HANSON INCOME FUND

A Sub-Fund of Ledbury SICAV PLC

CLASS B ACCUMULATION SHARES REPORT — OCTOBER 2018

TOP 10 HOLDINGS

NEX GROUP	4.78	GENESIS ENERGY	3.37
VODAFONE GROUP	4.33	NOVARTIS	3.29
BP	4.01	ASTRAZENECA	3.19
LLOYDS BANKING GROUP	3.48	PHILIP MORRIS INERNATIONAL	3.15
TELENOR	3.46	GOODMAN PROPERTY TRUST	3.08

PERFORMANCE

Source: Praxis Fund Services (Malta) Ltd

2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	YTD
Class B GB£ Accumulation*	-1.05%	-3.97%	-1.07%	3.21%	1.26%	-1.01%	1.09%	-0.80%	0.70%	-3.96%	**-5.69%**
Class B US$ Accumulation	3.88%	-5.10%	-0.63%	2.49%	-3.06%	-2.53%	1.30%	-1.50%	1.18%	-5.79%	**-9.77%**
Class B Euro Accumulation	0.23%	-4.62%	-0.39%	4.12%	0.19%	-1.57%	0.69%	-1.73%	1.48%	-3.74%	**-5.49%**

2017	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Class B GB£ Accumulation*	-	-	-	-	-	-	-	-	-	-	-2.08%	2.56%	**0.43%**
Class B US$ Accumulation	1.82%	1.69%	0.90%	3.16%	3.38%	-1.47%	2.32%	-0.33%	1.15%	-0.93%	1.59%	2.00%	**16.25%**
Class B Euro Accumulation	-0.03%	2.65%	0.08%	1.28%	0.40%	-3.19%	2.10%	-2.19%	2.15%	0.10%	-0.46%	1.56%	**2.48%**

HANSON INCOME FUND ORDINARY CLASS B ACCUMULATION SHARE PRICES

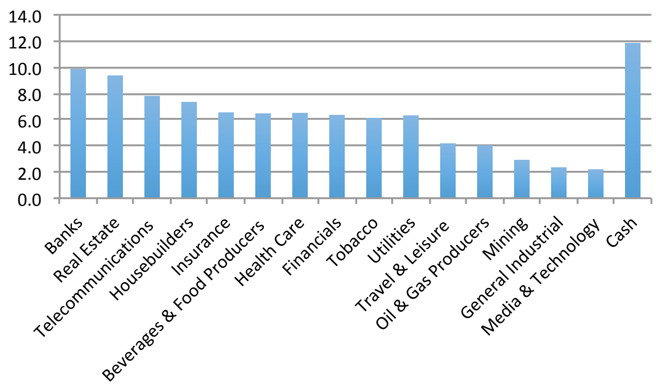
*share class opened November 2017

GB£ Accumulation Shares
MT7000017661 **£94.72**

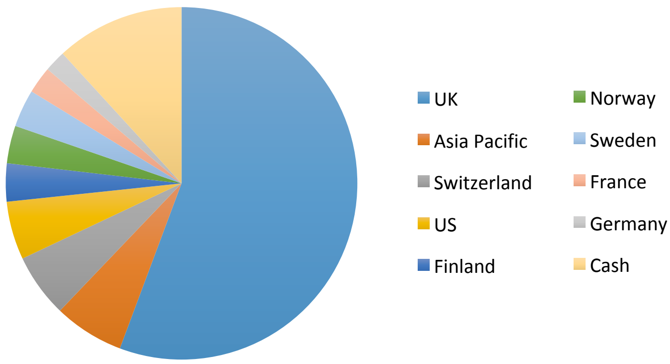
US$ Accumulation Shares
MT7000017687 **$105.92**

Euro Accumulation Shares
MT7000017679 **€98.01**

SECTOR ALLOCATION



GEOGRAPHICAL EXPOSURE



FUND FACTS

- MALTESE UCITS V
- WEEKLY DEALING
- INCOME FUND
- TARGETED 4 - 4.5% P/A
- INCOME PAID TWICE YEARLY
- BOTH DISTRIBUTION AND ACCUMULATION UNITS
- RISK RATING 5/7
- WIDELY ACCEPTED BY BOND PROVIDERS, OTHER TAX WRAPPERS AND INVESTMENT PLATFORMS
- £/$/EURO SHARE CLASSES

THE MANAGER

Arlington Capital Ltd, regulated by the FCA was founded in 2017 to separate the fund management, principal investments and investment advisory activities of the Hanson group. Arlington Capital Ltd manages funds, investment vehicles and advises its clients on real estate investments, corporate debt and equity investments. The demerger allows Hanson Asset Management to concentrate on its private wealth management business and for Arlington to focus on its fund management and investment advisory activities. The two firms are co-located in Arlington Street, Mayfair, London.

INVESTMENT OBJECTIVES

The Hanson Income Fund is an actively managed and diversified equity portfolio. The aim is to produce an income of 4-4.5% pa, paid twice yearly, together with capital growth. The fund intends to invest primarily in attractively valued dividend paying UK companies, with the balance invested internationally. The fund will target outperformance by owning shares that should grow dividends faster than inflation.

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FUND MANAGER COMMENTARY

October proved a challenging month for markets. The last dealing date of the fund in October was on the 25th, up until that date the S&P 500 and FTSE 100 were down 7.1% and 6.7% respectively. The fund held up comparatively well, down 3.9% for the Sterling Accumulation Class over the same period and it gained a further 1.1% in the last few days of the month. We have taken advantage of recent weakness to selectively deploy capital to existing positions we feel have been over-sold.

Interestingly, we saw little in the way of new catalysts causing the weakness, but rather a proliferation of existing issues, namely; the prospect of further hikes from the Fed, trade concerns, loosening of Italian fiscal restraints, and Brexit concerns. As previously alluded, we continue to see a marked pick-up in volatility, the S&P 500 moved up or down by more than 1% in a single day on ten occasions during the month – two more times than in the whole of 2017. Notwithstanding, economic fundamentals remain strong, with unemployment globally continuing to fall. Third-quarter earnings season got off to a good start, particularly in the U.S, where over 85% of companies that have reported so far have beaten earnings per share estimates.

PORTFOLIO HOLDINGS' NEWS

Marston's announced it generated record revenue and underlying pre-tax profit for the year, citing strong summer trading thanks to the FIFA World Cup and warm weather in the U.K. The group said it expects revenue to have risen c.15% on year to more than £1.1bn, with like-for-like pub sales up 0.6%, and franchised taverns sales increasing 3.8% YoY. Marston's said it has agreed to buy 15 former Mitchells & Butlers pubs from property investor Aprirose and expects the acquisition to complete in the first half of 2019. The company will invest approximately £4mn in these pubs post-acquisition and targets an EBITDA of c.£500,000 in 2019 and at least £1mn in 2020.

Rio Tinto released third quarter production results. Chief executive J-S Jacques said "We have delivered consistent operational performance in the third quarter, highlighted by strong production from the Group's copper assets. We made strong strategic progress with the full exit from coal, the announcement of the additional $3.2 billion of share buy-backs, and the signing of a binding conditional agreement to exit Grasberg for $3.5 billion. We continue to pursue all opportunities to improve productivity and drive enhanced cash flow generation. This, combined with the disciplined allocation of capital, will ensure we continue to deliver superior returns to our shareholders in the short, medium and long-term." Currently yielding 5.5%.

Lloyds updated the market on third-quarter numbers, which came in ahead of expectations. Adjusted pre-tax profit of £2.07bn was 5% ahead of consensus expectations, with a 3% reduction in operating costs and in-line impairments. The shares offer attractive margin of safety at current levels, with further scope for additional hikes in the dividend. However, share price movement in the short-term appears to be impeded by uncertainty surrounding the outcome of Brexit. As the U.K's largest banker to consumers and small businesses, Lloyds is clearly sensitive to the fate of the U.K. economy. Notwithstanding, we still believe the company is well positioned given its balance sheet strength, and any adverse effects from the improbable outcome of a no deal Brexit should be contained, in terms of downside risk. Currently yielding 5.4%.

BP announced its profit more than doubled in the third quarter, as strong crude prices put it on track to deliver record levels of cash this year. Replacement cost profit was $3.1bn in the third quarter, compared with $1.4bn in the same period a year earlier. Its underlying profits rose to $3.8bn, a five-year high and roughly a third higher than analysts expected. The company said it remains committed to capital discipline and growing distributions to shareholders. We're very confident in the outlook for the company," Chief Financial Officer Brian Gilvary said. "The oil price is currently north of $75; we break even at $50...we have more than sufficient surplus cash." The yield remains attractive at 5.6%. - ***JG***

PATRICK TEROERDE

Fund Manager Patrick has been the co-fund manager since the fund's launch. Patrick has been investing in markets for over 20 years with an expertise in company cash flows and income investing. Patrick was also a co-founder and joint Managing Director of Hanson Asset Management. He started his business career in investment banking before moving into private equity at Lazard. He was the Investment Director of Adurion Capital, a multi strategy investment office where he developed income strategies using equities, debt and real estate. Patrick read economics and business administration at EBS University for Business & Law in Germany, the Ecole Supérieure de Commerce in Dijon, France and the Graduate School for Business and Management at Pepperdine University in Malibu, California.

JASON GOOCH

Jason co-manages the fund with Patrick and has been in the investment field for over 15 years. He started his career working for Macquarie bank and Goldman Sachs where he held positions in equity sales and research. He spent several years as an investment manager overseeing multi-asset portfolios for high net-worth individuals at Julius Baer. Recently Jason was CIO of a prominent multi-family office with particular emphasis on enhanced income strategies and risk-management.

HANSON INCOME FUND INVESTMENT COMMITTEE: Edward Collins, Karl Micallef, Tom Wight.

SALES SUPPORT: funds@hansonincomefund.co.uk Administrator-Praxis Malta: +356 2546 8000.

The Prospectus and KIIDs are available in English from your financial advisor or the administrator.

ADDITIONAL INFORMATION: The annual management charge is 2.0%. Class A has an initial charge of 5.5% (please contact sales support or the administrator for further details) and Class B has a deferred sales charge of 5.5%. There are both Distribution and Accumulation share classes for both A&B (please contact sales support or the administrator for further details). The minimum investment for all share classes is 1000 units of the denominated currency. Subscriptions must be received by 5pm (CET) Wednesday. It is intended that the Company will distribute and pay dividends in respect of Distribution Share Classes half-yearly (31 December and 30 June). However the frequency of any income payments is not guaranteed and may vary.