

**Investment Objectives and Policy**

The investment objective is to achieve an annual gross return of the Bank of England base rate + 5% over the full market cycle without the constraints of any fixed asset allocation parameters. The investment policy is to invest in a diversified portfolio of assets which exhibit favourable risk-reward characteristics. The fund will invest mainly in collective investments including listed funds and investment trusts 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 Investment Fund is up 0.5% in February and down 1.1% for 2024. The technology and biotechnology sectors performed particularly well this month with Biotech Growth Trust and Polar Capital Technology up 8% and Worldwide Healthcare up 4%. Elsewhere Molten Ventures was up 11% and Gresham House Energy Storage was up 9%, although this was alone amongst our infrastructure holdings in posting a positive month. The largest detractor was BlackRock World Mining, down 9%, as precious metal prices fell in February. During February we increased our holding in RTW Biotech Opportunities after its discount to Net Asset Value widened from 14% at the end of 2023 to over 30%.

During the last two years we have regularly discussed the changes in discounts to net asset value (NAV) of our underlying holdings. Since the end of October 2023 we have seen discounts tighten significantly in risk assets while diversifiers have not performed so well. Among risk assets private equity and technology stocks have fared particularly well. In private equity 3i Group's premium increased from 7% to 31% over the last four months, while abrdn Private Equity and Hg Capital have seen their discounts fall by over 10%. In the same period the discounts for Seraphim Space and Augmentum Fintech have narrowed by 19% and 14% respectively. These moves compare very favourably with diversifiers such as Gresham House Energy Storage, whose discount has widened by 14%, and Real Estate Credit Investments which has seen a 6% widening in its discount.

We feel our patience and belief that discounts will revert to historic norms over time has been justified and regardless of asset allocation, we believe there is further scope for discount tightening which should provide a tailwind for future performance.

**David Ferguson**  
29th February 2024

**Investment Information**

Share Class	Class A Acc	Class Z Acc
Price per share (p)	123.62	132.92
Shares in issue	27,977,126	3,808,086
Net Asset Value	£34,586,755	£5,061,658
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	1.63%	0.63%
Dealing	Daily at NAV	Daily at NAV
Minimum Investment	£1,000	£1,000
Investor eligibility	All	Activus clients
Availability	Open	Open
ISIN	GB00BYPKW395	GB00BYPKW627
MEXID	PXXXI	PXXXK
Start date	19 Jul 2016	19 Jul 2016
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 <a href="http://www.aktivuswealth.co.uk">www.aktivuswealth.co.uk</a>	

**Largest Investments**

BH Macro	6.0%
Pershing Square Holdings	5.9%
Hg Capital	5.1%
Berkshire Hathaway	4.5%
abrdn Private Equity Opportunities	4.4%
Oakley Capital	4.3%
3i Group	4.2%
AVI Global Trust	4.2%
Pantheon International	4.2%
Polar Capital Technology	4.0%
Other investments	52.6%

Liquidity	0.6%
Total	100.0%

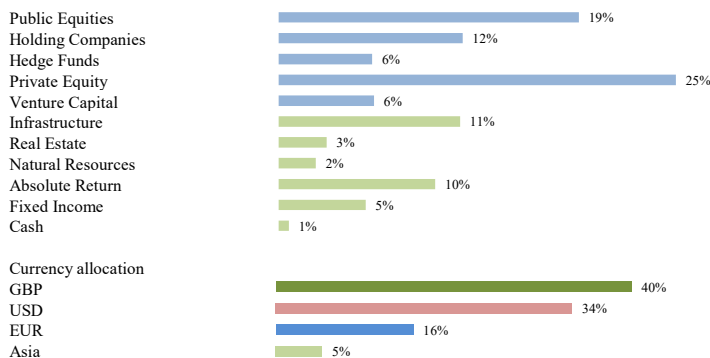
**Performance**

	A	Z
Annualised return	2.8%	3.8%
Cumulative return	23.6%	32.9%
Monthly return	0.5%	0.6%
Year to date return	-1.1%	-0.9%

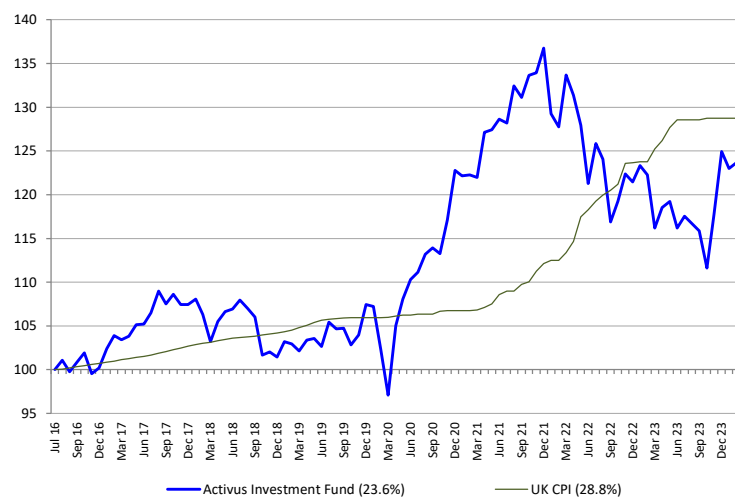
**Risk Metrics**

	Fund	UK equities
Volatility	8.7%	8.5%
Maximum Drawdown	-18.4%	-15.5%

**Asset Allocation**



**Performance of A Shares since July 19th 2016**



**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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