FundShare Umbrella Fund
Half-year report 31 March 2023

Contents

General Information

FundShare Umbrella Fund (the “Fund”), an umbrella fund based in Amsterdam, The Netherlands, was founded on 12 April 2012 and consists of multiple Sub-Funds.

Manager

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1096 AJ Amsterdam
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Depositary

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1101 EE Amsterdam
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T: +31(0) 20 557 59 11

Legal Owner

Stichting Legal Owner FundShare Umbrella Fund
Duivendrechtsekade 82
1096 AJ Amsterdam
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Custodian & broker

Until 23 March 2022
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Amstelplein 1
1096 HA Amsterdam
T: +31(0) 20 535 34 80
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As of 23 March 2022
CACEIS Bank S.A., Netherlands Branch
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Administrator

FundShare Administrator Activities B.V.
(merged with the Manager on 10 December 2021)
Duivendrechtsekade 82
1096 AJ Amsterdam
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Auditor

Mazars Accountants N.V.
Delflandlaan 1
1007 JG Amsterdam

Operating company
- Post Opbouw Inkomens Fonds (liquidated per 13 June 2022)

De Vermogensbeheerders B.V.
Dorpsstraat 27
5261 CJ Vught
T: +31(0) 73 303 29 81
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Operating company
- Sequoia Quantum Satis Fund (liquidated per 13 June 2022)

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Profile

General

The FundShare Umbrella Fund ("Fund") was established on April 12, 2012 for an indefinite period of time. The Fund's business address is at the office of the manager of the Fund: FundShare Fund Management B.V. (the "Manager").

Key Investor Information Document ("Essentiële Beleggersinformatie") and Prospectus

For this Fund a Key Investor Information Document (KIID) applies containing important Sub-Fund information with respect to its costs and risks. The KIID and the Prospectus are available on: www.fundshare.nl. As per 1 January 2023 the KIID will be replaced with a Key Information Document (KID) or "Essentiële-informatiedocument" (Eid), according to the PRIIPs regulation.

Alternative Investment Fund

The Fund is an Alternative Investment Fund (AIF) and not an Undertaking for Collective Investments in Transferable Securities (UCITS) as defined in the Wet op het financieel toezicht (Wft) and is established for the purpose of distribution to professional and retail investors in The Netherlands.

Contractual arrangement

The Fund is a contractual arrangement created under the laws of The Netherlands. As such the Fund itself is not a legal or natural person. The Fund is divided into Sub-Funds (the "Sub-Funds"). Each Sub-Fund is the aggregate of the assets less the accrued payables, liabilities and obligations as managed by the Manager and held by the Legal Owner in its own name and capacity in relation to such Sub-Fund, governed by the Prospectus of the Fund ("Prospectus"). The Fund as governed by the Prospectus, encompasses the rules and conditions governing the Fund and its Sub-Funds. FundShare Fund Management B.V (the "Manager") acts as the manager of the Fund. The Fund's business address is that of the office of the Manager. Investors can subscribe to acquire units in the Sub-Funds (the "Units or Participations"). Each Unit sees to a proportionate share in the Net Asset Value (NAV) of the applicable Sub-Fund. Under Dutch law, a contractual fund may be considered a contract sui generis (*overeenkomst van eigen aard*).

Tax transparency

The Fund and each Sub-Fund are structured as transparent for Dutch tax purposes. The Fund and each Sub-Fund are from a Dutch tax perspective, a so-called "closed fund for joint account" (*besloten fonds voor gemene rekening)*. This means that the Fund is fiscally transparent and is therefore not subject to Dutch corporate income tax or dividend withholding tax. For fiscal purposes, the assets and liabilities, as well as the revenue and the costs of the Fund, are directly allocated to the Participants pro rata to their number of Participations (or Units), subject to and in accordance with the Prospectus. Therefore, for tax purposes, each participant is considered to participate directly in the investments of the receptive Sub-Fund. Tax transparency is amongst others achieved if the Participations (or Units) may only be issued and redeemed by the Fund itself. This means that Participations (or Units) can only be redeemed or transferred through the Manager (or on its behalf the Administrator) and the transfer or the creation of derived rights in relation to Participations (or Units) is restricted.

Umbrella structure

The Fund is an open-ended contractual umbrella fund consisting of one or several Sub-Funds. It offers prospective investors the opportunity to participate in one or more Sub-Funds. Participations issued by the Fund relate to a specific Sub-Fund. Each Sub-Fund is separately administered and represents the aggregate of the assets minus the accrued debts, liabilities and obligations as managed by the Manager, held by the Legal Owner in its own name and capacity in relation to such Sub-Fund and governed by this Prospectus.

Each Participation (or Unit) sees to a proportional share in the NAV of the applicable Sub-Fund. A single portfolio of Investments is maintained per Sub-Fund and is invested in accordance with the investment objectives and investment policy applicable to that Sub-Fund. The investment objective, policy, as well as the risk profile and other specific features of each Sub-Fund are set forth in the respective Supplement. Each Sub-Fund has a separate administration, to ensure, among others, that all proceeds and costs attributable to a Sub-Fund can be accounted for and allocated to that Sub-Fund. An increase or decrease of the value of the portfolio allocated to a Sub-Fund is exclusively for the benefit or expense of the Participants in such Sub-Fund. The following subjects are covered in the supplement to the Prospectus regarding a Sub-Fund:

- Investment Objective;
- Investment Policy and Techniques;
- Investment Restrictions;
- Investment Risks;
- Operating Company;
- Fees and Expenses; and
- Fund Characteristics.

The Sub-Funds

As of the date of this report, no Sub-Funds have outstanding issued Participations (or Units).

Segregated liability and principle of limited recourse (*beperkt verhaalsrecht*)

In accordance with article 1:13 and 4:45 (*'rangorderegeling'*) Wft, the assets of a Sub-Fund will first be used to satisfy claims arising from the Management and Custody of that Sub-Fund and then from the Participations (or Units) in that Sub-Fund, before any other claim may be satisfied. In addition, the Manager requires each service provider or counterparty, which provides services or enters into Investment transactions or positions in relation to a Sub-Fund, to agree that recourse to fund assets will only be possible for claims in relation to that particular Sub-Fund. Although the portfolio assets are administrated separately, all Investments of the several Sub-Funds are held by the Legal Owner. In order to protect the assets of the one Sub-Fund against losses incurred in another Sub-Fund, the laws of The Netherlands provide for a segregation of liability between the assets of the different Sub-Funds.

Manager

The Manager was established on 9 August 2006 and has its registered office in Amsterdam in accordance with its articles of association. The Manager is registered with the Chamber of Commerce and Industry in Amsterdam under number 34252934.

Financial Supervision

Wft license – AIFMD license

The Manager is licensed by the Dutch Authority for Financial Markets (AFM) and subject to financial supervision[1] in the Netherlands to act as a Manager of both AIFMD and UCITS investment entities and accordingly has been granted the relevant licenses under the Wft. The AFM and DNB are the joint supervisory authorities (Financial Supervisors) pursuant to the Wft. The supervision by the AFM primarily relates to conduct of business supervision whereas the supervision of DNB focuses on prudential aspects (capital requirements). A license

[1] Including prudential supervision by the Dutch Central Bank (DNB).

under the Wft provides certain safeguards to investors as licenses are only granted if requirements with respect to expertise and integrity, capital adequacy, the conduct of business and information provisions are satisfied. The Manager is furthermore subject to periodic reporting and compliance requirements with guidance and directions of the AFM and DNB.

AIFMD & UCITS license
The Financial Supervisors have licensed the Manager on 3 November 2006 pursuant to article 2:67 Wft (management of AIFs) and on 17 June 2014 also pursuant to article 2:69c Wft (management of UCITS).

MMFR extension of UCITS license
As per 31 March 2019, the AFM has permitted the Manager to manage Money Market Funds (*geldmarktfondsen*) in relation to the Money Market Funds Regulation ("MMFR"). The MMFR is the new European Union (EU) regulatory framework aimed at ensuring the stability and integrity of MMFs which are established, managed or marketed in the EU.

Depositary

Tasks and duties

Pursuant to the Wft, the custody of the assets of the Fund is entrusted to a depositary, CACEIS Bank S.A., Netherlands Branch (the "Depositary"). This concept of custody should not be understood as the 'safekeeping' of the assets only, but also as 'supervision' of these assets. The Depositary must, at all times, have knowledge of how the assets of the Fund are invested and where and how these assets are available. The tasks of an AIFMD-depositary are divided into three categories: cash flow monitoring, safekeeping duties and various oversight duties. The Depositary is not the legal owner of the assets of the Fund ('Legal Owner'). This role is fulfilled by a separate entity, Stichting Legal Owner FundShare Umbrella Fund as the Legal Owner.

Contractual claim against the Legal Owner

A Participation (or Unit) gives the participant a contractual claim against the Legal Owner for payment of an amount equal to the NAV of a pro rata share in the (Sub-)Fund subject to the Prospectus. As such, participants have no proprietary rights with respect to the assets of the (Sub-)Fund but an economic (beneficial) interest in the assets and liabilities of the (Sub-)Fund. The Legal Owner holds the investments of the Fund in its own name in an account with the Custodian under a client agreement with the Custodian.

Investment risks

The Fund is exposed to a number of investment risks due to the nature of its activities. The financial instrument risks as part of overall investment risks are stated in the disclosure notes (paragraph 4) to the aggregated financial statements of the Fund.

- ***Market Risk***

Market risk is the risk that movements in market factors - such as foreign exchange rates (currency risk), interest rates (interest rate risk), and other price risk (equity price risk) – that will cause the fair value of financial instruments to fluctuate and reduce the Sub-Fund's income or the value of its portfolios

  - ***Currency Risk***

The Sub-Funds are subject to currency rate (foreign exchange rate) risk on securities held for trading and on cash and cash equivalents that are denominated in a currency other than the functional currency. For this reason, changes in currency exchange rates can affect the value of the Sub-Fund's portfolio.

- *Interest Rate Risk*

The value of any interest-bearing financial instruments held by a Sub-Fund will rise or fall inversely with changes in interest rates. Interest rates typically vary from one country to another, and may change for a number of reasons. Those reasons include rapid expansions or contractions of a country's money supply, changes in demand by business and consumers to borrow money and actual or anticipated changes in the rate of inflation. In general, if interest rates increase, one may expect that the market value of a fixed income instrument which pays interest payments would fall, whereas if interest rates decrease, one may expect that the market value of such investment would increase.

- *Other Price Risk*

Price risk which is neither interest rate risk, nor exchange rate risk, such as equity price risk arising from held-for-trading equity investments. The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

- ***Credit Risk***

Credit risk arises as both issuer credit risk and counterparty credit risk.

- ***Issuer Credit Risk***

Credit risk arises from the uncertainty surrounding the ultimate repayment of principal and interest or other debt instrument investments by the issuers of such securities. Although Sub-Funds may invest in high quality credit instruments, there can be no assurance that the institutions or securities in which a Sub-Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such institutions, securities or other instruments. An investment in bonds or other debt securities involves counterparty risk of the issuer of such bonds or debt securities which may be evidenced by the issuer's credit rating or Credit Quality Score. An investment in bond or other debt securities issued by issuers with a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than that of more highly rated issuers. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties this may affect the value of the bonds or other debt securities (which may be zero) and any amounts paid on such bonds or other debt securities (which may be zero). In case of default, for example, the issuer may not be able to meet its obligations to repay the nominal amount and interest. This may in turn affect the NAV of a Sub-Fund.

- ***Counterparty Credit Risk***

In entering into over the counter (OTC) fixed income securities transactions which involve counterparties there is a risk that a counterparty will wholly or partially fail to honor its contractual obligations. The Fund could experience delays in liquidating the position and significant losses, including declines in the value of the investment during the period in which the counterparty is not able to meet its obligations. Losses of financial instruments may be sustained by the Fund as a result of negligence, fraudulent behavior and/or the liquidation, bankruptcy or insolvency of a counterparty.

- ***Portfolio Concentration Risk***

Although the strategy of certain Sub-Funds (investing in a limited number of equity or debt securities/issuers) has the potential to generate attractive returns over time, it may increase the volatility of such Sub-Fund's investment performance as compared to funds that invest in a larger number of securities. If the securities in which such portfolios invest perform poorly, the Sub-Fund could incur greater losses than if it had invested in a larger number of securities. Due to the daily pre-trade and post-trade compliance monitoring of UCITS risk limit system and prompt resolution of breaches, the Fund's exposure to this risk is deemed limited.

- ***Operational Risk***

Operational risk may be incurred across business activities and support control functions (e.g. information technology and trade processing). The business is highly dependent on its ability to execute, on a daily basis, a large number of orders in different financial instruments across numerous global markets and to reconcile call-backed orders by the exchange against street side broker positions to ensure integrity, completeness and accuracy of the trading database. Human failure can occur in all processes where humans are involved. Settlement processes are performed by employees. Entering transactions and reconciling positions are done manually. Operational risk can also manifest due to non-ethical behavior like fraud, market abusing trades, or market manipulation.

- ***Liquidity Risk***

Liquidity risk means the risk that a position in the portfolio cannot be sold, liquidated or closed at limited cost in an adequately short time frame. In some circumstances, investments may be relatively illiquid making it difficult to acquire or dispose of them at the prices quoted on the various exchanges. Accordingly, the Fund's ability to respond to market movements may be impaired and the Fund may experience adverse price movements upon liquidation of its investments. If trading on an exchange is suspended, the Fund may not be able to execute trades or sell positions at prices that the Fund believes are desirable.

- ***Sustainability Risk***

Sustainability risks are Environmental, Social or Governance (ESG) events or conditions that, if occurring, could cause an actual or a potential material negative impact on the value of the investment. Examples are climate-related and environmental risks, poor governance practices and/ or significant social issues. To identify and assess the sustainability risk that each fund is exposed to, the Manager uses an internal ESG-score for each Sub-Fund and on a total Fund level. This internal score is based on the ESG-scores per investment of the Fund (if available) of widely used data vendors. The Manager expects that companies (share or bond issuers) with high ESG-scores will generally have a lower exposure to sustainability risk. As such, on a Fund-level, the Manager expects that the exposure to sustainability risks is higher for funds with a low overall ESG-score compared to funds with a high overall ESG-score. Exposure to sustainability risks is managed in the same way (using the overall risk management framework) as exposure to other investment risks. In practice, that means that if exposure to sustainability risks exceeds the risk limits as defined in the risk management policy, actions can be taken to mitigate the sustainability risk exposure. To that end, investments with a very poor ESG-score can be considered to be excluded for the portfolio (in order to avoid material adverse impact on the value of the portfolio). The investments with the lowest internal ESG-score (1) will be analyzed by Portfolio Management in an ESG report. In the Risk & Compliance Committee (RCC) the ESG report will be discussed and can be decided an investment or Sub-Fund has too high sustainability risk and needs to divest the investment(s) with ESG-score 1. The Manager considers that the sustainability risk of the Sub-Funds which belong to the grey Product category could be higher, because the Manager believes that if an investment is not screened on ESG-criteria, there is a higher chance of financial losses due to ESG-factors or circumstances.

- ***Regulatory Risk***

The regulatory environment for investment funds and for Managers is constantly evolving and changes therein may adversely affect the Fund's ability to pursue its investment strategies. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or judicial action which may adversely affect the value of the investments held by the Fund. The effect of any future regulatory or tax change on the Fund is impossible to predict. The Manager has low appetite towards regulatory risk and therefore aims to mitigate any such risk exposure in an effective and timely manner.

- ***Political, Government Risk***

The risk that rules and regulations issued by government or regulators will affect the business and actions performed by the Fund. Economic and political instability could lead to changes or reversal of legal, fiscal and market regulations. Assets could be compulsorily re-acquired without adequate compensation. It can happen that trading on a certain market will be limited or suspended. Administrative risks may result in the imposition of restrictions on the free movement of capital. A country's external debt position could lead to sudden imposition of taxes or exchange controls.

- ***Sector / Industry Risk***

The Fund diversifies investments and does not concentrate investments within a specific branch or sector. Overinvesting in one particular sector or industry may result in too big concentration. Recession in the sector will impact on assets valuation from that sector decreasing their values significantly.

- ***Geographic / Region Risk***

The Fund invests worldwide. In emerging and less developed markets, in which the Sub-Fund may invest, the legal, judicial and regulatory infrastructure is still developing and therefore there is a certain degree of legal uncertainty. Overinvesting in one particular region or country may result in too big concentration. Economic crisis or political disturbance may impact valuation of assets from that region, possibly decreasing their values significantly.

- ***Conflict-of-interest Risks***

The Manager, the Administrator, Custodian might encounter a conflict of interest with the Fund when performing their duties. If this happens an effort will be made to find a solution for the Fund as soon as possible without damage resulting from such conflict. The Manager and/or the directors can be involved directly or indirectly in investing in, managing or providing advice to other funds (investment or otherwise) that trade assets also traded by the Fund. Neither the Manager nor the directors will have a duty to allocate any investment opportunities to the Fund in their entirety but, if the situation arises, they will divide such opportunities between the Fund and their other clients equally.

- ***Risk of limited redemption opportunity***

The Participations (or Units) are not listed on any stock exchange. Participations (or Units) in a Fund may only be transferred to the Manager or on its behalf the Administrator. A Sub-Fund is obliged to repurchase Participations (or Units) on each Trading Day except when the NAV determination is suspended and consequently issue and redemption of Participations (or Units) will be postponed.

- ***Investment fund risk, fees, expenses, constituents***

Some Sub-Funds hold investment funds in their portfolio. These Sub-Funds face risk connected with holding investment funds:

- Increase in fees, an investment fund will increase fees for management and/or administration and/or performance. As a result, return on investment will decrease.

- Change of redemption rules, an investment fund will change frequency and/or conditions of redemption. As a result, the fund will need more time in order to liquidate the position.

- Change of constituents, an investment fund will change holdings and/or weight of holding within the investment fund. As a result, the investment fund will not be suitable for the portfolio anymore due to restrictions or investment policy.

Aggregated Half-Year Financial Statements 31 March 2023

Aggregated Balance Sheet as at 31 March 2023

(Amounts in EUR, before appropriation of result)

Balance Sheet (in EUR)	HY 2023	2022
Investments		
Equity securities	0	0
Debt securities (bonds)	0	0
Investment funds (equity)	0	0
Investment funds (bonds)	0	0
	0	**0**
Receivables		
Other receivables and accrued income	0	0
	0	**0**
Other payables	0	0
	0	**0**
Total of receivables, other assets minus current liabilities	**0**	**0**
Total assets minus current liabilities	**0**	**0**
Fund capital		
Paid in unit capital	0	-4,003,649
Other reserves	0	6,182,425
Unappropriated result for the period*	0	-2,178,776
Total fund capital	**0**	**0**

* Net of interim dividends paid

Aggregated Income Statement for the period 1 October 2022 – 31 March 2023

Reporting period 1 October 2022 up to and including 31 March 2023.
Comparative figures relate to the period 1 October 2021 up to and including 31 March 2022.

(amounts in EUR)

Income Statement	HY 2023	HY 2022
Direct income from investments		
Dividends	0	73,282
Coupon interest	0	0
	0	**73,282**
Indirect income from investments and other assets		
Realised results on equity securities	0	66,552
Unrealised results on equity securities	0	-80,812
Realised results on debt securities	0	0
Unrealised results on debt securities	0	0
Realised results on investment funds	0	-71,281
Unrealised results on investment funds	0	130,577
Currency results cash and cash equivalents	0	-156,369
Total changes in value	**0**	**-111,333**
Total investment result	**0**	**-38,051**
Expenses		
Management fees	0	133,483
Depositary fees	0	2,505
Operating expenses	0	7,671
Total expenses	**0**	**143,659**
Result for the period	**0**	**-181,710**

FundShare

Notes to the aggregated financial statements per 31 March 2023

1 General

1.1 General information

The Fund is an investment fund as referred to in Article 1:1 of the Wft. The Fund is not a legal entity, but the aggregate of the assets less an amount equal to all accrued debts, liabilities and obligations of the Fund, in which monies or other assets are called or received for the purpose of collective investment by the participants, as governed by the Prospectus. The Fund was established on 12 April 2012, and shall continue to exist for an indefinite period of time. The Fund's office address is that of the Manager.

1.2 Activities

As per 13 June 2022, the Fund does not have active Sub-Funds.

1.3 Net Asset Value

The Net Asset Value (and the Net Asset Value per Participation) of a Sub-Fund is expressed in its functional currency and is determined at the close of a business day by the Manager as stated in the relevant supplement to the base Prospectus.

1.4 Financial reporting period

The regular financial reporting period for half year reporting is 1 October until 31 March. The comparative figures of the Balance Sheet relate to the period 1 October 2020 up to and including 30 September 2021. The comparative figures of the Income Statement relate to the period 1 October 2020 up to and including 31 March 2021.

1.5 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the aggregated half-year financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

1.6 Basis of Preparation

The aggregated half-year financial statements of the Fund have been prepared in accordance with the statutory provisions of Part 9, Book 2, of The Netherlands Civil Code, the Act on Financial Supervision and the firm pronouncements in the Guidelines (615) for Annual Reporting in The Netherlands as issued by the Dutch Accounting Standards Board.

1.7 Basis of aggregation

The Manager prepares and discloses aggregated financial statements for the Fund, which aggregates the financial performance, the financial position and the cash flows of the Sub-Funds. The individual statements per Sub-Fund are part of the notes to the financial statements of the Fund.

1.8 Presentation currency

The Fund's aggregated financial statements are presented in Euro (EUR). Management considers the Euro as the most appropriate currency for overall Fund reporting purposes. All financial information presented in Euro has been rounded to the nearest Euro, unless otherwise stated. The consequence is that the rounded amounts may not add up to the rounded total in all cases. The Sub-Fund's financial statements have been presented in their respective functional currency. The liquidity of the Sub-Funds is managed on a day-to-day basis in its functional currency in order to handle the subscription and redemption of the Sub-Fund's Units. The Sub-Funds investment portfolio performance is evaluated in its functional currency. Therefore, the management considers the relevant currency as the functional currency that most fairly represents the economic effects of the underlying transactions, events and conditions.

2 Valuation principles for preparing the aggregated balance sheet

2.1 Initial recognition financial instruments

On initial recognition, financial instruments (assets and liabilities) are measured at fair value and directly attributable transaction and transaction related expenses. The fair value upon initial recognition under normal circumstances would be the transaction price of the financial instrument at the trade date.

If financial instruments are subsequently measured at fair value through profit and loss, then directly attributable transaction and transaction related expenses are directly recognized in the income statement.

2.2 Financial assets: classification and measurement

The Fund classifies its financial assets in the following categories:

- Held-for-trading financial assets are measured at fair value through profit or loss;
- Hedging derivatives are carried at cost, applying cost price hedge accounting; and
- Other derivatives, if any, are measured at fair value through profit or loss.

2.3 Valuation based on fair value and its hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Fair value is determined by the Manager on an instrument-by-instrument basis.

- When financial instruments are traded in an active market, the quoted market price is the best indication of fair value. The Fund uses the price of the last reported market price at the close of trading (close price) on the reporting date as the quoted market price.
- In circumstances whereby the close price is not a reliable indication of the fair value (i.e. the market is not active, the market is not sufficiently developed or the volumes being transacted are limited), valuation techniques can be used to determine a reliable fair value.

- Commonly used valuation techniques are comparison to fair value of instruments with similar characteristics, discounted cash flow and option models. When using the discounted cash flow technique, the reporting entity uses the discount rate applicable to comparable financial instruments with regard to terms and characteristics, including credit standing of the counterparty, the agreed interest rate period, the remaining maturity and the currency of the payment.

2.4 Investments in debt securities

If listed on a regulated market, debt securities are measured at fair value following their initial recognition. Changes in the fair value are recognized in the income statement. The best evidence of the fair value of listed debt securities (e.g. bonds) are close prices of the (primary) markets on which these are traded. The close prices used are 'flat' prices (clean prices), which do not include accrued interest. Therefore, the carrying amount of debt securities shall not include accrued interest. Accrued interest on debt securities is included in the balance sheet line item "Other receivables and accrued income".

2.5 Investments in listed equity securities

Investments in listed equity securities are stated at fair value following their initial recognition. Changes in the fair value are recognized in the income statement.

2.6 Other assets and current liabilities

Other assets (which consist of cash and cash equivalents) and current liabilities are stated at amortized cost which due to their short-term nature equal nominal value.

2.7 Foreign Currency Translation

Transactions during the period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. Foreign currency transaction gains and losses on financial instruments at fair value are included in the income statement as part of the 'Value adjustments of investments and other assets'. The foreign exchange rates applied as at the balance sheet date were as follows (in equivalents of EUR):

Currency rates	2023	2022
CAD	1.4652	1.3836
CHF	0.9922	1.0212
DKK	7.4516	7.4383
GBP	0.8790	0.8424
HKD	8.5106	8.6676
JPY	144.9275	134.6600
SEK	11.2740	10.3988
USD	1.0839	1.1067

(source: Bloomberg)

3 Principles for determining the result

Investment result consists of direct income from investments, realized and unrealised income from investments and other assets less expenses.

3.1 Direct income from investments

3.1.1 Income from debt securities (interest)

Coupon interest income from debt securities is accounted for in the income statement on the basis of the accrual method. Interest received comprises coupon interest to be received on government bonds, corporate debt or loan notes with variable interest. Interest accrues on a daily basis.

3.1.2 Income from equity securities (dividend)

Dividend income is recognized when the Fund's right to receive has been established, normally being the ex-dividend date. Dividend income is recognized net of withholding tax deducted at the source, if any.

3.2 Indirect income from investments and other assets

The indirect income from investments and other assets includes all realized gains and losses on disposal of investments and all unrealized changes in the market value of investments and foreign exchange gains and losses with respect cash and cash equivalents.

The realised results from financial instruments represents the difference between the sale price and the historical cost price less recognised unrealised result previous years. The cost price is calculated on the basis of the weighted average method. The unrealised result represents the difference between the cost price, or market value of a financial instrument at the beginning of the year, and its market value at the end of the year.

3.3 Expenses

Expenses are accounted for in the income statement on the basis of the accrual method. Exceptions to this are transaction and transaction related expenses incurred when purchasing financial instruments. These expenses are included in the cost price of the financial instrument. Expenses incurred in the sale of financial instruments are deducted from the proceeds.

3.4 Tax

The Fund and each Sub-Fund are structured as transparent for Dutch tax purposes. The Fund and each Sub-Fund are from corporate income tax perspective, "closed funds for joint account" (*besloten fondsen voor gemene rekening*). This means that the Fund is fiscally transparent and is therefore not subject to Dutch corporate income tax or dividend withholding tax if applicable. However dividends and interest income on debt securities received by the Fund can be subject to withholding tax deducted at the source.

4 Financial instruments risk management

The financial risks that could influence investments in financial instruments held by the Fund are described in detail below:

4.1 Market Risk

Market risk is the risk that movements in market factors - such as foreign exchange rates (currency risk), interest rates (interest rate risk), and other price risk (equity price risk) – that will cause the fair value of financial instruments to fluctuate and reduce the Sub-Fund's income or the value of its portfolios.

4.1.1 Currency Risk

Since the instruments held by Sub-Fund may be denominated in currencies different from Euro, the Sub-Fund may be affected unfavorably by exchange control regulations or fluctuations in currency rates. For this reason, changes in currency exchange rates can affect the value of the Sub-Fund's portfolio.

4.1.2 Interest Rate Risk

The value of any interest-bearing financial instruments held by a Sub-Fund will rise or fall inversely with changes in interest rates. Interest rates typically vary from one country to another, and may change for a number of reasons. Those reasons include rapid expansions or contractions of a country's money supply, changes in demand by business and consumers to borrow money and actual or anticipated changes in the rate of inflation. In general, if interest rates increase, one may expect that the market value of a fixed income instrument which pays interest payments would fall, whereas if interest rates decrease, one may expect that the market value of such investment would increase.

4.1.3 Other Price Risk

Price risk which is neither interest rate risk, nor exchange rate risk, such as equity price risk arising from held-for-trading equity investments. The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

4.2 Credit Risk

Credit risk arises as both issuer credit risk and counterparty credit risk.

4.2.1 Issuer Credit Risk

Credit risk arises from the uncertainty surrounding the ultimate repayment of principal and interest or other debt instrument investments by the issuers of such securities. Although Sub-Funds may invest in high quality credit instruments, there can be no assurance that the institutions or securities in which a Sub-Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such institutions, securities or other instruments. An investment in bonds or other debt securities involves counterparty risk of the issuer of such bonds or debt securities which may be evidenced by the issuer's credit rating or Credit Quality Score. An investment in bond or other debt securities issued by issuers with a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than that of more highly rated issuers. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties this may affect the value of the bonds or other debt securities (which may be zero) and any amounts paid on such bonds or other debt securities (which may be zero). In case of default, for example, the issuer may not be able to meet its obligations to repay the nominal amount and interest. This may in turn affect the NAV of a Sub-Fund.

The Fund's exposure to credit risk arises in respect of the following financial instruments:

- Cash and cash equivalents;
- Debt securities (including accrued interest), and
- Other receivables.

4.2.2 Counterparty Credit Risk

In entering into over the counter (OTC) fixed income securities transactions which involve counterparties there is a risk that a counterparty will wholly or partially fail to honor its contractual obligations. The Fund could experience delays in liquidating the position and significant losses, including declines in the value of the investment during the period in which the counterparty is not able to meet its obligations. Losses of financial instruments may be sustained by the Fund as a result of negligence, fraudulent behavior and/or the liquidation, bankruptcy or insolvency of a counterparty.

The maximum credit risk exposure (before hedging) per 31 March 2023 amounts to EUR 0 (2022: EUR 0).

4.2.3 Cash and cash equivalents

Per 23 March 2022 CACEIS Bank S.A., Netherlands Branch registered at regulator DNB, part of French bank CACEIS, is added as extra Custodian / Broker next to flatexDEGIRO Bank Dutch Branch. The Fund's cash and cash equivalents are moved to the Fund's broker and Custodian CACEIS Bank S.A., Netherlands Branch since that date. The Custodian and Brokerage activities via flatexDEGIRO have stopped at the end of this fiscal year.

4.2.4 Debt securities

The Fund incurs credit risk on investments in debt securities. The issuer of any debt security acquired by the Fund may default on its financial obligations. Moreover, the price of any debt security acquired by the Fund normally reflects the perceived risk of default of the issuer of that security at the time the Fund acquired the debt security. If after acquisition the perceived risk of default increases, the value of the debt security held by the Fund is likely to decrease. The Manager can manage credit risk by investing in investment grade debt securities and diversifying the credit portfolio across countries and issuers. The Cash Funds are following the MMFR and MiFID II regulation. This leads to an investment universe of only short-term high-quality bonds, with very low credit risk.