

# Interim Report & Financial Statements

FP CRUX UCITS OEIC

For the six months ended 31 March 2018  
(unaudited)



## Contents

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	<b>Page</b>
<b>FP CRUX UCITS OEIC</b>	
Authorised Corporate Director's ("ACD") Report*	3
Certification of Financial Statements by Directors of the ACD*	4
Notes to the Financial Statements	5
<b>Individual Funds Investment Commentary and Financial Statements</b>	
<b>FP CRUX European Fund</b>	
Investment Manager's Report	6
Net Asset Value per Share	8
Performance Information	9
Portfolio Statement	10
Statement of Total Return	13
Statement of Change in Net Assets Attributable to Shareholders	13
Balance Sheet	14
Distribution Tables	15
<b>FP CRUX European Special Situations Fund</b>	
Investment Manager's Report	17
Net Asset Value per Share	19
Performance Information	20
Portfolio Statement	22
Statement of Total Return	25
Statement of Change in Net Assets Attributable to Shareholders	25
Balance Sheet	26
Distribution Tables	27
General Information	28
Contact Information	30
* Collectively these comprise the ACD's Report.	

### Authorised Corporate Director's ("ACD") Report

We are pleased to present the Interim Report and Financial Statements for FP CRUX UCITS OEIC for the six months ended 31 March 2018.

### Authorised Status

FP CRUX UCITS OEIC ("the Company") is an investment company with variable capital ("ICVC") incorporated in England and Wales under registered number IC001022 and authorised by the Financial Conduct Authority ("FCA") with effect from 10 December 2014. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company.

Head Office: The Head Office of the Company is at 8-9 Lovat Lane, London EC3R 8DW.

The Head Office is the address of the place in the UK for service on the Company of notices or other documents required or authorised to be served on it.

### Structure of the Company

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new Fund or Share Class, a revised prospectus will be prepared setting out the relevant details of each Fund or Share Class.

The Company is a UCITS scheme.

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Investment of the assets of each of the Funds must comply with the FCA's Collective Investment Schemes Sourcebook ("COLL") and the Investment Objective and Policy of each of the relevant Funds.

Currently the Company has two Funds. In the future there may be other Funds established.

Under the requirements of UCITS V and the UCITS Remuneration Code, Fund Partners, as UCITS Manager, must establish and apply remuneration policies and practices for its staff that have a material impact on the risk profile of Fund Partners or the Fund.

These practices must be consistent with and promote sound and effective risk management, not encourage risk taking which is inconsistent with the risk profile of the Fund as detailed in the instrument of the Fund or the prospectus and does not impair Fund Partners' compliance with its duty to act in the best interest of the Fund it manages.

### Crossholdings

There were no Shares in any Fund held by any other Fund of the company.

### Important Events During the Period

On 27 September 2017, following regulatory approval of the Financial Conduct Authority ("FCA") and the Commission de Surveillance du Secteur Financier ("CSSF"), Fund Partners Limited, became a sister Company to FundRock Management Company S.A. Luxembourg with both entities ultimately owned by FundRock Holding.

### Base Currency:

The base currency of the Company and each Fund is Pounds Sterling.

### Share Capital:

The minimum share capital of the Company is £1 and the maximum is £1,000,000,000,000. Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the net asset values of each of the Funds.

**Certification of Financial Statements by Directors of the ACD  
For the six months ended 31 March 2018 (unaudited)**

**Directors' Certification**

The Directors have pleasure in presenting the interim report and Financial Statements for the CRUX UCITS OEIC covering the six months to 31 March 2018. This report has been prepared in accordance with the requirements of COLL, as issued and amended by the FCA and we hereby certify the report on behalf of the Directors of Fund Partners Limited.

The two sub funds of the OEIC aim to achieve long term capital growth by investing primarily in European (ex-UK) equities. The Investment Manager, CRUX Asset Management Limited ("CRUX"), decides which eligible markets and individual securities hold the most favourable prospects for growth and adjust the portfolio weightings accordingly. In the following pages CRUX will provide more information with regard to the general economy and markets, together with individual sub-fund performance and outlook. We hope you find the report informative.

The Directors are of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the Financial Statements as the assets of the Funds consist predominantly of securities that are readily realisable and, accordingly, the Funds have adequate resources to continue in operational existence for the foreseeable future.

C. Spencer

M. Wood

**Fund Partners Limited**

29 May 2018

**Notes to the Financial Statements**

**For the six months ended 31 March 2018 (unaudited)**

**Accounting Basis, Policies and Valuation of Investments**

**Basis of accounting**

The interim Financial Statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 "The Financial Reporting Standards Applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice ("SORP") for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014.

The accounting policies applied are consistent with those of the audited annual Financial Statements for the year ended 30 September 2017 and are described in those Financial Statements. In this regard, comparative figures from previous periods are prepared to the same standards as the current period, unless otherwise stated.

As described in the Certification of Financial Statements by Directors of the ACD on page 4, the ACD continues to adopt the going concern basis in the preparation of the Financial Statements of the Funds.

**Basis of valuation of investments**

Listed investments are valued at close of business bid prices excluding any accrued interest in the case of fixed interest securities, on the last business day of the accounting period.

Market value is defined by the SORP as fair value which is the bid value of each security.

Non-observable entity specific data is only used where relevant observable market data is not available. Typically this category will include single broker priced instruments, suspended/unquoted securities, private equity, unlisted close-ended funds and open-ended funds with restrictions on redemption rights.

### **Investment Manager's Report For the six months ended 31 March 2018 (unaudited)**

#### **Investment Objective**

The investment objective of the FP CRUX European Fund is to achieve long-term capital growth by investing primarily in equities of European companies.

#### **Investment Policy**

The Fund aims to achieve the investment objective primarily by investing in European domiciled companies listed on regulated European stock exchanges, as well as companies listed elsewhere that have a significant proportion of their business in Europe. The investments will be ordinary shares and other transferable securities including, but not limited to, preference shares and debt securities convertible into ordinary stocks and shares. The Fund may also invest in cash, money-market instruments and deposits.

The Fund will be managed on a concentrated basis in Europe and may also invest outside of Europe if the investment manager believes that it should be beneficial for the Fund.

The use of derivatives is permitted by the Fund for efficient portfolio management purposes (including hedging) and borrowing is permitted under the terms of the Regulations. On giving 60 days' notice to shareholders, the Fund may, in addition to its other investments powers, use derivatives and forward transaction for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.

Investors should note that while the investment objective of the Fund is to achieve long term capital growth there may be situations in which an income return is also achieved.

The Fund will be managed in a manner that maintains eligibility for ISAs.

#### **Investment Review**

The FP CRUX European Fund fell 3.9% compared to its benchmark which lost 4.3%. The Fund outperformed the index as weakness in our industrial holdings was more than offset by falls in consumer-related stocks and financials in the wider market. Bright spots included Smurfit Kappa which received a bid offer from International Paper and Shire, which rallied after a Japanese peer said it was considering making an offer. We took some profits in both, but continue to hold positions. Vitamin producer DSM advanced 16% on better-than-expected results. Within technology, Scout24, similar to Autotrader and Rightmove but in Germany, gained 9%. Autoliv soared 19% on good results and announcing a potential break-up of the company, and we disposed of the shares. Performance was held back by technical services provider Spie, where we think the market has become overly pessimistic on competitive pressures in France. Flooring manufacturer Tarkett slipped back on concerns over rising input prices, as usually there is a slight lag until they can pass this on to customers. We think these concerns should be short-lived and are overdone.

In terms of transactions, we disposed of Handelsbanken, and started a position in Bawag, a stable Austrian bank with a dynamic management team who own a significant shareholding, and who are consolidating the smaller, less efficient banks in Austria and Germany. We acquired a stake in Forbo, where the directors own over 30% of the company, which commands high market shares in lightweight belting and linoleum flooring, and generates a high return on capital, but which had been sold off recently. We acquired a position in Convatec, where investors marked down the shares in 2017 mainly because of disruption caused by relocating production, but which should benefit from rising demand in ostomy and continence products, and where management have meaningful shareholdings. We also bought shares in Telenet, a Belgian cable provider operating in a consolidated market and controlled by Liberty Global, which is showing steady growth and has the potential to pay large dividends.

#### **Market Overview**

European equity markets lost ground in the six months to 31 March 2018. Initially, in October, stock prices continued their upward trend from September even as Madrid clamped down on Catalonia's bid for independence. Stocks then fell back in November, on concerns over the speed of US tax reform, as the Senate had proposed delaying cuts until 2019. In Germany, first-round coalition talks collapsed leaving Angela Merkel without a governing majority, though a grand coalition with the Social Democrats was eventually hammered out. Equity markets started January in fine form, with the bulls highlighting the benefits from US tax cuts and as most economic indicators turned positive in most regions across the globe. Share prices rapidly lost ground in February on concerns over rising interest rates on the other side of the Atlantic. Yields on ten-year US government bonds surged to just under 3%. Equities lost more ground in March, as the sell-off in technology stocks took the market lower after it was revealed that Facebook allowed Cambridge Analytics to target users with certain adverts to influence their voting decisions. Observers are now concerned that a government clamp down on user data will reduce profits for the sector.

**Investment Manager's Report  
For the six months ended 31 March 2018 (unaudited)**

**Outlook**

After this recent market set-back, we continue to uncover quality companies which generate high returns on capital, but where a slight miss on earnings or another minor mishap has sent the share price down. As usual, we focus on capital-light companies, which have a high degree of recurring earnings, and therefore should prove resilient in uncertain times, coupled with good management that are incentivised by share ownership.

**Investment Manager**

CRUX Asset Management Limited

20 April 2018

## FP CRUX European Fund

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### Net Asset Value per Share As at 31 March 2018 (unaudited)

#### Net Asset Value

Date	Net Asset Value of Share Class (*)	Shares in Issue	Net Asset Value per Share (#)	Percentage Change (%)
<b>Share Class I (GBP) Income</b>				
30 Sep 17	14,839,454	11,160,868	132.96	
31 Mar 18	13,946,235	10,969,799	127.13	(4.38)
<b>Share Class I (GBP) Accumulation</b>				
30 Sep 17	6,318,290	4,532,434	139.40	
31 Mar 18	8,646,225	6,440,518	134.25	(3.69)
<b>Share Class I (EUR) Income</b>				
30 Sep 17	12,066,389	11,134,110	108.37	
31 Mar 18	16,754,307	16,086,811	104.15	(3.89)
<b>Share Class I (EUR) Accumulation</b>				
30 Sep 17	11,202	9,856	113.66	
31 Mar 18	57,927	52,657	110.01	(3.21)
<b>Share Class S (GBP) Income</b>				
30 Sep 17	43,115,504	32,339,376	133.32	
31 Mar 18	57,473,726	45,050,908	127.58	(4.31)
<b>Share Class S (GBP) Accumulation</b>				
30 Sep 17	79,695,378	56,999,301	139.82	
31 Mar 18	77,319,260	57,381,460	134.75	(3.63)

\* Net asset values are listed in Pound Sterling/Euros dependent on the Share Class currency.

# Prices are listed in pence/cents dependent on the Share Class currency.



## FP CRUX European Fund

### Performance Information

As at 31 March 2018 (unaudited)

### Operating Charges

Date	AMC (%)	General administration fee* (%)	Other expenses (%)	Transaction costs (%)	Research costs (%)	Total Operating Charges (%)
31/03/18						
Share Class I (all currencies)	0.75	0.10	0.04	0.01	0.01	0.91
Share Class S (all currencies)	0.60	0.10	0.04	0.01	0.01	0.76
30/09/17						
Share Class I (all currencies)	0.75	0.10	0.05	0.01	-	0.91
Share Class S (all currencies)	0.60	0.10	0.05	0.01	-	0.76

\* The above figures are rounded. The actual General Administration Charge ("GAC") is 0.095%.

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

Prior to 3 January 2018 research costs incurred by a Fund were included within the overall transaction costs figure. Effective from 3 January 2018, there is a regulatory requirement that research charges paid out of a Fund must be a specific charge; and that the total costs the Fund has incurred for third-party research in the most recent annual accounting period must be disclosed in the annual long report of the Fund.

### Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards ← → Typically higher rewards						
	Lower risk			Higher risk			
Share Class I (all currencies)	1	2	3	4	5	6	7
Share Class S (all currencies)	1	2	3	4	5	6	7

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a "5" on the scale. This is partly because it invests in the shares of companies whose values tend to vary more widely. Additionally, the Class I and S Shares (depending on their currency denomination) may be affected by currency exchange rates.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP CRUX European Fund

### Portfolio Statement

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market Value £	% of Total Net Assets
	<b>Austria 1.02% [0.00%]</b>		
44,965	BAWAG	1,752,672	1.02
		<b>1,752,672</b>	<b>1.02</b>
	<b>Belgium 1.74% [1.50%]</b>		
243,271	Balta	1,332,990	0.77
35,063	Telenet	1,666,115	0.97
		<b>2,999,105</b>	<b>1.74</b>
	<b>Denmark 4.49% [5.21%]</b>		
186,149	ISS	4,891,150	2.84
81,297	Novo Nordisk B Shares	2,844,649	1.65
		<b>7,735,799</b>	<b>4.49</b>
	<b>Finland 6.49% [8.33%]</b>		
153,898	Huhtamaki	4,815,441	2.80
69,173	KONE	2,462,783	1.43
98,279	Sampo A Shares	3,889,366	2.26
		<b>11,167,590</b>	<b>6.49</b>
	<b>France 11.57% [10.91%]</b>		
278,785	Bureau Veritas	5,154,690	3.00
140,870	Elis	2,479,926	1.44
34,071	Safran	2,567,064	1.49
50,261	Schneider Electric	3,141,790	1.83
246,149	SPIE	3,877,954	2.25
112,802	Tarkett	2,691,916	1.56
		<b>19,913,340</b>	<b>11.57</b>
	<b>Germany 19.14% [19.11%]</b>		
96,702	AURELIUS Equity Opportunities	4,811,249	2.80
51,405	Bayer	4,142,590	2.41
101,876	Brenntag	4,317,527	2.51
256,911	CECONOMY	2,105,963	1.22
17,930	Continental	3,530,584	2.05
40,651	Henkel	3,660,144	2.13
49,686	KION	3,288,801	1.91
113,319	Scout24	3,757,343	2.18
225,377	Tele Columbus	1,726,941	1.00
35,652	United Internet	1,599,708	0.93
		<b>32,940,850</b>	<b>19.14</b>

## FP CRUX European Fund

### Portfolio Statement

As at 31 March 2018 (unaudited)

	<b>Ireland 4.93% [4.37%]</b>		
23,635	DCC	1,550,456	0.90
52,021	Kerry A Shares	3,732,965	2.17
110,092	Smurfit Kappa	3,194,775	1.86
		<b>8,478,196</b>	<b>4.93</b>
	<b>Jersey 1.08% [1.44%]</b>		
51,951	Shire	1,854,910	1.08
		<b>1,854,910</b>	<b>1.08</b>
	<b>Luxembourg 3.99% [3.49^%]</b>		
1,242,877	Aroundtown	6,864,758	3.99
		<b>6,864,758</b>	<b>3.99</b>
	<b>Netherlands 10.98% [9.91%]</b>		
95,846	Aalberts Industries	3,475,450	2.02
51,457	Airbus	4,231,593	2.46
44,007	Koninklijke DSM	3,108,892	1.80
354,287	RELX	5,227,522	3.04
75,396	Wolters Kluwer	2,850,915	1.66
		<b>18,894,372</b>	<b>10.98</b>
	<b>Norway 2.16% [2.27%]</b>		
597,993	EVRY	1,639,778	0.95
129,833	Telenor	2,081,301	1.21
		<b>3,721,079</b>	<b>2.16</b>
	<b>Sweden 10.49% [12.97%]</b>		
205,746	Alimak	2,217,149	1.29
128,525	Essity	2,511,825	1.46
582,157	Nordea Bank	4,407,243	2.56
350,888	Securitas B Shares	4,236,699	2.46
97,843	Swedbank A Shares	1,564,483	0.91
174,194	Trelleborg	3,121,153	1.81
		<b>18,058,552</b>	<b>10.49</b>
	<b>Switzerland 12.66% [12.22%]</b>		
2,138	Forbo	2,127,939	1.24
2,022	Givaudan	3,275,368	1.90
24,854	Kardex	2,390,446	1.39
73,589	Novartis	4,232,410	2.46
8,614	Roche	1,404,971	0.81
2,053	SGS	3,588,452	2.08
859	Sika	4,783,160	2.78
		<b>21,802,746</b>	<b>12.66</b>
	<b>United Kingdom 3.91% [1.61%]</b>		
2,793,289	Communisys	1,743,012	1.01
1,249,916	ConvaTec	2,488,583	1.45
171,746	Compass	2,499,763	1.45
		<b>6,731,358</b>	<b>3.91</b>

## FP CRUX European Fund

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### Portfolio Statement

As at 31 March 2018 (unaudited)

5,950	<b>United States 2.54% [4.12%]</b>		
	Alphabet	4,375,379	2.54
		<b>4,375,379</b>	<b>2.54</b>
	<b>Portfolio of investments</b>	<b>167,290,706</b>	<b>97.19</b>
	Net other assets	4,834,213	2.81
	<b>Net assets</b>	<b>172,124,919</b>	<b>100.00</b>

All investments are ordinary shares unless otherwise stated and admitted to official stock exchange listings.  
Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £43,234,624 [2017: £49,322,924].

Total sales net of transaction costs for the six months: £19,081,732 [2017: £2,849,881].

## FP CRUX European Fund

### Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	1 Oct 17 to 31 Mar 18		1 Oct 16 to 31 Mar 17	
	£	£	£	£
Income:				
Net capital losses		(7,530,443)		(318,472)
Revenue	1,477,387		633,802	
Expenses	(690,909)		(133,142)	
Interest payable and similar charges	(4,308)		(1,557)	
Net revenue before taxation	<u>782,170</u>		<u>499,103</u>	
Taxation	<u>(105,746)</u>		<u>(45,763)</u>	
Net revenue after taxation		<u>676,424</u>		<u>453,340</u>
Total return before distributions		(6,854,019)		134,868
Distributions		<u>(954,832)</u>		<u>(528,882)</u>
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b><u>(7,808,851)</u></b>		<b><u>(394,014)</u></b>

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

For the six months ended 31 March 2018 (unaudited)

	1 Oct 17 to 31 Mar 18		1 Oct 16 to 31 Mar 17	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		154,610,837		26,771,369
Amounts receivable on issue of Shares	29,906,900		48,942,154	
Amounts payable on cancellation of Shares	<u>(4,939,622)</u>		<u>(1,520,824)</u>	
		24,967,278		47,421,330
Dilution adjustment		13,858		58,618
Change in net assets attributable to Shareholders from investment activities (see above)		(7,808,851)		(394,014)
Retained distributions on accumulation Shares		341,797		305,600
<b>Closing net assets attributable to Shareholders</b>		<b><u>172,124,919</u></b>		<b><u>74,162,903</u></b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## FP CRUX European Fund

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### Balance Sheet

As at 31 March 2018 (unaudited)

	31 Mar 18		30 Sep 17	
	£	£	£	£
<b>Assets:</b>				
Fixed assets:				
Investments		167,290,706		150,683,843
Current assets:				
Debtors	1,065,261		579,435	
Cash and bank balances	<u>7,980,166</u>		<u>3,501,072</u>	
Total current assets		<u>9,045,427</u>		<u>4,080,507</u>
Total assets		<u>176,336,133</u>		<u>154,764,350</u>
<b>Liabilities:</b>				
Creditors:				
Bank overdrafts	(688,047)		-	
Distribution payable on income shares	(537,935)		(32,099)	
Other creditors	<u>(2,985,232)</u>		<u>(121,414)</u>	
Total creditors		<u>(4,211,214)</u>		<u>(153,513)</u>
Total liabilities		<u>(4,211,214)</u>		<u>(153,513)</u>
<b>Net assets attributable to Shareholders</b>		<u><b>172,124,919</b></u>		<u><b>154,610,837</b></u>

## FP CRUX European Fund

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### Distribution Tables

As at 31 March 2018 (unaudited)

#### First Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 October 2017

Group 2 Shares purchased on or after 1 October to 31 December 2017

	Net revenue #	Equalisation #	Distribution paid 28 Feb 18 #	Distribution paid 28 Feb 17 #
<b>Share Class I (GBP) Income</b>				
Group 1	0.1196	-	0.1196	0.1020
Group 2	0.0735	0.0461	0.1196	0.1020
<b>Share Class I (GBP) Accumulation</b>				
Group 1	0.0000	-	0.0000	0.0000
Group 2	0.0000	0.0000	0.0000	0.0000
<b>Share Class I (EUR) Income</b>				
Group 1	0.0984	-	0.0984	0.0857
Group 2	0.0968	0.0016	0.0984	0.0857
<b>Share Class I (EUR) Accumulation</b>				
Group 1	0.0000	-	0.0000	0.0000
Group 2	0.0000	0.0000	0.0000	0.0000
<b>Share Class S (GBP) Income</b>				
Group 1	0.1214	-	0.1214	0.1020
Group 2	0.1153	0.0061	0.1214	0.1020
<b>Share Class S (GBP) Accumulation</b>				
Group 1	0.0000	-	0.0000	0.0000
Group 2	0.0000	0.0000	0.0000	0.0000

# Rates are disclosed in pence/cents depending on Share Class currency.

## FP CRUX European Fund

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### Distribution Tables

As at 31 March 2018 (unaudited)

#### Second Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 January 2018

Group 2 Shares purchased on or after 1 January to 31 March 2018

	Net revenue #	Equalisation #	Distribution payable 31 May 18 #	Distribution paid 31 May 17 #
<b>Share Class I (GBP) Income</b>				
Group 1	0.7942	-	0.7942	0.9606
Group 2	0.7364	0.0578	0.7942	0.9606
<b>Share Class I (GBP) Accumulation</b>				
Group 1	0.4745	-	0.4745	0.6554
Group 2	0.4511	0.0234	0.4745	0.6554
<b>Share Class I (EUR) Income</b>				
Group 1	0.6506	-	0.6506	0.8068
Group 2	0.3136	0.3370	0.6506	0.8068
<b>Share Class I (EUR) Accumulation</b>				
Group 1	0.4975	-	0.4975	0.5392
Group 2	0.4975	0.0000	0.4975	0.5392
<b>Share Class S (GBP) Income</b>				
Group 1	0.7970	-	0.7970	0.9625
Group 2	0.5610	0.2360	0.7970	0.9625
<b>Share Class S (GBP) Accumulation</b>				
Group 1	0.5420	-	0.5420	0.8209
Group 2	0.4551	0.0869	0.5420	0.8209

# Rates are disclosed in pence/cents depending on Share Class currency.



### **Investment Manager's Report**

**For the six months ended 31 March 2018 (unaudited)**

#### **Investment Objective**

The investment objective of the FP CRUX European Special Situations Fund is to achieve long term capital growth by investing in European (excluding the UK) equities of companies in special situations.

#### **Investment Policy**

The Fund aims to achieve its objective primarily through investment in equity securities of European (excluding the UK) companies in special situations where it is believed the company is considered undervalued. The Fund will also invest in other European (excluding the UK) equities to mitigate the volatility of the Fund. The Fund's portfolio will be managed on a concentrated basis. The Fund will be able to invest without restriction by market cap or sector.

The Fund may also invest in other transferable securities, units or shares in Collective Investment Schemes, money market instruments, cash and near cash, and deposits.

The use of derivatives is permitted by the Fund for efficient portfolio management purposes (including hedging) and borrowing will be permitted under the terms of the Regulations. On giving 60 days' notice to shareholders, the Fund may, in addition to its other investments powers, use derivatives and forward transaction for investment purposes. It is not intended that the use of derivatives in this way will change the risk profile of the Fund.

Investors should note that while the investment objective of the Fund is to achieve long term capital growth there may be situations in which an income return is also achieved.

The Fund will be managed in a manner that maintains eligibility for ISAs.

#### **Investment Review**

The FP CRUX European Special Situations Fund fell 3.8% compared to its benchmark which lost 4.3%. The Fund outperformed the index as weakness in our industrial holdings was more than offset by falls in consumer-related stocks and financials in the wider market. Bright spots included Cancom which rallied 32% on continued demand for its cloud infrastructure offering. Atea jumped 21% as management continue to deliver margin expansion. Intertrust rebounded 23% on good earnings and with a change in management. Performance was held back by set-backs in Elior, Playtech and Spie, leaving the shares trading on attractive valuations, particularly the latter. Performance was held back by technical services provider Spie, where we think the market has become overly pessimistic on competitive pressures in France. Flooring manufacturer Tarkett slipped back on concerns over rising input prices, as usually there is a slight lag until they can pass this on to customers. We think these concerns should be short-lived and are overdone.

In terms of transactions, we disposed of Handelsbanken, and started a position in Bawag, a stable Austrian bank with a dynamic management team who own a significant shareholding, and who are consolidating the smaller, less efficient banks in Austria and Germany. We disposed of bottling group Refresco after it was bid for by a private equity group. We acquired a position in Convatec, where investors marked down the shares in 2017 mainly because of disruption caused by relocating production, but which should benefit from rising demand in ostomy and continence products, and where management have meaningful shareholdings. We also bought shares in Telenet, a Belgian cable provider operating in a consolidated market and controlled by Liberty Global, which is showing steady growth and has the potential to pay large dividends.

#### **Market Overview**

European equity markets lost ground in the six months to 31 March 2018. Initially, in October, stock prices continued their upward trend from September even as Madrid clamped down on Catalonia's bid for independence. Stocks then fell back in November, on concerns over the speed of US tax reform, as the Senate had proposed delaying cuts until 2019. In Germany, first-round coalition talks collapsed leaving Angela Merkel without a governing majority, though a grand coalition with the Social Democrats was eventually hammered out. Equity markets started January in fine form, with the bulls highlighting the benefits from US tax cuts and as most economic indicators turned positive in most regions across the globe. Share prices rapidly lost ground in February on concerns over rising interest rates on the other side of the Atlantic. Yields on ten-year US government bonds surged to just under 3%. Equities lost more ground in March, as the sell-off in technology stocks took the market lower after it was revealed that Facebook allowed Cambridge Analytics to target users with certain adverts to influence their voting decisions. Observers are now concerned that a government clamp down on user data will reduce profits for the sector.

**Investment Manager's Report**

**For the six months ended 31 March 2018 (unaudited)**

**Outlook**

After this recent market set-back, we continue to uncover quality companies which generate high returns on capital, but where a slight miss on earnings or another minor mishap has sent the share price down. As usual, we focus on capital-light companies, which have a high degree of recurring earnings, and therefore should prove resilient in uncertain times, coupled with good management that are incentivised by share ownership.

**Investment Manager**

CRUX Asset Management Limited

20 April 2018

## FP CRUX European Special Situations Fund

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### Net Asset Value per Share As at 31 March 2018 (unaudited)

#### Net Asset Value

Date	Net Asset Value of Share Class (*)	Shares in Issue	Net Asset Value per Share (#)	Percentage Change (%)
<b>Share Class A (GBP) Income</b>				
30 Sep 17	12,008,904	11,033,848	108.84	
31 Mar 18	12,645,440	12,194,755	103.70	(4.72)
<b>Share Class A (GBP) Accumulation</b>				
30 Sep 17	117,854,555	88,101,844	133.77	
31 Mar 18	115,680,742	90,118,663	128.36	(4.04)
<b>Share Class A (EUR) Accumulation</b>				
30 Sep 17	81,152,273	37,117,455	218.64	
31 Mar 18	75,829,907	35,961,791	210.86	(3.56)
<b>Share Class F (EUR) Accumulation</b>				
30 Sep 17	9,630,548	9,406,721	102.38	
31 Mar 18	9,565,737	9,613,792	99.50	(2.81)
<b>Share Class I (GBP) Income</b>				
30 Sep 17	632,753,633	275,238,040	229.89	
31 Mar 18	677,111,824	307,981,064	219.86	(4.36)
<b>Share Class I (GBP) Accumulation</b>				
30 Sep 17	807,092,958	284,264,028	283.92	
31 Mar 18	993,359,438	363,240,140	273.47	(3.68)
<b>Share Class I (EUR) Accumulation</b>				
30 Sep 17	281,093,072	48,563,917	578.81	
31 Mar 18	279,044,431	49,862,593	559.63	(3.31)

\* Net asset values are listed in Pound Sterling/Euros dependent on the Share Class currency.

# Prices are listed in pence/cents dependent on the Share Class currency.

## FP CRUX European Special Situations Fund

### Performance Information

As at 31 March 2018 (unaudited)

### Operating Charges

Date	AMC (%)	General administration fee* (%)	Other expenses (%)	Transaction costs (%)	Research costs (%)	Total Operating Charges (%)
<b>31/03/18</b>						
Share Class A (GBP)	1.50	0.08	0.04	0.00	0.02	1.64
Share Class A (EUR)	1.50	0.08	0.04	0.00	0.02	1.64
Share Class F (EUR)	0.00	0.04	0.04	0.00	0.02	0.10
Share Class I (GBP)	0.75	0.08	0.04	0.00	0.02	0.89
Share Class I (EUR)	1.00	0.08	0.04	0.00	0.02	1.14
<b>30/09/17</b>						
Share Class A (GBP)	1.50	0.08	0.03	0.00	-	1.61
Share Class A (EUR)	1.50	0.08	0.03	0.00	-	1.61
Share Class F (EUR)	0.00	0.04**	0.03	0.00	-	0.07**
Share Class I (GBP)	0.75	0.08	0.03	0.00	-	0.86
Share Class I (EUR)	1.00	0.08	0.03	0.00	-	1.11

\* The above figures are rounded. The actual General Administration Charge ("GAC") is 0.075% (for class F is 0.035%).

\*\* Comparative General Administration Charge figures have been restated.

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

Prior to 3 January 2018 research costs incurred by a Fund were included within the overall transaction costs figure. Effective from 3 January 2018, there is a regulatory requirement that research charges paid out of a Fund must be a specific charge; and that the total costs the Fund has incurred for third-party research in the most recent annual accounting period must be disclosed in the annual long report of the Fund.

### Risk and Reward Profile

As at 31 March 2018 (unaudited)

	Typically lower rewards ←—————→ Typically higher rewards						
	Lower risk				Higher risk		
Share Class A (GBP)	1	2	3	4	5	6	7
Share Class A (EUR)	1	2	3	4	5	6	7
Share Class F (EUR)	1	2	3	4	5	6	7
Share Class I (GBP)	1	2	3	4	5	6	7
Share Class I (EUR)	1	2	3	4	5	6	7

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a "5" on the scale. This is because the Fund invests in the shares of companies, whose values tend to vary more widely. Additionally, the Classes A, F, I Shares (depending on their currency denomination) may be affected by currency exchange rates.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested on it.

### **Performance Information**

**As at 31 March 2018 (unaudited)**

### **Risk Warning**

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## FP CRUX European Special Situations Fund

### Portfolio Statement

As at 31 March 2018 (unaudited)

Holdings or Nominal Value	Investments	Market Value £	% of Total Net Assets
	<b>Austria 1.01% [0.00%]</b>		
551,164	BAWAG	21,483,590	1.01
		<b>21,483,590</b>	<b>1.01</b>
	<b>Belgium 1.13% [0.00%]</b>		
502,976	Telenet	23,900,286	1.13
		<b>23,900,286</b>	<b>1.13</b>
	<b>Denmark 4.57% [4.70%]</b>		
2,636,073	ISS	69,264,025	3.27
784,155	Novo Nordisk B Shares	27,438,225	1.30
		<b>96,702,250</b>	<b>4.57</b>
	<b>Finland 8.02% [9.62%]</b>		
1,304,015	Cramo	19,366,562	0.91
1,667,211	Huhtamaki	52,166,735	2.46
1,191,588	KONE	42,424,395	2.00
2,186,294	Ramirent	12,832,629	0.61
1,091,352	Sampo A Shares	43,189,974	2.04
		<b>169,980,295</b>	<b>8.02</b>
	<b>France 11.59% [11.25%]</b>		
2,835,652	Bureau Veritas	52,430,746	2.47
1,521,278	Elior	23,500,172	1.11
1,658,793	Elis	29,201,989	1.38
334,488	Rubis	17,199,075	0.81
250,182	Sanofi	14,327,116	0.68
469,557	Schneider Electric	29,351,777	1.39
3,356,085	SPIE	52,873,438	2.50
1,110,936	Tarkett	26,511,463	1.25
		<b>245,395,776</b>	<b>11.59</b>
	<b>Germany 21.04% [20.05%]</b>		
1,168,661	AURELIUS Equity Opportunities	58,144,810	2.74
597,433	Bayer	48,145,507	2.27
1,111,092	Brenntag	47,088,321	2.22
475,288	CANCOM	34,793,640	1.64
2,389,479	CECONOMY	19,587,154	0.92
513,185	CompuGroup Medical	19,724,275	0.93
164,166	Continental	32,325,817	1.53
360,688	Deutsche Boerse	34,973,844	1.65
550,000	Deutsche Konsum REIT*	4,894,240	0.23
556,685	FUCHS PETROLUB Preference Shares	21,532,853	1.02
854,642	KION	56,570,202	2.67
1,002,052	Scout24	33,225,255	1.57
699,660	Stroeer	34,841,105	1.65
		<b>445,847,023</b>	<b>21.04</b>

## FP CRUX European Special Situations Fund

### Portfolio Statement

As at 31 March 2018 (unaudited)

<b>Ireland 3.14% [3.00%]</b>			
336,141	DCC	22,050,850	1.04
537,590	Kerry A Shares	38,576,819	1.82
900,900	Malin	5,884,226	0.28
		<b>66,511,895</b>	<b>3.14</b>
<b>Isle Of Man 0.00% [1.11%]</b>			
<b>Italy 1.25% [1.39%]</b>			
2,992,825	Cerved Information Solutions	26,553,292	1.25
		<b>26,553,292</b>	<b>1.25</b>
<b>Luxembourg 6.98% [4.47^%]</b>			
15,638,642	Aroundtown	86,376,598	4.08
2,585,643	Grand City Properties	43,954,455	2.07
260,019	Stabilus	17,575,837	0.83
		<b>147,906,890</b>	<b>6.98</b>
<b>Netherlands 10.49% [11.29%]</b>			
856,863	Aalberts Industries	31,070,516	1.47
291,515	IMCD	12,758,277	0.60
1,263,498	Intertrust	18,642,975	0.88
268,680	Kendrion	7,820,418	0.37
4,342,747	RELX	64,077,445	3.02
1,263,307	Van Lanschot Kempen	28,408,794	1.34
1,573,559	Wolters Kluwer	59,500,283	2.81
		<b>222,278,708</b>	<b>10.49</b>
<b>Norway 2.74% [1.62%]</b>			
2,452,613	Atea	28,326,841	1.34
4,235,322	EVRY	11,613,825	0.55
618,856	Salmar	18,048,751	0.85
		<b>57,989,417</b>	<b>2.74</b>
<b>Spain 0.00% [0.75%]</b>			
<b>Sweden 11.09% [13.70%]</b>			
6,514,011	Bravida	33,074,148	1.56
3,855,304	Coor Service Management	21,822,779	1.03
2,198,110	Dustin	13,845,572	0.65
6,086,739	Nordea Bank	46,079,907	2.18
3,692,348	Securitas B Shares	44,582,226	2.11
1,116,911	Swedbank A Shares	17,859,100	0.84
3,219,940	Trelleborg	57,693,870	2.72
		<b>234,957,602</b>	<b>11.09</b>
<b>Switzerland 7.93% [9.17%]</b>			
20,004	Givaudan	32,403,793	1.53
941,112	Novartis	54,127,270	2.56
15,151	SGS	26,482,531	1.25
9,864	Sika	54,925,595	2.59
		<b>167,939,189</b>	<b>7.93</b>

## FP CRUX European Special Situations Fund

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### Portfolio Statement

As at 31 March 2018 (unaudited)

	<b>United Kingdom 3.36% [1.45%]</b>		
8,005,836	Communis	4,995,642	0.24
15,321,090	ConvaTec	30,504,290	1.44
11,942,279	Equiniti	35,587,991	1.68
		<b>71,087,923</b>	<b>3.36</b>
	<b>United States 1.80% [1.95%]</b>		
51,719	Alphabet C Shares	38,031,973	1.80
		<b>38,031,973</b>	<b>1.80</b>
	<b>Portfolio of investments</b>	<b>2,036,566,109</b>	<b>96.14</b>
	Net other assets	81,740,020	3.86
	<b>Net assets</b>	<b>2,118,306,129</b>	<b>100.00</b>

\* Real Estate Investment Trust.

All investments are Ordinary Shares unless otherwise stated and admitted to official stock exchange listings.  
Comparative figures shown above in square brackets relate to 30 September 2017.

Gross purchases for the six months: £490,997,200 [2017: £233,639,472].

Total sales net of transaction costs for the six months: £173,866,528 [2017: £180,401,247].



## FP CRUX European Special Situations Fund

### Statement of Total Return

For the six months ended 31 March 2018 (unaudited)

	1 Oct 17 to 31 Mar 18		1 Oct 16 to 31 Mar 17	
	£	£	£	£
Income:				
Net capital (losses)/gains		(92,420,998)		46,135,226
Revenue	17,531,799		13,983,118	
Expenses	(10,236,077)		(6,538,684)	
Interest payable and similar charges	(43,593)		(86,302)	
Net revenue before taxation	<u>7,252,129</u>		<u>7,358,132</u>	
Taxation	<u>(1,061,598)</u>		<u>(268,767)</u>	
Net revenue after taxation		<u>6,190,531</u>		<u>7,089,365</u>
Total return before distributions		(86,230,467)		53,224,591
Distributions		<u>(8,907,883)</u>		<u>(8,748,376)</u>
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b><u>(95,138,350)</u></b>		<b><u>44,476,215</u></b>

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

For the six months ended 31 March 2018 (unaudited)

	1 Oct 17 to 31 Mar 18		1 Oct 16 to 31 Mar 17	
	£	£	£	£
<b>Opening net assets attributable to Shareholders</b>		1,897,389,788		1,321,996,425
Amounts receivable on issue of Shares	372,330,612		152,922,897	
Amounts payable on cancellation of Shares	<u>(60,293,882)</u>		<u>(93,297,194)</u>	
		312,036,730		59,625,703
Change in net assets attributable to Shareholders from investment activities (see above)		(95,138,350)		44,476,215
Retained distributions on accumulation Shares		4,017,961		4,543,850
<b>Closing net assets attributable to Shareholders</b>		<b><u>2,118,306,129</u></b>		<b><u>1,430,642,193</u></b>

The above statement shows the comparative closing net assets at 31 March 2017 whereas the current accounting period commenced 1 October 2017.

## FP CRUX European Special Situations Fund

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### Balance Sheet

As at 31 March 2018 (unaudited)

	31 Mar 18		30 Sep 17	
	£	£	£	£
<b>Assets:</b>				
Fixed assets:				
Investments		2,036,566,109		1,812,319,515
Current assets:				
Debtors	13,711,388		13,544,220	
Cash and bank balances	<u>91,463,348</u>		<u>82,410,701</u>	
Total current assets		<u>105,174,736</u>		<u>95,954,921</u>
Total assets		<u>2,141,740,845</u>		<u>1,908,274,436</u>
<b>Liabilities:</b>				
Investment liabilities		-		-
Creditors:				
Bank overdrafts	(4,661,502)		-	
Distribution payable on income shares	(5,012,574)		(8,678,811)	
Other creditors	<u>(13,760,640)</u>		<u>(2,205,837)</u>	
Total creditors		<u>(23,434,716)</u>		<u>(10,884,648)</u>
Total liabilities		<u>(23,434,716)</u>		<u>(10,884,648)</u>
<b>Net assets attributable to Shareholders</b>		<u><b>2,118,306,129</b></u>		<u><b>1,897,389,788</b></u>

## FP CRUX European Special Situations Fund

### Distribution Table

As at 31 March 2018 (unaudited)

#### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 October 2017

Group 2 Shares purchased on or after 1 October 2017 to 31 March 2018

	Net revenue #	Equalisation #	Distribution payable 31 May 18 #	Distribution paid 31 May 17 #
<b>Share Class A (GBP) Income</b>				
Group 1	0.7541	-	0.7541	0.8960
Group 2	0.5983	0.1558	0.7541	0.8960
<b>Share Class A (GBP) Accumulation</b>				
Group 1	0.0000	-	0.0000	0.2271
Group 2	0.0000	0.0000	0.0000	0.2271
<b>Share Class A (EUR) Accumulation</b>				
Group 1	0.0000	-	0.0000	0.3955
Group 2	0.0000	0.0000	0.0000	0.3955
<b>Share Class F (EUR) Accumulation</b>				
Group 1	0.7378	-	0.7378	N/A
Group 2	0.6924	0.0454	0.7378	N/A
<b>Share Class I (GBP) Income</b>				
Group 1	1.5977	-	1.5977	1.8845
Group 2	1.2531	0.3446	1.5977	1.8845
<b>Share Class I (GBP) Accumulation</b>				
Group 1	0.9516	-	0.9516	1.3958
Group 2	0.9114	0.0402	0.9516	1.3958
<b>Share Class I (EUR) Accumulation</b>				
Group 1	1.1419	-	1.1419	2.2963
Group 2	1.1126	0.0293	1.1419	2.2963

# Rates are disclosed in pence/cents depending on Share Class currency.

Share Class F Accum (EUR) was launched 31 May 2017.

### General Information

#### Classes of Shares

The Company can issue different classes of Shares in respect of any Fund. Holders of Income Shares are entitled to be paid the revenue attributable to such Shares, in respect of each annual or interim accounting period. Holders of Accumulation Shares are not entitled to be paid the revenue attributable to such Shares, but that revenue is retained and accumulated for the benefit of Shareholders and is reflected in the price of Shares.

#### Buying and Selling Shares

The ACD will accept orders to deal in the Shares on normal business days between 9:00am and 5:00pm. Instructions to buy or sell Shares may be either in writing to: Fund Partners Limited - CRUX Asset Management, PO Box 12248, Chelmsford CM99 2EG or by telephone on 0345 113 6965\* (UK only) or +44 1268 445 298\* (from outside the UK). A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

#### Valuation Point

The valuation point for each Fund is 12 noon on each dealing day (being each day which is a business day in London). Valuations may be made at other times under the terms contained within the Prospectus.

#### Prices

The price of Shares for each class in each Fund will be posted via a link on [www.fundpartners.co.uk](http://www.fundpartners.co.uk) and can also be obtained by telephoning the Administrator on 0345 113 6965\* (UK only) or +44 1268 445 298\* (outside the UK) during the ACD's normal business hours.

#### Report

The annual report of the Company will normally be published within two months of each annual accounting period, although the ACD reserves the right to publish the annual report at a later date but not later than four months from the end of each annual accounting period and the interim report will be published within two months of each interim accounting period.

Interim Financial Statements period ended	31 March
Annual Financial Statements year ended	30 September

#### Distribution Payment Dates

FP CRUX European Fund	28 February, 31 May, 31 August, 30 November
FP CRUX European Special Situations Fund	31 May, 30 November

\* Please note that telephone calls may be recorded for monitoring and training purposes, and to confirm investors' instructions.

### General Information

#### Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID) and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a Shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London E14 9SR.

#### Data Protection

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.

#### Effects of Personal Taxation

Investors should be aware that unless their Shares are held within an ISA, or switched between Funds in this OEIC, selling Shares is treated as a disposal for the purpose of Capital Gains tax.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a Fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

**Contact Information**

**The Company and its Head Office**

FP CRUX UCITS OEIC  
8-9 Lovat Lane,  
London EC3R 8DW

Incorporated in England and Wales under registration  
number IC001022  
Website address: [www.fundpartners.co.uk](http://www.fundpartners.co.uk)  
(Authorised and regulated by the FCA)

**Directors of the ACD**

C. Spencer (Appointed 3 November 2017)  
R. Thomson  
M. Wood  
R. Wood

**Non executive Directors**

M. Manassee

**Registrar**

DST Financial Services International Limited  
Head Office:  
DST House,  
St Nicholas Lane,  
Basildon,  
Essex SS15 5FS

**Auditor**

Deloitte LLP  
Statutory Auditor  
110 Queen Street,  
Glasgow G1 3BX

**Investment Manager**

CRUX Asset Management Limited  
5 Stratton Street  
London W1J 8LA  
(Authorised and regulated by the FCA)

**Authorised Corporate Director ("ACD")**

Fund Partners Limited  
8-9 Lovat Lane,  
London EC3R 8DW

(Authorised and regulated by the FCA and a member  
of the Investment Association)

**Company Secretary of the ACD**

V. Ondoro (Appointed 5 December 2017)

**Customer Service Centre**

Fund Partners Limited - CRUX Asset Management  
PO Box 12248,  
Chelmsford CM99 2EG  
Telephone: 0345 113 6965\* (within UK only)  
Outside the UK: +44 1268 445 298\*  
Fax: 01268 441 498 (within UK only)  
Outside the UK: +44 1268 441 498

**Depositary**

State Street Trustee Limited  
20 Churchill Place,  
London E14 5HJ  
(Authorised and regulated by the FCA)

\* Please note that phone calls may be recorded for monitoring and training purposes, and to confirm investors' instructions.

