

FUND FACTSHEET

SEPTEMBER 2023

at last valuation point in
September 2023 unless
otherwise stated



The Ocean Equity Fund does not have an objective linked to the oceans or marine bio-diversity but the Fund Manager may choose to invest in companies that derive their revenue from shipping and energy transition sectors.

INVESTMENT OBJECTIVE

The Fund aims to achieve capital and income growth, and to provide a return (after fees, charges and other expenses payable out of the Fund) in excess of that of the CBOE UK All Companies Total Return Index over the long-term.

MANAGER COMMENTARY

During the month the Bank of England and the Federal Reserve both held interest rates at current levels due to increasing signs that their aggressive monetary tightening policies are bringing inflation down towards the 2% mandated levels. In the UK, contrary to expectations, August headline inflation fell, however this fall was modest in comparison to the strong decline in core and service inflation. The MPC stated that it stands ready to increase interest rates if inflation proves more persistent than expected. The hawkish sentiment was echoed by the Federal Reserve which stated that rates could be raised again this year and that future cuts will not be as quick as some commentators think. Rates are expected to remain 'higher for longer'.

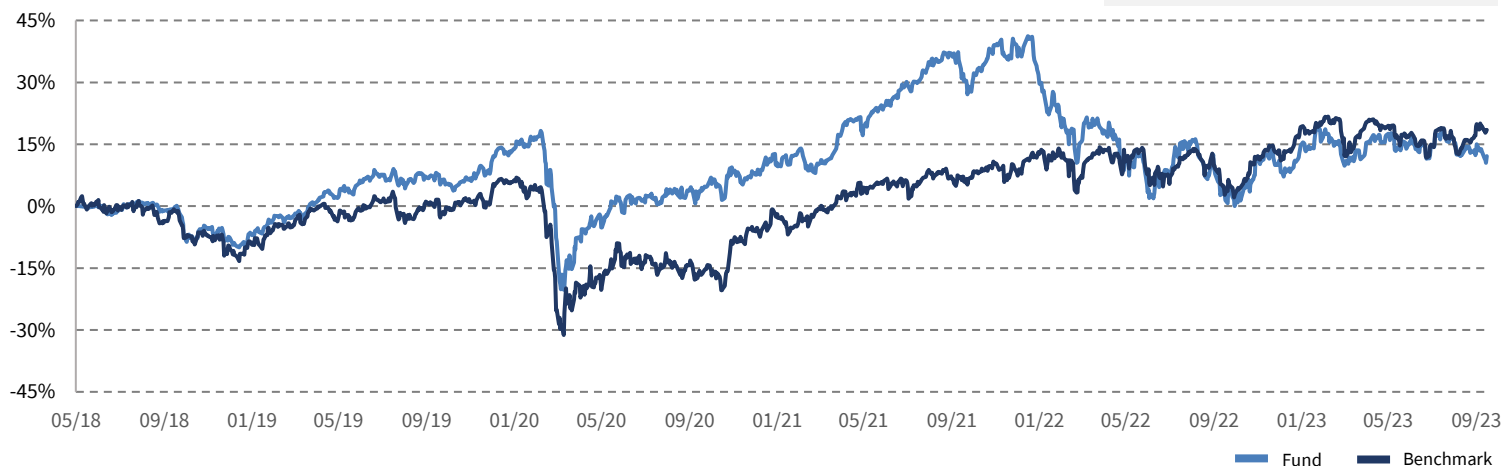
Equity markets are in a holding pattern as they digest the future path for interest rates and the recent slowdown in China. The Chinese economy, which represents just under 20% of global GDP, is under pressure due to the build-up of excessive debt within its real estate sector, rising youth unemployment, and slowing exports caused by reshoring to Europe and the US. The authorities are trying to stimulate the economy and the People's Bank of China has reduced the Reserve Requirement Ratio rate for the second time this year. As a result, banks can hold lower capital reserves, thus releasing more liquidity into the system. It has also reduced stamp duty on stock trades in an effort to boost the capital markets and investor confidence.

CUMULATIVE PERFORMANCE

	YTD	6MTHS	1YR	3YR	5YR	LAUNCH
Fund	3.11	-1.24	10.54	8.23	12.40	12.09
Benchmark	4.70	1.49	14.53	42.15	19.80	18.47
IA Sector	2.79	0.16	12.77	26.39	10.24	9.06
Rank in Sector	140/240	172/241	171/240	187/230	119/219	111/219
Quartile	3	3	3	4	3	3

Total Return, Bid to Bid, Tax UK Net, Sterling Terms. Source: Waystone Fund Services UK Limited/Financial Express Analytics. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

PERFORMANCE SINCE LAUNCH (%)



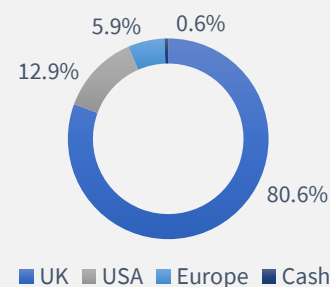
KEY DETAILS

ACC SINGLE PRICE	112.09
INC SINGLE PRICE	101.18
BENCHMARK	CBOE UK All Co's
IA SECTOR	UK All Co's
LAUNCH DATE	14 May 2018
HOLDINGS	35
PROSPECTIVE YIELD	2.2%
DIV EX DATES	1/5 & 1/11
DIV PAY DATES	30/6 & 31/12
FUND VALUE	£10.4 million

TOP 15 HOLDINGS

RELX	5.9%
DIPLOMA	5.6%
ASSTEAD	5.1%
UNILEVER	4.5%
MICROSOFT	4.4%
DIAGEO	4.1%
JD SPORTS	4.0%
DECHRA PHARMACEUTICALS	4.0%
FERGUSON	3.7%
LVMH	3.6%
COMPASS	3.6%
GAMES WORKSHOP	3.2%
EXPERIAN	3.1%
LONDON STOCK EXCHANGE	3.1%
RECKITT BENCKISER	3.0%
TOTAL	61.2%

GEOGRAPHICAL BREAKDOWN



■ UK ■ USA ■ Europe ■ Cash

MANAGER COMMENTARY CONT.

Company results have generally been encouraging with most management teams reporting a more normalised supply chain environment with many of the Covid pressures abating. Revenue growth has been robust whilst guidance is reassuring. That said, forecasts come with a note of caution around the direction of the global economy.

COMPANY NEWS

Ashtead – rents a comprehensive range of industrial equipment that is used to dig, lift, pump, ventilate & deliver power to businesses, and which is cheaper than the outright purchase of equipment – released a Q1 trading update. Revenue was up 19% whilst profit was ahead by 11%. It continues to buy back shares and net debt to EBITDA is modest at 1.6x and well within its medium-term range of 1.5-2.0x. Management stated that it expects to deliver healthy revenue growth of between 13% and 16% for FY24 along with solid free cash flow generation. It is worth noting that the rental of industrial equipment, financed out of operating budgets as opposed to capital budgets, is attractive for customers as they get access to the latest, well-maintained kit that is available when needed. We continue to think that Ashtead’s valuation is very attractive when you consider the structural growth opportunity and the potential to drive revenue and profit growth through gains in market share.

Ferguson – distributor of plumbing, heating and air conditioning products into the commercial and residential markets – reported preliminary results which highlight robust execution in challenging end markets. Revenue was up 4% as they continued to gain market share, whilst operating profit was marginally down. Free cashflow generation was up strongly due to inventory levels moderating. The full year dividend has been increased by 9% whilst net debt to EBITDA is modest at 1.0x, demonstrating the cash generative nature of the business. The company also currently achieves an attractive ROCE of 35% which in turn allows management to invest for organic growth and execute a bolt-on M&A strategy within their fragmented end markets. The M&A pipeline remains healthy. Whilst Ferguson’s end markets are challenging, they are well positioned to benefit from the investment in mega projects over the next five years, coupled with the continuing need to update US housing stock, which on average is 43-years old with regards to efficiency and net zero targets.

INVESTOR PROFILE

The fund may appeal to investors who:

- Plan to hold their investment for the long-term
- Are prepared to accept the risk associated with the volatile nature of equity related investments
- Want total return through a blend of capital and income growth

FUND FEATURES

- Emphasis on total return (TR) via blend of capital and dividend growth
- Focus on quality companies with high returns on capital and strong cash flows
- High conviction, low turnover – ‘buy and manage’ approach
- 30-40 holdings
- Investing across the market cap universe
- Preservation of capital is paramount over the business cycle
- Predominantly UK and up to 20% Overseas from a listing perspective

HOW TO INVEST

Ocean Equity is available as an OEIC and is also suitable to include in stocks and shares ISAs and SIPPs.

You can buy shares in the fund by visiting:

<https://www.waystone.com/ourfunds/waystone-fund-services-uk-limited/ocean-investment-funds/>

Or by telephoning the Ocean Equity investor Dealing Line: 0115 988 8288 (open business days between 9am and 5pm)

Or via the following platforms:

A J Bell	Interactive Investor
Aviva	Novia
Allfunds	Pershing
Aegon	Raymond James
Barclays	Standard Life
Charles Stanley Direct	Transact
Cofunds	Winterflood
Elevate	7IM
Hargreaves Lansdown	



MICHAEL FOSTER

LEAD PORTFOLIO MANAGER

Michael launched the Ocean Equity Fund in May 2018. He holds the Investment Management Certificate. He has managed private investments since 2011.



JAMES HARRISON

CO-MANAGER

James joined the Ocean Fund at launch. He is a Chartered Fellow of the Securities Institute and is CEO of Fiske plc. He has over 26 years of experience.



JULIAN DIEPPE

CO-MANAGER

Julian joined the Ocean Fund at launch. He is a member of the Securities Institute and is an Investment Manager at Fiske plc. He has over 10 years of experience.



KEVIN MORDRICK

FUND SALES

Kevin has 35 years’ experience in financial services. He was Associate Sales Director for Invesco Perpetual and Sales Director of Rensburg Fund Management.

Currency	Price	Minimum Investment	Annual Mgmt. Charge (AMC)	*Ongoing Charge Figure (OCF) – taken from capital	ISIN	Sedol
GBP						
B Acc	112.09p	£1,000	0.75%	1.07%	GB00BDRNX587	BDRNX58
B Inc	101.18p	£1,000	0.75%	1.07%	GB00BDRNX694	BDRNX69

*please note the 1.07% OCF includes the AMC Entry and Exit charges 0%

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<https://www.waystone.com/ourfunds/waystone-fund-services-uk-limited/ocean-investment-funds/>

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Investors must be aware of the risks associated with investment in this fund. Full details of the Ocean Equity Fund, including risk warnings, are published in the Prospectus and Key Investor Information document. The fund may not be suitable for all investors and if you are in any doubt whether the fund is suitable for you advice should be sought from a suitably qualified professional advisor. The value of the fund and the income derived from it can go down as well as up. Investors may not get back their initial investment. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realised. Securities denominated in foreign currencies may see their value fall as a result of exchange rate movements. Any comments contained in this factsheet are intended only for the use of the individual or entity to which it is addressed and may contain information which is confidential and may also be legally privileged. If you have received this document in error, please telephone the Compliance Department on 44 (0)20-7448-4700. Fiske plc FCA Register No: 124279