



WAY Fund Managers Limited

Our Ref: FT/WAR/0423/[Client Ref]

Designation: [If applicable]

Date: 13 April 2023

Dear Investor,

WAY Absolute Return Portfolio Fund (the "Fund") - In termination

We are writing to follow-up our letter of 15th March 2022, which updated you on progress relating to the termination of the Fund.

There have been no further asset sales since our last letter to you.

In relation to the Fund's remaining assets, please note the following:

- **All Saints Asset Management plc (Bond) ("ASAM")** – ASAM is a subsidiary of High Street Grp Limited ("HSG"), which entered administration on the 16th December 2021. ASAM's financial statements for the period ending 31st December 2019 remain outstanding. Without any positive news regarding ASAM, from 6th April 2022, our Fair Value pricing Committee decided to fully impair ASAM's valuation. There may be a residual value for ASAM, but we feel that it is prudent to fully impair its value unless and until there is some positive news received about its future.
- **Carpe Valorem LLC (Bond) ("CV")** – We have received confirmation from the Delaware Secretary of State that CV has been liquidated and it has, therefore, been removed from the Fund's portfolio;
- **Ethika Sustainable Impact Fund ("Ethika")** – Ethika is a Malta-domiciled collective investment scheme, which is in the process of termination. Having been the subject of now resolved litigation, we had expected to see some movement in relation to Ethika's remaining assets. Ethika's remaining holdings are of illiquid and less-liquid assets and its management company has informed us that it will be finalising its termination process as soon as possible. We further impaired its value on 5th September 2022 and 6th February 2023 and will continue to seek further information on Ethika's termination from its management company. We will continue to review its holding value periodically;
- **European Investment Grade Properties (Bond) ("EIGP")** – Having been outstanding for some considerable time, EIGP has now filed both its 29th February 2020 and 28th February 2021 audited



financial statements. Despite the resolution of internal issues at EIGP late in 2021, the audited financial statements give us significant cause for concern relating to the repayment of the principal for the EIGP Bond, which was due on 31st March 2023. At the time of writing, we have had no contact from EIGP in relation to the Bond's maturity. Because of EIGP's apparent worsening financial position, we fully impaired its value on 18th August 2022.

We will continue with our efforts to maintain contact with the Boards/management companies in relation to the Fund's remaining assets. However, there has also been very little in the way of positive company news released into the public domain. Because of this, we have been unable to verify the valuations of these assets have, therefore, impaired/discounted their respective values, as indicated above and which have been reflected in the current estimated Fund prices shown below.

At present the following assets, excluding cash, remain in the Fund:

Asset	Status	Value held as at 10 th March 2022	Value held as at 4 th April 2023	% held as at 4 th April 2023
All Saints Asset Management PLC	Less liquid/Illiquid bond	£50,000.00	£0.00	0.00%
Ethika Sustainable Impact Fund	Suspended fund (Malta)	£195,016.50	£22,140.00	47.17%
European Investment Grade Properties PLC	Less liquid/Illiquid bond	£237,500.00	£0.00	0.00%

Share Class Capital Distributions

There will not be a distribution of the Fund's capital to its shareholders at this time.

Share Class Valuations as at 4th April 2023

We continue to apply fair value prices to the Fund's remaining assets, plus available cash, which give indicative share prices equivalent to the following:

Share Class	ISIN	Price per share (£), as at 10 th March 2022	Price per share (£), as at 4 th April 2023
Retail Accumulation Shares	GB00B4RM7D86	0.0615	0.0054
Class A Income Shares	GB00B51M6M39	0.0583	0.0058
Class E Accumulation Shares	GB00B98BYN82	0.0607	0.0052
Class E Income Shares	GB00B8DFQZ41	0.0568	0.0047
Class S Income Shares	GB00BG1QH187	0.0510	0.0052
Class T Income Shares	GB00B99MR421	0.0563	0.0058
Class Z Accumulation Shares	GB00BDBVS204	0.0519	0.0049
Class Z Income Shares	GB00BDBVS428	0.0507	0.0047



Please note that the values we have applied to the unsold assets are purely indicative and are what we currently believe represent fair value prices. These fair value prices will be subject to adjustment periodically, upwards or downwards, as further information comes to our attention. We are unable to provide any guarantees 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 Fund's assets.

It remains our goal to complete the termination of the Fund at the earliest possible opportunity, but we are currently unable to provide a timeline for this. We intend to make distributions of capital to you if further funds become available.

The Fund will continue to be audited on an annual basis and the most recent annual and interim reports can be found at www.wayfunds.com, where you should click on "Funds" on the top toolbar, followed by the Fund which you will find in alphabetical order. You should then click on the "Report & Accounts" icon. The most recently issued annual report for the Funds was for the period ending 31st March 2022 (interim report for the period ending 30th September 2022). The Report for the period ending 31st March 2023 will be available by 31st July 2023. The same details can be obtained by contacting us using the details referred to below.

If you have any questions regarding the Fund, or you wish to register a complaint, please address your communication by e-mail to 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