

Elite Webb Capital Smaller Companies Income & Growth Fund

Fund Fact Sheet

Feb 2018

Issue 063

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	121.78 (0.88%)
Acc	144.01 (0.88%)
Income 'B'	152.53 (0.88%)
Acc 'B'	173.30 (0.88%)

Fund Size (NAV)

£3.21m

Number of holdings

27

Investment Manager

Peterhouse Capital Asset Management

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 Fund performed relatively well in February despite the equity market being far from buoyant.

News flow from our companies continued apace and more importantly, met our expectations. Your Manager also made a number of new stock purchases to increase exposure to value based investments operating primarily within the UK economy.

Trading updates and announcements from Bilby Plc, Arbutnot Banking Group, Avation Plc, Xpediator Plc, RWS Group and Lighthouse Group helped build a good picture of the health of our portfolio companies. AFH continues its acquisition spree "while stocks last" in the fragmented IFA sector. XP Power also quantified what it expects to gain from recent changes in US corporation tax rates.

New investments included an old favourite Finsbury Food Group, the speciality bakery manufacturer of bread, cakes and morning goods; Amino Technologies, a global provider of digital entertainment solutions; Just group, the retirement product company and Gordon Dadds Group, a consolidator of businesses operating within the legal, accountancy and professional service sectors. Further value based investments are likely to be made and these will be accommodated by a sensible top slice of some of the profits achieved in our portfolio.

Strong share price performances were achieved at Xpediator (+16%), Zotefoams (+14%) and PCF Bank (+12%). The share price of Oxford Instruments headed in the opposite direction (-15%) but your Manager will wait for the next news provided matters do not worsen.

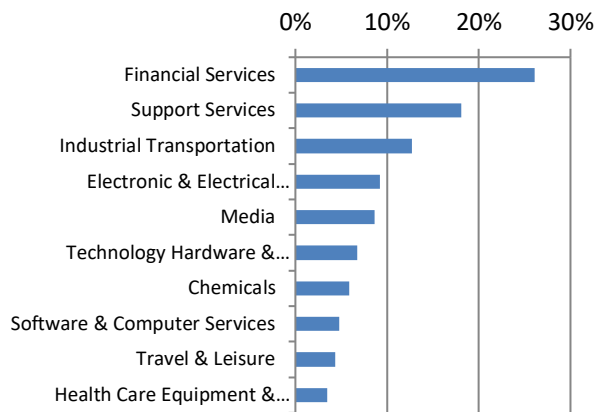
Unit holders should bear in mind that I like to run winners to maximise returns for investors. Losers do not appear in the portfolio very often but if the worse happens they are sold as soon as humanly possible to prevent them becoming an unwelcome distraction. My 30 years of professional investment has taught me many things but remaining highly focused on the inherent value of a business and seeking to invest for less than it is worth is essential in order to achieve success.

There are many ways to value a business but none more solid than the cash return on capital employed. I tend to find that companies with great IP tend to have pricing power, great margins, cash generation and profitability. If only there were more of them on public markets!

10 largest holdings as at 28 Feb 2018 (Source: Peterhouse Capital)

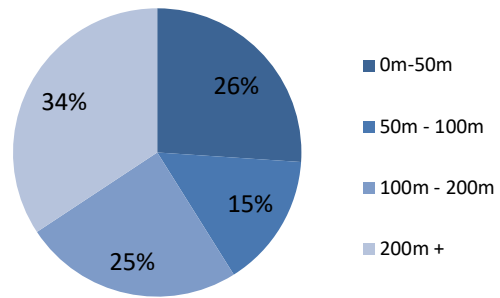
Stock Name	% Fund	Stock Name	% Fund
Bilby Plc	6.93%	1PM Plc	5.34%
Avation PLC	5.97%	XP Power Ltd	5.14%
Xpediator Plc	5.88%	AFH Financial Group Plc	4.75%
Zotefoams Plc	5.47%	FDM Group Holdings PLC	4.45%
Lighthouse Group Plc	5.45%	Arbutnot Banking Group Plc	4.42%

Fund sector breakdown as at 28 Feb 2018



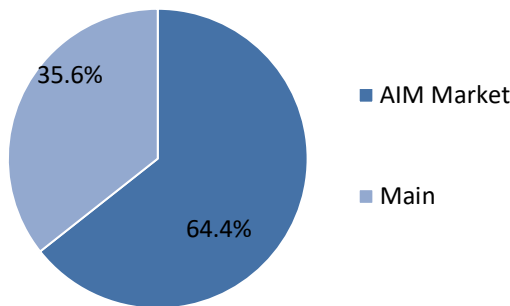
Source: Peterhouse Capital

Holdings by Market Cap, £ as at 28 Feb 2018



Source: Peterhouse Capital

Fund breakdown by listing as 28 Feb 2018



Source: Peterhouse Capital

Performance to 28 Feb 2018



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.