

Investment Objectives and Policy

The Activus Opportunity Fund objective is to achieve capital growth before fees of at least the UK Consumer Price Index plus 5% over a 5 year period by combining a core portfolio of funds with excellent long-term risk adjusted returns with shorter-term opportunistic investment strategies. The fund will invest mainly in collective investment schemes, listed investment companies and exchange traded funds, which at the time of investment will typically have several of the following properties:

- niche strategy which we cannot replicate
- exceptional investment management skills
- appropriate liquidity
- excellent long term risk-adjusted track record
- investment vehicle or underlying assets trading at a discount to NAV
- catalysts exist for a re-pricing of the fund or underlying assets
- low correlation to existing portfolio assets
- its addition will be complementary to the existing portfolio

Investment Manager's Commentary

The Activus Opportunity Fund is up 1.1% in January. Leading the way this month was Seraphim Space which was up 49% and saw its discount to NAV tighten from 64% to 47%. Seraphim has received some positive press coverage this month and space related investment companies were given a boost with India's space programme expected to flourish over the coming years and Japan landing a vehicle on the moon for the first time. Driven by positive earnings reports in the US Berkshire Hathaway and Pershing Square Holdings also had strong months, up 9% and 6% respectively. Trading at a discount to NAV of over 35% for most of 2023, Pershing has seen its discount fall steadily from 38% in late October to 27% at month end. The largest fall came from Molten Ventures, down 14%, with mixed results across private equity and venture capital holdings. January saw our holding in BioPharma Credit hit our discount target, having narrowed from over 15% to 7%, therefore we sold the full holding and reinvested the proceeds in Molten Ventures, Augmentum Fintech, Seraphim Space and Oakley Capital, all of which we felt offered better value.

Looking ahead to UK political matters, 2024 will likely see an election and opinion polls predict a majority Labour government for the first time in 14 years. The need to boost the Conservative electoral prospects has raised the prospect of tax cuts in the March budget using lower inflation and reduced government borrowing as the justification although warnings have already been sounded by the IMF that these could lead to Truss like effects on the market. However, notwithstanding this warning the IMF is now predicting a "soft landing" for global economies, increasing their forecast for global growth to 3.1%, and so it looks like the UK may avoid a technical recession this year, which may help to buoy equity markets.

David Ferguson
31st January 2024

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	109.83	116.10
Shares in issue	18,210,422	3,574,455
Net Asset Value	£19,982,371	£4,149,612
Dividends	Accumulation	Accumulation
Dividend dates	March/September	March/September
Currency	GBP	GBP
Asset management charge	1.00%	0.00%
Performance fee	none	none
Total expense ratio	2.27%	1.27%
Dealing	Daily at NAV	Daily at NAV
Minimum Investment	£1,000	£1,000
Investor eligibility	All	Activus clients
Availability	Open	Open
ISIN	GB00BFYMDH41	GB00BFYMDK79
MEXID	PXOKLA	PXOIUY
Start date	3 Jul 2018	3 Jul 2018
Investment Manager	David Ferguson	
Administrator & ACD	Apex Fundrock Ltd	
Depository	Northern Trust	
Auditor	Grant Thornton UK LLP	
Fund Structure	UK domiciled UCITS	
Further information	The Fund is open-ended. The Prospectus and Subscription Form can be obtained by contacting the investment manager or from the website www.aktivuswealth.co.uk	

Largest Investments

Pershing Square Holdings	9.2%
Hg Capital	8.9%
Oakley Capital	8.3%
Polar Capital Technology	4.9%
AVI Global Trust	4.8%
Syncona	4.7%
Bellevue Healthcare	4.6%
Biotech Growth Trust	4.6%
abrdn Private Equity Opportunities	4.6%
RTW Biotech Opportunities	4.5%
Other investments	39.9%

Liquidity	1.0%
Total	100.0%

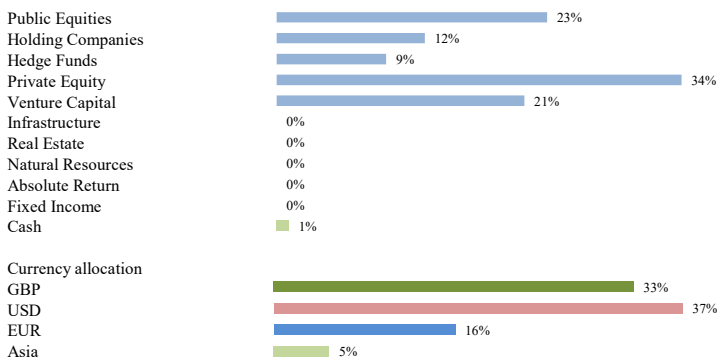
Performance

	A	Z
Annualised return	1.7%	2.7%
Cumulative return	9.8%	16.1%
Monthly return	1.1%	1.2%
Year to date return	1.1%	1.2%

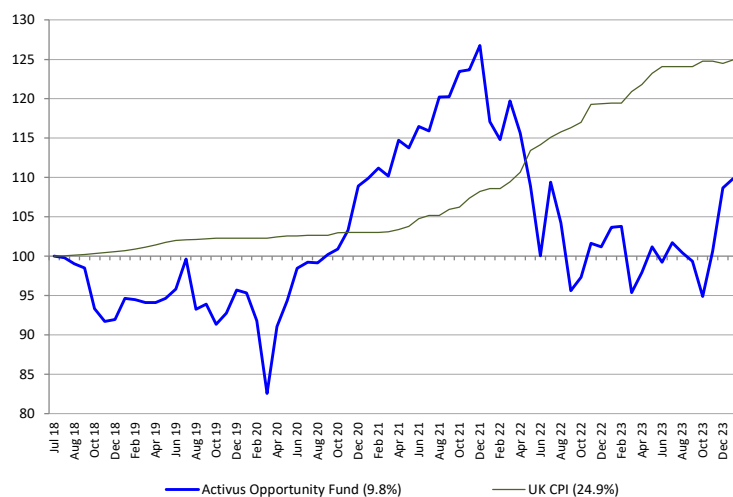
Risk Metrics

	Fund	UK equities
Volatility	14.0%	9.6%
Maximum Drawdown	-25.2%	-14.5%

Asset Allocation



Performance of A Shares since July 3rd 2018



Correlation measures how two securities move in relation to each other and the coefficient ranges from -1 (perfectly uncorrelated) to +1 (perfectly correlated). Correlations in this report are versus the Cboe UK All Companies index.
Beta measures the sensitivity of an investment to movements in the Cboe UK All Companies using daily data.
Alpha measures the additional annualised return after fees contributed by Activus and the asset managers in excess of the return predicted by the capital asset pricing model.

Volatility is a measure of risk. Standard deviation is used which shows how investment returns have varied from the average return over a specific period.
Sharpe Ratio measures the excess return per unit of risk. It is calculated as the return in excess of a risk free rate divided by volatility.
BOE - Bank of England Base Rate

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