

SF Webb Capital Smaller Companies Growth Fund

The fund's aim is to achieve long term capital growth from making value based investments in UK smaller companies

Fund Fact Sheet

Sept 2017
Issue 059

Fund Objective

The investment objective of the Fund is to achieve long term capital growth in excess of the Numis Smaller Companies Index from making value based investments in UK smaller companies. UK smaller companies are incorporated in the UK and have a market capitalisation no greater than £500 million at the time of investment.

Share Price, p (monthly change)

As at 30 Sep 2017

'A' Shares: **48.59** (0.41%)

'B' Shares: **72.03** (0.45%)

Fund Size

As at 30 Sep 2017

£0.751m

Number of holdings

As at 30 Sep 2017

30

Investment Manager

Peterhouse Capital Asset
Management

ACD Sharefunds Limited

Depository

BNP Paribas Securities Services

Structure

Open Ended Investment Company
UK domiciled UCITS regulated
Eligible for ISA

Launch Date

19 Nov 2007

SEDOL Code

'A' shares: B28R5W3

'B' shares: BNGMZ8

'A' Shares

'B' Shares

Initial Charge 0.0% Initial Charge 0.0%

OCF* 4.22% OCF* 3.71%

*OCF figure inclusive of 1.5% AMC *OCF figure inclusive of 1.0% AMC

Fund Manager's Commentary

The unit price of the Fund rose modestly during September.

A number of our companies reported on trading for the first half of the year. Just Group, the specialist retirement products company is still delivering planned cost savings from the merger with Partnership Life Assurance and new business flows are on the increase. XL Media, the digital marketing company reported strong growth and cash generation; Avation, the aircraft leasing company continues to build its aircraft fleet and future potential profitability in a sensible manner; Everyman Media, the boutique cinema chain raised circa. £17m for future expansion and the share price rattled ahead; Xaar, the ink jet printing head manufacturer announced further details of its joint venture with Xerox; Scientific Digital Imaging made an in-line AGM announcement; Lighthouse Group, the leading IFA for working class Britain continue to build its affinity network and own funds platform; Private & Commercial is benefiting from a lower cost of funds following the granting of its Banking Licence.

Our shareholding in Milamber Ventures, the NEX listed incubator business was sold. Lombard Capital, another NEX listed investment company held in the Fund has announced plans for a £3m convertible loan issue. If this is successful it would be great news for shareholders.

Your manager is dealing with problematic investments in SE Asia based companies Rapidcloud and SyQic as well as international sports marketing business TLA Worldwide.

It remains the case that performance has been affected by a small number of poorly performing investments that are negating positive results elsewhere. At some point in the near future your Manager believes that the issues relating to remaining laggards will be resolved and the Fund better able to deliver returns commensurate with a smaller company mandate.

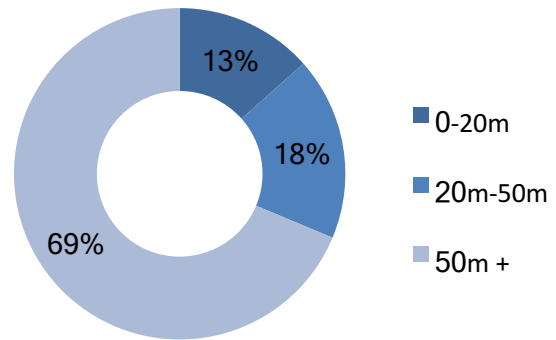
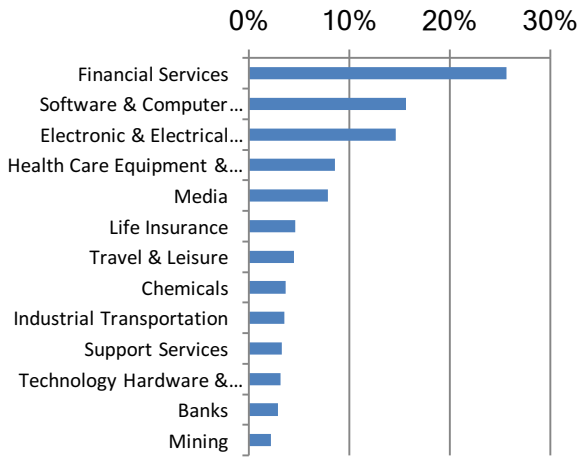
In the meantime, it is good to see many portfolio companies performing well. The overall market sentiment towards smaller companies is fairly positive and outlook for the sector reasonably optimistic.

10 largest holdings as at 30 Sep 2017 (Source: Peterhouse Capital)

Stock Name	% Fund	Stock Name	% Fund
Lighthouse Grp Plc	8.51%	Just Grp Plc	4.17%
Renishaw Plc	6.36%	Everyman Media Grp Plc	4.04%
XLmedia Plc	5.18%	Syqic Plc	4.03%
Fdm Grp Hldgs Plc	4.49%	Caretech Hldgs Plc	3.99%
Lombard Cap Plc	4.34%	Scientific Digital Imaging Plc	3.73%

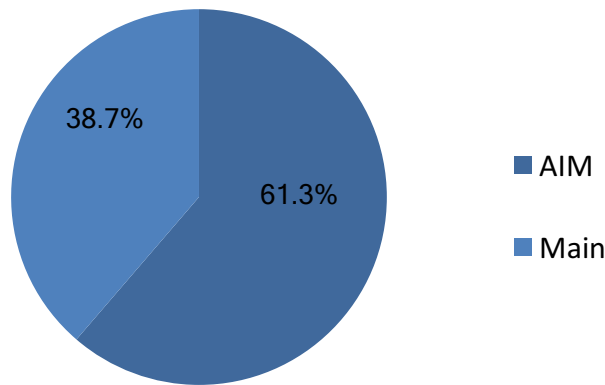
Portfolio sector breakdown as at 30 Sep 2017

Holdings by Market Cap, £ as at 30 Sep 2017



Source: Peterhouse Capital

Portfolio breakdown by LSE market listing, as at 30 Sep 2017



RISK WARNING

The value of your investment can go down as well as up and you may not get back a significant proportion of your investment.

Past performance is not a reliable indicator of future results. Forecasts in this publication are estimates based on data and market sentiment, and should be taken as so.

Webb Capital is not authorised to give advice, if you are in any doubt as to the suitability of an investment, you should seek independent financial advice.