

SOMERSTON CORE EQUITY STRATEGY 'CARVE OUT'

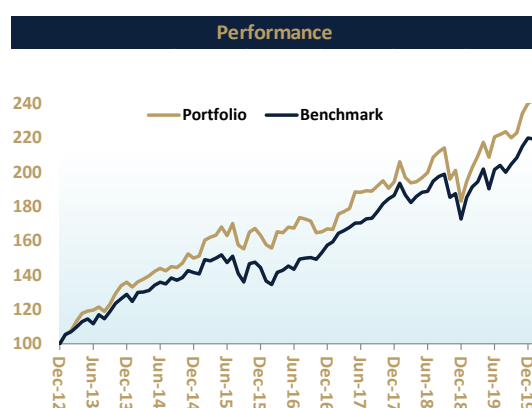
Fact Sheet as at 31 January 2020

Portfolio Objectives: To grow capital over the medium term by investing in a concentrated portfolio of high quality companies and to outperform global equities over the economic cycle.

Strategy: We use a fundamental bottom-up approach to identify attractive investment opportunities. We have a 5 year investment horizon. We focus our investments in 15 to 25 high quality companies. Being concentrated sharpens our decision making and gives us a better understanding of our investments. We invest in companies that demonstrate strong governance, high profitability, low capital intensity, strong economic moats and low business risk. We invest globally, without sector/geographic restrictions. We actively tilt our style and risk exposures to account for prevailing market conditions.

This Factsheet shows the 'Carve Out' of the "Core Equity Strategy" from the Somerston Multi Asset Fund IC ("the Fund") since 31 March 2017 and from Somerston's predecessor portfolios from 31 December 2012 to 31 March 2017. The "Core Equity strategy" is a major component of the Fund. However, performance of the two strategies may differ significantly as the Fund exposes investors to the performance of additional instruments and strategies.

| Performance | | |
|------------------|-----------|-----------|
| | Portfolio | Benchmark |
| 2013 | 36.0% | 28.9% |
| 2014 | 10.3% | 9.8% |
| 2015 | 8.9% | 2.1% |
| 2016 | 2.3% | 9.0% |
| 2017 | 16.4% | 18.5% |
| 2018 | -5.8% | -7.4% |
| 2019 | 31.1% | 27.3% |
| YTD 2020 | 0.9% | -0.3% |
| Since 31/12/2012 | 242.3% | 219.5% |



| Sector Allocation | | | |
|------------------------|-----------|-----------|----------|
| Sector | Portfolio | Benchmark | Relative |
| Health Care | 29% | 13% | 16% |
| Information Technology | 23% | 18% | 5% |
| Industrials | 16% | 11% | 5% |
| Communication Services | 10% | 8% | 2% |
| Consumer Staples | 9% | 8% | 1% |
| Utilities | 5% | 4% | 1% |
| Energy | 4% | 4% | 0% |
| Materials | 3% | 4% | -2% |
| Consumer Discretionary | 0% | 10% | -10% |
| Financials | 0% | 15% | -15% |
| Real Estate | 0% | 3% | -3% |

| Top Ten High Conviction Equity Holdings | |
|---|--------------|
| Name | % Portfolio |
| Fresenius SE & Co KGAA | 8.6% |
| Johnson & Johnson | 7.5% |
| Alphabet Inc-CI A | 6.7% |
| Thermo Fisher Scientific Inc | 4.9% |
| Intuit Inc | 4.9% |
| Roper Technologies Inc | 4.8% |
| Rubis | 4.8% |
| Microsoft Corp | 4.6% |
| Ashtead Group Plc | 4.6% |
| Danaher Corp | 4.4% |
| Total | 55.8% |

| Geographical Allocation | | | |
|-------------------------|-----------|-----------|----------|
| Region | Portfolio | Benchmark | Relative |
| North America | 75.3% | 67.7% | 8% |
| Continental Europe | 16.4% | 15.0% | 1% |
| UK | 8.3% | 5.3% | 3% |
| Japan | 0.0% | 8.1% | -8% |
| Other | 0.0% | 3.9% | -4% |

| Characteristics | | |
|-----------------|-----------|-----------|
| | Portfolio | Benchmark |
| ROE | 31.1% | 12.0% |
| ROCE | 17.9% | 5.5% |
| EBITDA Margin | 30.3% | 18.9% |
| FCF Margin | 16.6% | 8.3% |
| Sales/Assets | 74.9% | 23.2% |
| Dividend Yield | 1.4% | 2.4% |
| P/E (Forward) | 24.1 | 17.4 |
| P/S (Forward) | 5.4 | 1.8 |
| P/B | 5.1 | 2.4 |
| Holdings | 23 | > 1,600 |

Benchmark: Total Return of Global Equities

Portfolio: Performance is calculated before fees

Note: Statistics winsorised and calculated on a weighted average basis

as at 7 February 2020

Disclaimer

Any information in this Document may not be suitable for all investors. Investors must make their own investment decisions using their own independent advisors and reviewing relevant material. Any investment decisions must be based upon an investor's specific financial situation and investment objectives.

The Manager, Somerston Asset Management Limited (the "**Manager**") believes the information contained in this Document to be reliable but does not warrant its accuracy or completeness. The information contained herein is preliminary in nature and is not and does not purport to be complete. Any estimates contained herein may be subject to change without notice. No guarantee or representation is made that the investment program set out in this Document, including, without limitation, any investment objectives, diversification strategies, or risk monitoring goals, will be successful, and investment results may vary substantially over time. Investment losses may occur from time to time. Nothing herein is intended to imply that the Manager's investment methodology may be considered "conservative", "safe", "risk free" or "risk averse".

No person, including (without limitation) any of the members, shareholders, directors, officers, partners, employees or advisers of the Manager or its associates, accepts any liability whatsoever (whether direct, indirect, incidental, special, consequential, punitive or otherwise) for any loss arising from any use of the information, opinions or other statements contained herein or otherwise arising in connection therewith (including in the case of negligence, but excluding any liability for fraud) and, accordingly, liability is disclaimed by all such persons to the maximum extent permitted by applicable law or regulation.

No Investment Advice

The information contained herein does not constitute advice and should not be relied upon for any purpose. No approvals have been given by the Jersey Financial Services Commission in respect of the contents of this Document.

The information contained herein is not intended to influence you in making any investment decisions and should not be considered as advice or a recommendation to invest. This Document is for information only and provision of this Document does not in itself constitute any kind of service provided by the Manager. Furthermore, this Document does not purport to describe all of the risks associated with investment or the other matters described herein. Income from or the price or value of any financial instruments may rise or fall.

Somerston Asset Management Limited is regulated by the Jersey Financial Services Commission.

Warning

PAST PERFORMANCE IS NOT INDICATIVE OR A GUARANTEE OF FUTURE RESULTS. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

The Somerston Multi Asset Fund IC has been established in Jersey as an expert fund. It is suitable only for those who fall within the definition of "expert investors" as defined in the Jersey Expert Fund Guide published by the Jersey Financial Services Commission.