

Elite Webb Capital Smaller Companies Income & Growth Fund

Fund Fact Sheet

Aug 2017

Issue 057

Fund Objective

The objective of the Fund is to achieve a rising income combined with capital growth from a portfolio made up of investments in UK smaller companies. The managers actively manage the portfolio in order to achieve the objective with exposure to ordinary shares, preference shares and convertible instruments. The managers will not invest in companies capitalised above £1bn at the time of investment.

Unit Price (p) (change m-o-m)

| | | |
|-------------------|---------------|----------|
| Income | 107.78 | (-0.85%) |
| Acc | 125.85 | (-0.84%) |
| Income 'B' | 135.00 | (-0.84%) |
| Acc 'B' | 151.44 | (-0.84%) |

Fund Size (NAV)

£2.76m

Number of holdings

24

Investment Manager

Peterhouse Capital AM ("PCAM")
Peter Webb

ACD

Fund Partners Limited

Depository

Northern Trust Limited

Structure

Open Ended Investment Company
(OEIC)
Non-UCITS regulated
Eligible for ISA

Fees

| | |
|-----------------------|------|
| Annual Management Fee | 1.0% |
| Initial Charge | 0.0% |

Fund Manager's Commentary

The past month was a quiet month for news and market liquidity was poor due to the absence of many participants who were away on their summer holidays. I would expect normal conditions to resume during September.

Harvey Nash gave up some of the share price gains that were directly related to its move to AIM and Secure Trust Bank also lost ground as investors pondered over its new investment strategy.

Lighthouse Group, the IFA business is a small company with a great balance sheet and market offering. Unfortunately, too small to attract the larger investor, the share price in my opinion does not reflect fair value. Therein lies an opportunity for the smaller investor.

XL Media is going great guns and the acquisition of the US based "moneyunder30" website marks an ongoing move into digital marketing for the financial services sector. Interestingly, in the US this sector is less mature than in the UK and margins commensurately higher. Zotefoams, a specialist producer of polymer foam issued a positive results statement. We can look forward to the benefits of new US production coming on stream in the years ahead. Director appointments at RWS Group, the IP protection company show that Chairman Andrew Brode has the future management of the business at the forefront of his mind. CML Microsystems announced excellent results and highlighted substantial investment made during the past 12 months.

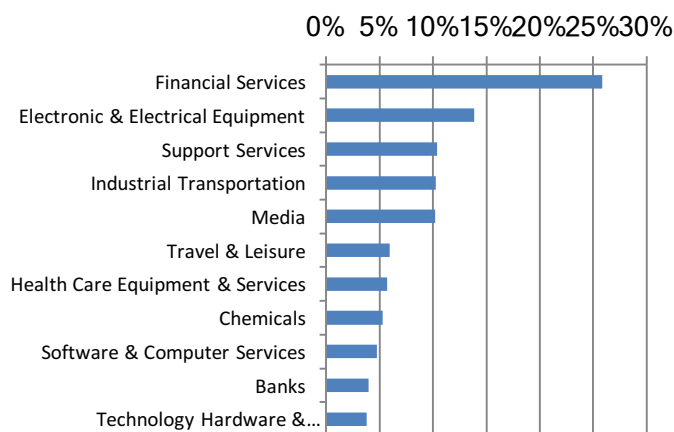
The UK economy is still growing albeit I have commented in the past about the limited tools that Government now has should things slow down. Interest rates are very low and Government assistance in the housing market is quite extraordinary. Inflation is rising as a result of weaker sterling and consumers will be squeezed unless wages begin to rise soon. I am avoiding the retail and leisure sectors from hereon. Housebuilders seem to have run out of ways to increase Gross margins and it looks to me that it is a volume game from now onwards.

International companies still have good momentum and the Fund now has a broad exposure to some of the best British businesses selling overseas. I have not entirely given up on the UK but the opportunities are getting less and less and our remaining investments are all special situations.

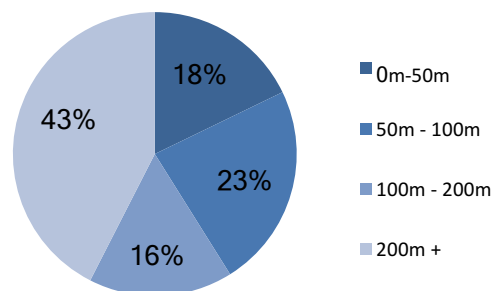
I am delighted with our performance this year to date and remain confident in our overall position in markets.

10 largest holdings as at 31 Aug 2017 (Source: PCAM)

| Stock Name | % Fund | Stock Name | % Fund |
|------------------------|--------|-------------------------|--------|
| Lighthouse Group Plc | 10.95% | Cello Group Plc | 5.33% |
| Arena Events Group plc | 5.74% | ZOTEFOAMS PLC | 5.09% |
| Avation PLC | 5.72% | XP Power Ltd | 4.90% |
| RWS Holdings PLC | 5.67% | AFH Financial Group Plc | 4.89% |
| Caretech Holdings Plc | 5.51% | Oxford Instruments Plc | 4.74% |



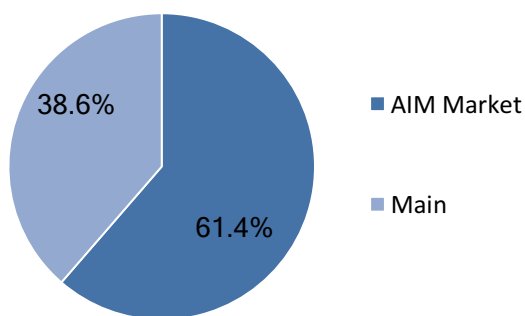
Source: PCAM



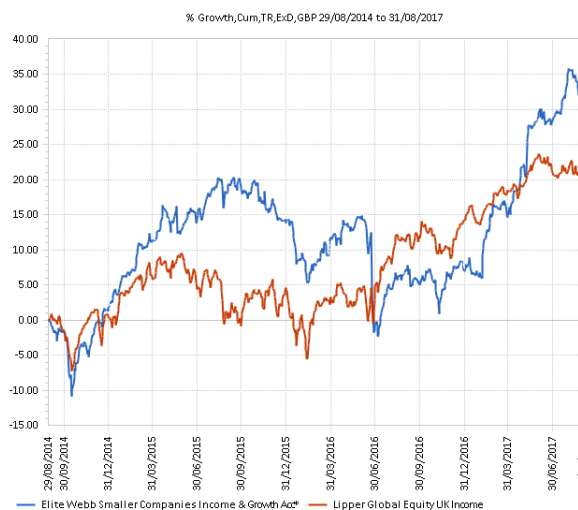
Source: PCAM

Fund breakdown by listing as 31 Aug 2017

3 year unit price performance



Source: PCAM



* Contains estimated data.

Source: Lipper

Dealing details and forms

| | |
|----------------------|--|
| Launch Date | 30/11/2010 |
| Webb Capital Website | www.webbcapital.com |
| WAY Fund Managers | 01202 855 856 |
| Cofunds | 0845 644 8001 |

| | |
|----------------------|--------------|
| ISIN Accumulation B | GB00BFRSWB62 |
| SEDOL Accumulation B | BFRSWB6 |

| | |
|--------------------|--------------|
| ISIN Accumulation | GB00B63JD951 |
| SEDOL Accumulation | B63JD95 |

| | |
|----------------|--------------|
| ISIN Income B | GB00BFRSW948 |
| SEDOL Income B | BFRSW94 |

| | |
|--------------|--------------|
| ISIN Income | GB00B6253G17 |
| SEDOL Income | B6253G1 |

RISK WARNING

Please note that past performance and any forecast estimates in this publication are not reliable indicators of future results, and should not be taken as so. Any forward looking statements in this publication are opinions and do not constitute forecasts.

The value of your investment can go down as well as up and you may lose a significant portion of your investment.

Webb Capital is not authorised to give advice. This publication does not constitute investment advice and if you are in any doubt as to the suitability of an investment, you should seek the guidance of an independent financial adviser.