

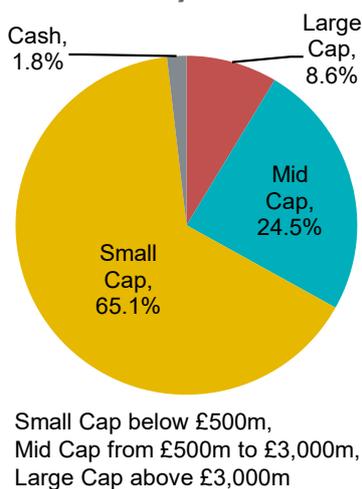
Commentary

The Collins Dictionary has chosen 'Permacrisis' as word of the year 2022. This mood is reflected in UK equity markets, where reasons for pessimism abound. We hold the oil company, EnQuest. Alongside ESG and windfall tax concerns, the dominant narrative is that EnQuest has too much debt. But the business is on track to generate free cash-flow this year of over 70% of its current market capitalisation, and could be debt-free in 18 months. The majority of our holdings enjoy a FCFE yield of more than 10% and a P/E of less than 10x, based on consensus estimates. Many holdings have net cash, which in some cases is close to (or greater than) the entire market capitalisation of the business. This may not seem the time for optimism, but our job is to discount the future, and entry price is half of the equation for future returns.

Top Ten Equity Holdings

1	Gulf Marine Services	7.8%
2	Somero Enterprises	7.4%
3	Newriver Reit	6.7%
4	HSS Hire Group	6.4%
5	Enquest	6.4%
6	Capita	6.2%
7	SCS Group	5.9%
8	Works co uk	5.8%
9	WPP	5.5%
10	Costain Group	5.0%
TOTAL		63.2%

Portfolio by Size



Portfolio Characteristics

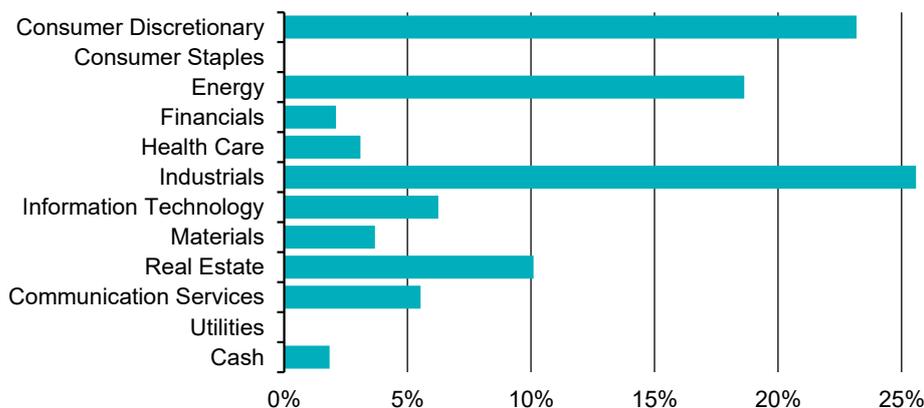
Holdings (ex cash) that:	
Trade at < TBV [†]	26.3%
Trade at < 10x P / E ^{††}	83.6%
Trade at > 10% FCFE yield [†]	64.1%
Have balance sheet net cash ^{†^}	35.4%

Key Facts

Structure	UK NURS OEIC
AUM	£6.5m
Class A / B price	116.3p / 114.5p
% held by CWC employees	21.7%
Holdings	20
Launch date	3 October 2016
Share type	Net accumulation
OCF Cap*	0.37%**
Performance fee rate*	20% versus benchmark (with HWM)
Class A benchmark	MSCI UK IMI Net Dividends Reinvested
Class B benchmark	8% annual return

[†] Last reported / ^{††} Consensus forecast
[^] Excluding IFRS16
* Refer to prospectus for full details
** Applies to GBP A to 30/06/23, reverting to 0.45%

Portfolio by Sector

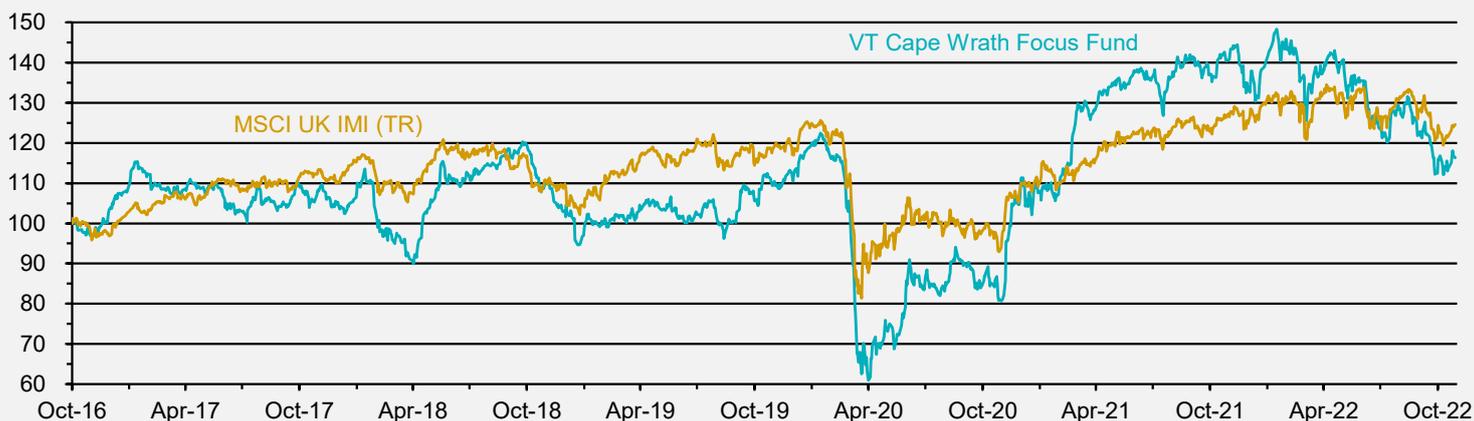


Performance

3 October 2016 – 31 October 2022

Class A GBP Net Accumulation vs MSCI UK IMI (TR) rebased to 100

	1 m	6 m	1 y	3 y	5 y	Inception
Class A GBP	3.2%	-16.5%	-17.1%	5.7%	8.6%	16.3%
MSCI UK IMI (TR)	3.0%	-5.9%	-1.4%	6.0%	10.9%	24.6%



Past performance is not indicative of future results

Investment Objective

The investment objective of the Fund is to generate capital growth over the long term by typically investing at least 70% in a concentrated portfolio of UK listed equities. The Fund follows a value philosophy, looking for situations in which investors have over-reacted to events and valuations no longer reflect company fundamentals. The best opportunities often are found after a period of disappointment has created emotional reasons not to invest. Every investment requires a clear catalyst, which impacts on earnings, or the multiple the market applies to those earnings.

Platforms

AJ Bell	Embark
Alliance Trust Savings	Fusion
Allfunds	Hargreaves Lansdown
Ascentric	Novia Global
Aviva	Quilter
Charles Stanley Direct	Raymond James
Cofunds	Transact
	Valu-Trac Administration Services

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The value of investments can fall as well as rise and you may not get back the amount you have invested. Income from an investment may fluctuate in money terms. If the investment involves exposure to a currency other than that in which acquisitions of the investments are invited, changes in the rates of exchange may cause the value of the investment to go up or down. Past performance is not necessarily a guide to future performance.

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Unless otherwise stated Equity Market price indices used within this publication are sourced or derived from data supplied by MSCI Inc 2022.

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Fund Manager



Adam Rackley, CFA

After working as an analyst at the Alliance Trust, Adam joined Montanaro Asset Management, where he managed a smallcap income fund. Leaving the City in 2010, he taught the CFA qualification at BPP, and later managed equity research teams for CRISIL in Mumbai. In 2015 Adam returned to London and set-up Cape Wrath Capital. He has degrees in Philosophy, Politics & Economics, and Finance & Financial Law. Adam has served as a platoon commander with the 1st Battalion Black Watch and is the Principal at Curzon Financial Training. In his free time, Adam enjoys making marmalade and spending time outdoors with his children. He once took six months off to write a book ('Salt, Sweat, Tears'), and has swum the Channel, rowed the Atlantic, cycled Lands End to John o' Groats and run across England, Scotland and Wales.

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