Income | | | | |
| Net capital gains/(losses) | | 1,631 | | (234) |
| Revenue | 269 | | 417 | |
| Expenses | (192) | | (261) | |
| Interest payable and similar charges | (1) | | (2) | |
| Net revenue before taxation | 76 | | 154 | |
| Taxation | (18) | | (29) | |
| Net revenue after taxation | | 58 | | 125 |
| Total return before equalisation | | 1,689 | | (109) |
| Equalisation | | (1) | | (9) |
| Change in net assets attributable to shareholders from investment activities | | 1,688 | | (118) |

Statement of Change in Net Assets Attributable to Shareholders

for the period 1 January 2017 to 30 June 2017 (unaudited)

| | Period Ended 30 June 2017 | | Period Ended 30 June 2016 | |
|------------------------------------------------------------------------------|------------------------------|---------------|------------------------------|---------------|
| | £000 | £000 | £000 | £000 |
| Opening net assets attributable to shareholders | | 30,095 | | 43,170 |
| Amounts receivable on creation of shares | 684 | | 1,126 | |
| Less: Amounts payable on cancellation of shares | (3,092) | | (5,799) | |
| | | (2,408) | | (4,673) |
| Change in net assets attributable to shareholders from investment activities | | 1,688 | | (118) |
| Closing net assets attributable to shareholders | | 29,375 | | 38,379 |

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 2017 (unaudited)

| | 30/06/17 £000 | 31/12/16 £000 |
|------------------------------------------------|-----------------------------|-----------------------------|
| Fixed Assets | | |
| Investments | <u>30,082</u> | <u>29,330</u> |
| Current assets: | | |
| Debtors | 37 | 67 |
| Cash and bank balances | <u>6</u> | <u>786</u> |
| Total assets | <u>30,125</u> | <u>30,183</u> |
| Liabilities: | | |
| Investment liabilities | <u>(125)</u> | <u>(36)</u> |
| Creditors: | | |
| Bank overdrafts | (506) | - |
| Other creditors | <u>(119)</u> | <u>(52)</u> |
| Total other liabilities | <u>(625)</u> | <u>(52)</u> |
| Total liabilities | <u>(750)</u> | <u>(88)</u> |
| Net assets attributable to shareholders | <u><u>29,375</u></u> | <u><u>30,095</u></u> |

General Information

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 2017.

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. The Prospectus and (where applicable) the Instrument of Incorporation were not amended during the six months to 30 June 2017 (as noted in the ACD's Report). 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).