



## *WAY Fund Managers Limited*

**Our ref:** VH/FACET/0322/[Client Ref]

**Designation (if any):**

**Date:** 15<sup>th</sup> March 2022

Dear Investor,

### **EF FACET Balanced Discretionary Portfolio & EF FACET Cautious Discretionary Portfolio (the "Funds") - In termination**

The purpose of this letter is to provide you with and update on progress relating to the termination of the Funds. Our previous letters on the subject can be found on our website at [www.wayfunds.com](http://www.wayfunds.com) and then clicking on "Funds" on the top toolbar, followed by the Fund which you will find in alphabetical order. Under "Literature", you will find an "Investor Communication" icon, where you will find copies of our previous letters.

Over the period since our most recent letter, dated 13<sup>th</sup> August 2021, there have been no further sales of the Funds' assets. The reason for this is that there is currently no available market for the sale of the remaining assets. However, the Funds' investment manager, FACET Investment Management Limited ("FACET"), continues to look for any available market in relation to the Funds' remaining assets, which involves making them available to firms specialising in the acquisition of such assets. FACET will continue to do so until each of the Funds' assets has been sold, although there remains a possibility that some or all of the assets could have no residual value.

In most cases, there has also been very little in the way of company news released into the public domain with respect to the remaining assets. Those assets where we can provide some commentaries are as follows:

**Akiles** – The Funds do not hold stock in this company, but we are accruing a cash debt from Akiles, at a level at which we believe we have a chance of recovery. We expect Akiles to be re-financed, which should provide capital to be distributed to creditors. However, we cannot provide any guarantees that there will be a repayment, or at what level that repayment will be;

**All Saints Asset Management plc ("ASAM")** – ASAM is a subsidiary of High Street Grp Limited ("HSG"), which entered administration on the 16<sup>th</sup> December 2021. In cases such as this, the parent company (i.e. HSG) may have the right to access the assets of a subsidiary. At present, this is something that we don't know. However, as ASAM itself has failed to file its audited financial statements for the period 31<sup>st</sup> December 2019, which suggests that it is probably in financial stress, we have severely impaired its value in any event.



**Carpe Valorem LLC ("CV")** - We have received all available payments of cash from CV and we are just waiting for confirmation from the Delaware Secretary of State that CV has been liquidated before removing it from the Fund's portfolio.

As a result we are, therefore, unable to verify the valuation of these assets. Because of the continued uncertainty regarding the recoverability of further funds for shareholders, we have made further discounts to the values of some of the assets. The following table shows the prices now being carried within the Funds' portfolios, their respective values and the relevant percentages of the total revised portfolio values.

### Current Asset Allocation

At present the following assets remain in the Funds:

#### EF FACET Balanced Discretionary Portfolio

Asset	Status	Value held as at 5 <sup>th</sup> August 2021	Value held as at 10 <sup>th</sup> March 2022	% of Fund NAV as at 10 <sup>th</sup> March 2022
Akiles	Cash debtor	£115,939.12	£59,362.50	8.03%
All Saints Asset Management Limited	Less liquid/illiquid bond	£125,000.00	£62,500.00	8.46%
Balise Springs Limited	Less liquid/illiquid bond	£115,460.10	£0.00	0.00%
Carpe Valorem LLC	Liquidated bond	£0.00	£0.00	0.00%
Ecovista Plc	Suspended equity	£42,857.14	£20,142.86	2.73%
Globe Capital Limited	Less liquid/illiquid equity	£19,962.50	£19,962.50	2.70%
Queros Capital Limited	Less liquid/illiquid bond	£347,520.15	£347,494.57	47.05%
The First Fleet Alternative Opportunity Fund	Suspended fund	£208,722.47	£208,722.47	28.26%

#### EF FACET Cautious Discretionary Portfolio

Asset	Status	Value held as at 5 <sup>th</sup> August 2021	Value held as at 10 <sup>th</sup> March 2022	% of Fund NAV as at 10 <sup>th</sup> March 2022
Akiles	Cash debtor	£192,595.71	£98,937.50	9.95%
All Saints Asset Management Limited	Less liquid/illiquid bond	£225,000.00	£112,500.00	11.32%
Carpe Valorem LLC	Liquidated Bond	£0.00	£0.00	0.00%
Queros Capital Limited	Less liquid/illiquid bond	£448,946.55	£448,913.49	45.18%
The First Fleet Alternative Opportunity Fund	Suspended fund	£301,867.93	£301,867.93	30.38%



## Share Class Capital Distributions

We have agreed with the Funds' depositary that, due to the fact that the levels of uninvested cash held by the Funds is relatively low, we will not make any further distribution of the Funds' capital at this stage.

## Indicative Share Class Prices as at 10<sup>th</sup> March 2022

We continue to apply a fair value price to the Funds' remaining assets, plus available cash, which results in indicative share prices equivalent to the following:

### EF FACET Balanced Discretionary Portfolio

Share Class	ISIN	5 <sup>th</sup> August 2021 – Price per share (£)	10 <sup>th</sup> March 2022 – Price per share (£)
Class A Accumulation Shares (GBP)	GB00B63M3941	£0.0856	£0.0511
Class A Accumulation Shares (USD)	GB00BJFDQB91	USD0.0720	USD0.0406
Class A Income Shares (GBP)	GB00B6779201	£0.0807	£0.0471
Class A Income Share (USD)	GB00BJFDXG30	USD0.0703	USD0.0378
Class B Accumulation Shares (GBP)	GB00B67JGM50	£0.0879	£0.0525
Class B Income Shares (GBP)	GB00B3NHHK73	£0.0778	£0.0454
Class C Accumulation Shares (GBP)	GB00B64HMB35	£0.0908	£0.0542

### EF FACET Cautious Discretionary Portfolio

Share Class	ISIN	5 <sup>th</sup> August 2021 – Price per share (£)	10 <sup>th</sup> March 2022 – Price per share (£)
Class A Accumulation Shares (GBP)	GB00B65GPF46	£0.1075	£0.0739
Class A Accumulation Shares (USD)	GB00BJFDXH47	USD0.0909	USD0.0591
Class A Income Shares (USD)	GB00BJFDXJ60	USD0.0908	USD0.0548
Class B Accumulation Shares (GBP)	GB00B3Q4TW18	£0.1102	£0.0757
Class B Income Shares (GBP)	GB00B6878BC37	£0.0969	£0.0645
Class C Accumulation Shares (GBP)	GB00B65MCF19	£0.1145	£0.0787

## Outlook

Please note that the values that we have applied to the unsold assets is purely indicative and is what we believe to be at fair value prices. These fair value prices will be subject to adjustment periodically, upwards or downwards, as further information comes to our attention. There can be no guarantee that the fair value prices quoted will be the prices at which those assets will ultimately be realised and there is significant doubt as to whether any value may be recoverable in respect of some or all of the Funds' assets.



It remains our goal to complete the termination of the Funds at the earliest possible opportunity, but we are unable to provide a timeline as it will be dependent on the availability of suitable offers for the remaining assets, in order to realise an acceptable level of capital in the best interests of all investors. In the meantime, we will continue to make distributions of capital to you as and when sufficient funds become available.

Until they are terminated, the Funds will continue to be audited on an annual basis and copies of these reports, as well as copies of all previous investor communications, can be found at [www.wayfunds.com/Sponsors/FACETInvestmentManagementLimited](http://www.wayfunds.com/Sponsors/FACETInvestmentManagementLimited), or by contacting us using the details referred to below. The most recent annual accounting date for the Funds was 31<sup>st</sup> May 2021 and the report showing the audited financial statements for this date is available at: [www.wayfunds.com/Sponsors/FACETInvestmentManagementLimited](http://www.wayfunds.com/Sponsors/FACETInvestmentManagementLimited)

If you have any questions regarding the Funds, or you wish to register a complaint, please address your communication by e-mail to [compliance@wayfunds.com](mailto:compliance@wayfunds.com), by telephone on 01202 855856 (+44 (0)1202 855856 from outside of the UK), or in writing to the address at the foot of this letter.

Yours faithfully,

**V N Hoare**  
**CEO**  
**WAY Fund Managers Limited**