

# The Overstone Fund

Annual Report & Accounts  
for the year ended 31st March 2023



**THEISIS UNIT TRUST MANAGEMENT LIMITED**

Authorised and regulated by the Financial Conduct Authority

# The Overstone Fund

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\* These collectively comprise the Authorised Corporate Director's Report.

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## Management and Professional Service Providers' Details

### Authorised Corporate Director:

Thesis Unit Trust Management Limited  
Exchange Building  
St John's Street  
Chichester  
West Sussex PO19 1UP  
Tel: 01243 531 234

*Authorised and regulated by  
the Financial Conduct Authority*

### Investment Manager:

Oldfield Partners LLP  
11 Grosvenor Place  
London SW1X 7HH

*Authorised and regulated by  
the Financial Conduct Authority*

### Administrator, Registrar and Fund Accountant:

Northern Trust Global Services SE, UK Branch  
50 Bank Street  
Canary Wharf  
London E14 5NT

*Authorised and regulated by  
the Financial Conduct Authority*

### Dealing Office:

Thesis Unit Trust Management Limited  
Sunderland SR43 4AZ  
Tel: 0333 300 0375  
Fax: 020 7982 3924

*Authorised and regulated by  
the Financial Conduct Authority*

### Depository:

NatWest Trustee and Depository Services Limited  
House A, Floor 0  
Gogarburn  
175 Glasgow Road  
Edinburgh EH12 1HQ

*Authorised and regulated by  
the Financial Conduct Authority*

### Auditor:

PricewaterhouseCoopers LLP  
Level 4, Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

### Directors of the ACD:

S. R. Mugford - Finance Director  
D. W. Tyerman - Chief Executive Officer  
S. E. Noone - Client Service Director  
D. K. Mytnik - Non-Executive Director  
V. R. Smith - Non-Executive Director  
G. Stewart - Independent Non-Executive Director  
C. J. Willson - Independent Non-Executive Director  
N. C. Palios - Non-Executive Chair

D. W. Tyerman and S. R. Mugford also hold directorships of other companies within the Thesis group and perform senior management roles within these companies, particularly Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the Authorised Corporate Director.

D. K. Mytnik, V. R. Smith and N. C. Palios also hold non-executive directorships of other companies within the Thesis group. They and C. J. Willson and G. Stewart are not engaged in other business activities that are of significance to The Overstone Fund (the "Company").

# The Overstone Fund

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## **Report of the Authorised Corporate Director**

*for the year ended 31st March 2023*

Thesis Unit Trust Management Limited, (the “ACD”) is pleased to present the ACD’s Annual Report & Accounts for The Overstone Fund (the “Company”) for the year ended 31st March 2023.

This Company is an umbrella fund with only one sub-fund, namely Overstone Global Equity Income Fund (the “sub-fund”).

### **Investment Objective and Policy**

The sub-fund's objective is to achieve an income and some capital growth, (net of fees) over the longer term (i.e. 5 years or more).

The Investment Manager will actively manage the sub-fund. This means that the Investment Manager actively makes decisions about how to invest the Scheme Property of the sub-fund (and which investments to buy and sell) instead of simply following a market index.

To achieve the objective, the sub-fund will invest in a diversified global portfolio which may include investing up to 100% in equity markets. Although the sub-fund will be geographically diversified, it will have a concentrated portfolio since it will typically have 15-40 holdings. The sub-fund may also invest in fixed income assets (up to 30%) e.g. corporate and government bonds, warrants, money market instruments, deposits, cash and near cash. Investment will be made directly but may include indirect exposure through the use of collective investment schemes. No more than 10% of the sub-fund’s assets may be invested in units in other collective investment undertakings. Investment in other collective investment schemes may include those managed or operated by the ACD.

The sub-fund will be permitted to invest in derivatives for Efficient Portfolio Management (EPM) purposes only (including hedging).

### **Performance Comparator**

The Company uses the Morgan Stanley Capital International (MSCI) World High Dividend Yield Index as a primary benchmark for performance comparison purposes. This benchmark has been selected because it reflects the performance of equities with higher dividend income, similar to that of the Company and it is therefore an appropriate comparator for the Company's performance.

The Company also uses the Morgan Stanley Capital International (MSCI) World Index as a secondary benchmark for performance comparison purposes. This benchmark is to enable investors to review the performance against a pure wider equity benchmark with no specified income requirement.

These benchmarks are for performance comparison purposes only and they are not target benchmarks and the Company is not constrained by them.

### **Important Information**

From time to time, major macroeconomic events occur and cause significant short-term volatility to capital markets. Russia’s military action is an example of such an event. We are monitoring the situation very closely and will continue to manage our funds in line with their respective objectives.

Thesis Unit Trust Management Limited  
Authorised Corporate Director  
24th July 2023

# The Overstone Fund

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## Report of the Investment Manager

for the year ended 31st March 2023

### Investment Report – Overstone Global Equity Income Fund

#### Performance

The Overstone Fund – Overstone Global Equity Income Fund (Class J Accumulation Shares)<sup>1</sup>: 5.1%

MSCI World High Dividend Yield, Net Dividends Reinvested: 2.8%

MSCI World, Net Dividends Reinvested: -1.1%

Source: Thesis Unit Trust Management Limited, Bloomberg, Oldfield Partners LLP and MSCI (Copyright)

<sup>1</sup> Performance is calculated net of all fees and expenses and on a total return basis, inclusive of all distributions to shareholders.

#### Process

We look to invest in companies that are long-term winners trading at attractive valuations. We select investments through a bottom-up, research driven approach, searching for companies which have attractive business attributes and are trading at prices well below our view of their fair value. We are contrarian in our thinking, looking at parts of the market that are unloved and out of favour. Areas of poor sentiment are where we find companies priced at material discounts to fair value. The portfolio is concentrated – typically 20-30 holdings – but we look to diversify across countries and sectors. Finally, and importantly, we invest with a long-term mind-set. Our average holding period is 4-5 years.

There is a specific focus on dividends and income generation. At the portfolio level, we are looking to produce an attractive income stream which is sustainable and will grow over time. We target a portfolio dividend yield that is at least 1.3 times that of the broader MSCI World Index. Dividends are a critical part of our investment process. We have regularly stated that we expect to grow the dividend per share on a three to five year rolling view.

This sub-fund, like all our funds at Oldfield Partners, is an equity fund. There are two reasons that we run our equity funds fully invested. The first is that this is what we tell all our clients we will do: Our funds are for investors who want to be invested (in this part of their portfolios) in equities, aiming to outperform the relevant indices over the long term. The second is that, even in dire times, even in times of great uncertainty and great volatility, we remain convinced of the long-term benefits of equity investment: it is not for those with a short-term outlook, but over the long term we believe that equities in general, and the equities we choose for the sub-fund, will provide a good after-inflation return.

#### Overview

The sub-fund rose 5.1% during the year ending 31st March 2023 (in GBP). This was ahead of the MSCI World High Dividend Yield Index which rose 2.8% and the MSCI World Index which fell 1.1%.

At a stock level, the strongest performers, in order of impact on the portfolio, were Swedish Match AB (+64%, total return in local currency, to the point of sale), Fairfax Financial (+34%) and BP (+42%). The largest negative contributors were IWG (-37%), Allegiant Travel (-43%) and SS&C Technologies (-24%).

Having trailed the indices in the first half of the year to September 2022, the sub-fund benefited in the second half of the year as Europe looked to be successfully managing the energy crisis. The Financial Times greeted the New Year with the headline “UK faces worst and longest recession in G7.” Since the outbreak of the war in Ukraine, the UK and Europe have been heavily impacted by high energy prices. However, a year later and a couple of prime ministers down, a full-blown recession in the UK and many of Europe’s economies maybe avoided. The recent area of concern has focused on small US banks; it does not take long for the attention of doomsayers to swing elsewhere.

#### Contributors to performance

Swedish Match AB received an offer from Philip Morris International for SEK 106 per share in May 2022. This was approximately 40% higher than the price before the announcement. A key part of a smokefree future in the USA will be nicotine pouches and Swedish Match AB has a leading market share in this category with its Zyn product. Zyn has gone from non-existent to around 4% of the total US nicotine market in just 5 years. It commands a 65% market share of the category and volumes continue to grow strongly. We continue to participate in the performance of Swedish Match AB as shareholders of Philip Morris International.

Fairfax Financial, the Canadian insurer, announced 2022 book value per share growth of 6%. Although this may look underwhelming, it is impressive given that both bond and equity markets fell last year. The insurance business posted a combined ratio of 95%. Although one cannot rely on a single year’s figures to assess the quality of an insurance company, a combined ratio of less than 100% is good news.

# The Overstone Fund

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## Report of the Investment Manager

for the year ended 31st March 2023 (continued)

### Investment Report – Overstone Global Equity Income Fund (continued)

#### Contributors to performance (continued)

The bond portfolio should now generate c.\$1.5 billion of interest income and, along with the profits of the insurance underwriting and non-insurance businesses profits, Fairfax Financial should be able to generate around \$3 billion of operating earnings. This implies Fairfax Financial trades on a single digit multiple price to earnings ratio.

BP generated c.\$25 billion of free cash flow in 2022. Earnings were similar. This implies BP is trading on a free cash flow yield of c. 25% and a price-to-earnings multiple of just 4x. Looking forward, we do not expect energy prices to be as strong as they were in 2022; however, the company is still trading on single digit multiples of net earnings and free cash flow.

Much of the free cash flow is being returned to shareholders. BP is paying a fixed dividend (c 4% dividend yield) and having strengthened its balance sheet, is now returning 80% of the cash through dividends and share repurchases. Assuming an oil price of \$75/barrel (it is currently \$80) and a gas price of \$5.50/Mcf, we see a fair value of 750p. The benefit of dividends and buyback would provide additional upside. Moreover, there seems to be a reasonable chance that energy prices may stay high for some time given the current geo-political environment.

#### Detractors from performance

IWG recently announced it was in discussions to sell a stake in its digital assets to private equity for c. £1.5 billion. The enterprise value of the business today is c.£2.5 billion and the digital assets are c.20% of the profits of IWG. The implied value of the business, excluding the digital assets, is c.10x free cash flow for the largest, most profitable, and best capitalised serviced office business in the world. In September, Mark Dixon, the founder and CEO, added to his 28% holding.

Allegiant Travel, the low-cost US airline, announced full year results for 2022 that showed an improvement in the company's operating performance. As with many other airlines, Allegiant Travel has struggled with the travel rebound from COVID-19. Throughout 2022, Allegiant Travel faced staff shortages and higher fuel prices leading to full year margins of 4%, well below what we would expect from Allegiant Travel. In Quarter 4, we began to see what the company could deliver should some of these issues abate with an operating margin of 16%.

Looking to next year, the company will focus on operating efficiency and profitability over revenue growth. Based on the Quarter 4 margin, which is more in line with historical norms, the shares are trading on around eight times price to earnings; well below the pre-COVID-19 average of fifteen times.

SS&C Technologies is a leading provider of mission critical, software-based services and software for the financial services and healthcare industries. The company has over 18,000 clients around the world. SS&C Technologies is well positioned to take advantage of rising spending on IT and software, particularly since it has a broad suite of products and solutions to help clients. SS&C Technologies operates in what appears to be a competitive environment. However, there are perhaps two or three genuine scale competitors with a long tail of subscale, regional or focused competitors. In addition, the major competitors are owned by banks while SS&C Technologies has an advantage of being an independent focused software provider. This is seen in customer behaviour – contracts are often 3 to 5 years in length and the customer base is very sticky with 95% retention from one year to the next.

SS&C Technologies trades on a free cash flow yield of 7%. We expect the company to grow organically at mid-single digits giving a return of c. 12% per annum. However, looking at management's ability to allocate capital, we expect the company to add value over and above this. Bill Stone the founder and CEO of the business retains a 13.5% stake in the business. He has a successful record of executing this strategy and is well-aligned with shareholders.

#### Portfolio changes - purchases

The sub-fund purchased Korea Tobacco & Ginseng Corporation (KT&G) during the year. KT&G primary business is to produce and sell tobacco products in Korea and overseas (55% of sales). It also owns Korea Ginseng Corporation, a leading manufacturer of ginseng products such as red ginseng tea and herbal medicines (25% of sales). The rest of the business comprises real estate (15%) – developing former factory sites – and a healthcare supplements and cosmetics business (10%).

KT&G maintains a strong position in the domestic tobacco market. It has a 65% market share in combustible tobacco, helped by a portfolio of well-known brands, a strong distribution network and a history of successful product innovation. These competitive advantages have helped KT&G grow its market share in recent years. It is an attractive market to be in due to low prices (\$4 per pack, half of the OECD average) and it has seen only very modest volume declines (1-2% p.a. since 2015).

# The Overstone Fund

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## Report of the Investment Manager

for the year ended 31st March 2023 (continued)

### Investment Report – Overstone Global Equity Income Fund (continued)

#### Portfolio changes - purchases (continued)

KT&G has also developed a leading next generation tobacco product. Its heat-not-burn (HNB) product is called Lil and commands a 45% market share in Korea (including the sticks). The market share of devices is closer to 80%, suggesting KT&G is taking share. HNB has grown strongly over the last 5 years as the penetration of next-generation products increases. The attraction for consumers is HNB provides nicotine consumption with a significant reduction in the harmful compounds related to traditional cigarette smoking. We expect HNB to continue to grow – as we have seen in many other countries around the world.

The success of the KT&G HNB product has not gone unnoticed. Philip Morris International (PM), the global market leader in HNB, entered into a distribution agreement with them, allowing PM to sell Lil outside Korea. KT&G receives a royalty stream and benefits from PMI's scale and vast global distribution network. This will provide further top-line growth to KT&G.

In addition, we expect to see gradual margin improvement as the business increases the portion of sales coming from HNB (there is a negative effect from selling more devices as the category ramps). We should also see benefits coming from Asia 're-opening' as a result of more sales coming from the high-margin travel retail channel for both the tobacco and ginseng businesses.

KT&G has improved its shareholder focus in recent years. It has never cut its dividend since listing in 1997; it has grown the dividend by over 16% per annum over this year and the shares currently offer a 6% dividend yield. In addition, KT&G has committed to returning capital via share buyback: approximately 1 trillion KRW between 2021 and 2023 (8% of the market cap). KT&G has net cash (25% of the market cap) and owns other financial assets and real estate. The shares are trading on a price-to-earnings multiple of 10 times.

#### Portfolio changes - sales

We sold Britvic in August having hit our price target.

We sold E.ON in June. The Russian invasion of Ukraine has resulted in the global energy markets changing in a way not seen since the 1970s OPEC embargo. Since the conflict started, we have seen a continued ratcheting of hostilities between Russia and Ukraine's allies, mostly liberal western democracies. The most acute element of this ratcheting has surrounded energy security for the EU and especially the supply of gas.

We were conscious that the slowdown in the supply of gas that we were seeing could foreshadow a total freeze in the supply of gas. The companies most exposed to the shortfalls are those that are procuring gas directly from Russia. Uniper, not a holding in the fund, was possibly the most directly exposed company. E.ON (the former parent of Uniper) is very dependent on Uniper to supply gas to its 14 million customers in Germany. As a result, we are concerned that there would be a material knock on effect to E.ON should Uniper find itself in serious trouble (which it subsequently has, and is now being nationalised by the German government). It was possible that all's well that ends well but the risk that E.ON could face a substantial change in its circumstances was quite material. As a result, we sold the position.

#### Russia Holdings

Please note that on 3rd March 2022, the sub-fund's investment in Lukoil listed on the London Stock Exchange (LSE) was suspended from trading. Our Valuation Committee considered it was in the sub-fund's best interests that the holding of Lukoil be fair value priced (FVP) at zero. In June 2022, we elected for the holding to be converted into local shares (Lukoil PJSC).

Given the current international sanctions on Russian securities and cash balances, we believe that if lifted and the sub-fund was able to access the local market, the holding in Lukoil PJSC (with a current FVP of zero) would represent 8.0% of the sub-fund and cash dividend of 1.4%. We continue to monitor the situation closely.

#### Conclusion

From 2008 to 2021, bar the odd exception, Growth outperformed Value and US outperformed Europe year after year. The outperformance was initially predicated on fundamentals. However, eventually the fundamentals morphed into pure momentum investing. Over the last five years, MSCI World Value has provided a return of 5% per annum whereas MSCI World Growth has provided a return of 10% per annum. Over this year, MSCI World Value has suffered from a derating whilst MSCI World Growth has rerated by nearly 5% per annum. Half of the return for growth investors over the last five years has come from an unsustainable source.

# The Overstone Fund

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## Report of the Investment Manager

*for the year ended 31st March 2023 (continued)*

### Investment Report – Overstone Global Equity Income Fund *(continued)*

#### Conclusion *(continued)*

Turning to 2022, the momentum has begun to switch. Value and Europe have both begun to outperform. Certain pockets of the market, notably loss-making technology companies, have seen substantial share price declines. Many of these companies remain loss making and at some point their time will be up. However, some of our largest holdings, such as BP and Fairfax Financial, that have done well over the last couple of years still trade at very attractive valuations. In 2019, BP had a market cap of \$126 billion and generated c.\$10 billion of net earnings so was on an implied valuation of twelve times since then profits have more than doubled yet the market cap is lower (it has also reduced its share count by ten percent over this year). There are numerous examples of this across the market today.

Given this back drop, the discipline of investing in companies that are trading on attractive valuations can be challenging. It often means looking in areas where there is fear, which can be emotionally difficult. People like the comfort of being part of the crowd. Benjamin Graham, when asked what causes a cheap stock to find its value, responded “that is one of the mysteries of our business, and it is a mystery to me as well as to everybody else. We know from experience that eventually the market catches up with value.”

The upside of the portfolio is 70%. This compares favourably with the long-term average of 40%. In terms of valuation, the sub-fund is trading on a price-to-earnings multiple of 10x using expected earnings for 2023 and provides a dividend yield of 2.5%. The MSCI World is trading on a price-to-earnings multiple of 17x.

Oldfield Partners LLP  
Investment Manager  
2nd May 2023



# The Overstone Fund

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## **Constitution**

The Overstone Fund (the “Company”) is an investment company with variable capital for the purposes of the Open-Ended Investment Companies Regulations 2001 (the “OEIC Regulations”). The Company is a UCITS scheme, being a category of authorised scheme for the purposes of Collective Investment Schemes Sourcebook (“COLL”) 1.2.1R. The Company was authorised by the FCA pursuant to an authorisation order dated 28th November 2011 and was launched on 6th December 2011. The Company registration number is IC000927. The Head Office of the Company is at Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP and this is also the address for service of notices or other documents required or authorised to be served on the Company.

Shareholders are not liable for the debts of the Company.

Currently, the Company has one sub-fund as provided on page 3.

The base currency of the Company is Pounds Sterling.

## **Regulatory Disclosure**

This document has been issued by Thesis Unit Trust Management Limited (authorised and regulated by the Financial Conduct Authority).

Past performance is not necessarily a guide to future performance. The value of shares can go down as well as up and is not guaranteed. Changes in rates of exchange may also cause the value of shares to fluctuate. Any references in this report to other investments held within this Company should not be read as a recommendation to the investor to buy and sell the same, but are included as illustration only.

# The Overstone Fund

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## Remuneration Disclosures *(unaudited)*

The provisions of the UCITS V Directive took effect on 18th March 2016. That legislation requires Thesis Unit Trust Management Limited (the “Authorised Fund Manager”), to establish and maintain remuneration policies for its staff which are consistent with and promote sound and effective risk management and do not encourage risk taking that is inconsistent with the risk profile and the instrument of incorporation of the Company nor impair compliance with the Authorised Fund Manager’s duty to act in the best interest of the Company.

The Authorised Fund Manager is part of a larger group within which remuneration policies are the responsibility of a Remuneration Committee comprised entirely of non-executive directors. That committee has established a remuneration policy which sets out a framework for determining the level of fixed and variable remuneration of staff, including maintaining an appropriate balance between the two.

Arrangements for variable remuneration within the group are calculated primarily by reference to the performance of each individual and the profitability of the relevant business unit. The performance of individuals working on the business of the Authorised Fund Manager is assessed primarily by reference to non-financial criteria, especially the effectiveness of their oversight monitoring of delegates appointed to perform investment advisory or fund administration services for the Company.

Within the group, some staff are employed directly by the Authorised Fund Manager and others are employed by a service company, Thesis Services Limited. The costs of staff employed by Thesis Services Limited are allocated between entities within the group based on the estimate of time devoted to each.

The table below shows the total remuneration paid by the Authorised Fund Manager and the service company to all the staff working on its business for the financial year ended 30th April 2022.

|                       | <b>Senior Management</b> | <b>Risk Takers</b> | <b>Control</b> | <b>Other</b> | <b>Total</b> |
|-----------------------|--------------------------|--------------------|----------------|--------------|--------------|
| Number of Staff       | 6                        | 12                 | 5.43           | 24.67        | 48.1         |
| Fixed remuneration    | £831,205                 | £904,106           | £263,745       | £923,170     | £2,922,226   |
| Variable remuneration | £207,073                 | £78,873            | £11,999        | £49,204      | £347,149     |

Management have carried out a review of the general principles within the remuneration policy and the implementation of the remuneration policy during the year and following this review, no changes have been considered necessary.

## Certification of Annual Report & Accounts by Directors

In accordance with the requirements of the Open-Ended Investment Companies Regulations 2001 (the “OEIC Regulations”), the Collective Investment Schemes sourcebook (“COLL Rules”), we hereby certify this Annual Report & Accounts on behalf of the ACD, Thesis Unit Trust Management Limited.

D.W. TYERMAN            Director

S. E. NOONE             Director

24th July 2023

# The Overstone Fund

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## **Responsibilities of the Authorised Corporate Director**

The Open-Ended Investment Companies Regulations 2001 (the "OEIC Regulations") and the Collective Investment Schemes sourcebook ("COLL Rules") published by the FCA requires the ACD to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net capital gains/(losses) on the property of the Company for the year.

In preparing the financial statements, the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland and the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association (now known as The Investment Association) in May 2014 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

Thesis Unit Trust Management Limited  
Authorised Corporate Director  
West Sussex  
24th July 2023

# The Overstone Fund

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## Statement of the Depositary's Responsibilities and Report of the Depositary to the Shareholders of The Overstone Fund (the "Company") for the Year Ended 31st March 2023

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the "OEIC Regulations"), as amended, the Financial Services and Markets Act 2000, as amended, (together the "Regulations"), the Company's Instrument of Incorporation and Prospectus (together the "Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares in the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (the "AFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited  
Edinburgh  
24th July 2023

# The Overstone Fund

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## Independent auditors' report to the Shareholders of The Overstone Fund

### Report on the audit of the financial statements

#### Opinion

In our opinion, the financial statements of The Overstone Fund (the "Company"):

- give a true and fair view of the financial position of the Company and its sub-fund as at 31 March 2023 and of the net revenue and the net capital losses on the scheme property of the Company and its sub-fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

The Overstone Fund is an Open Ended Investment Company ('OEIC') with a single sub-fund. The financial statements of the Company comprise the financial statements of its sub-fund. We have audited the financial statements, included within the Annual Report & Accounts (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2023; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Shareholders for the year then ended; the Distribution Tables; the accounting policies (in the Statement of Accounting Policies, Distribution Policies and Risk Management Policies section); and the Notes to the Financial Statements.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

# The Overstone Fund

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## Independent auditors' report to the Shareholders of The Overstone Fund *(continued)*

### Reporting on other information *(continued)*

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

#### *Authorised Corporate Director's Report*

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Responsibilities for the financial statements and the audit

#### *Responsibilities of the Authorised Corporate Director for the financial statements*

As explained more fully in the Responsibilities of the Authorised Corporate Director, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and its sub-fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or its sub-fund, or has no realistic alternative but to do so.

#### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

# The Overstone Fund

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## **Independent auditors' report to the Shareholders of The Overstone Fund** *(continued)*

### **Responsibilities for the financial statements and the audit** *(continued)*

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Other required reporting**

#### **Opinion on matter required by the Collective Investment Schemes sourcebook**

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

#### **Collective Investment Schemes sourcebook exception reporting**

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh  
24th July 2023

# The Overstone Fund

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## Statement of Accounting Policies, Distribution Policies and Risk Management Policies

for the year ended 31st March 2023

### 1. Statement of Compliance

The financial statements have been prepared in accordance with the United Kingdom Generally Accepted Accounting Practice (UK GAAP), as defined within the UK Financial Reporting Standard (FRS 102) and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' (the "SORP"), issued by the Investment Management Association (now known as the Investment Association) in May 2014 and amended in June 2017.

### 2. Summary of Significant Accounting Policies

#### a) Basis of Preparation

There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for the next twelve months from the date these financial statements are authorised for issue. The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The principal accounting policies which have been applied consistently are set out below.

#### b) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in Pounds Sterling, which is the Company's functional and presentation currency rounded to the nearest £'000 or as stated otherwise.

#### c) Valuation of Investments

Quoted investments are valued at bid-market value as at 10:30 pm on the last working day of the accounting year, net of any accrued interest, if applicable, which is included in the balance sheet as accrued revenue. Where values cannot be readily determined, the securities are valued at the ACD's best assessment of their fair value. Purchases and sales are recognised when a legally binding and unconditional right to obtain, or an obligation to deliver, an asset or liability arises.

Open forward currency contracts are valued based on the difference between the contract value and the market value adjusted by the prevailing spot rate and swap curve.

All realised and unrealised gains and losses on investments are recognised as net capital gains/(losses) in the Statement of Total Return. Unrealised gains and losses comprise changes in the fair value of investments for the year and from reversal of prior year's unrealised gains and losses for investments which were realised in the accounting year. Realised gains and losses represent the difference between an instrument's initial carrying amount and disposal amount.

#### d) Foreign Exchange

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Where applicable, assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling as at 10:30 pm on the last working day of the accounting year.

#### e) Revenue

Revenue from quoted equity and non-equity shares is recognised when the security is quoted ex-dividend as a gross amount of any withholding taxes but excludes any other taxes such as attributable tax credits. Bank interest and other revenue are recognised on an accruals basis.

Ordinary stock dividends are recognised wholly as revenue and are based on the market value of the shares on the date they are quoted ex-dividend. Where an enhancement is offered, the amount by which the market value of the shares (on the date they are quoted ex-dividend) exceeds the cash dividend is taken to capital.

Special dividends are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Where there is evidence to treat all or some of such receipts as revenue, such amounts are recognised as dividend revenue of the Company. Any tax treatment would follow the accounting treatment of the principal amount.

#### f) Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of investments) are charged against revenue for the year on an accruals basis.

The ACD's fee rebate is at the ACD's discretion and is recognised upon their confirmation that the rebate is due to the Company.



# The Overstone Fund

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## Statement of Accounting Policies, Distribution Policies and Risk Management Policies for the year ended 31st March 2023 (continued)

### 2. Summary of Significant Accounting Policies (continued)

#### g) Taxation

Corporation tax is provided at the rate of 20% of taxable revenue after the deduction of allowable expenses. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax. Deferred tax assets are recognised only to the extent that the ACD considers that it will be more likely than not that there will be taxable profits from which underlying timing differences can be deducted.

### 3. Distribution Policies

#### a) Basis of Distribution

When appropriate, the Company will allocate any surplus net revenue as a dividend distribution. Distributions of income of the Company are made on or before the annual income allocation date and on or before the interim income allocation date, where applicable, in each year. The income available for distribution is determined in accordance with COLL. It comprises all revenue received or receivable for the account of the Company in respect of the accounting year concerned, after deducting net charges and expenses paid or payable out of such revenue.

For distribution purposes, expenses on Classes B, C, J, K and L are charged against revenue and Classes A, FI and I are charged against capital. Where expenses are transferred to capital for distribution purposes this will increase the amount of revenue for distribution, this will however erode capital and may constrain capital growth.

Marginal tax relief is not taken into account in determining the distribution where a transfer is made between the revenue and capital of the same share class.

#### b) Equalisation

Equalisation received from the underlying investments has been treated as a reduction in the book cost of the investments and not distributed.

#### c) Unclaimed distributions

All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the capital of the Company in accordance with COLL.

### 4. Risk Management Policies

#### *Market price risk*

Market risk is the risk that the fair value or future cash flows from financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates or underlying investment prices. The Company can be exposed to market risk by virtue of its investment into equities and other financial instruments. The Company may also from time to time utilise derivatives for efficient portfolio management and for hedging purposes. These instruments may be volatile, involve certain special risks and can expose investors to a risk of loss. When used for hedging purposes there may be an imperfect correlation between these instruments and the investment or market sectors being hedged, although this basis of risk will be monitored and any material breakdown in correlation can generally be corrected by delta hedging the position or liquidation.

Market price risk is managed through active portfolio management.

#### *Foreign currency risk*

Foreign currency risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The majority of the Company's portfolio is invested in overseas securities and the balance sheet can be affected by movements in foreign exchange rates. The Investment Manager seeks to manage exposure to currency movements by using forward exchange contracts or by hedging the sterling value of investments that are priced in other currencies.

#### *Interest rate risk*

Interest rate risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in interest rates.

# The Overstone Fund

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## Statement of Accounting Policies, Distribution Policies and Risk Management Policies for the year ended 31st March 2023 (continued)

### 4. Risk Management Policies (continued)

#### *Interest rate risk (continued)*

The Company may invest in fixed and floating rate securities. The revenue of the Company may be affected by changes to interest rates relevant to particular securities or as a result of the Investment Manager being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed rate securities may be affected by interest rate movements or the expectation of such movements in the future. The Company is not invested in fixed interest rate securities as at 31st March 2023. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

In general, if interest rates rise, the income potential of the Company also rises but the value of fixed rate securities will decline (along with certain expenses calculated by reference to the assets of the Company). A decline in interest rates will in general have the opposite effect.

Due to the nature of the investments held, the risk to the Company is insignificant and is therefore not actively managed.

#### *Liquidity risk*

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due. The main liability of the Company is the redemption of any shares that investors wish to sell.

#### *Credit risk*

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Company. To the extent that a counterparty defaults on its obligation and the Company is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. The Company's maximum exposure to credit risk (not taking account of the value of any collateral or other securities held) in the event that counterparties fail to perform their obligations as of 31st March 2023 in relation to each class of recognised financial assets including derivatives, is the carrying amount of those assets in the balance sheet.

#### **Exposure**

Exposure to market risk is calculated using the "commitment approach" methodology. In relation to Position Risk (issuer concentration), this approach involves converting derivative positions into the equivalent positions of the underlying assets. The commitment approach is a simplistic way of identifying the level of exposure that a Company has through derivatives to the underlying equities, bonds, commodities, currencies etc. However, it does have its limitations and therefore is only used as long as the use of derivatives by the Company is "non-sophisticated".

#### **Objectives, policies and processes for managing risks**

The risks identified above are subject to management and monitoring through the ACD's Risk Management Programme. The principal objectives of the programme are:

- To ensure that all risks are identified and monitored, and that preventive or mitigating actions are implemented
- To assess, review and challenge current and emerging risks
- To minimise the risk of loss to investors
- To administer the Company in a manner which complies with COLL and the SORP

The ACD has built a Funds Oversight Programme which comprises a range of rolling independent checks including the specific use of derivatives. The results of the programme are reported to the Investment Committee with escalation through to the Operating Committee and the ACD Board. Results of the Funds Oversight Programme are made available to the Depositary as part of their audit programme on the ACD and are also collated into a pack for review and analysis by the Investment Committee on a monthly basis.

There have not been any changes from the prior year.

#### **Methods used to measure risks**

##### *Market price risk*

The following checks are also performed as part of the Funds Oversight Programme on a daily basis as follows: limit breaches or positions approaching limits; leverage; eligibility; global exposure; counterparty exposure; collateral cover; OTC pricing check; fair value pricing.

##### *Liquidity risk*

Liquidity risk is controlled through monitoring the liquidity of all instruments used in the context of the investment objectives and liquidity requirements of the Company. Cash positions are monitored and reported to ensure the Company has sufficient capacity to meet obligations arising from investment in financial derivative positions.

# The Overstone Fund

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## Statement of Accounting Policies, Distribution Policies and Risk Management Policies for the year ended 31st March 2023 (continued)

### 4. Risk Management Policies (continued)

#### *Liquidity risk (continued)*

Procedures are in place to review the Company's weightings to ensure liquidity requirements will be met in the event of extreme market movements to meet the obligation at expiry/ maturity. The process involves at least daily assessment of any impending cash liability to ensure sufficient cash can be raised to cover such liability when it falls due.

The Company's liquidity is also monitored through a daily check, which assesses the Company's ability to liquidate the portfolio within 7 working days through to settlement. Any portfolio that has less than 80% liquidity is marked as a higher risk, and details are reported to the Fund Risk committee, and are then monitored for significant changes either to the Company's makeup, and/or shares being traded in the Company. These liquidity levels are stress tested on assumptions of reduced market liquidity and increased investor trading. The full process for this check is documented and is available upon request.

#### *Credit risk*

In order to manage credit risk, the ACD undertakes a cash management check on the Company, testing for any negative balances and balances in excess of £1m at the sub-fund level. Any balances highlighted are discussed with the Investment Manager to ensure that the Company does not take on any unnecessary counterparty risk with the relevant bank and that the strategy is being adhered to.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Portfolio Statement

as at 31st March 2023

| Holdings                                      | Market<br>value<br>£ | Percentage<br>of total<br>net assets<br>% |
|---|----------------------|---|
| <b>EQUITIES 97.61% (99.87%)</b>               |                      |   |
| <b>Canada 9.06% (6.94%)</b>                   |                      |   |
| 2,600 Colliers International Group            | 222,104              | 0.78                                      |
| 4,400 Fairfax Financial                       | 2,369,129            | 8.28                                      |
|   | <b>2,591,233</b>     | <b>9.06</b>                               |
| <b>Cayman Islands 5.19% (5.31%)</b>           |                      |   |
| 143,300 Alibaba Group                         | <b>1,484,255</b>     | <b>5.19</b>                               |
| <b>Denmark 0.00% (2.97%)</b>                  |                      |   |
| <b>France 4.36% (3.37%)</b>                   |                      |   |
| 14,178 Sanofi                                 | <b>1,245,813</b>     | <b>4.36</b>                               |
| <b>Germany 2.87% (7.63%)</b>                  |                      |   |
| 6,258 Siemens                                 | <b>821,172</b>       | <b>2.87</b>                               |
| <b>Jersey 4.64% (5.42%)</b>                   |                      |   |
| 806,797 IWG                                   | <b>1,326,778</b>     | <b>4.64</b>                               |
| <b>Netherlands 4.60% (5.86%)</b>              |                      |   |
| 19,754 Exor                                   | <b>1,316,722</b>     | <b>4.60</b>                               |
| <b>Republic of South Korea 10.58% (3.62%)</b> |                      |   |
| 33,595 KT&G                                   | 1,755,098            | 6.13                                      |
| 31,962 Samsung Electronics                    | 1,271,743            | 4.45                                      |
|   | <b>3,026,841</b>     | <b>10.58</b>                              |
| <b>Russian Federation 0.00% (0.00%)</b>       |                      |   |
| 60,893 Lukoil <sup>1</sup>                    | –                    | –   |
| <b>Sweden 8.85% (13.82%)</b>                  |                      |   |
| 82,660 Investor AB                            | 1,331,879            | 4.66                                      |
| 171,167 Svenska Handelsbanken                 | 1,200,245            | 4.19                                      |
|   | <b>2,532,124</b>     | <b>8.85</b>                               |
| <b>United Kingdom 28.34% (23.99%)</b>         |                      |   |
| 444,824 BP                                    | 2,272,161            | 7.95                                      |
| 598,012 BT Group                              | 871,901              | 3.05                                      |
| 147,989 easyJet                               | 767,175              | 2.68                                      |
| 385,733 J D Wetherspoon                       | 2,757,991            | 9.64                                      |
| 2,602,795 Lloyds Banking Group                | 1,240,883            | 4.34                                      |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Portfolio Statement

as at 31st March 2023 (continued)

| Holdings  | Market<br>value<br>£ | Percentage<br>of total<br>net assets<br>% |
|---|----------------------|---|
| <b>United Kingdom (continued)</b>                                     |                      |   |
| 3,568 Rio Tinto   | 195,419              | 0.68                                      |
|   | <b>8,105,530</b>     | <b>28.34</b>                              |
| <b>United States 19.12% (20.94%)</b>                                  |                      |   |
| 16,900 Allegiant Travel   | 1,258,869            | 4.40                                      |
| 16,600 Philip Morris International                                    | 1,307,976            | 4.57                                      |
| 5,000 Progressive   | 579,564              | 2.03                                      |
| 27,200 SS&C Technologies  | 1,244,903            | 4.35                                      |
| 45,700 Synchrony Financial  | 1,077,299            | 3.77                                      |
|   | <b>5,468,611</b>     | <b>19.12</b>                              |
| <b>TOTAL EQUITIES</b>   | <b>27,919,079</b>    | <b>97.61</b>                              |
| <b>FINANCIAL DERIVATIVE INSTRUMENTS 0.01% (-0.28%)</b>                |                      |   |
| <b>Forward Currency Contracts 0.01% (-0.28%)</b>                      |                      |   |
| CAD (23,143) Sold CAD, Bought GBP 14,142 for settlement on 18/04/2023 | 262                  | –   |
| CAD (1,168) Sold CAD, Bought GBP 713 for settlement on 18/04/2023     | 13                   | –   |
| CAD (524) Sold CAD, Bought GBP 315 for settlement on 18/04/2023       | 1                    | –   |
| CAD (35) Sold CAD, Bought GBP 21 for settlement on 18/04/2023         | –                    | –   |
| CAD (377) Sold CAD, Bought GBP 225 for settlement on 18/04/2023       | (2)                  | –   |
| DKK (2,710) Sold DKK, Bought GBP 323 for settlement on 18/04/2023     | 3                    | –   |
| DKK (132) Sold DKK, Bought GBP 16 for settlement on 18/04/2023        | –                    | –   |
| EUR (24,760) Sold EUR, Bought GBP 21,974 for settlement on 18/04/2023 | 197                  | –   |
| EUR (1,212) Sold EUR, Bought GBP 1,076 for settlement on 18/04/2023   | 10                   | –   |
| EUR (670) Sold EUR, Bought GBP 595 for settlement on 18/04/2023       | 6                    | –   |
| EUR (389) Sold EUR, Bought GBP 344 for settlement on 18/04/2023       | 2                    | –   |
| EUR (398) Sold EUR, Bought GBP 351 for settlement on 18/04/2023       | 1                    | –   |
| EUR (35) Sold EUR, Bought GBP 31 for settlement on 18/04/2023         | –                    | –   |
| EUR (46) Sold EUR, Bought GBP 41 for settlement on 18/04/2023         | –                    | –   |
| CAD 4,498 Bought CAD, Sold GBP (2,686) for settlement on 18/04/2023   | 11                   | –   |
| CAD 1,189 Bought CAD, Sold GBP (707) for settlement on 18/04/2023     | 6                    | –   |
| CAD 1,118 Bought CAD, Sold GBP (665) for settlement on 18/04/2023     | 5                    | –   |
| CAD 542 Bought CAD, Sold GBP (326) for settlement on 18/04/2023       | –                    | –   |
| CAD 48 Bought CAD, Sold GBP (29) for settlement on 18/04/2023         | –                    | –   |
| CAD 36 Bought CAD, Sold GBP (22) for settlement on 18/04/2023         | (1)                  | –   |
| CAD 4,495 Bought CAD, Sold GBP (2,705) for settlement on 18/04/2023   | (10)                 | –   |
| CAD 1,872 Bought CAD, Sold GBP (1,141) for settlement on 18/04/2023   | (19)                 | –   |
| DKK 80 Bought DKK, Sold GBP (9) for settlement on 18/04/2023          | –                    | –   |
| DKK 197 Bought DKK, Sold GBP (24) for settlement on 18/04/2023        | –                    | –   |
| DKK 56 Bought DKK, Sold GBP (7) for settlement on 18/04/2023          | –                    | –   |
| DKK 498 Bought DKK, Sold GBP (59) for settlement on 18/04/2023        | –                    | –   |
| DKK 486 Bought DKK, Sold GBP (58) for settlement on 18/04/2023        | –                    | –   |
| DKK 711 Bought DKK, Sold GBP (84) for settlement on 18/04/2023        | –                    | –   |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Portfolio Statement

as at 31st March 2023 (continued)

| Holdings  | Market value<br>£ | Percentage<br>of total<br>net assets<br>% |
|---|-------------------|---|
| <b>Forward Currency Contracts (continued)</b>                           |                   |   |
| EUR 6,590 Bought EUR, Sold GBP (5,778) for settlement on 18/04/2023     | 18                | –   |
| EUR 184 Bought EUR, Sold GBP (161) for settlement on 18/04/2023         | –                 | –   |
| EUR 55 Bought EUR, Sold GBP (48) for settlement on 18/04/2023           | –                 | –   |
| EUR 1,055 Bought EUR, Sold GBP (929) for settlement on 18/04/2023       | (1)               | –   |
| EUR 956 Bought EUR, Sold GBP (842) for settlement on 18/04/2023         | (1)               | –   |
| EUR 5,493 Bought EUR, Sold GBP (4,848) for settlement on 18/04/2023     | (17)              | –   |
| EUR 1,899 Bought EUR, Sold GBP (1,689) for settlement on 18/04/2023     | (19)              | –   |
| HKD 131 Bought HKD, Sold GBP (14) for settlement on 18/04/2023          | –                 | –   |
| HKD 110 Bought HKD, Sold GBP (12) for settlement on 18/04/2023          | –                 | –   |
| HKD 3,736 Bought HKD, Sold GBP (387) for settlement on 18/04/2023       | (1)               | –   |
| HKD 1,098 Bought HKD, Sold GBP (115) for settlement on 18/04/2023       | (1)               | –   |
| HKD 2,840 Bought HKD, Sold GBP (294) for settlement on 18/04/2023       | (1)               | –   |
| HKD 1,871 Bought HKD, Sold GBP (195) for settlement on 18/04/2023       | (2)               | –   |
| HKD 1,987 Bought HKD, Sold GBP (210) for settlement on 18/04/2023       | (5)               | –   |
| HKD 3,410 Bought HKD, Sold GBP (360) for settlement on 18/04/2023       | (8)               | –   |
| HKD 13,514 Bought HKD, Sold GBP (1,410) for settlement on 18/04/2023    | (14)              | –   |
| HKD 11,396 Bought HKD, Sold GBP (1,195) for settlement on 18/04/2023    | (17)              | –   |
| HKD 7,181 Bought HKD, Sold GBP (769) for settlement on 18/04/2023       | (28)              | –   |
| JPY 164 Bought JPY, Sold GBP (1) for settlement on 18/04/2023           | –                 | –   |
| JPY 601 Bought JPY, Sold GBP (4) for settlement on 18/04/2023           | –                 | –   |
| JPY 238 Bought JPY, Sold GBP (1) for settlement on 18/04/2023           | –                 | –   |
| JPY 581 Bought JPY, Sold GBP (4) for settlement on 18/04/2023           | –                 | –   |
| JPY 152 Bought JPY, Sold GBP (1) for settlement on 18/04/2023           | –                 | –   |
| KRW 31,472 Bought KRW, Sold GBP (20) for settlement on 18/04/2023       | –                 | –   |
| KRW 1,427,083 Bought KRW, Sold GBP (893) for settlement on 18/04/2023   | (6)               | –   |
| KRW 1,318,429 Bought KRW, Sold GBP (832) for settlement on 18/04/2023   | (12)              | –   |
| KRW 3,459,776 Bought KRW, Sold GBP (2,166) for settlement on 18/04/2023 | (14)              | –   |
| KRW 2,052,121 Bought KRW, Sold GBP (1,309) for settlement on 18/04/2023 | (32)              | –   |
| KRW 4,019,972 Bought KRW, Sold GBP (2,535) for settlement on 18/04/2023 | (35)              | –   |
| SEK 4,855 Bought SEK, Sold GBP (376) for settlement on 18/04/2023       | 4                 | –   |
| SEK 353 Bought SEK, Sold GBP (28) for settlement on 18/04/2023          | –                 | –   |
| SEK 357 Bought SEK, Sold GBP (28) for settlement on 18/04/2023          | –                 | –   |
| SEK 9,216 Bought SEK, Sold GBP (724) for settlement on 18/04/2023       | (4)               | –   |
| SEK 35,883 Bought SEK, Sold GBP (2,809) for settlement on 18/04/2023    | (5)               | –   |
| SEK 11,457 Bought SEK, Sold GBP (901) for settlement on 18/04/2023      | (6)               | –   |
| SEK 17,992 Bought SEK, Sold GBP (1,414) for settlement on 18/04/2023    | (8)               | –   |
| SEK 34,685 Bought SEK, Sold GBP (2,727) for settlement on 18/04/2023    | (16)              | –   |
| USD 82 Bought USD, Sold GBP (67) for settlement on 18/04/2023           | (1)               | –   |
| USD 627 Bought USD, Sold GBP (510) for settlement on 18/04/2023         | (1)               | –   |
| USD 98 Bought USD, Sold GBP (81) for settlement on 18/04/2023           | (2)               | –   |
| USD 1,922 Bought USD, Sold GBP (1,560) for settlement on 18/04/2023     | (2)               | –   |
| USD 2,041 Bought USD, Sold GBP (1,671) for settlement on 18/04/2023     | (17)              | –   |
| USD 1,837 Bought USD, Sold GBP (1,518) for settlement on 18/04/2023     | (29)              | –   |
| USD 7,600 Bought USD, Sold GBP (6,211) for settlement on 18/04/2023     | (52)              | –   |
| USD 2,979 Bought USD, Sold GBP (2,502) for settlement on 18/04/2023     | (87)              | –   |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Portfolio Statement

as at 31st March 2023 (continued)

| Holdings  | Market<br>value<br>£ | Percentage<br>of total<br>net assets<br>% |
|---|----------------------|---|
| <b>Forward Currency Contracts (continued)</b>                             |                      |   |
| USD 8,415 Bought USD, Sold GBP (6,914) for settlement on 18/04/2023       | (95)                 | –   |
| HKD (75,426) Sold HKD, Bought GBP 8,011 for settlement on 18/04/2023      | 219                  | –   |
| HKD (3,731) Sold HKD, Bought GBP 396 for settlement on 18/04/2023         | 11                   | –   |
| HKD (1,450) Sold HKD, Bought GBP 153 for settlement on 18/04/2023         | 3                    | –   |
| HKD (1,726) Sold HKD, Bought GBP 179 for settlement on 18/04/2023         | –                    | –   |
| HKD (246) Sold HKD, Bought GBP 26 for settlement on 18/04/2023            | –                    | –   |
| HKD (4,005) Sold HKD, Bought GBP 413 for settlement on 18/04/2023         | (1)                  | –   |
| JPY (3,264) Sold JPY, Bought GBP 20 for settlement on 18/04/2023          | –                    | –   |
| KRW (22,364,054) Sold KRW, Bought GBP 14,344 for settlement on 18/04/2023 | 434                  | –   |
| KRW (1,116,084) Sold KRW, Bought GBP 716 for settlement on 18/04/2023     | 22                   | –   |
| KRW (3,180,513) Sold KRW, Bought GBP 1,993 for settlement on 18/04/2023   | 15                   | –   |
| KRW (284,043) Sold KRW, Bought GBP 178 for settlement on 18/04/2023       | 1                    | –   |
| KRW (58,428) Sold KRW, Bought GBP 37 for settlement on 18/04/2023         | –                    | –   |
| SEK (197,070) Sold SEK, Bought GBP 15,661 for settlement on 18/04/2023    | 261                  | –   |
| SEK (9,586) Sold SEK, Bought GBP 762 for settlement on 18/04/2023         | 13                   | –   |
| SEK (3,716) Sold SEK, Bought GBP 293 for settlement on 18/04/2023         | 3                    | –   |
| SEK (340) Sold SEK, Bought GBP 27 for settlement on 18/04/2023            | –                    | –   |
| SEK (2,937) Sold SEK, Bought GBP 229 for settlement on 18/04/2023         | –                    | –   |
| USD (42,041) Sold USD, Bought GBP 34,981 for settlement on 18/04/2023     | 912                  | 0.01                                      |
| USD (2,101) Sold USD, Bought GBP 1,749 for settlement on 18/04/2023       | 46                   | –   |
| USD (675) Sold USD, Bought GBP 552 for settlement on 18/04/2023           | 5                    | –   |
| USD (636) Sold USD, Bought GBP 516 for settlement on 18/04/2023           | 1                    | –   |
|   | <b>1,913</b>         | <b>0.01</b>                               |
| <b>TOTAL FINANCIAL DERIVATIVE INSTRUMENTS</b>                             | <b>1,913</b>         | <b>0.01</b>                               |
| <b>Net investments 97.62% (99.59%)*</b>                                   | <b>27,920,992</b>    | <b>97.62</b>                              |
| Net other assets  | 681,706              | 2.38                                      |
| <b>Total net assets</b>   | <b>28,602,698</b>    | <b>100.00</b>                             |

Note: Comparative figures shown in brackets relate to 31st March 2022.

All securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

<sup>1</sup> Delisted security.  
\* including investment liabilities

# The Overstone Fund

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## Overstone Global Equity Income Fund

### Sub-fund Information

The Comparative Tables on pages 24 to 38 give the performance of each active share class in the sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-fund's performance disclosed in the ACD's report, which is calculated based on the year-end published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

### Assessment of Value *(unaudited)*

A statement on the Assessment of Value is available for all applicable funds managed by Thesis Unit Trust Management Limited. This report will be published at [www.tutman.co.uk](http://www.tutman.co.uk) within four months of the annual accounting reference date.



# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

#### Comparative Tables

##### Class A Income Shares

| <b>For the year to</b>                                | <i>31/03/2023<sup>1</sup></i><br><i>(pence per share)</i> | <i>31/03/2022<sup>1</sup></i><br><i>(pence per share)</i> | <i>01/04/2020 –</i><br><i>27/07/2020<sup>1</sup></i><br><i>(pence per share)</i> |
|---|---|---|--|
| <b>Change in Net Asset Value per Share</b>            |   |   |  |
| Opening net asset value per share                     | –   | –   | 122.62   |
| Return before operating charges*                      | –   | –   | 17.10  |
| Operating charges                                     | –   | –   | (0.42)   |
| Return after operating charges*                       | –   | –   | 16.68  |
| Distributions on income shares                        | –   | –   | –  |
| Last net asset value per share                        | –   | –   | 139.30   |
| Closing net asset value per share                     | –   | –   | –  |
| <br>*After direct transaction costs of <sup>2</sup> : | <br>–   | <br>–   | <br>0.02   |
| <b>Performance</b>                                    |   |   |  |
| Return after charges                                  | –%  | –%  | 13.60%   |
| <b>Other Information</b>                              |   |   |  |
| Closing net asset value (£'000)                       | –   | –   | –  |
| Closing number of shares                              | –   | –   | –  |
| Operating charges <sup>3</sup>                        | –%  | –%  | 1.48%  |
| Direct transaction costs                              | –%  | –%  | 0.00%  |
| <b>Prices</b>   |   |   |  |
| Highest share price                                   | –   | –   | 147.30   |
| Lowest share price                                    | –   | –   | 118.10   |

<sup>1</sup> Class A Income Shares became inactive on 27th July 2020.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class B Income Shares

| For the year to                                   | 31/03/2023<br><i>(pence per share)</i> | 31/03/2022<br><i>(pence per share)</i> | 31/03/2021<br><i>(pence per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 185.21                                 | 198.07                                 | 139.39                                 |
| Return before operating charges*                  | 11.02                                  | (7.79)                                 | 63.23                                  |
| Operating charges                                 | (0.70)                                 | (0.49)                                 | (0.38)                                 |
| Return after operating charges*                   | 10.32                                  | (8.28)                                 | 62.85                                  |
| Distributions on income shares                    | (3.83)                                 | (4.58)                                 | (4.17)                                 |
| Closing net asset value per share                 | 191.70                                 | 185.21                                 | 198.07                                 |
| *After direct transaction costs of <sup>1</sup> : | 0.04                                   | –                                      | 0.10                                   |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | 5.57%                                  | (4.18)%                                | 45.09%                                 |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (£'000)                   | 1,704                                  | 594                                    | 650                                    |
| Closing number of shares                          | 889,060                                | 320,918                                | 328,392                                |
| Operating charges <sup>2</sup>                    | 0.39%                                  | 0.24%                                  | 0.23%                                  |
| Direct transaction costs                          | 0.02%                                  | 0.00%                                  | 0.06%                                  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 201.30                                 | 211.50                                 | 200.80                                 |
| Lowest share price                                | 158.30                                 | 170.00                                 | 134.30                                 |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class B Accumulation Shares

| For the year to                                   | 31/03/2023<br><i>(pence per share)</i> | 31/03/2022<br><i>(pence per share)</i> | 31/03/2021<br><i>(pence per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 255.64                                 | 267.03                                 | 183.38                                 |
| Return before operating charges*                  | 15.83                                  | (10.73)                                | 84.16                                  |
| Operating charges                                 | (0.98)                                 | (0.66)                                 | (0.51)                                 |
| Return after operating charges*                   | 14.85                                  | (11.39)                                | 83.65                                  |
| Distributions                                     | (5.22)                                 | (6.21)                                 | (5.52)                                 |
| Retained distributions on accumulation shares     | 5.22                                   | 6.21                                   | 5.52                                   |
| Closing net asset value per share                 | 270.49                                 | 255.64                                 | 267.03                                 |
| <br>  |  |  |  |
| *After direct transaction costs of <sup>1</sup> : | 0.05                                   | 0.01                                   | 0.13                                   |
| <br>  |  |  |  |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | 5.81%                                  | (4.27)%                                | 45.62%                                 |
| <br>  |  |  |  |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (£'000)                   | 8,692                                  | 8,151                                  | 8,183                                  |
| Closing number of shares                          | 3,213,311                              | 3,188,267                              | 3,064,521                              |
| Operating charges <sup>2</sup>                    | 0.39%                                  | 0.24%                                  | 0.23%                                  |
| Direct transaction costs                          | 0.02%                                  | 0.00%                                  | 0.06%                                  |
| <br>  |  |  |  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 281.30                                 | 285.80                                 | 268.20                                 |
| Lowest share price                                | 221.90                                 | 231.90                                 | 176.50                                 |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class C Accumulation Shares

| <b>For the year to</b>                        | <i>31/03/2023<sup>1</sup></i> | <i>31/03/2022<sup>1</sup></i> | <i>01/04/2020 –<br/>22/12/2020<sup>1</sup></i> |
|---|-------------------------------|-------------------------------|--|
|   | <i>(pence per share)</i>      | <i>(pence per share)</i>      | <i>(pence per share)</i>                       |
| <b>Change in Net Asset Value per Share</b>    |                               |                               |  |
| Opening net asset value per share             | –                             | –                             | 165.50   |
| Return before operating charges*              | –                             | –                             | 45.22  |
| Operating charges                             | –                             | –                             | (0.32)   |
| Return after operating charges*               | –                             | –                             | 44.90  |
| Distributions                                 | –                             | –                             | (1.61)   |
| Retained distributions on accumulation shares | –                             | –                             | 1.61   |
| Last net asset value per share                | –                             | –                             | 210.40   |
| Closing net asset value per share             | –                             | –                             | –  |

\*After direct transaction costs of <sup>2</sup>: – – 0.08

#### Performance

Return after charges –% –% 27.13%

#### Other Information

|                                 |    |    |       |
|---------------------------------|----|----|-------|
| Closing net asset value (£'000) | –  | –  | –     |
| Closing number of shares        | –  | –  | –     |
| Operating charges <sup>3</sup>  | –% | –% | 0.88% |
| Direct transaction costs        | –% | –% | 0.00% |

#### Prices

|                     |   |   |        |
|---------------------|---|---|--------|
| Highest share price | – | – | 213.70 |
| Lowest share price  | – | – | 159.30 |

<sup>1</sup> Class C Accumulation Shares became inactive on 22nd December 2020.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class FI Income Shares

| <b>For the year to</b>                            | <i>31/03/2023<sup>1</sup></i><br><i>(pence per share)</i> | <i>01/04/2021 –</i><br><i>01/11/2021<sup>1</sup></i><br><i>(pence per share)</i> | <i>31/03/2021</i><br><i>(pence per share)</i> |
|---|---|--|---|
| <b>Change in Net Asset Value per Share</b>        |   |  |   |
| Opening net asset value per share                 | –   | 115.85   | 82.02   |
| Return before operating charges*                  | –   | 3.35   | 37.09   |
| Operating charges                                 | –   | (0.18)   | (0.61)  |
| Return after operating charges*                   | –   | 3.17   | 36.48   |
| Distributions on income shares                    | –   | (1.52)   | (2.65)  |
| Last net asset value per share                    | –   | 117.50   | –   |
| Closing net asset value per share                 | –   | –  | 115.85  |
| <br>  |   |  |   |
| *After direct transaction costs of <sup>2</sup> : | –   | –  | 0.06  |

#### Performance

|                      |    |       |        |
|----------------------|----|-------|--------|
| Return after charges | –% | 2.74% | 44.48% |
|----------------------|----|-------|--------|

#### Other Information

|                                 |    |       |            |
|---------------------------------|----|-------|------------|
| Closing net asset value (£'000) | –  | (8)   | 30,901     |
| Closing number of shares        | –  | –     | 26,674,762 |
| Operating charges <sup>3</sup>  | –% | 0.64% | 0.63%      |
| Direct transaction costs        | –% | 0.00% | 0.06%      |

#### Prices

|                     |   |        |        |
|---------------------|---|--------|--------|
| Highest share price | – | 123.60 | 117.50 |
| Lowest share price  | – | 114.20 | 78.97  |

<sup>1</sup> Class FI Income Shares became inactive on 1st November 2021.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class I Income Shares

| For the year to                                   | 31/03/2023<br><i>(pence per share)</i> | 31/03/2022<br><i>(pence per share)</i> | 31/03/2021<br><i>(pence per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 166.56                                 | 179.66                                 | 127.57                                 |
| Return before operating charges*                  | 9.69                                   | (6.98)                                 | 57.54                                  |
| Operating charges                                 | (1.62)                                 | (1.62)                                 | (1.30)                                 |
| Return after operating charges*                   | 8.07                                   | (8.60)                                 | 56.24                                  |
| Distributions on income shares                    | (3.85)                                 | (4.50)                                 | (4.15)                                 |
| Closing net asset value per share                 | 170.78                                 | 166.56                                 | 179.66                                 |
| *After direct transaction costs of <sup>1</sup> : | 0.03                                   | –                                      | 0.09                                   |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | 4.85%                                  | (4.79)%                                | 44.09%                                 |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (£'000)                   | 4,212                                  | 6,427                                  | 5,831                                  |
| Closing number of shares                          | 2,466,041                              | 3,858,716                              | 3,245,519                              |
| Operating charges <sup>2</sup>                    | 1.00%                                  | 0.89%                                  | 0.88%                                  |
| Direct transaction costs                          | 0.02%                                  | 0.00%                                  | 0.06%                                  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 179.60                                 | 191.70                                 | 182.30                                 |
| Lowest share price                                | 141.60                                 | 153.10                                 | 122.90                                 |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class I Accumulation Shares

| For the year to                                   | 31/03/2023<br><i>(pence per share)</i> | 31/03/2022<br><i>(pence per share)</i> | 31/03/2021<br><i>(pence per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 236.86                                 | 249.02                                 | 172.13                                 |
| Return before operating charges*                  | 14.54                                  | (9.89)                                 | 78.72                                  |
| Operating charges                                 | (2.31)                                 | (2.27)                                 | (1.83)                                 |
| Return after operating charges*                   | 12.23                                  | (12.16)                                | 76.89                                  |
| Distributions                                     | (5.53)                                 | (6.29)                                 | (5.59)                                 |
| Retained distributions on accumulation shares     | 5.53                                   | 6.29                                   | 5.59                                   |
| Closing net asset value per share                 | 249.09                                 | 236.86                                 | 249.02                                 |
| <br>  |  |  |  |
| *After direct transaction costs of <sup>1</sup> : | 0.05                                   | 0.01                                   | 0.12                                   |
| <br>  |  |  |  |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | 5.16%                                  | (4.88)%                                | 44.67%                                 |
| <br>  |  |  |  |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (£'000)                   | 1,317                                  | 2,057                                  | 2,234                                  |
| Closing number of shares                          | 528,885                                | 868,607                                | 897,082                                |
| Operating charges <sup>2</sup>                    | 1.00%                                  | 0.89%                                  | 0.88%                                  |
| Direct transaction costs                          | 0.02%                                  | 0.00%                                  | 0.06%                                  |
| <br>  |  |  |  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 259.10                                 | 265.50                                 | 250.10                                 |
| Lowest share price                                | 205.00                                 | 215.00                                 | 165.70                                 |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class J Income Shares

| For the year to                                   | 31/03/2023<br><i>(pence per share)</i> | 31/03/2022<br><i>(pence per share)</i> | 31/03/2021<br><i>(pence per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 185.21                                 | 198.01                                 | 139.38                                 |
| Return before operating charges*                  | 10.93                                  | (7.80)                                 | 63.18                                  |
| Operating charges                                 | (1.81)                                 | (1.80)                                 | (1.46)                                 |
| Return after operating charges*                   | 9.12                                   | (9.60)                                 | 61.72                                  |
| Distributions on income shares                    | (2.58)                                 | (3.20)                                 | (3.09)                                 |
| Closing net asset value per share                 | 191.75                                 | 185.21                                 | 198.01                                 |
| *After direct transaction costs of <sup>1</sup> : | 0.04                                   | –                                      | 0.10                                   |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | 4.92%                                  | (4.85)%                                | 44.28%                                 |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (£'000)                   | 2,886                                  | 17,231                                 | 35,020                                 |
| Closing number of shares                          | 1,504,868                              | 9,303,230                              | 17,685,770                             |
| Operating charges <sup>2</sup>                    | 1.00%                                  | 0.89%                                  | 0.88%                                  |
| Direct transaction costs                          | 0.02%                                  | 0.00%                                  | 0.06%                                  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 200.80                                 | 211.20                                 | 200.10                                 |
| Lowest share price                                | 158.30                                 | 169.50                                 | 134.30                                 |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.



# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class J Accumulation Shares

| For the year to                                   | 31/03/2023<br><i>(pence per share)</i> | 31/03/2022<br><i>(pence per share)</i> | 31/03/2021<br><i>(pence per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 236.38                                 | 248.53                                 | 171.75                                 |
| Return before operating charges*                  | 14.44                                  | (9.88)                                 | 78.59                                  |
| Operating charges                                 | (2.30)                                 | (2.27)                                 | (1.81)                                 |
| Return after operating charges*                   | 12.14                                  | (12.15)                                | 76.78                                  |
| Distributions                                     | (3.52)                                 | (4.09)                                 | (3.83)                                 |
| Retained distributions on accumulation shares     | 3.52                                   | 4.09                                   | 3.83                                   |
| Closing net asset value per share                 | 248.52                                 | 236.38                                 | 248.53                                 |
| <br>  |  |  |  |
| *After direct transaction costs of <sup>1</sup> : | 0.05                                   | 0.01                                   | 0.12                                   |
| <br>  |  |  |  |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | 5.14%                                  | (4.89)%                                | 44.70%                                 |
| <br>  |  |  |  |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (£'000)                   | 2,172                                  | 14,268                                 | 16,166                                 |
| Closing number of shares                          | 873,816                                | 6,035,808                              | 6,504,826                              |
| Operating charges <sup>2</sup>                    | 1.00%                                  | 0.89%                                  | 0.88%                                  |
| Direct transaction costs                          | 0.02%                                  | 0.00%                                  | 0.06%                                  |
| <br>  |  |  |  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 258.50                                 | 264.90                                 | 249.60                                 |
| Lowest share price                                | 204.50                                 | 214.60                                 | 165.30                                 |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class J Hedged Income Shares

| <b>For the year to</b>                            | <i>01/04/2022 –<br/>24/03/2023<sup>1</sup></i> | <i>31/03/2022</i>        | <i>31/03/2021</i>        |
|---|--|--------------------------|--------------------------|
|   | <i>(pence per share)</i>                       | <i>(pence per share)</i> | <i>(pence per share)</i> |
| <b>Change in Net Asset Value per Share</b>        |  |                          |                          |
| Opening net asset value per share                 | 100.61   | 107.98                   | 75.54                    |
| Return before operating charges*                  | (1.57)   | (4.64)                   | 34.83                    |
| Operating charges                                 | (0.95)   | (0.98)                   | (0.78)                   |
| Return after operating charges*                   | (2.52)   | (5.62)                   | 34.05                    |
| Distributions on income shares                    | (0.75)   | (1.75)                   | (1.61)                   |
| Last net asset value per share                    | 97.34  | –                        | –                        |
| Closing net asset value per share                 | –  | 100.61                   | 107.98                   |
| <br>  |  |                          |                          |
| *After direct transaction costs of <sup>2</sup> : | 0.02   | –                        | 0.05                     |

### Performance

|                      |         |         |        |
|----------------------|---------|---------|--------|
| Return after charges | (2.50)% | (5.20)% | 45.08% |
|----------------------|---------|---------|--------|

### Other Information

|                                 |       |           |           |
|---------------------------------|-------|-----------|-----------|
| Closing net asset value (£'000) | –     | 8,609     | 9,747     |
| Closing number of shares        | –     | 8,556,291 | 9,026,240 |
| Operating charges <sup>3</sup>  | 1.04% | 0.89%     | 0.88%     |
| Direct transaction costs        | 0.02% | 0.00%     | 0.06%     |

### Prices

|                     |        |        |        |
|---------------------|--------|--------|--------|
| Highest share price | 104.80 | 115.00 | 108.90 |
| Lowest share price  | 81.35  | 93.11  | 72.90  |

<sup>1</sup> Class J Hedged Income Shares became inactive on 24th March 2023.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class J Hedged Accumulation Shares

| For the year to                                   | 31/03/2023<br><i>(pence per share)</i> | 31/03/2022<br><i>(pence per share)</i> | 31/03/2021<br><i>(pence per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 137.42                                 | 145.04                                 | 99.51                                  |
| Return before operating charges*                  | 6.07                                   | (6.31)                                 | 46.58                                  |
| Operating charges                                 | (1.35)                                 | (1.31)                                 | (1.05)                                 |
| Return after operating charges*                   | 4.72                                   | (7.62)                                 | 45.53                                  |
| Distributions                                     | (1.97)                                 | (2.38)                                 | (2.17)                                 |
| Retained distributions on accumulation shares     | 1.97                                   | 2.38                                   | 2.17                                   |
| Closing net asset value per share                 | 142.14                                 | 137.42                                 | 145.04                                 |
| *After direct transaction costs of <sup>1</sup> : | 0.03                                   | –                                      | 0.07                                   |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | 3.43%                                  | (5.25)%                                | 45.75%                                 |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (£'000)                   | 85                                     | 1,845                                  | 1,635                                  |
| Closing number of shares                          | 59,809                                 | 1,342,327                              | 1,127,193                              |
| Operating charges <sup>2</sup>                    | 1.04%                                  | 0.89%                                  | 0.88%                                  |
| Direct transaction costs                          | 0.02%                                  | 0.00%                                  | 0.06%                                  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 145.20                                 | 154.60                                 | 145.40                                 |
| Lowest share price                                | 111.70                                 | 126.20                                 | 96.00                                  |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class K Income EUR Shares

| For the year to                                   | 31/03/2023<br>(€ cents per share) | 31/03/2022<br>(€ cents per share) | 31/03/2021<br>(€ cents per share) |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Change in Net Asset Value per Share</b>        |                                   |                                   |                                   |
| Opening net asset value per share                 | 188.45                            | 199.48                            | 134.51                            |
| Return before operating charges*                  | 2.80                              | (5.88)                            | 69.44                             |
| Operating charges                                 | (1.76)                            | (1.79)                            | (1.47)                            |
| Return after operating charges*                   | 1.04                              | (7.67)                            | 67.97                             |
| Distributions on income shares                    | (2.62)                            | (3.36)                            | (3.00)                            |
| Closing net asset value per share                 | 186.87                            | 188.45                            | 199.48                            |
| *After direct transaction costs of <sup>1</sup> : | 0.04                              | –                                 | 0.10                              |
| <b>Performance</b>                                |                                   |                                   |                                   |
| Return after charges                              | 0.55%                             | (3.84)%                           | 50.53%                            |
| <b>Other Information</b>                          |                                   |                                   |                                   |
| Closing net asset value (€'000)                   | 6,843                             | 6,920                             | 20                                |
| Closing number of shares                          | 3,661,740                         | 3,671,740                         | 10,000                            |
| Operating charges <sup>2</sup>                    | 1.00%                             | 0.89%                             | 0.88%                             |
| Direct transaction costs                          | 0.02%                             | 0.00%                             | 0.06%                             |
| <b>Prices</b>                                     |                                   |                                   |                                   |
| Highest share price                               | 194.80                            | 214.10                            | 200.80                            |
| Lowest share price                                | 155.50                            | 175.20                            | 130.30                            |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class K Accumulation EUR Shares

| For the year to                                   | 31/03/2023<br>(€ cents per share) | 31/03/2022<br>(€ cents per share) | 31/03/2021<br>(€ cents per share) |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Change in Net Asset Value per Share</b>        |                                   |                                   |                                   |
| Opening net asset value per share                 | 241.52                            | 251.38                            | 166.43                            |
| Return before operating charges*                  | 4.02                              | (7.55)                            | 86.78                             |
| Operating charges                                 | (2.26)                            | (2.31)                            | (1.83)                            |
| Return after operating charges*                   | 1.76                              | (9.86)                            | 84.95                             |
| Distributions                                     | (3.36)                            | (4.14)                            | (3.72)                            |
| Retained distributions on accumulation shares     | 3.36                              | 4.14                              | 3.72                              |
| Closing net asset value per share                 | 243.28                            | 241.52                            | 251.38                            |
| *After direct transaction costs of <sup>1</sup> : | 0.05                              | 0.01                              | 0.12                              |
| <b>Performance</b>                                |                                   |                                   |                                   |
| Return after charges                              | 0.73%                             | (3.92)%                           | 51.04%                            |
| <b>Other Information</b>                          |                                   |                                   |                                   |
| Closing net asset value (€'000)                   | 672                               | 668                               | 695                               |
| Closing number of shares                          | 276,387                           | 276,387                           | 276,387                           |
| Operating charges <sup>2</sup>                    | 1.00%                             | 0.89%                             | 0.88%                             |
| Direct transaction costs                          | 0.02%                             | 0.00%                             | 0.06%                             |
| <b>Prices</b>                                     |                                   |                                   |                                   |
| Highest share price                               | 249.60                            | 272.10                            | 251.50                            |
| Lowest share price                                | 199.20                            | 222.70                            | 161.00                            |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class L Income USD Shares

| <b>For the year to</b>                            | <i>31/03/2023</i><br><i>(US\$ cents per share)</i> | <i>31/03/2022</i><br><i>(US\$ cents per share)</i> | <i>31/03/2021</i><br><i>(US\$ cents per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 185.31   | 207.90   | 131.83   |
| Return before operating charges*                  | (1.09)   | (17.45)  | 80.76  |
| Operating charges                                 | (1.69)   | (1.80)   | (1.54)   |
| Return after operating charges*                   | (2.78)   | (19.25)  | 79.22  |
| Distributions on income shares                    | (2.40)   | (3.34)   | (3.15)   |
| Closing net asset value per share                 | 180.13   | 185.31   | 207.90   |
| <br>  |  |  |  |
| *After direct transaction costs of <sup>1</sup> : | 0.03   | –  | 0.10   |
| <br>  |  |  |  |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | (1.50)%  | (9.26)%  | 60.09%   |
| <br>  |  |  |  |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (US\$'000)                | 1,107  | 1,138  | 997  |
| Closing number of shares                          | 614,284  | 614,284  | 479,730  |
| Operating charges <sup>2</sup>                    | 1.00%  | 0.89%  | 0.88%  |
| Direct transaction costs                          | 0.02%  | 0.00%  | 0.06%  |
| <br>  |  |  |  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 187.60   | 227.90   | 211.80   |
| Lowest share price                                | 134.20   | 169.20   | 125.80   |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class L Accumulation USD Shares

| <b>For the year to</b>                            | <i>31/03/2023</i><br><i>(US\$ cents per share)</i> | <i>31/03/2022</i><br><i>(US\$ cents per share)</i> | <i>31/03/2021</i><br><i>(US\$ cents per share)</i> |
|---|--|--|--|
| <b>Change in Net Asset Value per Share</b>        |  |  |  |
| Opening net asset value per share                 | 194.36   | 214.42   | 133.56   |
| Return before operating charges*                  | (0.65)   | (18.20)  | 82.31  |
| Operating charges                                 | (1.79)   | (1.86)   | (1.45)   |
| Return after operating charges*                   | (2.44)   | (20.06)  | 80.86  |
| Distributions                                     | (2.52)   | (3.43)   | (5.54)   |
| Retained distributions on accumulation shares     | 2.52   | 3.43   | 5.54   |
| Closing net asset value per share                 | 191.92   | 194.36   | 214.42   |
| <br>  |  |  |  |
| *After direct transaction costs of <sup>1</sup> : | 0.04   | –  | 0.10   |
| <br>  |  |  |  |
| <b>Performance</b>                                |  |  |  |
| Return after charges                              | (1.26)%  | (9.36)%  | 60.54%   |
| <br>  |  |  |  |
| <b>Other Information</b>                          |  |  |  |
| Closing net asset value (US\$'000)                | 39   | 59   | 65   |
| Closing number of shares                          | 20,342   | 30,342   | 30,342   |
| Operating charges <sup>2</sup>                    | 1.00%  | 0.89%  | 0.88%  |
| Direct transaction costs                          | 0.02%  | 0.00%  | 0.06%  |
| <br>  |  |  |  |
| <b>Prices</b>                                     |  |  |  |
| Highest share price                               | 196.70   | 234.80   | 217.10   |
| Lowest share price                                | 141.90   | 176.10   | 127.30   |

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>2</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last year's figures.

# The Overstone Fund

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## Overstone Global Equity Income Fund

### Sub-fund Information *(continued)*

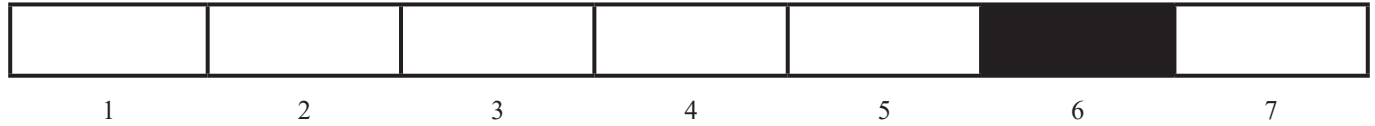
#### Risk and Reward Indicator (RRI)

**Lower Risk**

Typically lower rewards

**Higher Risk**

Typically higher rewards



The RRI table demonstrates where a sub-fund ranks in terms of risk and reward. The higher the risk the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the risk profile of the sub-fund. The shaded area on the table above shows the sub-fund's ranking on the risk and reward indicator.



# The Overstone Fund

## Overstone Global Equity Income Fund

### Statement of Total Return

for the year ended 31st March 2023

|   | Notes | £'000 | 2023<br>£'000 | £'000 | 2022<br>£'000  |
|---|-------|-------|---------------|-------|----------------|
| Income  |       |       |               |       |                |
| Net capital losses  | 5     |       | (387)         |       | (4,814)        |
| Revenue   | 7     | 1,081 |               | 2,632 |                |
| Expenses  | 8     | (322) |               | (748) |                |
| Interest payable and similar charges  |       | (1)   |               | (2)   |                |
| Net revenue before taxation   |       | 758   |               | 1,882 |                |
| Taxation  | 9     | (60)  |               | (246) |                |
| Net revenue after taxation for the year   |       |       | 698           |       | 1,636          |
| <b>Total return before distributions</b>  |       |       | 311           |       | (3,178)        |
| Distributions   | 10    |       | (754)         |       | (1,821)        |
| <b>Change in net assets attributable to shareholders from investment activities</b> |       |       | <b>(443)</b>  |       | <b>(4,999)</b> |

### Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31st March 2023

|  | Note | £'000    | 2023<br>£'000 | £'000    | 2022<br>£'000 |
|--|------|----------|---------------|----------|---------------|
| <b>Opening net assets attributable to shareholders</b>                       |      |          | 66,474        |          | 111,746       |
| Amounts receivable on issue of shares  |      | 2,060    |               | 19,178   |               |
| Amounts payable on cancellation of shares                                    |      | (39,782) |               | (60,072) |               |
|  |      |          | (37,722)      |          | (40,894)      |
| Dilution levy  |      |          | 22            |          | 63            |
| Change in net assets attributable to shareholders from investment activities |      |          | (443)         |          | (4,999)       |
| Retained distribution on accumulation shares                                 | 10   |          | 272           |          | 558           |
| <b>Closing net assets attributable to shareholders</b>                       |      |          | <b>28,603</b> |          | <b>66,474</b> |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Balance Sheet

as at 31st March 2023

|  | Notes | 2023<br>£'000  | 2022<br>£'000  |
|--|-------|----------------|----------------|
| <b>Assets</b>                                  |       |                |                |
| Fixed assets:                                  |       |                |                |
| Investments                                    |       | 27,922         | 66,397         |
| Current assets:                                |       |                |                |
| Debtors  | 11    | 370            | 383            |
| Cash and bank balances                         |       | 3,573          | 3,166          |
| <b>Total assets</b>                            |       | <b>31,865</b>  | <b>69,946</b>  |
| <b>Liabilities</b>                             |       |                |                |
| Investment liabilities                         |       | (1)            | (194)          |
| Creditors:                                     |       |                |                |
| Bank overdrafts                                |       | (3,040)        | (2,546)        |
| Distribution payable                           | 10    | (130)          | (354)          |
| Other creditors                                | 12    | (91)           | (378)          |
| <b>Total liabilities</b>                       |       | <b>(3,262)</b> | <b>(3,472)</b> |
| <b>Net assets attributable to shareholders</b> |       | <b>28,603</b>  | <b>66,474</b>  |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023

#### 1. Accounting Policies

The accounting, distribution and risk management policies representing notes 1 to 4 are provided on pages 15 to 18.

#### 5. Net Capital Losses

Net capital losses comprise:

|                            | 2023<br>£'000 | 2022<br>£'000  |
|----------------------------|---------------|----------------|
| Non-derivative securities  | (85)          | (4,739)        |
| Forward currency contracts | (285)         | (23)           |
| Currency gains/(losses)    | 12            | (37)           |
| Transaction charges        | (29)          | (15)           |
| Net capital losses         | <u>(387)</u>  | <u>(4,814)</u> |

#### 6. Purchases, Sales and Transaction Costs

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs, please refer to the additional portfolio transaction cost information on page 23.

##### Analysis of direct transaction costs for the year ended 31st March 2023:

|   | Principal<br>£'000 | Commissions<br>£'000 | Taxes<br>£'000 | Total Cost<br>£'000 | Commissions<br>% of<br>principal | Taxes<br>% of<br>principal |
|---|--------------------|----------------------|----------------|---------------------|----------------------------------|----------------------------|
| <b>Purchases</b>                                    |                    |                      |                |                     |                                  |                            |
| Equities  | 4,238              | 2                    | 5              | 4,245               | 0.05                             | 0.12                       |
|   | <u>4,238</u>       | <u>2</u>             | <u>5</u>       | <u>4,245</u>        |                                  |                            |
| <b>Sales</b>  |                    |                      |                |                     |                                  |                            |
| Equities  | 42,650             | (17)                 | (6)            | 42,627              | 0.04                             | 0.01                       |
|   | <u>42,650</u>      | <u>(17)</u>          | <u>(6)</u>     | <u>42,627</u>       |                                  |                            |
| Derivative purchases and sales                      |                    | –                    | –              |                     |                                  |                            |
| Total cost as percentage of average net asset value |                    | 0.05%                | 0.03%          |                     |                                  |                            |

##### Analysis of direct transaction costs for the year ended 31st March 2022:

|   | Principal<br>£'000 | Commissions<br>£'000 | Taxes<br>£'000 | Total Cost<br>£'000 | Commissions<br>% of<br>principal | Taxes<br>% of<br>principal |
|---|--------------------|----------------------|----------------|---------------------|----------------------------------|----------------------------|
| <b>Purchases</b>                                    |                    |                      |                |                     |                                  |                            |
| Equities  | 23,274             | 9                    | 31             | 23,314              | 0.04                             | 0.13                       |
|   | <u>23,274</u>      | <u>9</u>             | <u>31</u>      | <u>23,314</u>       |                                  |                            |
| <b>Sales</b>  |                    |                      |                |                     |                                  |                            |
| Equities  | 56,192             | (19)                 | (5)            | 56,168              | 0.03                             | 0.01                       |
|   | <u>56,192</u>      | <u>(19)</u>          | <u>(5)</u>     | <u>56,168</u>       |                                  |                            |
| Derivative purchases and sales                      |                    | –                    | –              |                     |                                  |                            |
| Total cost as percentage of average net asset value |                    | 0.03%                | 0.04%          |                     |                                  |                            |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 6. Purchases, Sales and Transaction Costs (continued)

The sub-fund utilises derivative instruments, including forward currency contracts. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments. Therefore, purchase and sale amounts for derivative transactions are not quantified in the above analysis. Transaction costs for derivatives positions will be either suffered as direct costs or form part of the dealing spread for the instrument.

#### Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.11% (31st March 2022: 0.13%), based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

#### 7. Revenue

|                      | 2023<br>£'000 | 2022<br>£'000 |
|----------------------|---------------|---------------|
| Bank interest        | 7             | –             |
| Franked UK dividends | 327           | 627           |
| Overseas dividends   | 747           | 2,005         |
|                      | <u>1,081</u>  | <u>2,632</u>  |

#### 8. Expenses

|   | 2023<br>£'000 | 2022<br>£'000 |
|---|---------------|---------------|
| <b>Payable to the ACD or associates of the ACD:</b>               |               |               |
| ACD's periodic charge   | 29            | 60            |
| Investment Manager's fees   | 195           | 533           |
|   | <u>224</u>    | <u>593</u>    |
| <b>Payable to the Depositary or associates of the Depositary:</b> |               |               |
| Depositary's fee  | 13            | 30            |
| Safe custody charges  | 9             | 14            |
|   | <u>22</u>     | <u>44</u>     |
| <b>Other expenses:</b>  |               |               |
| Administration fees   | 30            | 57            |
| Audit fees <sup>1</sup>   | 14            | 12            |
| Calastone fees  | 1             | 3             |
| Euroclear fees  | 3             | 3             |
| Legal fees  | 4             | 7             |
| Printing fees   | 4             | 4             |
| Registration fees   | 26            | 25            |
| Subsidy of other expenses by the ACD                              | (6)           | –             |
|   | <u>76</u>     | <u>111</u>    |
| <b>Total expenses</b>   | <u>322</u>    | <u>748</u>    |

<sup>1</sup> Total audit fees of £11,369 (31st March 2022: £9,801), exclusive of VAT.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 9. Taxation

|   | 2023<br>£'000 | 2022<br>£'000 |
|---|---------------|---------------|
| <b>a) Analysis of charge for the year:</b>  |               |               |
| Overseas withholding tax  | 60            | 246           |
| <b>Total current taxation</b>   | <b>60</b>     | <b>246</b>    |
| Deferred tax charge   | –             | –             |
| <b>Total taxation</b>   | <b>60</b>     | <b>246</b>    |
| <b>b) Factors affecting taxation charge for the year:</b>                         |               |               |
| Net revenue before taxation   | 758           | 1,882         |
| Net revenue multiplied by the standard rate of corporation tax of 20% (2022: 20%) | 152           | 376           |
| Effects of:   |               |               |
| Double taxation relief  | –             | (7)           |
| Excess management expenses not utilised   | 63            | 88            |
| Franked UK dividends  | (65)          | (125)         |
| FX loss non-taxable   | 3             | –             |
| Non-taxable overseas dividends  | (153)         | (332)         |
| Overseas withholding tax  | 60            | 246           |
| <b>Total tax charge (note 9a)</b>   | <b>60</b>     | <b>246</b>    |
| <b>c) Deferred tax</b>  |               |               |
| Deferred tax charge (note 9a)   | –             | –             |
| Provision at start of year  | –             | –             |
| <b>Provision at end of year</b>   | <b>–</b>      | <b>–</b>      |

The sub-fund has not recognised a deferred tax asset of £784,435 (31st March 2022: £721,298) arising as a result of having unutilised management expenses of £3,912,748 (31st March 2022: £3,597,060) and non-trade loan relationship deficit of £9,428 (31st March 2022: £9,428). The unutilised management expenses and non-trade loan relationship deficit will only be recovered to the extent that the sub-fund has sufficient future taxable revenue.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 10. Distributions

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprise:

|  | 2023<br>£'000 | 2022<br>£'000 |
|--|---------------|---------------|
| Interim distribution                       | 203           | 698           |
| Interim accumulation                       | 156           | 303           |
| Final distribution                         | 130           | 354           |
| Final accumulation                         | 116           | 255           |
|  | <u>605</u>    | <u>1,610</u>  |
| <br>                                       |               |               |
| Add: Revenue deducted on shares cancelled  | 163           | 286           |
| Deduct: Revenue received on shares created | (14)          | (75)          |
| <b>Net distribution for the year</b>       | <u>754</u>    | <u>1,821</u>  |

#### Reconciliation between net revenue and distribution

|                                    | 2023<br>£'000 | 2022<br>£'000 |
|------------------------------------|---------------|---------------|
| Net revenue after taxation         | 698           | 1,636         |
| Add: Expenses allocated to capital | 56            | 185           |
|                                    | <u>754</u>    | <u>1,821</u>  |

#### 11. Debtors

|                                       | 2023<br>£'000 | 2022<br>£'000 |
|---------------------------------------|---------------|---------------|
| Accrued revenue                       | 89            | 134           |
| Amount receivable for issue of shares | 45            | 150           |
| Overseas tax recoverable              | 81            | 99            |
| Subsidy of other expenses by the ACD  | 6             | –             |
| Sales awaiting settlement             | 149           | –             |
|                                       | <u>370</u>    | <u>383</u>    |

#### 12. Other creditors

|   | 2023<br>£'000 | 2022<br>£'000 |
|---|---------------|---------------|
| Accrued expenses                          | 60            | 76            |
| Amount payable for cancellation of shares | 31            | 302           |
|   | <u>91</u>     | <u>378</u>    |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 13. Related Parties

Thesis Unit Trust Management Limited is regarded as a related party by virtue of having the ability to act in respect of the operations of the sub-fund in its capacity as the ACD.

Thesis Unit Trust Management Limited acts as principal on all the transactions of shares in the sub-fund. The aggregate monies received through creations and liquidations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts due to/from Thesis Unit Trust Management Limited in respect of share transactions at the year end are disclosed within notes 11 and 12 as applicable.

Amounts paid to Thesis Unit Trust Management Limited in respect of the ACD's periodic charges and, if any, rebates received are disclosed in Note 8. The amount payable at year end is £28,377 (31st March 2022: £49,222).

Thesis Unit Trust Management Limited did not enter into any other transactions with the sub-fund during the year.

#### 14. Equalisation

Equalisation is accrued income included in the price of shares purchased during the accounting year, which, after using monthly groupings to average, is refunded as part of a shareholder's first distribution, resulting in the same rate of distribution on all shares. As a capital repayment, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

#### 15. Contingent Assets, Liabilities and Outstanding Commitments

There are no contingent assets, liabilities and outstanding commitments as at 31st March 2023 (31st March 2022: £Nil).

#### 16. Share Classes

The distribution per share is given in the distribution tables on pages 52 to 57. All shares have the same rights on winding up.

The sub-fund currently has the following active share classes, and the ACD's periodic charge rate and Investment Manager's fee rate on each share class are as follows:

|   | ACD's<br>periodic charge* | Investment<br>Manager's fee |
|---|---------------------------|-----------------------------|
| Class B Income and Accumulation Shares        | 0.07%                     | –%                          |
| Class I Income and Accumulation Shares        | 0.07%                     | 0.65%                       |
| Class J Income and Accumulation Shares        | 0.07%                     | 0.65%                       |
| Class J Hedged Income and Accumulation Shares | 0.07%                     | 0.65%                       |
| Class K Income and Accumulation EUR Shares    | 0.07%                     | 0.65%                       |
| Class L Income and Accumulation USD Shares    | 0.07%                     | 0.65%                       |

\* ACD's periodic charge rate is charged on sliding scale as per latest Prospectus.

The following table shows the shares in issue during the year:

| Share Class                               | Opening<br>Shares | Shares<br>Created | Shares<br>Liquidated | Shares<br>Converted | Closing<br>Shares |
|---|-------------------|-------------------|----------------------|---------------------|-------------------|
| Class B Income Shares                     | 320,918           | 576,067           | (7,925)              | –                   | 889,060           |
| Class B Accumulation Shares               | 3,188,267         | 57,910            | (32,866)             | –                   | 3,213,311         |
| Class I Income Shares                     | 3,858,716         | 184,116           | (1,579,583)          | 2,792               | 2,466,041         |
| Class I Accumulation Shares               | 868,607           | 45,120            | (375,105)            | (9,737)             | 528,885           |
| Class J Income Shares                     | 9,303,230         | 77,712            | (7,876,074)          | –                   | 1,504,868         |
| Class J Accumulation Shares               | 6,035,808         | 120,513           | (5,290,297)          | 7,792               | 873,816           |
| Class J Hedged Income Shares <sup>1</sup> | 8,556,291         | –                 | (8,556,291)          | –                   | –                 |
| Class J Hedged Accumulation Shares        | 1,342,327         | 28,946            | (1,311,464)          | –                   | 59,809            |
| Class K Income EUR Shares                 | 3,671,740         | –                 | (10,000)             | –                   | 3,661,740         |
| Class K Accumulation EUR Shares           | 276,387           | –                 | –                    | –                   | 276,387           |
| Class L Income USD Shares                 | 614,284           | –                 | –                    | –                   | 614,284           |
| Class L Accumulation USD Shares           | 30,342            | –                 | (10,000)             | –                   | 20,342            |

<sup>1</sup> Class J Hedged Income Shares became inactive on 24th March 2023.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 17. Financial Instruments

In pursuing its investment objective set out on page 3, the sub-fund holds a number of financial instruments. These may comprise:

- equity shares, non-equity shares, shares in collective investment vehicles, fixed and floating rate securities. These are held in accordance with the sub-fund's investment objective and policies;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- shareholders' funds which represent investors' monies which are invested on their behalf;
- borrowings used to finance investment activity; and
- forward foreign currency contracts, the purpose of which is to manage the currency risk arising from the sub-fund's investment activities (and related financing).

#### 18. Risks Disclosures

- *Market price risk* - risk management policies surrounding this risk are discussed in note 4 on pages 16 to 18.

At 31st March 2023, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £1,395,954 (31st March 2022: £3,319,300).

- *Foreign currency risk* - risk management policies surrounding this risk are discussed in note 4 on pages 16 to 18.

At the year end date, a portion of the net assets of the sub-fund were denominated in currencies other than Sterling with the effect that the balance sheet and total return can be affected by exchange rate movements. These net assets consist of the following:

#### Foreign currency exposure as at 31st March 2023:

| Currency         | Forward   | Monetary   | Non           | Total         |
|------------------|-----------|------------|---------------|---------------|
|                  | Contracts | Exposures  | Monetary      |               |
|                  | 2023      | 2023       | 2023          | 2023          |
|                  | £'000     | £'000      | £'000         | £'000         |
| Canadian dollar  | (7)       | 9          | 2,369         | 2,371         |
| Danish kroner    | –         | 34         | –             | 34            |
| Euro             | (10)      | 45         | 3,384         | 3,419         |
| Hong Kong dollar | (4)       | –          | 1,484         | 1,480         |
| Japanese yen     | –         | 3          | –             | 3             |
| Pounds sterling  | 56        | 309        | 9,432         | 9,797         |
| South Korean won | (9)       | 66         | 3,027         | 3,084         |
| Swedish krona    | (8)       | 140        | 2,532         | 2,664         |
| US dollar        | (16)      | 76         | 5,691         | 5,751         |
|                  | <b>2</b>  | <b>682</b> | <b>27,919</b> | <b>28,603</b> |



# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 18. Risks Disclosures (continued)

Foreign currency exposure as at 31st March 2022:

|                  | Forward<br>Contracts<br>2022<br>£'000 | Monetary<br>Exposures<br>2022<br>£'000 | Non<br>Monetary<br>Exposures<br>2022<br>£'000 | Total<br>2022<br>£'000 |
|------------------|---------------------------------------|--|---|------------------------|
| Canadian dollar  | (647)                                 | 6                                      | 4,098   | 3,457                  |
| Danish kroner    | (329)                                 | 43                                     | 1,976   | 1,690                  |
| Euro             | (1,852)                               | 32                                     | 11,206  | 9,386                  |
| Hong Kong dollar | (571)                                 | –                                      | 3,529   | 2,958                  |
| Japanese yen     | (1)                                   | 4                                      | –   | 3                      |
| Pounds sterling  | 7,501                                 | (146)                                  | 19,546  | 26,901                 |
| South Korean won | (399)                                 | 64                                     | 2,407   | 2,072                  |
| Swedish krona    | (1,528)                               | 212                                    | 9,187   | 7,871                  |
| US dollar        | (2,357)                               | 56                                     | 14,437  | 12,136                 |
|                  | (183)                                 | 271                                    | 66,386  | 66,474                 |

At 31st March 2023, if the value of Sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £188,057 (31st March 2022: £395,716).

- *Interest rate risk* - risk management policies surrounding this risk are discussed in note 4 on pages 16 to 18.

#### Interest rate risk profile of financial assets as at 31st March 2023:

|                  | Floating Rate<br>Financial<br>Assets<br>2023<br>£'000 | Financial Assets<br>Not Carrying<br>Interest<br>2023<br>£'000 | Total<br>2023<br>£'000 |
|------------------|---|---|------------------------|
| Canadian dollar  | –   | 2,369   | 2,369                  |
| Euro             | 584   | 3,384   | 3,968                  |
| Hong Kong dollar | –   | 1,484   | 1,484                  |
| Japanese yen     | 83  | –   | 83                     |
| Pounds sterling  | 1,852   | 9,432   | 11,284                 |
| South Korean won | 79  | 3,028   | 3,107                  |
| Swedish krona    | 158   | 2,533   | 2,691                  |
| US dollar        | 817   | 5,692   | 6,509                  |
|                  | 3,573   | 27,922  | 31,495                 |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 18. Risks Disclosures (continued)

Interest rate risk profile of financial assets as at 31st March 2022:

| Currency         | Floating Rate | Financial Assets | Total         |
|------------------|---------------|------------------|---------------|
|                  | Financial     | Not Carrying     |               |
|                  | Assets        | Interest         |               |
|                  | 2022          | 2022             | 2022          |
|                  | £'000         | £'000            | £'000         |
| Canadian dollar  | –             | 4,099            | 4,099         |
| Danish kroner    | –             | 1,977            | 1,977         |
| Euro             | 546           | 11,209           | 11,755        |
| Hong Kong dollar | –             | 3,529            | 3,529         |
| Japanese yen     | 85            | –                | 85            |
| Pounds sterling  | 1,562         | 19,547           | 21,109        |
| South Korean won | 44            | 2,408            | 2,452         |
| Swedish krona    | 241           | 9,191            | 9,432         |
| US dollar        | 688           | 14,437           | 15,125        |
|                  | <b>3,166</b>  | <b>66,397</b>    | <b>69,563</b> |

Interest rate risk profile of financial liabilities as at 31st March 2023:

| Currency         | Floating Rate  | Financial       | Total          |
|------------------|----------------|-----------------|----------------|
|                  | Financial      | Liabilities Not |                |
|                  | Liabilities    | Carrying        |                |
|                  | 2023           | Interest        | 2023           |
|                  | £'000          | £'000           | £'000          |
| Euro             | (542)          | –               | (542)          |
| Japanese yen     | (79)           | –               | (79)           |
| Pounds sterling  | (1,532)        | (1)             | (1,533)        |
| South Korean won | (79)           | –               | (79)           |
| Swedish krona    | (53)           | –               | (53)           |
| US dollar        | (755)          | –               | (755)          |
|                  | <b>(3,040)</b> | <b>(1)</b>      | <b>(3,041)</b> |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 18. Risks Disclosures (continued)

Interest rate risk profile of financial liabilities as at 31st March 2022:

|                  | Floating Rate<br>Financial<br>Liabilities<br>2022<br>£'000 | Financial<br>Liabilities Not<br>Carrying<br>Interest<br>2022<br>£'000 | Total<br>2022<br>£'000 |
|------------------|--|---|------------------------|
| Currency         |  |   |                        |
| Canadian dollar  | –  | (18)  | (18)                   |
| Danish kroner    | –  | (9)   | (9)                    |
| Euro             | (538)  | (40)  | (578)                  |
| Hong Kong dollar | –  | (3)   | (3)                    |
| Japanese yen     | (81)   | –   | (81)                   |
| Pounds sterling  | (1,198)  | (1)   | (1,199)                |
| South Korean won | –  | (6)   | (6)                    |
| Swedish krona    | (55)   | (96)  | (151)                  |
| US dollar        | (674)  | (21)  | (695)                  |
|                  | <u>(2,546)</u>   | <u>(194)</u>  | <u>(2,740)</u>         |

Short term debtors and creditors are excluded in the interest rate risk tables above. Forward currency contracts are quoted net and are included in the financial assets and/or liabilities not carrying interest category as applicable.

The sub-fund's net cash holdings of £532,907 (31st March 2022: £619,830) are held in floating rate deposit accounts, whose rates are determined by reference to BOE for GBP or other respective central bank rates for other currencies.

- *Credit risk* - risk management policies surrounding this risk are discussed in note 4 on pages 16 to 18.
- *Counterparty exposure to risk* – The types of derivatives held at the balance sheet was forward currency contracts. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

| Counterparty Name <sup>1</sup>    | 2023<br>£'000 | 2022<br>£'000 |
|-----------------------------------|---------------|---------------|
| <b>Forward Currency Contracts</b> |               |               |
| Citigroup                         | 3             | 2             |
| Northern Trust                    | –             | 9             |
| <b>Total</b>                      | <u>3</u>      | <u>11</u>     |

<sup>1</sup> Net exposure represents the mark to market value of derivative contracts less any cash collateral held. Positive exposure represents the sub-fund's exposure to that counterparty.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Notes to the Financial Statements

for the year ended 31st March 2023 (continued)

#### 18. Risks Disclosures (continued)

- *Derivative risks* – The ACD has entered into forward currency contracts during the year but only for the purpose of efficient portfolio management (including hedging) with the aim of reducing the risk profile of a sub-fund or reducing costs.
- *Fair value* - in the opinion of the ACD, there is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

| Valuation technique as at 31st March 2023 | Level 1<br>£'000 | Level 2<br>£'000 | Level 3<br>£'000 | Total<br>£'000 |
|---|------------------|------------------|------------------|----------------|
| <b>Assets</b>                             |                  |                  |                  |                |
| Equities                                  | 27,919           | –                | –                | 27,919         |
| Forward Currency Contracts                | –                | 3                | –                | 3              |
|   | <u>27,919</u>    | <u>3</u>         | <u>–</u>         | <u>27,922</u>  |
| <b>Liabilities</b>                        |                  |                  |                  |                |
| Forward Currency Contracts                | –                | (1)              | –                | (1)            |

| Valuation technique as at 31st March 2022 | Level 1<br>£'000 | Level 2<br>£'000 | Level 3<br>£'000 | Total<br>£'000 |
|---|------------------|------------------|------------------|----------------|
| <b>Assets</b>                             |                  |                  |                  |                |
| Equities                                  | 66,386           | –                | –                | 66,386         |
| Forward Currency Contracts                | –                | 11               | –                | 11             |
|   | <u>66,386</u>    | <u>11</u>        | <u>–</u>         | <u>66,397</u>  |
| <b>Liabilities</b>                        |                  |                  |                  |                |
| Forward Currency Contracts                | –                | (194)            | –                | (194)          |

Level 1: The unadjusted quoted price in an active market for an identical instrument that the entity can access at the measurement date.

Level 2: Valuation techniques using observable inputs other than quoted prices within Level 1 (i.e., developed using market data).

Level 3: Valuation techniques using unobservable inputs (i.e., for which market data is unavailable).

#### 19 Leverage

The maximum leverage calculated on the commitment method permitted is 100%. It is expected that the ACD will operate the sub-fund well within these limits. The 'commitment' method is the sum of the absolute value of all positions and each derivative position (excluding forward currency positions) will be converted into the equivalent position in the underlying assets. The ACD sets maximum leverage levels and operates the sub-fund within these levels at all times.

As at year end 31st March 2023, the total leverage in the sub-fund, using commitment approach, exceeded 100% (gross 105.00%, commitment 104.20%). Given that the exposure of the sub-fund is 104.20% of NAV this means that some leverage was employed by the sub-fund.

#### 20 Post Balance Sheet Events

The latest NAV per Class B Accumulation Shares of 273.85p as at close of business on 19th July 2023 had increased on average across share classes by 1.24% compared to the NAV at the year end of 270.49p.

# The Overstone Fund

## Overstone Global Equity Income Fund

### Distribution Tables

for the year ended 31st March 2023

#### Interim Distribution Class B Income Shares (in pence per share)

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Income | Equalisation<br>(note 14) | 2022<br>Net Distribution<br>Paid | 2021<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|----------------------------------|----------------------------------|
| 1     | 2.0286     | –                         | 2.0286                           | 2.4116                           |
| 2     | 0.6961     | 1.3325                    | 2.0286                           | 2.4116                           |

#### Interim Accumulation Class B Accumulation Shares (in pence per share)

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Accumulation | Equalisation<br>(note 14) | 2022<br>Net Accumulation | 2021<br>Net Accumulation |
|-------|------------------|---------------------------|--------------------------|--------------------------|
| 1     | 2.7222           | –                         | 2.7222                   | 3.2481                   |
| 2     | 0.8176           | 1.9046                    | 2.7222                   | 3.2481                   |

#### Interim Distribution Class FI Income Shares (in pence per share)\*

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Income | Equalisation<br>(note 14) | 2022<br>Net Distribution<br>Paid | 2021<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|----------------------------------|----------------------------------|
| 1     | –          | –                         | –                                | 1.5189                           |
| 2     | –          | –                         | –                                | 1.5189                           |

#### Interim Distribution Class I Income Shares (in pence per share)

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Income | Equalisation<br>(note 14) | 2022<br>Net Distribution<br>Paid | 2021<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|----------------------------------|----------------------------------|
| 1     | 1.9496     | –                         | 1.9496                           | 2.3596                           |
| 2     | 0.5441     | 1.4055                    | 1.9496                           | 2.3596                           |

#### Interim Accumulation Class I Accumulation Shares (in pence per share)

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Accumulation | Equalisation<br>(note 14) | 2022<br>Net Accumulation | 2021<br>Net Accumulation |
|-------|------------------|---------------------------|--------------------------|--------------------------|
| 1     | 2.7935           | –                         | 2.7935                   | 3.2782                   |
| 2     | 1.2173           | 1.5762                    | 2.7935                   | 3.2782                   |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Distribution Tables

for the year ended 31st March 2023 (continued)

#### Interim Distribution Class J Income Shares (in pence per share)

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Income | Equalisation<br>(note 14) | 2022<br>Net Distribution<br>Paid | 2021<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|----------------------------------|----------------------------------|
| 1     | 1.2617     | –                         | 1.2617                           | 1.7246                           |
| 2     | 0.0892     | 1.1725                    | 1.2617                           | 1.7246                           |

#### Interim Accumulation Class J Accumulation Shares (in pence per share)

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Accumulation | Equalisation<br>(note 14) | 2022<br>Net Accumulation | 2021<br>Net Accumulation |
|-------|------------------|---------------------------|--------------------------|--------------------------|
| 1     | 1.6862           | –                         | 1.6862                   | 2.1838                   |
| 2     | 0.3677           | 1.3185                    | 1.6862                   | 2.1838                   |

#### Interim Distribution Class J Hedged Income Shares (in pence per share)\*\*

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Income | Equalisation<br>(note 14) | 2022<br>Net Distribution<br>Paid | 2021<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|----------------------------------|----------------------------------|
| 1     | 0.7538     | –                         | 0.7538                           | 0.9329                           |
| 2     | 0.7538     | –                         | 0.7538                           | 0.9329                           |

#### Interim Accumulation Class J Hedged Accumulation Shares (in pence per share)

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Accumulation | Equalisation<br>(note 14) | 2022<br>Net Accumulation | 2021<br>Net Accumulation |
|-------|------------------|---------------------------|--------------------------|--------------------------|
| 1     | 1.0076           | –                         | 1.0076                   | 1.2691                   |
| 2     | 0.1428           | 0.8648                    | 1.0076                   | 1.2691                   |

#### Interim Distribution Class K Income EUR Shares (in € cents per share)\*\*

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Income | Equalisation<br>(note 14) | 2022<br>Net Distribution<br>Paid | 2021<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|----------------------------------|----------------------------------|
| 1     | 1.3494     | –                         | 1.3494                           | 1.7275                           |
| 2     | 1.3494     | –                         | 1.3494                           | 1.7275                           |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Distribution Tables

for the year ended 31st March 2023 (continued)

#### Interim Accumulation Class K Accumulation EUR Shares (in € cents per share)\*\*

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Accumulation | Equalisation (note 14) | 2022 Net Accumulation | 2021 Net Accumulation |
|-------|------------------|------------------------|-----------------------|-----------------------|
| 1     | 1.7294           | –                      | 1.7294                | 2.1769                |
| 2     | 1.7294           | –                      | 1.7294                | 2.1769                |

#### Interim Distribution Class L Income USD Shares (in US\$ cents per share)\*\*

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Income | Equalisation (note 14) | 2022 Net Distribution Paid | 2021 Net Distribution Paid |
|-------|------------|------------------------|----------------------------|----------------------------|
| 1     | 1.1755     | –                      | 1.1755                     | 1.8171                     |
| 2     | 1.1755     | –                      | 1.1755                     | 1.8171                     |

#### Interim Accumulation Class L Accumulation USD Shares (in US\$ cents per share)\*\*

Group 1: Shares purchased prior to 1st April 2022

Group 2: Shares purchased from 1st April 2022 to 30th September 2022

| Group | Net Accumulation | Equalisation (note 14) | 2022 Net Accumulation | 2021 Net Accumulation |
|-------|------------------|------------------------|-----------------------|-----------------------|
| 1     | 1.2368           | –                      | 1.2368                | 1.8472                |
| 2     | 1.2368           | –                      | 1.2368                | 1.8472                |

#### Final Distribution Class B Income Shares (in pence per share)\*\*

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Income | Equalisation (note 14) | 2023 Net Distribution Payable | 2022 Net Distribution Paid |
|-------|------------|------------------------|-------------------------------|----------------------------|
| 1     | 1.7974     | –                      | 1.7974                        | 2.1672                     |
| 2     | 1.7974     | –                      | 1.7974                        | 2.1672                     |

#### Final Accumulation Class B Accumulation Shares (in pence per share)

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Accumulation | Equalisation (note 14) | 2023 Net Accumulation | 2022 Net Accumulation |
|-------|------------------|------------------------|-----------------------|-----------------------|
| 1     | 2.4970           | –                      | 2.4970                | 2.9569                |
| 2     | –                | 2.4970                 | 2.4970                | 2.9569                |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Distribution Tables

for the year ended 31st March 2023 (continued)

#### Final Distribution Class I Income Shares (in pence per share)

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Income | Equalisation<br>(note 14) | 2023<br>Net Distribution<br>Payable | 2022<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|-------------------------------------|----------------------------------|
| 1     | 1.9026     | –                         | 1.9026                              | 2.1421                           |
| 2     | 1.0952     | 0.8074                    | 1.9026                              | 2.1421                           |

#### Final Accumulation Class I Accumulation Shares (in pence per share)

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Accumulation | Equalisation<br>(note 14) | 2023<br>Net Accumulation | 2022<br>Net Accumulation |
|-------|------------------|---------------------------|--------------------------|--------------------------|
| 1     | 2.7373           | –                         | 2.7373                   | 3.0076                   |
| 2     | 0.5896           | 2.1477                    | 2.7373                   | 3.0076                   |

#### Final Distribution Class J Income Shares (in pence per share)

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Income | Equalisation<br>(note 14) | 2023<br>Net Distribution<br>Payable | 2022<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|-------------------------------------|----------------------------------|
| 1     | 1.3169     | –                         | 1.3169                              | 1.4781                           |
| 2     | 0.2341     | 1.0828                    | 1.3169                              | 1.4781                           |

#### Final Accumulation Class J Accumulation Shares (in pence per share)

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Accumulation | Equalisation<br>(note 14) | 2023<br>Net Accumulation | 2022<br>Net Accumulation |
|-------|------------------|---------------------------|--------------------------|--------------------------|
| 1     | 1.8370           | –                         | 1.8370                   | 1.9104                   |
| 2     | 1.4039           | 0.4331                    | 1.8370                   | 1.9104                   |

#### Final Distribution Class J Hedged Income Shares (in pence per share)\*\*\*

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Income | Equalisation<br>(note 14) | 2023<br>Net Distribution<br>Payable | 2022<br>Net Distribution<br>Paid |
|-------|------------|---------------------------|-------------------------------------|----------------------------------|
| 1     | –          | –                         | –                                   | 0.8141                           |
| 2     | –          | –                         | –                                   | 0.8141                           |



# The Overstone Fund

## Overstone Global Equity Income Fund

### Distribution Tables

for the year ended 31st March 2023 (continued)

#### Final Accumulation Class J Hedged Accumulation Shares (in pence per share)

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Accumulation | Equalisation (note 14) | 2023 Net Accumulation | 2022 Net Accumulation |
|-------|------------------|------------------------|-----------------------|-----------------------|
| 1     | 0.9632           | –                      | 0.9632                | 1.1083                |
| 2     | 0.2261           | 0.7371                 | 0.9632                | 1.1083                |

#### Final Distribution Class K Income EUR Shares (in € cents per share)\*\*

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Income | Equalisation (note 14) | 2023 Net Distribution Payable | 2022 Net Distribution Paid |
|-------|------------|------------------------|-------------------------------|----------------------------|
| 1     | 1.2694     | –                      | 1.2694                        | 1.6275                     |
| 2     | 1.2694     | –                      | 1.2694                        | 1.6275                     |

#### Final Accumulation Class K Accumulation EUR Shares (in € cents per share)\*\*

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Accumulation | Equalisation (note 14) | 2023 Net Accumulation | 2022 Net Accumulation |
|-------|------------------|------------------------|-----------------------|-----------------------|
| 1     | 1.6314           | –                      | 1.6314                | 1.9650                |
| 2     | 1.6314           | –                      | 1.6314                | 1.9650                |

#### Final Distribution Class L Income USD Shares (in US\$ cents per share)\*\*

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Income | Equalisation (note 14) | 2023 Net Distribution Payable | 2022 Net Distribution Paid |
|-------|------------|------------------------|-------------------------------|----------------------------|
| 1     | 1.2236     | –                      | 1.2236                        | 1.5200                     |
| 2     | 1.2236     | –                      | 1.2236                        | 1.5200                     |

# The Overstone Fund

## Overstone Global Equity Income Fund

### Distribution Tables

for the year ended 31st March 2023 (continued)

#### Final Accumulation Class L Accumulation USD Shares (in US\$ cents per share)\*\*

Group 1: Shares purchased prior to 1st October 2022

Group 2: Shares purchased from 1st October 2022 to 31st March 2023

| Group | Net Accumulation | Equalisation (note 14) | 2023 Net Accumulation | 2022 Net Accumulation |
|-------|------------------|------------------------|-----------------------|-----------------------|
| 1     | 1.2867           | –                      | 1.2867                | 1.5815                |
| 2     | 1.2867           | –                      | 1.2867                | 1.5815                |

\* Class FI Income Shares became inactive on 1st November 2021.

\*\* There were no group 2 shares for this period.

\*\*\* Class J Hedged Income Shares became inactive on 24th March 2023.



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