

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 2.5% in February and is up 3.6% for 2024. The top performers were Molten Ventures, up 11%, and Biotech Growth Trust and Polar Capital Technology, both up 8%. Berkshire Hathaway also had a strong month, up 6%, and is now up 15% for the year as US equity markets outperformed global markets. RIT Capital Partners, down 7%, and RTW Biotech Opportunities, down 6%, were the largest fallers this month as both saw their discounts to NAV widen. Over the first two months of 2024 RIT Capital's discount has widened from 20% to 27%, while RTW's discount widened from 14% to 29% in the same period. Following a strong start to the year which has seen Polar Capital Technology rise over 11% in two months, we trimmed our position in February to keep it under 5% of the Fund's NAV. We invested the proceeds in existing holdings Scottish Mortgage, Pantheon International, Oakley Capital and RTW Biotech Opportunities, all at attractive discounts to NAV.

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. Since 31st October the Fund is up 18.7% and has seen the average discount of its holdings reduce from 28% to 23%.

David Ferguson
29th February 2024

Investment Information

Share Class	Class A Acc	Class Z Acc
Price per share (p)	112.62	119.14
Shares in issue	18,604,354	3,589,963
Net Asset Value	£20,953,098	£4,276,725
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.activexwealth.co.uk	

Largest Investments

Pershing Square Holdings	9.2%
Oakley Capital	8.9%
Hg Capital	8.7%
Syncona	4.7%
Biotech Growth Trust	4.7%
RTW Biotech Opportunities	4.7%
AVI Global Trust	4.7%
Polar Capital Technology	4.5%
Scottish Mortgage Trust	4.5%
Molten Ventures	4.5%
Other investments	39.5%

Liquidity	1.2%
Total	100.0%

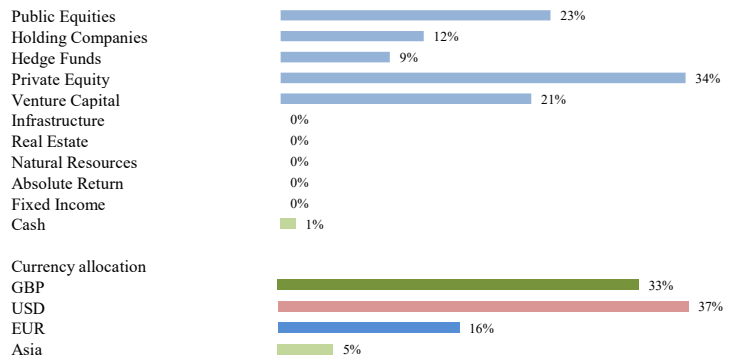
Performance

	A	Z
Annualised return	2.1%	3.1%
Cumulative return	12.6%	19.1%
Monthly return	2.5%	2.6%
Year to date return	3.6%	3.8%

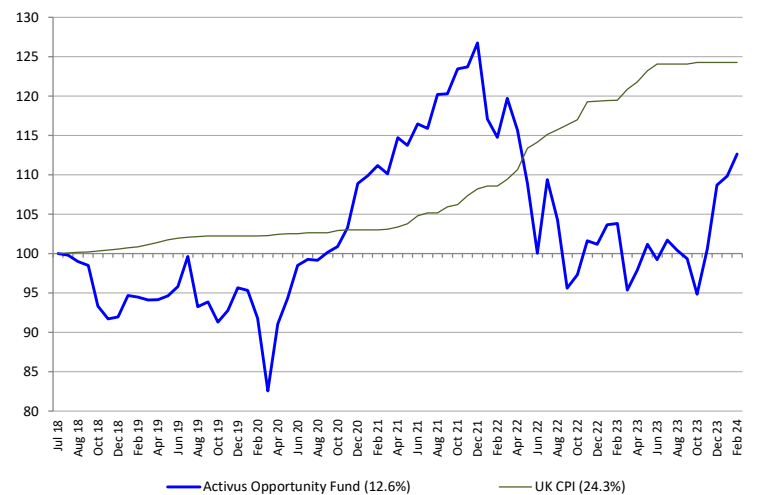
Risk Metrics

	Fund	UK equities
Volatility	13.9%	12.9%
Maximum Drawdown	-25.2%	-22.7%

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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