

Equitile Investments ACS

Interim Financial Statements & Report (Unaudited)

For the period 01 January 2018 to 30 June 2018



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* These collectively comprise the Authorised Contractual Scheme Manager's Report

General Information

1. Board of Directors of the ACS Manager	Andrew McNally George Cooper Nigel Hellewell Thor Johan Furuholmen Xiyang He	Head office : 20 St Dunstan's Hill, London, EC3R 8ND, United Kingdom Registered Office : Bridge House, 4 Borough High Street, London SE1 9QR, United Kingdom
2. Depositary	HSBC Bank Plc	8 Canada Square, London E14 5HQ, United Kingdom
3. Registrar	HSBC Bank Plc	8 Canada Square, London E14 5HQ, United Kingdom
4. Independent Auditors	PricewaterhouseCoopers LLP	7 More London, Riverside, London SE1 2RT United Kingdom

Equitile Investments ACS Overview

Equitile Investments ACS (the "**Scheme**") is an Authorised Contractual Scheme which is constituted as an umbrella Co-Ownership Scheme as defined under section 235A(2) of FSMA and for the purposes of the EU Regulation, the UCITS Directive, the UCITS Regulation, the Collective Investment in Transferable Securities (Contractual Scheme) Regulations 2013 (SI 2013/1388) and the FCA Handbook (including the COLL Sourcebook) made under FSMA, and any other applicable rules made under FSMA from time to time in force. Equitile Investments Ltd (a Private Limited Company (the "**Company**")) is the appointed ACS Manager (the "**Manager**") and HSBC Bank Plc, is the appointed Depositary (the "**Depositary**") to whom the Scheme Property is entrusted for safekeeping.

The Scheme has segregated liability between sub-funds of the Scheme ("Funds"). The Scheme was authorised by the FCA on 16 December 2015. The Scheme is organised as an umbrella Co-Ownership Scheme and may be comprised of separate sub-funds and segregated portfolio of assets. Accordingly, the sub-funds assets are allocated exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-funds that may be established under the Scheme on a later date and shall not be available for any other purpose.

Except where otherwise stated or the context requires, capitalised terms have the meaning given to them in the Prospectus of the Scheme dated 20 February 2018.

Investment objective and policy

Equitile Resilience Fund

The Scheme currently has one sub-fund, Equitile Resilience Fund (the "**Sub-Fund**"), a UCITS Scheme under the COLL Sourcebook. The Sub-Fund was authorised by the FCA on 16 December 2015.

The Sub-Fund aims to deliver capital growth by investing in the equities of resilient companies, meaning those assessed as being well-managed, conservatively financed and benefiting from strong corporate governance. Additionally, the Sub-Fund may choose to invest in bonds and money market instruments as part of strategy diversification. Investors may assess the success of this strategy by considering, in combination, the average annual return of the Sub-Fund and the average annual maximum loss of the Sub-Fund where the annual maximum loss is defined as the largest percentage loss which an investor could have incurred by investing into and subsequently redeeming from the Sub-Fund within a given year.

In normal market conditions, the Sub-Fund will be close to fully invested in equity securities (e.g. shares). Allocations to bonds and cash may be made periodically for the purpose of capital preservation. Use may be made of cash holdings, hedging and other investment techniques for the purposes of efficient portfolio management as permitted by the COLL Sourcebook. The Sub-Fund will not utilise borrowing or leverage in order to achieve the investment objective. Short term borrowing may be used for the purposes of efficient portfolio management. The Sub-Fund may utilise derivatives for efficient portfolio construction and for hedging purposes.

ACS Manager's Report to Unitholders

As the sole Manager, Equitile Investments Ltd, presents its report and the unaudited financial statements of the Scheme for the period 01 January 2018 to 30 June 2018. The Scheme is a UCITS Scheme which complies with the Financial Conduct Authority's Collective Investment Schemes sourcebook. The unitholders are not liable for the debts of the Scheme. The Investment Objectives and Policies of each Sub-Fund of the Scheme are covered in the section for each Sub-Fund. The names and addresses of the Manager, the Depositary and the Auditors are detailed on page 3.

The object of the Scheme (which may be made up of a number of sub-funds) is to invest the Scheme Property through the sub-funds as set out in the Prospectus and the object of each sub-fund is for the ACS Manager on behalf of the Unitholders, as co-owners of the relevant sub-fund's property, to invest that property in transferable securities, money market instruments, derivatives and forward transactions, deposits, cash, near cash, and units in collective investment schemes in accordance with the Regulations applicable to the Scheme and each Sub-Fund with the aim of spreading investment risk and giving to the Unitholders the benefits of the results of the management of that property.

ACS Manager's Statement

In accordance with the requirements of the COLL as issued and amended by the Financial Conduct Authority, the report and financial statements are approved on behalf of the Directors of Equitile Investments Ltd, the ACS Manager



Andrew Christopher McNally
Chief Executive Officer (of the Manager)



William Nigel Hellewell
Chief Operating Officer (of the Manager)

15 August 2018

Sub-Fund Review

As at 30 June 2018, the Company had 1 active sub-fund:

Fund – Equitile Resilience Fund
 Launch Date – 29 February 2016
 Base currency - GBP

Investment Review

Please note this investment review is for the period from 01 January 2018 to 30 June 2018.

Performance and Market Review

We anticipate the investment strategy deployed will deliver high single-digit percentage point returns per year, on average over the economic cycle. We are pleased to report the investment returns generated during the first half of 2018 have significantly exceeded this expectation. This is particularly pleasing as these returns have been generated during a period when many European, Asian and Emerging markets have suffered negative returns during the reporting period. Nevertheless, we believe it remains appropriate to expect the investment strategy to deliver high single-digit percentage point investment returns, on average over the economic cycle.

Global economic expansion has continued during the first half of the year, however, political and trade tensions have intensified. The preparations for the UK’s departure from the European Union are progressing poorly and the US administration’s increasingly robust approach to international trade raises the risk of extensive protectionist measures. Set against this, corporate earnings continue growing at a healthy pace, driven by both innovation and more favourable tax treatment in the US. Over the reporting period the fund’s assets under management have grown significantly as a result of both investment gains and new investor subscriptions. The geographical allocation of the fund’s investments has remained largely unchanged with US listed investments amounting to 80% of its underlying assets. The investment strategy of the Master Fund remains unchanged, it endeavours to invest in the most financially stable, high-quality high-growth businesses using a rigorous and disciplined portfolio construction.

Outlook

Equities will remain our preferred investment for some time to come. We remain optimistic on global growth, the pace of innovation and therefore continue to anticipate strong corporate earnings growth. Politically, pressures for greater trade protectionism and larger deficit spending appears to be growing around the world. We anticipate this backdrop may begin driving inflation rates modestly higher. We believe equity investments are likely to prove the most resilient asset class in the face of this risk.

Synthetic Risk and Reward Indicator (SRRRI)

Lower risk
Typically lower returns

Higher risk
Typically higher returns

1	2	3	4	5	6	7
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The Sub-Fund is classified category 5 because the investment policy of the fund means it will typically be predominantly invested in the equity markets and will therefore be exposed to the relatively high volatility of the equity market. Please note that even the lowest ranking does not mean risk-free.

The Risk and Reward indicator demonstrates where the Sub-Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-Fund.

Securities Financing Transaction Regulation Disclosure

The Sub-Fund does not engage in any securities financing transactions and / or any total return swaps.

Comparative Tables

The Comparative Tables prepared in accordance with Appendix A of IMA SORP 2014 on pages 6 -7 give the performance of each active share class in the Sub-Fund. The 'Return after operating charges' disclosed in the Comparative Tables is calculated as a return after operating charges per unit divided by the opening net asset value per unit. It differs from the Sub-Fund's performance disclosed in the Manager's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by the Sub-Fund in order to achieve the investment objective. Direct transaction costs include broker commission and taxes. Broker commission includes the fee to a broker to execute the trades. Equitile does not buy external research.

Comparative Table Class A1

For the period ended 30 June 2018	GBP	GBP	GBP
Class A1 Resilience GBP Acc	30.06.18	31.12.17	31.12.16*
Change in net assets per unit			
Opening net asset value per unit	130.52	103.83	100.00
Return before operating charges**	11.48	27.82	4.77
Operating charges	(0.63)	(1.13)	(0.94)
Return after operating charges	10.85	26.69	3.83
Distribution on accumulation units	0.00	(0.20)	(0.20)
Retained distribution on accumulation units	0.00	0.20	0.20
Closing net asset value per unit	141.37	130.52	103.83
** after direct transaction costs of:	0.10	0.14	0.23
Performance			
Return after charges	8.31%	25.71%	3.83%
Other information			
Closing net asset value (£'000)	128,790	94,838	43,064
Closing number of units	911,045	726,616	414,757
Operating charges^	0.91%	0.97%	1.08%
Direct transaction costs	0.07%	0.12%	0.23%
Prices - GBP			
Highest unit price	148.74	134.57	108.22
Lowest unit price	128.97	104.01	98.63

*The Unit class was launched on 29 February 2016

^Operating charges, otherwise known as the OCF is the ratio of the Sub-Fund's total costs to the average net assets of the Sub-Fund.

Comparative Table Class X3

For the period ended 30 June 2018

	USD	USD	USD
Class X3 Resilience USD Acc	30.06.18	31.12.17	31.12.16*
Change in net assets per unit			
Opening net asset value per unit	124.27	97.86	100.00
Return before operating charges**	12.19	27.76	(1.63)
Operating charges	(0.67)	(1.35)	(0.51)
Return after operating charges	11.52	26.41	(2.14)
Distribution on accumulation units	0.00	(0.04)	(0.04)
Retained distribution on accumulation units	0.00	0.04	0.04
Closing net asset value per unit	135.79	124.27	97.86
** after direct transaction costs of:	0.09	0.14	0.16
Performance			
Return after charges	9.27%	26.99%	(2.14%)
Other information			
Closing net asset value (\$'000)	6,822	6,311	5,084
Closing number of units	50,239	50,794	51,954
Operating charges^	1.06%	1.15%	1.21%
Direct transaction costs	0.07%	0.12%	0.21%
Prices - USD			
Highest unit price	142.75	127.87	101.53
Lowest unit price	123.08	98.03	95.15

*The unit class was launched on 20 July 2016.

^Operating charges, otherwise known as the OCF is the ratio of the Sub-Fund's total costs to the average net assets of the Sub-Fund.

Summary of Material Portfolio Changes for the Master Fund

The top ten purchases and sales for the period ended 30 June 2018 were as follows:

Purchases	Sales		
	Cost	Proceeds	
	£'000	£'000	
Hermes International	4,163	Wirecard	3,734
Dassault Systemes	3,911	Lam Research	3,164
Estee Lauder 'A' Shares	3,908	Honeywell International	3,146
Red Hat	3,815	3M Co	2,739
Broadridge Financial Solutions	3,772	Applied Materials	2,726
Moncler SpA	3,458	Intertek Group	2,387
Cisco Systems	3,444	Aon	2,339
Accenture	2,872	Cognex	2,317
Abiomed	2,623	Kuehne & Nagel International	2,225
Copart	2,320	Marsh & McLennan	2,123
Subtotal	34,286	Subtotal	26,900
Total purchases during the period	54,950	Total sales during the period	35,755

Top 10 holdings*	As at 30.06.18
Align Technology	3.90%
Adobe Systems	3.32%
Intuitive Surgical	3.29%
Mastercard	3.25%
Kering	3.23%
Estee Lauder 'A' Shares	3.18%
Dassault Systemes	3.18%
Broadridge Financial Solutions	3.11%
Visa 'A' Shares	3.10%
Apple	3.07%

*Weighted average of the portfolio

Portfolio of Investments of the Sub-Fund

As at 30 June 2018

Portfolio of investments

Holding	Investment	Market value £'000	Total value of Sub-Fund %
UNITED KINGDOM - 5.53% (9.27%)			
Chemicals - 2.87% (1.91%)			
	80,000 Croda International	3,846	2.87
Measurement Technology - 2.66% (4.96%)			
	260,000 Halma	3,567	2.66
Financial Services - 0.00% (2.40%)			
Total United Kingdom		7,413	5.53
UNITED STATES - 71.57% (76.88%)			
Automotive - 1.92% (0.00%)			
	60,000 Copart	2,570	1.92
Civil Aviation - 2.97% (3.42%)			
	15,500 Boeing	3,981	2.97
Consumer Electronics - 3.07% (1.71%)			
	29,000 Apple	4,110	3.07
Consumer Goods - 3.18% (0.00%)			
	39,000 Estee Lauder 'A' Shares	4,264	3.18
Defence - 5.02% (7.92%)			
	14,300 Northrop Grumman	3,341	2.49
	23,000 Raytheon	3,392	2.53
Diversified Manufacturing - 2.82% (5.50%)			
	18,000 Roper Technologies	3,784	2.82
Engineering Technology - 4.66% (7.49%)			
	37,000 Amphenol Corporation 'A' Shares	2,459	1.84
	23,000 IPG Photonics	3,784	2.82
Environmental Services - 1.24% (2.86%)			
	27,000 Waste Management	1,660	1.24
Financial Services - 9.46% (8.17%)			
	48,000 Broadridge Financial Solutions	4,172	3.11
	29,000 Mastercard	4,355	3.25
	41,000 Visa 'A' Shares	4,156	3.10
Investment Management - 2.94% (2.98%)			
	44,000 T Rowe Price Group	3,937	2.94
Measurement Technology 0.00% (2.89%)			
Medical Products - 10.78% (7.79%)			
	12,000 Abiomed	3,808	2.84
	20,000 Align Technology	5,225	3.90
	50,000 Baxter International	2,804	2.09
	20,200 Stryker	2,613	1.95
Medical Technology - 5.12% (5.01%)			
	12,000 Intuitive Surgical	4,406	3.29
	12,000 Teleflex	2,449	1.83

Microelectronic Manufacturing – 6.62% (14.13%)		
20,000 KLA Tencor	1,564	1.17
19,700 Nvidia	3,606	2.69
44,000 Texas Instruments	3,700	2.76
Software – 8.94% (7.01%)		
24,000 Adobe Systems	4,443	3.32
24,000 Citrix Systems	1,911	1.43
14,000 Fortinet	669	0.50
30,000 Red Hat	3,120	2.33
28,000 Synopsys	1,821	1.36
Telecommunications - 2.83% (0.00%)		
115,000 Cisco Systems	3,786	2.83
Total United States	95,890	71.57
AUSTRALIA - 0.08% (0.00%)		
Pharmaceuticals & Biotechnology - 0.08% (0.00%)		
1,000 CSL	108	0.08
Total Australia	108	0.08
FRANCE - 12.50% (5.87%)		
Luxury Goods - 9.32% (5.87%)		
8,800 Hermes International	4,086	3.05
10,000 Kering	4,324	3.23
16,000 LVMH	4,069	3.04
Software – 3.18% (0.00%)		
40,000 Dassault Systemes	4,262	3.18
Total France	16,741	12.50
GERMANY - 1.66% (3.24%)		
Financial Services - 0.00% (3.24%)		
Sportswear - 1.66% (0.00%)		
5,000 Puma	2,225	1.66
Total Germany	2,225	1.66
IRELAND - 2.88% (0.69%)		
Consulting - 2.88% (0.69%)		
31,000 Accenture	3,852	2.88
Total Irelands	3,852	2.88
ITALY - 2.97% (0.00%)		
Consumer Goods - 2.97% (0.00%)		
116,000 Moncler SpA	3,973	2.97
Total Italy	3,973	2.97
NETHERLANDS - 1.52% (2.53%)		
Diversified Manufacturing - 1.52% (2.53%)		
56,000 Aalberts Industries	2,038	1.52
Total Netherlands	2,038	1.52
SWITZERLAND - 0.00% (2.37%)		
Transportation - 0.00% (2.37%)		
Total Switzerland	-	-

Forward Foreign Exchange Contracts - (1.52%) (0.17%)

Buy £24,348,978 & Sell €27,747,080 (expires 13/07/2018)	(207)	(0.16)
Buy £104,268,160 & Sell US\$139,881,264 (expires 13/07/2018)	(1,962)	(1.46)
Buy £110,874 & Sell AU\$198,225 (expires 13/07/2018)	-	-
Buy US\$8,782,775 & Sell £6,630,651 (expires 13/07/2018)	39	0.03
Buy US\$7,120,561 & Sell £5,307,700 (expires 13/07/2018)	100	0.07
Buy £76,298 & Sell US\$100,525 (expires 13/07/2018)	-	-
Buy £71,962 & Sell US\$95,492 (expires 13/07/2018)	(1)	(0.00)
Buy £90,749 & Sell US\$120,203 (expires 13/07/2018)	(1)	(0.00)
Buy £73,453 & Sell US\$96,590 (expires 13/07/2018)	-	-
Total Forward Foreign Exchange Contracts	(2,032)	(1.52)
Portfolio of investments	130,208	97.19
Net other assets	3,766	2.81
Net assets	133,974	100.00

The comparative percentage figures in brackets are at 31 December 2017.

Financial Statements of the Sub-Fund

Statement of Total Return

This statement of total return is prepared in accordance with IMA SORP 2014. The financial statements are prepared in the base currency (Sterling) of the Sub-Fund.

	£'000	Period ended 30.06.18 £'000	£'000	Period ended 30.06.17 £'000
Income				
Net capital gains		8,938		5,107
Revenue	810		483	
Expenses	(514)		(284)	
Interest payable and similar charges	(5)		(6)	
Net revenue before taxation	291		193	
Taxation	(87)		(59)	
Net revenue after taxation		204		134
Total return before distributions		9,142		5,241
Distributions		7		39
Change in net assets attributable to shareholders from investment activities		9,149		5,280

Statement of Change in Net Assets Attributable to Shareholders

The statement of change in net assets attributable to shareholders reconciles the opening and closing net assets attributable to shareholders.

	£'000	Period ended 30.06.18 £'000	£'000	Period ended 30.06.17 £'000
Opening net assets attributable to unitholders		99,507		47,169
Movement due to issue and cancellation of units:				
Amounts receivable on issue of units	151,090		27,740	
Amounts payable on cancellation of units	(125,803)		(1,765)	
		25,287		25,975
Dilution adjustment		31		27
Change in net assets attributable to unitholders from investment activities (see above)		9,149		5,280
Closing net assets attributable to unitholders		133,974		78,451

Balance Sheet

	As at 30.06.18 £'000	As at 31.12.17 £'000
Assets:		
Fixed assets:		
Investments	132,379	100,688
Current assets:		
Debtors	1,957	2,066
Cash and bank balances	2,441	660
Total assets	136,777	103,414
Liabilities:		
Investment liabilities	(2,171)	(162)
Creditors:		
Bank overdrafts	-	(2,898)
Other creditors	(632)	(847)
Total liabilities	(2,803)	(3,907)
Net assets attributable to shareholders	133,974	99,507

Summary of Significant Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2017 and are described in those annual financial statements. The annual financial statements are available at www.equitile.com.

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss and in accordance with FRS 102, the Financial Reporting Standards applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Association in May 2014.

Disclaimer

These materials contain preliminary information that is subject to change and is not intended to be complete or to constitute all the information necessary to adequately evaluate the consequences of making any investment.

This document is being provided solely for informational purposes. The value of an investment may fall or rise. All investments involve risk and past performance is not a guide to future returns. Equitile offers no guarantee against loss or that investment objectives will be achieved.

Equitile does not offer investment advice. Please read the Key Investor Information Document, Prospectus and any other offer documents carefully and consult with your own legal, accounting, tax and other advisors in order to independently assess the merits of an investment. Investors and any potential investors should be aware of local laws governing investments and should read all the relevant documents including any reports and accounts and scheme particulars as appropriate.

The State of the origin of the Fund is the United Kingdom and the Fund is authorised and regulated by the UK Financial Conduct Authority.