

**VERITAS FUNDS PLC**

**INTERIM REPORT AND UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020**

## VERITAS FUNDS PLC

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# VERITAS FUNDS PLC

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## DIRECTORY

### DIRECTORS

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Ian Barnes (British) (until 15 January 2020)

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VERITAS ASIAN FUND

INVESTMENT MANAGER'S REPORT

In a stark contrast to the bullish mood in 2019, risk assets plunged into a bear market in the first quarter of 2020 with the MSCI World Index collapsing 21% in USD terms, suffering the worst calendar quarterly loss since the Global Financial Crisis (-22% in Q4 2008). The bearish sentiments were triggered by anticipation of an acute recession due to the COVID-19 pandemic shutdown as well as the ongoing oil price war. In Q1 2020 the MSCI AC Asia Pacific ex Japan dropped 21%, in line with the MSCI World (-21%) and the S&P 500 (-20%). The Veritas Asian Fund (USD A) fell 16.1% in the first quarter. Over the last six months the Veritas Asian Fund fell 7.9% against the MSCI AC Asia Pacific ex Japan index which fell 12.4%.

**Impact of COVID-19**

In previous quarterlies, we have written extensively about the market's ability to move from excessive optimism to acute pessimism. We are again at the stage of utmost pessimism as markets are confronted with a confluence of fears ranging from global recession due to COVID-19 lockdowns, collapsing oil prices and the continuing US/China trade wars.

The COVID-19 is the most severe pandemic since the Spanish Flu of 1918. It is very difficult to predict what lies ahead in the future. However, in the short term, it does look like the draconian measures of lockdown can halt the aggressive spread of the virus, which has overwhelmed healthcare services globally. This will buy time to find ways to contain the outbreak, through beefing up the healthcare capability, finding a cure and ultimately a vaccine. In China, where the lockdown was first implemented in late January, things are starting to look more promising. Whilst there is a chance that the virus can strike again in China, there is a quiet confidence that even if it was to do so, the country is in a better position to cope.

**Gradual improvement in the second quarter**

The prospects for companies that are servicing domestic/local demand are improving for the second quarter – not great but improving! This is exactly what we are observing in the Chinese companies we follow, both in the universe list and the portfolio. There are a number of companies that are now 100% back to work, with others that are 90/95% back. From the bottom-up observation:

- In the construction machinery segment, Sany Heavy (China's largest excavator and crane company) indicated a single digit increase in March versus the -37% decline in the first two months. Jiangsu Hengli Hydraulic (supplier of machinery parts) saw its monthly cylinder production volume accelerating to 15% year on year in March.
- Cement prices are rising, which is a good sign of infrastructure spending rising, eg price rise of Rmb 50/t in Henan on March 30, +Rmb 65/6 in Qinghai on March 26 as well as +Rmb 10/t in Wenzhou and Taizhou.

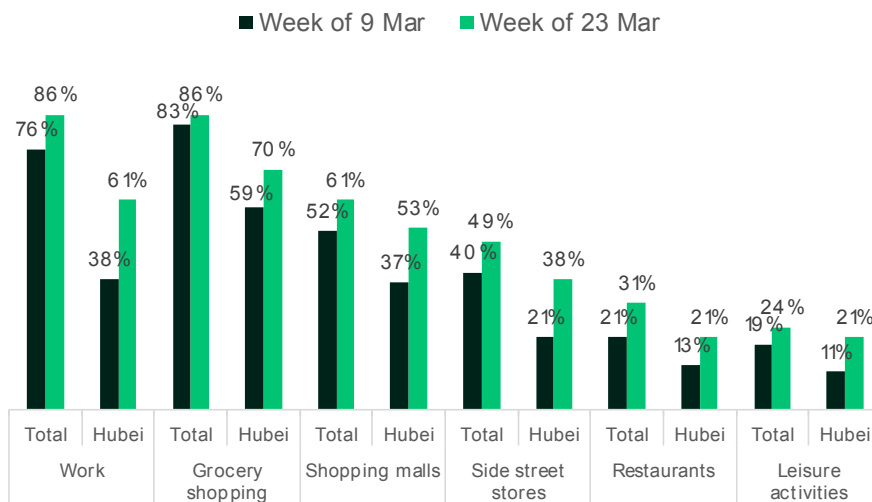
VERITAS ASIAN FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

- Guangzhou and Shenzhen traffic at the end of March is back to 52-62% normalised daily traffic, faster than Beijing at 29% normalised traffic. Hangzhou is seeing one of the fastest recoveries to 70% of normalised traffic.
- For logistics, China State Post Bureau expects parcel volume for March to grow 17%, a massive recovery from the negative levels in February.

The gradual recovery of business activities is reinforced by a Morgan Stanley survey which concludes that activities are starting to normalise in China. According to Morgan Stanley Alphawise survey, the going back to work rate is rising steadily to 86% in China and 61% in Hubei. Although some of the activities such as patronising restaurants and leisure activities remained slow, they are on a gradual recovery with restaurants and leisure activities back to 31% and 24% respectively for the whole country.

**Work done out of the home in the past week Hubei v Total**



Source: Alphawise, Morgan Stanley Research

**Investing in spite of COVID-19**

The greater concern for markets right now is what is happening in the US & Europe, and this concern is having a bigger impact on markets than fundamentals of domestic companies. In terms of COVID-19, our base case scenario is now that with strict lock downs things will be improved by the summer from a perspective of the virus itself, however the bigger concern is the knock on effect for specific markets such as corporate credit. If these tighten, this will have a meaningful impact on markets, particularly companies with high debt/leverage and high fixed costs. Central banks globally are now tackling this issue, especially with the announcement of unlimited quantitative easing by the Federal Reserve.

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INVESTMENT MANAGER'S REPORT  
(CONTINUED)

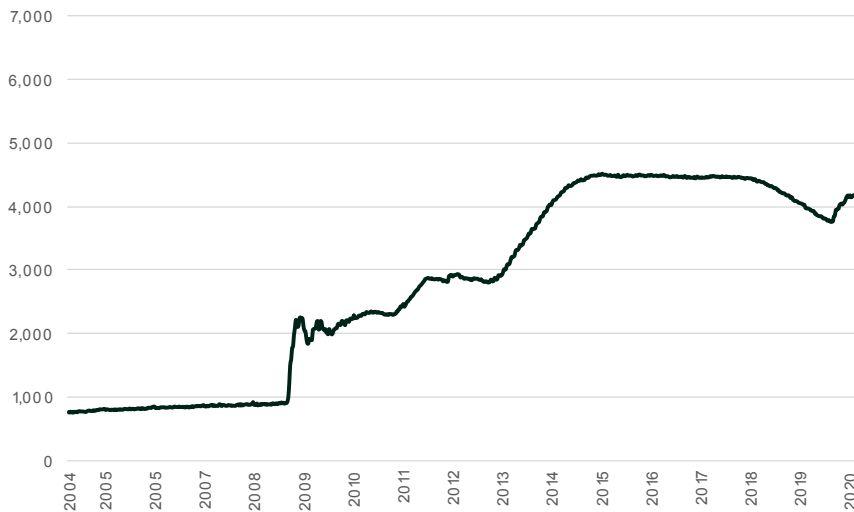
In Asia, we are not unaccustomed to sharp market collapses. Over the past 25 years we have been in the industry, we have witnessed the Asian Financial Crisis (1997-98), the bursting of the dotcom bubble (2000-02), the SARS pandemic (2003) the Global Financial Crisis (2008), the EU crisis (2011) and the Chinese equity market meltdown (2015). Each time, during the depth of the crisis, it is hard to think of any good reasons to be bullish. But each time, somehow “miraculously” the world managed to overcome these crises resulting in the markets recovering and moving into the next upcycle, albeit some crises do take longer to recover from.

From a bottom up perspective there are a lot more opportunities appearing, particularly in China, which leads us to be cautiously optimistic. The reason being that the long term fundamentals of some of the great businesses we follow and invest in have not become broken, rather their short term profitability has become impacted. The movement in share prices suggests otherwise and we do not believe this to be the case.

In our view Asian markets are not expensive at 1.3x Price to Book and forward PE of 11.5x for MSCI Asia ex Japan. Looking out 18/24 months the backdrop from a fiscal, monetary and commodity perspective is looking supportive:

- **Monetary** – the reduction in US rates has left room for rate cuts in Asia, if Asia had cut first the impact on its currencies could have been material leading to accusations of FX manipulation. As the US has cut first Asia can follow. The Fed has injected a colossal USD1.57trillion in the last four weeks, surpassing that USD1.34 trillion for the whole of 2008, the year of the Global Financial Crisis, and this USD1.57 trillion amount is almost twice that of the entire balance sheet of the Federal Reserve since its creation in 1913.

**Federal Reserve Balance Sheet (USD Billions)**



Source: Bloomberg

VERITAS ASIAN FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

- Fiscal** – we have seen huge fiscal pledges made in the West already (EU EUR750 bn, UK GBP330bn, US USD2 trillion, Japan JPY60 trillion). We have not seen anything dramatic in Asia ex Japan as yet, but China had pledged to widen the fiscal deficit and to issue special sovereign bonds which it has only done twice before – once in 1998 to recapitalise state banks after the Asian Financial Crisis in 1998 and again in 2007 to set up the China Investment Corporation (CIC) when funds came from its foreign reserves. The special sovereign debt sales would need the approval from legislature, whose standing committee will meet in April. In the meantime, money is flowing from the Central Government in China to Local Governments. Local Governments are also raising capital in the bond market because the COVID-19 outbreak has highlighted that China needs to spend more on public health (particularly ICU) and on digital infrastructure such as the Cloud and 5G. Past spending on the digital infrastructure has been instrumental in supporting the economy during this crisis, a strengthening and upgrading of the infrastructure will make the economy more robust and vibrant going forward.
- Commodity** – one consequence of the current situation has been the fall in the Oil price. This is exacerbated by the ugly fracas between Russia and Saudi Arabia. As Asia is a net importer of oil this will be beneficial and help maintain FX reserves, particularly for countries like India which have no natural resources.

So, the outcome of this is that companies will generally have lower input costs and lower cost of capital (not all of them depending on balance sheet and cashflow). At the same time, there are new areas of investments such as public health and digital infrastructure. These are good building blocks for economic growth ONCE the outbreak comes under control.

**Historical Valuations**

| 03-Apr-20              | 12m fwd PE |        | Trailing P/B (x) |        | Trailing Div. Yield (%) |        |
|------------------------|------------|--------|------------------|--------|-------------------------|--------|
|                        | Current    | 5Y avg | Current          | 5Y avg | Current                 | 5Y avg |
| Australia              | 13.6       | 15.6   | 1.6              | 1.9    | 5.7                     | 4.6    |
| China                  | 11.2       | 11.5   | 1.6              | 1.7    | 2.1                     | 2.2    |
| Hong Kong              | 13.4       | 15.0   | 1.0              | 1.3    | 3.7                     | 2.9    |
| India                  | 13.0       | 17.6   | 2.0              | 3.0    | 1.8                     | 1.4    |
| Indonesia              | 11.7       | 14.9   | 1.8              | 2.8    | 4.1                     | 2.5    |
| Japan                  | 11.4       | 13.5   | 1.0              | 1.3    | 3.0                     | 2.2    |
| Korea                  | 9.2        | 9.7    | 0.8              | 1.0    | 2.8                     | 1.9    |
| Malaysia               | 14.2       | 12.7   | 1.3              | 1.7    | 4.2                     | 3.1    |
| Philippines            | 10.7       | 17.1   | 1.4              | 2.4    | 2.4                     | 1.6    |
| Singapore              | 10.3       | 12.7   | 0.9              | 1.2    | 5.8                     | 4.0    |
| Taiwan                 | 13.4       | 13.5   | 1.7              | 1.8    | 4.5                     | 3.9    |
| Thailand               | 13.1       | 14.3   | 1.5              | 2.0    | 4.0                     | 3.0    |
| Asia ex Japan          | 11.5       | 12.4   | 1.3              | 1.5    | 2.9                     | 2.5    |
| Asia Pac ex JP         | 11.8       | 12.9   | 1.4              | 1.6    | 3.3                     | 2.9    |
| Cons. Discretionary    | 17.5       | 15.0   | 2.2              | 2.0    | 1.3                     | 1.8    |
| Consumer Staples       | 20.2       | 21.1   | 3.5              | 3.2    | 2.1                     | 2.4    |
| Energy                 | 9.8        | 12.1   | 0.8              | 1.2    | 5.4                     | 3.6    |
| Financials             | 8.0        | 10.2   | 1.0              | 1.3    | 4.9                     | 3.9    |
| Healthcare             | 33.7       | 27.2   | 5.2              | 5.2    | 1.0                     | 1.1    |
| Industrials            | 9.9        | 13.2   | 1.0              | 1.3    | 3.5                     | 2.5    |
| Tech                   | 12.8       | 13.9   | 1.8              | 2.3    | 3.2                     | 2.1    |
| Materials              | 10.4       | 13.3   | 1.1              | 1.4    | 5.3                     | 3.5    |
| Real Estate            | 7.6        | 11.4   | 0.7              | 0.9    | 5.2                     | 3.7    |
| Communication Services | 20.1       | 17.0   | 2.8              | 2.2    | 1.7                     | 3.2    |
| Utilities              | 12.4       | 13.1   | 1.2              | 1.4    | 3.9                     | 3.4    |

Source: Refinitiv, MSCI

VERITAS ASIAN FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

**What have we been doing?**

We have been adding to our top holdings such as Alibaba, Tencent, Kweichow Moutai, Aier Eye Hospital, CSL, Goodman Group. We participated in a deeply discounted rights issue from Cochlear, a world leading company in cochlear implants for the profoundly deaf. The company is facing a challenging environment in the face of the pandemic as elective surgeries have mostly come to a halt. The proceeds will go to continued R&D and other capex as well as working capital. We believe cochlear will emerge out of this even stronger and be able to take further market share away from its less resilient competitors. We have also initiated a few positions in China in education, online services as well as a sportswear company in China. This sportswear company (we are still building up a position) saw a big decline in its valuation premium during the sell off. It is an area of growth that we have long been attracted to as the younger generation in China has begun to embrace a much more active lifestyle than their parents' generation. This is also a generation that are more likely to buy domestic brands than imported ones as they are a more culturally self-confident generation as well.

**Conclusion: Our five themes have been domestically focused**

It is too early to try to speculate what longer term impact this virus outbreak will have on the world economy and what pain and suffering that people need to go through before we have some clarity of what lies ahead of us. However, it is increasingly clear to us that this could be another hit for globalisation. National borders have become more important in pandemic control. Long supply chains have hindered access to essential goods. Recrimination in the aftermath of the pandemic could also lead to further divisions and rivalry in the global community and for some people, this will help to strengthen their case for further disengagement. For us, that means we need to think more domestic, more local. Investment opportunities will largely be in domestic economies in Asia.

As investors will know the Veritas Asia portfolio has for some time been predominantly domestically focused. Going forward, we will likely be even more focused on domestic companies that service and benefit from local demand. Whilst we are not outright bullish for the short term, there are building blocks in place as outlined above that lead us to be cautiously optimistic and we are holding our nerve.

As the pandemic continues to rage globally, we are keenly aware of the human tragedy that is unfolding. Our thoughts and prayers are with people who have been badly affected by this pandemic. We believe however that human ingenuity and resilience will once again triumph over adversity and we will be able to defeat this virus and usher in a better world for each one of us.



VERITAS GLOBAL FOCUS FUND

INVESTMENT MANAGER'S REPORT

Before our typical discussion, we wanted to acknowledge the serious nature of the Coronavirus pandemic. The impact of the virus is far more wide reaching than its economic damage as it very sadly has a tangible human cost. Our thoughts are with those who are suffering or who have lost loved ones to this virus and with the many who are working hard to treat and care for the growing numbers of patients of this disease.

**A Black Swan Event**

Over the past few years, our analysis has indicated that equities as a whole have been somewhat expensive, driven to such valuations by monetary and fiscal policy makers. As a consequence of this, it had become increasingly difficult to identify quality companies that were available to invest in at levels commensurate with earning an attractive rate of return over the subsequent 5 years or so. Occasionally, opportunities would present themselves to us either in the form of individual companies facing a short-term issue or due to a wider decline in markets (such as Q4 2018) which then allowed us to deploy capital. However, despite these opportunities cash has remained at relatively elevated levels for much of the recent few years.

The emergence of a global pandemic in Coronavirus has led to a major decline in all equity markets as economic activity has come to a standstill. Many shares have declined 25 – 40% with seemingly little differentiation between companies and sectors as investors have tried to come to terms with the implication for earnings, cash flows and balance sheets. The short term (c.12 month) outcome is at present unknown and unknowable which is one of the reasons the sell off has been so severe – there is nothing investors hate more than uncertainty.

At Veritas, we believe we have one major advantage in times like these: our long-term investment horizon. We have no special insight into how the virus will develop, whether there will be a material “rebound” in those countries where the virus has largely been eliminated or if it will recur in the Autumn / Winter. However, we can make some assumptions that look further out than the near term – looking out to a period when treatment of the virus is more successful (either due to the development of a vaccine or the widespread use of drugs that treat the symptoms of the virus better) and economic activity has returned to something more like normal. This long-term outlook then allows us to identify companies that we believe have been unfairly penalised in the short-term declines: companies with market leading positions, strong balance sheets and frequently essential products or services. In short, enduring companies with strong competitive advantages whose share prices have declined with all other companies in the knee jerk reaction to such an exogenous event.

We have approached investing in these companies using two scenarios: a base case and a more bearish case. The base case assumes that the global trajectory of the virus broadly follows the experience in China and South Korea.

VERITAS GLOBAL FOCUS FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

In these countries, somewhere between 40 and 60 days after lockdowns were imposed, the virus was in retreat with very few new cases. Good contact tracing then led to new cases (and their contacts) being rapidly isolated preventing significant further spread. Under this scenario the first half of 2020 sees limited economic activity due to wide lockdowns being imposed but the second half of 2020 starts to see a recovery, albeit uneven as localised breakouts of the virus lead to further (localised) lockdowns. The more bearish case assumes that the rest of the world do not contain the virus as well as China and South Korea (post lockdown) and consequently the virus remains circulating in the population for much longer, leading to longer (but more ineffective) lockdowns. In this scenario the second half of 2020 also sees limited economic activity with a slower recovery expected in 2021 (again with the expectation that the virus resurfaces during 2021). In either scenario, policy makers use all the tools available to them to accelerate any recovery once it begins.

Having developed our two scenarios, we then mined our list of quality companies for those we believe are likely to be least impacted in the medium to longer term. These are typically those in more stable industries and / or where the structural demand for their product or service is likely to remain strong over the medium term. We then set a range of entry prices for these companies with initial entry points (for smaller positions) set using our base case and scaling the position size up at lower and lower entry points until we would have a full position at our more bearish scenario. Following this process has led to cash declining substantially over the last 2 weeks of the quarter as we have managed to find attractive investments in quality companies at prices between our base case and our bear case. It may be that these share prices decline further from the prices that we invested but we feel confident looking out over a five year horizon that the returns from these investments will be attractive.

The companies we have made new investments in include Mastercard, Cochlear, Becton Dickinson, Abbott Laboratories and Alibaba. In addition to these new investments, we have also increased our investment in a number of existing holdings where the share price declines have been outsized compared with our analysis of the long-term earnings prospects of those businesses and therefore believe that the current share price is giving us an opportunity to earn an outsized return.

**Mastercard**

We have long believed that the card networks are the among the best business models in the world. Along with Visa, Mastercard operates in a powerful global duopoly and is the prime beneficiary of strong continued structural growth in global payments, thanks to cash moving to cards and electronic payments. It has a very attractive business model thanks to high barriers to entry; strong operating leverage; low capital intensity and a strong financial position. Furthermore, Mastercard carries no credit risk and has pricing power because the bulk of its revenues stem from network fees that are just a small part of the overall cost of processing payments for merchants.

VERITAS GLOBAL FOCUS FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

Card networks are scarce but essential for the criss-crossing of card and electronic payments and, being the rails that are critical for these payments, Mastercard has solid and resilient prospects for many years to come. Secular growth is underwritten thanks to a large and growing addressable market, where card penetration is still under 50%, even for consumer payments for goods and services. Strong growth in e-commerce is driving penetration faster still. Being right at the centre of the payment infrastructure means that the card schemes, such as Mastercard, are the prime beneficiaries of these positive secular trends. By way of example, PayPal is the leading e-commerce payment operator but does not own any actual bilateral payment infrastructure and therefore must pay Mastercard a toll to run payments across the Mastercard network.

Although we believe the long-term future of Mastercard is secure, the company is facing near-term headwinds, thanks to the negative impact of COVID-19 lockdowns on spending volumes. In light of this, Mastercard has abandoned its earnings guidance for 2020. However, Mastercard has proved highly resilient in the past and we believe long-term secular support continues. Back in the GFC, Mastercard still managed to grow revenues even with declines in both US consumer spending and retail sales, as well as a stalling of growth in cross-border payments. This was because card payments displaced cash and Mastercard also raised network fees. Growing e-commerce is just making Mastercard more durable. Furthermore, Mastercard has operational flexibility and during the last crisis was able to reduce costs, increase its margin and continue to compound earnings strongly – and we believe Mastercard is good for its pledge to ramp up cost savings now.

We believe the recent decline in the share price of Mastercard started to discount woeful expectations for growth and we took the opportunity to exploit this. Based on highly stressed assumptions for the near term - we believe we secured an expected IRR of +15%. Despite the near-term headwinds, we expect continued structural tailwinds. In the meanwhile, the financial position of Mastercard is pristine with little debt and strong cash generation.

**Cochlear**

We have long appreciated that Cochlear is a high quality company, being the market developer and leader in a growth market, with very high barriers to entry and pricing power, and earning a five year average ROIC of 25% (2015-2019). Cochlear Limited is the market leading manufacturer of inner ear (or cochlea) implants, which convey an electrical representation of sound to the brain of those with profound deafness. It is a life-altering treatment, offering a place in the hearing world to those born deaf or those who have lost their hearing through age, illness or injury. There is no medical alternative for the profoundly deaf.

Cochlear is a company we know well, having owned shares in the past, selling only as we felt the valuation had become too stretched. The company has remained closely followed on our Universe list in the hope that we would have an opportunity to reinvest at an attractive valuation. The impacts of the global coronavirus pandemic on elective medical procedures, coupled with a simultaneous unexpected patent litigation case loss in the US have given us this opportunity at an attractive IRR (>15%) in a company that for so long has been very highly valued.

VERITAS GLOBAL FOCUS FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

Whilst developed countries have embraced this technology for infants and children with hearing loss, penetration of cochlear implants remains very low in emerging markets as health systems begin to adopt reimbursement systems to allow children access to this technology. Another major opportunity remains in the adult market, where global penetration of cochlear implants remains very low, despite adequate reimbursement in major markets.

However, awareness of the technology is growing, as is an understanding life expectancy is increasing and thus coping with hearing loss may otherwise be a multi-decade battle. Further, the correlation between hearing loss and onset of dementia is also generating much research interest and may in time expand access and awareness of cochlear implants.

**Abbott Laboratories**

Abbott Laboratories is a global healthcare products company with leading positions across diagnostics, nutrition, cardiovascular devices, diabetes care and established pharmaceuticals with sales of \$32bn in 2019. These franchises benefit from Abbott's trusted brand, intellectual property, strong customer relationships and Abbott's global scale. Abbott is also well diversified by geography with a presence in more than 160 countries. 40% of sales are derived from a variety of emerging markets positioning Abbott to benefit from more rapidly growing demand for healthcare in these markets.

Despite Abbott's size and diversity, we believe the company can deliver high single digit organic sales growth in the coming years driven by several nascent but potentially significant markets where Abbott is amongst the leaders. We see the largest opportunity in continuous glucose monitoring (CGM) replacing traditional finger prick testing to become the standard of care for insulin using diabetics. Since launch in 2014 Abbott's Freestyle Libre has quickly grown to become the market leading CGM thanks to ease of use and a disruptive price point - approximately half that of competitive systems. Given Abbott's fully automated, scale manufacturing it is unlikely any of their peers will be able to match their pricing over the next four to five years and Abbott's cost position will continue to improve with scale. There are 425m diabetics globally today and their numbers are expected to swell to 629m by 2045 according to the international diabetes federation. Almost 2 million patients used Libre in 2019, around 2/3rds of all CGM users, generating sales of \$1.8bn. Abbott's initial target is the c.40m insulin using diabetics in the 50 markets Libre is approved. If long run CGM penetration of insulin using diabetics reaches 75%, Libre price falls to c.\$800 per year from \$1,100 currently and Abbott can capture 1/3rd of the market Libre sales could reach \$8bn at high profitability.

VERITAS GLOBAL FOCUS FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

There undoubtedly will be some disruption to Abbott's business in the short term as a result of COVID-19 likely reducing the demand for certain medical procedures and diagnostic tests but with its diverse collection of highly cash generative businesses and strong balance sheet Abbott will be able to manage through these headwinds. Cardiovascular procedures can only be delayed for a short time and Abbott may even benefit in the long run from increased levels of diagnostic testing. At our entry price the shares were valued at a 4.2% free cash flow yield and we estimate a c.15% IRR over our investment horizon.

**Alibaba**

Alibaba is China's largest technology company and is most analogous to Amazon in terms of business model. It currently has a 65% market share in the structurally growing Chinese e-commerce market (28% compound annual growth over the past 5 years) where it generates high returns (70% operating margins) but which we believe have room for further improvement. The company is also reinvesting into other areas where there could be significant value creation: AliCloud is the largest Chinese public cloud provider; Lazada, a leading player in the nascent South East Asia online retail markets; and, its large minority stake in Ant Financial, which is a significant financial services business (including payments platform Alipay).

The opportunity to invest has been driven by a year of external issues for Alibaba. Firstly, there was pressure from US/China trade tensions and latterly the COVID-19 outbreak in Hubei province. We have no differentiated insight into the success or failure of Chinese policies to stem the COVID pandemic. However, we believe Alibaba's competitive position and demand should improve through the crisis for two reasons: firstly, the crisis has spurred an increase in online demand for areas that are relatively underpenetrated in China (73% of the food retail remained in wet markets in 2016); and secondly, Alibaba has used its financial strength to maintain investments and provide support, including waiving some fees, to retailers during the stress where others have not been able to. Overall, Alibaba continues to have a strong core franchise in structurally growing markets and leading positions in a number of nascent opportunities which should generate value over time. The recent exogenous factors have allowed us to initiate a position at a prospective 20% five year IRR which appears compelling given the competitive position and growth opportunities of the company.

**Becton Dickinson**

Becton Dickinson (BD) is a global provider of essential medical products used by healthcare providers on a daily basis, touching an estimated 90% of patients entering the healthcare system. Their products span the continuum of care from discovery and diagnosis, to the process of care and treatment of disease. Thanks to their unrivalled manufacturing scale BD are the low-cost producer of disposable medical devices such as syringes, needles, flush sets, intravenous catheters, blood collection sets and other related accessories. BD manufacture over 40 billion disposable medical devices a year and are the largest moulder of plastic parts in the world. These high-quality disposable devices also benefit from differentiated features like needle stick injury prevention.

**VERITAS GLOBAL FOCUS FUND**

**INVESTMENT MANAGER'S REPORT  
(CONTINUED)**

BD also enjoy a large and growing installed base of diagnostic instruments and medical equipment that generate recurring consumable revenue. They are increasingly incorporating digitally enabled services to provide additional value to their hospital customers and further entrench their position. All told, around 85% of BD's revenues are recurring in nature.

In addition to COVID-19 related market weakness BD's share price has been impacted by the recall of their Alaris infusion pump announced with their first quarter results. BD will be unable to sell the Alaris pump in the US until they complete a new regulatory filing incorporating a number of changes made to the Alaris software to correct for several errors. While it may take a year or more to return Alaris to market we see this issue as resolvable and expect BD to only experience modest infusion pump share loss. They are dominant market leader in the US, with a market share of around 70%. The typical pump replacement cycle is about 7 years and BD should be able to persuade a large portion of their customers due to upgrade to wait for Alaris to return to the market given their dominant position and the need for nurses and other users to retrain if the hospital were to buy pumps from a different manufacturer.

Like all other companies BD will be impacted by COVID-19 but given the essential nature of their products we don't expect any impact on long term demand. We see a path for BD to return to mid-single digit sales growth driven by continued product innovation, expansion into adjacencies and increased penetration of their products in emerging markets. With modest margin expansion and the benefits of capital deployment BD should be able to compound earnings, free cashflow and dividends at a double-digit rate. At our entry price the shares offered an estimated 15% IRR over our investment horizon and were valued at a 5% free cash flow yield.

**Longer term perspective**

While it is understandable for investors to feel nervous in these extraordinary times, history shows that at some point, economics and markets recover. For investors, the "known, unknown" at this point is how long the pandemic will last and what the short and long term economic impact will be. Despite the pandemic induced decline in global equity markets, long term returns are still reasonable – the Veritas Global Focus Fund (USD A Class) has generated an cumulative return of 30.7% over the past five years, behind our target of OECD G7 CPI + 6% (44.7%) but well in excess of global equity markets (MSCI World USD net 17.3%). Over the shorter term the fund has declined by 5.7% over twelve months and 10.4% over the last six months. These are both disappointing but are significantly better than the MSCI World global equity index which declined 10.4% over twelve months (VGFF outperformance of 469 basis points) and 14.3% over six months (VGFF outperformance of 390 basis points).

VERITAS GLOBAL EQUITY INCOME FUND

INVESTMENT MANAGER'S REPORT

**Context**

Life has changed profoundly for all of us in a short amount of time, and things that we took for granted just last month have been shown to be fragile and often far from certain: our health; our healthcare; our jobs; our food supply; to a certain extent our freedom. At this difficult time we hope that all of our investors are safe and well, and our thoughts are with those who are suffering. Moreover, we are deeply grateful to all of the frontline workers and carers who are providing vital services under extreme stress.

In this difficult context, it is easy to forget that only a few weeks ago the equity markets were making daily record highs and the greatest fear was that of missing out. This has quickly been replaced by the fear of not making it through, of illiquidity and of insolvency. We have all been harshly reminded of importance of redundancy and resilience. Time horizons that were being pushed out into the far and distant future have collapsed to the here and now.

Nevertheless, we remain resolute in our belief that the key to successful investing is a long-term time horizon, and that it is at times like these that the seeds for future success are sown. To our minds, a long-term time horizon is not about looking ever further into the future to justify ever higher valuations. It is about seeing temporary problems for what they are, and suffering through the anxiety and uncertainty required to get to the other side, and the rewards that this brings.

While the impact of Coronavirus will no doubt have long term ramifications for society and some businesses, we suspect they will prove fleeting for many, if not most of the companies we invest in or consider investable. People will continue to buy Dove soap from Unilever, they will drink Nestle's Nespresso in the day and Diageo's Johnnie Walker in the evening, all while listening to their favourite Universal Music Group artists. They will take Reckitt Benkiser's Nurofen in the morning to alleviate their sore head, as they head out on their way to work.

**Dividends**

Over the last couple of years we have been steadily improving the business quality of your portfolio while maintaining its premium income generating characteristics. This means that while we are not immune to the large number of dividend cuts taking place across the globe today, we believe we are relatively well placed and do expect to maintain a healthy yield premium to the market. Indeed, we believe the bulk of the portfolio is characterised by highly resilient cashflows and the greatest risk to your dividend income is from societal pressure as opposed to an inability to pay. For example, both Svenska Handelsbanken and BAE have recession resistant business models and robust balance sheets, but have been forced to defer their dividends at the behest of their governments and regulators. We expect these payments to bounce back quickly once people start to return to work, as they are easily affordable. While it is not beyond the realms of possibility that the many of the other non cyclical businesses we own like Unilever, Phillip Morris and Sanofi cut or defer their dividends, we think it unlikely.

VERITAS GLOBAL EQUITY INCOME FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

The fund paid its interim dividend in early April with the proceeds of the income received in the preceding 6 months, before any impact from Coronavirus had been felt. On this basis it was possible to maintain a payment in line with last year.

**New investments**

This process of improving quality has accelerated during the first quarter of 2020 as a number of the businesses on our wish list have become available at steeply discounted prices. Should current levels of volatility continue we would expect the heightened level of portfolio activity to continue. The four new entrants added during the quarter are from a diverse range of industries but there are some unifying themes:

- High returns on invested capital demonstrated over many years;
- Dominant market shares;
- Unique and impossible to replicate market positions;
- Strong balance sheets;
- Attractive valuations and dividend yields.

**Diageo**

The global spirits industry is secularly attractive growing volumes a couple of % p/a, but with a sustained and powerful trend towards premium products. As opposed to many other fast moving consumer goods, there is no threat from private label, and trends like craft gin appear to grow the category (for example Diageo's gin franchise grew 22% in FY19), with new entrants tending to be premium priced. The scotch market, which represents 25% of Diageo's sales, has particularly high barriers to entry given the level of capital investment required to age whiskey. Diageo is dominant in this market with 40% value share vs 21% for its nearest rival Pernod, largely due to the scale of Johnnie Walker.

As with Nestle and Unilever, Diageo is more than just a portfolio of wonderful brands, but a global distributing and marketing platform that is almost impossible to replicate. Geographical and category breadth and depth is unrivalled. This scale advantage means that Diageo can reach more customers, with more products, at a lower unit cost than anyone else.

Diageo epitomises what we mean by quality, and yet it fell sharply in March based on concerns regarding the loss of on-trade (out of home) and duty free sales which constitute approximately 30% of revenue. This will certainly create a lot of near term volatility in earnings, but we believe it is one of the safer bets that people will be enjoying Diageo's products a year or two from now, just as much as they were pre the Coronavirus. Indeed, during the credit crisis Diageo's reported sterling EBITA increased slightly as minor cyclical weakness was offset by the strength of its dollar earnings (North America represents approx. 45% of earnings).



VERITAS GLOBAL EQUITY INCOME FUND

INVESTMENT MANAGER'S REPORT  
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It is important to remember that the loss of one year of earnings makes <5% difference to the intrinsic value of a long duration business like Diageo. However, mark to market volatility can be much greater, as it was for Diageo in March. Happily this allowed us to make an initial investment at an estimated 15% IRR.

**Vivendi**

Vivendi is a French media conglomerate controlled by the Bolloré family, which has undergone a drastic transformation under their stewardship. The company has shed the majority of its assorted telecommunication assets, drastically reduced the size of its balance sheet, and today most of the value of the business comes from Universal Music Group (UMG), the largest record label in World with approx. 35% market share. We believe this is a highly attractive asset with a long run way for growth, and we aren't the only ones to recognise it, with Tencent recently buying a 10% stake in UMG for E3bn (implying it is worth E30bn+). Intriguingly, Vivendi's market value is E23bn as of writing, and therein lies a riddle.

First let us address why UMG is an attractive business. Music was in many ways the first casualty of the digital disruption that is now ripping through so many industries. Recorded music revenues fell precipitously, caught in a pincer movement between the ease of digital piracy over the internet, and iTunes which broke apart the album bundle and sold individual tracks for 99c. Through this difficult period, Universal and to a lesser extent Sony and Warner consolidated the recorded music market, ultimately reaching 85% combined market share.

With revenues continuing to fall the record labels eventually realised that they needed to offer a more compelling value proposition than piracy. Spotify provided the solution, offering the consumer unlimited access to all of the music ever recorded, on demand, for \$9.99 per month, or free if you were willing to listen to advertising. Today we believe streaming is a little over 50% penetrated in the developed markets, but only just getting going in the emerging markets. Importantly, we believe there is a lot of latent pricing power as many consumers remain on introductory or teaser rates and even at \$9.99 per month it feels like the consumer is getting a bargain.

Importantly, we believe the labels have a stranglehold on the music value chain and will maintain or even improve their participation in the growing profit pool we envisage. Because 64% of consumption is back catalogue, and because the major labels own the copyrights for this back catalogue, streaming platforms like Spotify, Apple and Amazon have limited bargaining power. If you want a viable streaming product you must have UMG's catalogue. Equally, identifying future stars is difficult. The process resembles venture capital insofar as the majority of new artists are unsuccessful and only a handful make it big, but typically long after they have signed a six album deal with a label.

VERITAS GLOBAL EQUITY INCOME FUND

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So given the future looks bright for music, and we have an indication of value from the price Tencent were willing to pay for a 10% stake, why is the market valuing Vivendi below its constituent parts? The answer is a deep distrust of Vincent Bollore and how he might allocate capital. While his presence on the shareholder register and on the Board undoubtedly creates some uncertainty, we find it somewhat ironic given his impeccable 30 year track record running the Bollore Group and also the direction Vivendi has taken since his involvement. We suspect this involvement will continue to generate value for shareholders as it has done in the past. We made our initial investment in January with an estimated 16% IRR and added to the position at lower levels in March.

**Cisco**

Cisco is far and away the largest computer networking equipment, software and services vendor globally, multiple times larger than its nearest rivals. To illustrate, Cisco has 800,000 customers, 50m installed networks, approx 75,000 employees, and \$24.5bn revenue outside of the US. By comparison, perhaps Cisco's most celebrated and successful point vendor competitor has 6,000 customers, 2,300 employees and \$600m of revenue ex US. Cisco spent the 90s and the 00s networking the World and then upgrading the capacity of these networks as data requirements exploded. This changed in the last decade as bandwidth requirements were more than met on corporate networks and customers sweated their estate. Growth slowed to a crawl and the market fell out of love with Cisco.

However, the critical importance of corporate networks to doing business and "keeping the lights on" remains. IT research firm Gartner tell us that 32% of surveyed customers estimate that a one-hour data centre network outage costs more than \$1 million, and 83% said it was more than \$100,000. This means that customers rely on their networking vendor to provide highly reliable and stable solutions with rapid response customer service when problems occur. This service needs to be available wherever in the World a piece of kit is deployed. With this in mind, we believe Cisco's secret sauce is a massive global support organization that includes more than 10,000 engineers across 12 locations that handle more than 10 million cases per year. By way of example, Cisco offers four-hour hardware replacement in more than 120 countries.

After a period of stagnation, the demands placed on corporate networks are again rising rapidly. In a typical office consider the number of devices connecting to the corporate network (computers, tablets and phones but also access control, security cameras, video conferencing connections), the different security requirements and the different service requirements. Consider the multitude of locations in which corporate information is stored and the multiple locations from which it is accessed. Now consider the increasing networking requirements of an airport, a hotel, a warehouse, a factory, a McDonald's restaurant.

VERITAS GLOBAL EQUITY INCOME FUND

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In response to the rising and increasingly complex demands on their networks, corporations are looking for the automation and programmability that the cutting edge cloud vendors like Amazon have in their data centres, but across the entire estate: from their wired and wireless office and factory locations (what Cisco calls 'campus'), across their security infrastructure and communications systems and out into their public and private data centres. The problem is that the average multinational network has 30-40k switching devices set up in a unique configuration to serve the highly idiosyncratic needs of its business. These devices often have proprietary software that means they won't talk to each other, preventing the kind of simplification and automation that customers desire.

The only network vendor that has the capability to supply all parts of a network and tie them together with software is Cisco, and they have a huge head start by virtue of their massive installed base of equipment. We estimate that Cisco's wired campus estate extends to 900m devices and approaching 70% market share in the OECD. It is hard for new vendors to break in as campus switches tend to be replaced gradually over time. Buyer's want compatibility with existing estate, and all of the service that is required for a critical piece of infrastructure that just needs to work.

In response to customer needs for greater levels of automation in their networks, Cisco has upgraded its portfolio and is now selling these products with additional software elements on a subscription basis. We believe this is driving an accelerated replacement rate and increasing the lifetime value of network deployments. Given the size of the installed base, we expect this modernisation process to underpin revenue for many years to come.

Cisco is perceived to be a cyclical bell weather, despite a demonstrated ability to deliver high levels of profitability and cash flow through the cycle (not to mention \$10bn of net cash on the balance sheet). Nevertheless, the concern that customers will delay investment plans in response to an uncertain environment has resulted in meaningful weakness in the Cisco share price and the opportunity to invest on an estimated 14% prospective IRR and a trailing 8% free cashflow yield.

**Ferguson**

In our Q419 note we discussed the attractions of MSC Industrial, a distributor of metal working equipment that dominates its niche in North America. As part of our work on MSC we had closely studied and admired Ferguson, the largest distributor of plumbing and heating equipment globally. Ferguson makes 80% of its revenue and almost all of its profits in North America, despite being listed in the UK. As with MSC, Ferguson holds dominant market share positions in its markets, enabling it to offer a level of service at a price point that competitor's, who are typically much smaller, cannot match. This allows it to consistently grow organic revenue twice as fast as its end markets, while buying up mom and pop competitors at attractive multiples. As with MSC, we would define it as anti-fragile in so far as its moat extends during recessionary periods as smaller, less profitable and less well financed competitors withdraw from the market (and also become cheaper to buy!).

VERITAS GLOBAL EQUITY INCOME FUND

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To illustrate the difficulty of replicating Ferguson's competitive advantage consider that almost 60% of revenue is won as part of a tender conducted in partnership with a building contractor, working closely to put together a compelling pitch to the end customer (maybe a hospital, or an office building refit, or a sports stadium). These tenders are complex, often involving many hundreds of products, keenly priced, supplied on a precise timeline with often daily deliveries taking place over many months. Dominant scale means, on average, closer proximity to the job site and therefore more favourable logistics costs, more resources available at lower unit costs, broader and deeper availability of inventory and better purchasing terms with suppliers.

Ferguson has 17% market share in the US and the market remains fragmented, offering a long runway for growth through share gains. Underpinning this, the market for plumbing is enduring and grows at GDP like levels through time. However, Ferguson is cyclical. While the North American business generates 60% of its revenue from RMI (Repair, Maintenance and Improvement) and 8% from infrastructure it is nevertheless sensitive to construction end markets. When studying Ferguson last year we had concluded that its construction and repair end markets were not particularly over extended but were slightly above 'mid cycle.' We felt the share price did not adequately reflect the inherent cyclical nature in the business and so added the name to our wish list and hoped for a better price in the future.

We got that chance sooner than expected as the stock fell from £76 in mid February to a low £41 in March, a price at which we felt it was already reflecting a very severe and sustained contraction at a level similar to the GFC. Unlike the GFC however, this recession is not being caused by overheated property markets and over building, and so we believe the bust is unlikely to be as deep or for as long. Unlike many cyclical businesses we expect Ferguson to generate prodigious amount of cash at the bottom of the cycle (and MSC is similar in this regard). The fixed cost base of the business is predominantly labour which can be adjusted to the environment, but more importantly Ferguson has a working capital laden balance sheet that will generate cash as accounts receivable are collected and inventory is reduced. Incredibly, distribution businesses typically generate their highest levels of cashflow at the bottom of the cycle and this, in combination with a limited amount of net debt, gives us comfort that Ferguson can weather the current storm and extend its advantage vs its less well positioned peers.

The extent and duration of the down cycle remains uncertain making forecasting inexact. However, we estimate that a recovery to mid cycle levels of construction on a five year view should deliver upwards of a mid teens IRR. We note that there is already talk of a multi billion \$ infrastructure recovery bill, which would expedite the recovery in Ferguson's end markets.

**Results summary**

Over the past six months the Veritas Global Equity Income Fund (GBP A) has fallen 17.1% against the MSCI World Index in GBP which has fallen 14.8%

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INVESTMENT MANAGER'S REPORT

In a stark contrast to the bullish mood in 2019, risk assets plunged into a bear market in the first quarter of 2020 with the MSCI World Index collapsing 21% in USD terms, suffering the worst calendar quarterly loss since the Global Financial Crisis (-22% in Q4 2008). The bearish sentiments were triggered by anticipation of an acute recession due to the COVID-19 pandemic shutdown as well as the ongoing oil price war. The MSCI China Index fell -10.2% in the first quarter. The Veritas China Fund (USD A) fell -5.5% over the same period. Over the last six months the Veritas China Fund fell 1.3% against the MSCI China index which was up 3.0%.

**Impact of COVID-19**

In previous quarterlies, we have written extensively about the market's ability to move from excessive optimism to acute pessimism. We are again at the stage of utmost pessimism as markets are confronted with a confluence of fears ranging from global recession due to COVID-19 lockdowns, collapsing oil prices and the continuing US/China trade wars.

The COVID-19 is the most severe pandemic since the Spanish Flu of 1918. It is very difficult to predict what lies ahead in the future. However, in the short term, it does look like the draconian measures of lockdown can halt the aggressive spread of the virus, which has overwhelmed healthcare services globally. This will buy time to find ways to contain the outbreak, through beefing up the healthcare capability, finding a cure and ultimately a vaccine. In China, where the lockdown was first implemented in late January, things are starting to look more promising. Whilst there is a chance that the virus can strike again in China, there is a quiet confidence that even if it was to do so, the country is in a better position to cope.

**Gradual improvement in the second quarter**

The prospects for companies that are servicing domestic/local demand are improving for the second quarter – not great but improving! This is exactly what we are observing in the Chinese companies we follow, both in the universe list and the portfolio. There are a number of companies that are now 100% back to work, with others that are 90/95% back. From the bottom-up observation:

- In the construction machinery segment, Sany Heavy (China's largest excavator and crane company) indicated a single digit increase in March versus the -37% decline in the first two months. Jiangsu Hengli Hydraulic (supplier of machinery parts) saw its monthly cylinder production volume accelerating to 15% year on year in March.
- Cement prices are rising, which is a good sign of infrastructure spending rising, eg price rise of Rmb 50/t in Henan on March 30, +Rmb 65/6 in Qinghai on March 26 as well as +Rmb 10/t in Wenzhou and Taizhou.
- Guangzhou and Shenzhen traffic at the end of March is back to 52-62% normalised daily traffic, faster than Beijing at 29% normalised traffic. Hangzhou is seeing one of the fastest recoveries to 70% of normalised traffic.

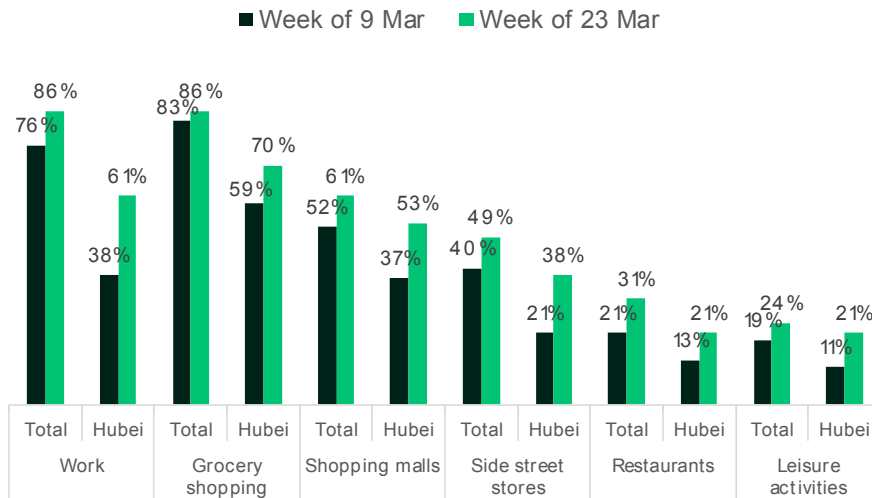
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- For logistics, China State Post Bureau expects parcel volume for March to grow 17%, a massive recovery from the negative levels in February.

The gradual recovery of business activities is reinforced by a Morgan Stanley survey which concludes that activities are starting to normalise in China. According to Morgan Stanley Alphawise survey, the going back to work rate is rising steadily to 86% in China and 61% in Hubei. Although some of the activities such as patronising restaurants and leisure activities remained slow, they are on a gradual recovery with restaurants and leisure activities back to 31% and 24% respectively for the whole country.

**Work done out of the home in the past week Hubei v Total**



Source: Alphawise, Morgan Stanley Research

**Investing in spite of COVID-19**

The greater concern for markets right now is what is happening in the US & Europe, and this concern is having a bigger impact on markets than fundamentals of domestic companies. In terms of COVID-19, our base case scenario is now that with strict lock downs things will be improved by the summer from a perspective of the virus itself, however the bigger concern is the knock on effect for specific markets such as corporate credit. If these tighten, this will have a meaningful impact on markets, particularly companies with high debt/leverage and high fixed costs. Central banks globally are now tackling this issue, especially with the announcement of unlimited quantitative easing by the Federal Reserve.

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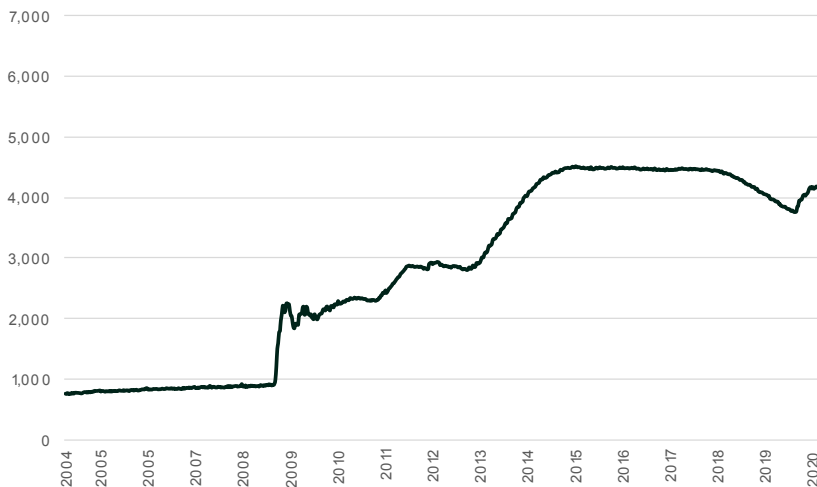
In Asia, we are not unaccustomed to sharp market collapses. Over the past 25 years we have been in the industry, we have witnessed the Asian Financial Crisis (1997-98), the bursting of the dotcom bubble (2000-02), the SARS pandemic (2003) the Global Financial Crisis (2008), the EU crisis (2011) and the Chinese equity market meltdown (2015). Each time, during the depth of the crisis, it is hard to think of any good reasons to be bullish. But each time, somehow “miraculously” the world managed to overcome these crises resulting in the markets recovering and moving into the next upcycle, albeit some crises do take longer to recover from.

From a bottom up perspective there are a lot more opportunities appearing, particularly in China, which leads us to be cautiously optimistic. The reason being that the long term fundamentals of some of the great businesses we follow and invest in have not become broken, rather their short term profitability has become impacted. The movement in share prices suggests otherwise and we do not believe this to be the case.

In our view Asian markets are not expensive at 1.3x Price to Book and forward PE of 11.5x for MSCI Asia ex Japan. Looking out 18/24 months the backdrop from a fiscal, monetary and commodity perspective is looking supportive:

- **Monetary** – the reduction in US rates has left room for rate cuts in Asia, if Asia had cut first the impact on its currencies could have been material leading to accusations of FX manipulation. As the US has cut first Asia can follow. The Fed has injected a colossal USD1.57trillion in the last four weeks, surpassing that USD1.34 trillion for the whole of 2008, the year of the Global Financial Crisis, and this USD1.57 trillion amount is almost twice that of the entire balance sheet of the Federal Reserve since its creation in 1913.

**Federal Reserve Balance Sheet (USD Billions)**



Source: Bloomberg

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- **Fiscal** – we have seen huge fiscal pledges made in the West already (EU EUR750 bn, UK GBP330bn, US USD2 trillion, Japan JPY60 trillion). We have not seen anything dramatic in Asia ex Japan as yet, but China had pledged to widen the fiscal deficit and to issue special sovereign bonds which it has only done twice before – once in 1998 to recapitalise state banks after the Asian Financial Crisis in 1998 and again in 2007 to set up the China Investment Corporation (CIC) when funds came from its foreign reserves. The special sovereign debt sales would need the approval from legislature, whose standing committee will meet in April. In the meantime, money is flowing from the Central Government in China to Local Governments. Local Governments are also raising capital in the bond market because the COVID-19 outbreak has highlighted that China needs to spend more on public health (particularly ICU) and on digital infrastructure such as the Cloud and 5G. Past spending on the digital infrastructure has been instrumental in supporting the economy during this crisis, a strengthening and upgrading of the infrastructure will make the economy more robust and vibrant going forward.
- **Commodity** – one consequence of the current situation has been the fall in the Oil price. This is exacerbated by the ugly fracas between Russia and Saudi Arabia. As Asia is a net importer of oil this will be beneficial and help maintain FX reserves, particularly for countries like India which have no natural resources.

So, the outcome of this is that companies will generally have lower input costs and lower cost of capital (not all of them depending on balance sheet and cashflow). At the same time, there are new areas of investments such as public health and digital infrastructure. These are good building blocks for economic growth ONCE the outbreak comes under control.

**Conclusion: Our five themes have been domestically focused**

It is too early to try to speculate what longer term impact this virus outbreak will have on the world economy and what pain and suffering that people need to go through before we have some clarity of what lies ahead of us. However, it is increasingly clear to us that this could be another hit for globalisation. National borders have become more important in pandemic control. Long supply chains have hindered access to essential goods. Recrimination in the aftermath of the pandemic could also lead to further divisions and rivalry in the global community and for some people, this will help to strengthen their case for further disengagement. For us, that means we need to think more domestic more local. Investment opportunities will largely be in domestic economies in Asia

As investors will know the Veritas China Fund has for some time been predominantly domestically focused. Going forward, we will likely be even more focused on domestic companies that service and benefit from local demand. Whilst we are not outright bullish for the short term, there are building blocks in place as outlined above that lead us to be cautiously optimistic and we are holding our nerve.



**VERITAS FUNDS PLC**

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As the pandemic continue to rage globally, we are keenly aware of the human tragic that is unfolding. our thoughts and prayers are with people who have been badly affected by this pandemic. We believe however that human ingenuity and resilience will once again triumph over adversity and we will be able to defeat this virus and usher in a better world for each one of us.

VERITAS GLOBAL REAL RETURN FUND

INVESTMENT MANAGER'S REPORT

Before our typical discussion, we wanted to acknowledge the serious nature of the Coronavirus pandemic. The impact of the virus is far more wide reaching than its economic damage as it very sadly has a tangible human cost. Our thoughts are with those who are suffering or who have lost loved ones to this virus and with the many who are working hard to treat and care for the growing numbers of patients of this disease.

**A Black Swan Event**

Over the past few years, our analysis has indicated that equities as a whole have been somewhat expensive, driven to such valuations by monetary and fiscal policy makers. As a consequence of this, it had become increasingly difficult to identify quality companies that were available to invest in at levels commensurate with earning an attractive rate of return over the subsequent five years or so. Occasionally, opportunities would present themselves to us either in the form of individual companies facing a short-term issue or due to a wider decline in markets (such as Q4 2018) which then allowed us to deploy capital. However, despite these opportunities cash has remained at relatively elevated levels for much of the recent few years.

The emergence of a global pandemic in Coronavirus has led to a major decline in all equity markets as economic activity has come to a standstill. Many shares have declined 25 – 40% with seemingly little differentiation between companies and sectors as investors have tried to come to terms with the implication for earnings, cash flows and balance sheets. The short term (c.12 month) outcome is at present unknown and unknowable which is one of the reasons the sell off has been so severe – there is nothing investors hate more than uncertainty.

At Veritas, we believe we have one major advantage in times like these: our long-term investment horizon. We have no special insight into how the virus will develop, whether there will be a material “rebound” in those countries where the virus has largely been eliminated or if it will recur in the Autumn / Winter. However, we can make some assumptions that look further out than the near term – looking out to a period when treatment of the virus is more successful (either due to the development of a vaccine or the widespread use of drugs that treat the symptoms of the virus better) and economic activity has returned to something more like normal. This long-term outlook then allows us to identify companies that we believe have been unfairly penalised in the short-term declines: companies with market leading positions, strong balance sheets and frequently essential products or services. In short, enduring companies with strong competitive advantages whose share prices have declined with all other companies in the knee jerk reaction to such an exogenous event.

We have approached investing in these companies using two scenarios: a base case and a more bearish case. The base case assumes that the global trajectory of the virus broadly follows the experience in China and South Korea.

VERITAS GLOBAL REAL RETURN FUND

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In these countries, somewhere between 40 and 60 days after lockdowns were imposed, the virus was in retreat with very few new cases. Good contact tracing then led to new cases (and their contacts) being rapidly isolated preventing significant further spread. Under this scenario the first half of 2020 sees limited economic activity due to wide lockdowns being imposed but the second half of 2020 starts to see a recovery, albeit uneven as localised breakouts of the virus lead to further (localised) lockdowns. The more bearish case assumes that the rest of the world do not contain the virus as well as China and South Korea (post lockdown) and consequently the virus remains circulating in the population for much longer, leading to longer (but more ineffective) lockdowns. In this scenario the second half of 2020 also sees limited economic activity with a slower recovery expected in 2021 (again with the expectation that the virus resurfaces during 2021). In either scenario, policy makers use all the tools available to them to accelerate any recovery once it begins.

Having developed our two scenarios, we then mined our list of quality companies for those we believe are likely to be least impacted in the medium to longer term. These are typically those in more stable industries and / or where the structural demand for their product or service is likely to remain strong over the medium term. We then set a range of entry prices for these companies with initial entry points (for smaller positions) set using our base case and scaling the position size up at lower and lower entry points until we would have a full position at our more bearish scenario.

Following this process has led to cash declining substantially over the last 2 weeks of the quarter as we have managed to find attractive investments in quality companies at prices between our base case and our bear case. It may be that these share prices decline further from the prices that we invested but we feel confident looking out over a five year horizon that the returns from these investments will be attractive.

The companies we have made new investments in include Mastercard, Cochlear, Becton Dickinson, Abbott Laboratories and Alibaba. In addition to these new investments, we have also increased our investment in a number of existing holdings where the share price declines have been outsized compared with our analysis of the long-term earnings prospects of those businesses and therefore believe that the current share price is giving us an opportunity to earn an outsized return.

**Mastercard**

We have long believed that the card networks are the among the best business models in the world. Along with Visa, Mastercard operates in a powerful global duopoly and is the prime beneficiary of strong continued structural growth in global payments, thanks to cash moving to cards and electronic payments. It has a very attractive business model thanks to high barriers to entry; strong operating leverage; low capital intensity and a strong financial position. Furthermore, Mastercard carries no credit risk and has pricing power because the bulk of its revenues stem from network fees that are just a small part of the overall cost of processing payments for merchants.

VERITAS GLOBAL REAL RETURN FUND

INVESTMENT MANAGER'S REPORT  
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Card networks are scarce but essential for the criss-crossing of card and electronic payments and, being the rails that are critical for these payments, Mastercard has solid and resilient prospects for many years to come. Secular growth is underwritten thanks to a large and growing addressable market, where card penetration is still under 50%, even for consumer payments for goods and services. Strong growth in e-commerce is driving penetration faster still. Being right at the centre of the payment infrastructure means that the card schemes, such as Mastercard, are the prime beneficiaries of these positive secular trends. By way of example, PayPal is the leading e-commerce payment operator but does not own any actual bilateral payment infrastructure and therefore must pay Mastercard a toll to run payments across the Mastercard network.

Although we believe the long-term future of Mastercard is secure, the company is facing near-term headwinds, thanks to the negative impact of COVID-19 lockdowns on spending volumes. In light of this, Mastercard has abandoned its earnings guidance for 2020. However, Mastercard has proved highly resilient in the past and we believe long-term secular support continues. Back in the GFC, Mastercard still managed to grow revenues even with declines in both US consumer spending and retail sales, as well as a stalling of growth in cross-border payments. This was because card payments displaced cash and Mastercard also raised network fees. Growing e-commerce is just making Mastercard more durable. Furthermore, Mastercard has operational flexibility and during the last crisis was able to reduce costs, increase its margin and continue to compound earnings strongly – and we believe Mastercard is good for its pledge to ramp up cost savings now.

We believe the recent decline in the share price of Mastercard started to discount woeful expectations for growth and we took the opportunity to exploit this. Based on highly stressed assumptions for the near term - we believe we secured an expected IRR of +15%. Despite the near-term headwinds, we expect continued structural tailwinds. In the meanwhile, the financial position of Mastercard is pristine with little debt and strong cash generation.

**Cochlear**

We have long appreciated that Cochlear is a high quality company, being the market developer and leader in a growth market, with very high barriers to entry and pricing power, and earning a five year average ROIC of 25% (2015-2019). Cochlear Limited is the market leading manufacturer of inner ear (or cochlea) implants, which convey an electrical representation of sound to the brain of those with profound deafness. It is a life-altering treatment, offering a place in the hearing world to those born deaf or those who have lost their hearing through age, illness or injury. There is no medical alternative for the profoundly deaf.

Cochlear is a company we know well, having owned shares in the past, selling only as we felt the valuation had become too stretched. The company has remained closely followed on our Universe list in the hope that we would have an opportunity to reinvest at an attractive valuation. The impacts of the global coronavirus pandemic on elective medical procedures, coupled with a simultaneous unexpected patent litigation case loss in the US have given us this opportunity at an attractive IRR (>15%) in a company that for so long has been very highly valued.

VERITAS GLOBAL REAL RETURN FUND

INVESTMENT MANAGER'S REPORT  
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Whilst developed countries have embraced this technology for infants and children with hearing loss, penetration of cochlear implants remains very low in emerging markets as health systems begin to adopt reimbursement systems to allow children access to this technology. Another major opportunity remains in the adult market, where global penetration of cochlear implants remains very low, despite adequate reimbursement in major markets.

However, awareness of the technology is growing, as is an understanding life expectancy is increasing and thus coping with hearing loss may otherwise be a multi-decade battle. Further, the correlation between hearing loss and onset of dementia is also generating much research interest and may in time expand access and awareness of cochlear implants.

**Abbott Laboratories**

Abbott Laboratories is a global healthcare products company with leading positions across diagnostics, nutrition, cardiovascular devices, diabetes care and established pharmaceuticals with sales of \$32bn in 2019. These franchises benefit from Abbott's trusted brand, intellectual property, strong customer relationships and Abbott's global scale. Abbott is also well diversified by geography with a presence in more than 160 countries. 40% of sales are derived from a variety of emerging markets positioning Abbott to benefit from more rapidly growing demand for healthcare in these markets.

Despite Abbott's size and diversity, we believe the company can deliver high single digit organic sales growth in the coming years driven by several nascent but potentially significant markets where Abbott is amongst the leaders. We see the largest opportunity in continuous glucose monitoring (CGM) replacing traditional finger prick testing to become the standard of care for insulin using diabetics. Since launch in 2014 Abbott's Freestyle Libre has quickly grown to become the market leading CGM thanks to ease of use and a disruptive price point - approximately half that of competitive systems. Given Abbott's fully automated, scale manufacturing it is unlikely any of their peers will be able to match their pricing over the next four to five years and Abbott's cost position will continue to improve with scale. There are 425m diabetics globally today and their numbers are expected to swell to 629m by 2045 according to the international diabetes federation. Almost 2 million patients used Libre in 2019, around 2/3rds of all CGM users, generating sales of \$1.8bn. Abbott's initial target is the c.40m insulin using diabetics in the 50 markets Libre is approved. If long run CGM penetration of insulin using diabetics reaches 75%, Libre price falls to c.\$800 per year from \$1,100 currently and Abbott can capture 1/3rd of the market Libre sales could reach \$8bn at high profitability.

There undoubtedly will be some disruption to Abbott's business in the short term as a result of COVID-19 likely reducing the demand for certain medical procedures and diagnostic tests but with its diverse collection of highly cash generative businesses and strong balance sheet Abbott will be able to manage through these headwinds.

VERITAS GLOBAL REAL RETURN FUND

INVESTMENT MANAGER'S REPORT  
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Cardiovascular procedures can only be delayed for a short time and Abbott may even benefit in the long run from increased levels of diagnostic testing. At our entry price the shares were valued at a 4.2% free cash flow yield and we estimate a c.15% IRR over our investment horizon.

**Alibaba**

Alibaba is China's largest technology company and is most analogous to Amazon in terms of business model. It currently has a 65% market share in the structurally growing Chinese e-commerce market (28% compound annual growth over the past 5 years) where it generates high returns (70% operating margins) but which we believe have room for further improvement. The company is also reinvesting into other areas where there could be significant value creation: AliCloud is the largest Chinese public cloud provider; Lazada, a leading player in the nascent South East Asia online retail markets; and, its large minority stake in Ant Financial, which is a significant financial services business (including payments platform Alipay).

The opportunity to invest has been driven by a year of external issues for Alibaba. Firstly, there was pressure from US/China trade tensions and latterly the COVID-19 outbreak in Hubei province. We have no differentiated insight into the success or failure of Chinese policies to stem the COVID pandemic. However, we believe Alibaba's competitive position and demand should improve through the crisis for two reasons: firstly, the crisis has spurred an increase in online demand for areas that are relatively underpenetrated in China (73% of the food retail remained in wet markets in 2016); and secondly, Alibaba has used its financial strength to maintain investments and provide support, including waiving some fees, to retailers during the stress where others have not been able to. Overall, Alibaba continues to have a strong core franchise in structurally growing markets and leading positions in a number of nascent opportunities which should generate value over time. The recent exogenous factors have allowed us to initiate a position at a prospective 20% five year IRR which appears compelling given the competitive position and growth opportunities of the company.

**Becton Dickinson**

Becton Dickinson (BD) is a global provider of essential medical products used by healthcare providers on a daily basis, touching an estimated 90% of patients entering the healthcare system. Their products span the continuum of care from discovery and diagnosis, to the process of care and treatment of disease. Thanks to their unrivalled manufacturing scale BD are the low-cost producer of disposable medical devices such as syringes, needles, flush sets, intravenous catheters, blood collection sets and other related accessories. BD manufacture over 40 billion disposable medical devices a year and are the largest moulder of plastic parts in the world. These high-quality disposable devices also benefit from differentiated features like needle stick injury prevention. BD also enjoy a large and growing installed base of diagnostic instruments and medical equipment that generate recurring consumable revenue. They are increasingly incorporating digitally enabled services to provide additional value to their hospital customers and further entrench their position. All told, around 85% of BD's revenues are recurring in nature.

VERITAS GLOBAL REAL RETURN FUND

INVESTMENT MANAGER'S REPORT  
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In addition to COVID-19 related market weakness BD's share price has been impacted by the recall of their Alaris infusion pump announced with their first quarter results. BD will be unable to sell the Alaris pump in the US until they complete a new regulatory filing incorporating a number of changes made to the Alaris software to correct for several errors. While it may take a year or more to return Alaris to market we see this issue as resolvable and expect BD to only experience modest infusion pump share loss. They are dominant market leader in the US, with a market share of around 70%. The typical pump replacement cycle is about 7 years and BD should be able to persuade a large portion of their customers due to upgrade to wait for Alaris to return to the market given their dominant position and the need for nurses and other users to retrain if the hospital were to buy pumps from a different manufacturer.

Like all other companies BD will be impacted by COVID-19 but given the essential nature of their products we don't expect any impact on long term demand. We see a path for BD to return to mid-single digit sales growth driven by continued product innovation, expansion into adjacencies and increased penetration of their products in emerging markets. With modest margin expansion and the benefits of capital deployment BD should be able to compound earnings, free cashflow and dividends at a double-digit rate. At our entry price the shares offered an estimated 15% IRR over our investment horizon and were valued at a 5% free cash flow yield.

**Longer term perspective**

While it is understandable for investors to feel nervous in these extraordinary times, history shows that at some point, economics and markets recover. For investors, the "known, unknown" at this point is how long the pandemic will last and what the short and long term economic impact will be. Despite the pandemic induced decline in global equity markets, long term returns are still reasonable – the Veritas Global Real Return Fund (GBP A Class) has generated a cumulative return of 48.2% over the past five years, ahead of our target of OECD G7 CPI + 4% p.a. (31.6%). Over the last six months the Fund has declined by 3.7% compared to the OECD G7 CPI + 4% p.a. which returned 2.4%.

VERITAS IZOARD FUND

INVESTMENT MANAGER'S REPORT

Before our typical discussion, we wanted to acknowledge the serious nature of the Coronavirus pandemic. The impact of the virus is far more wide reaching than its economic damage as it very sadly has a tangible human cost. Our thoughts are with those who are suffering or who have lost loved ones to this virus and with the many who are working hard to treat and care for the growing numbers of patients of this disease.

**A Black Swan Event**

Over the past few years, our analysis has indicated that equities as a whole have been somewhat expensive, driven to such valuations by monetary and fiscal policy makers. As a consequence of this, it had become increasingly difficult to identify quality companies that were available to invest in at levels commensurate with earning an attractive rate of return over the subsequent 5 years or so. Occasionally, opportunities would present themselves to us either in the form of individual companies facing a short-term issue or due to a wider decline in markets (such as Q4 2018) which then allowed us to deploy capital. However, despite these opportunities cash has remained at relatively elevated levels for much of the recent few years.

The emergence of a global pandemic in Coronavirus has led to a major decline in all equity markets as economic activity has come to a standstill. Many shares have declined 25 – 40% with seemingly little differentiation between companies and sectors as investors have tried to come to terms with the implication for earnings, cash flows and balance sheets. The short term (c.12 month) outcome is at present unknown and unknowable which is one of the reasons the sell off has been so severe – there is nothing investors hate more than uncertainty.

At Veritas, we believe we have one major advantage in times like these: our long-term investment horizon. We have no special insight into how the virus will develop, whether there will be a material “rebound” in those countries where the virus has largely been eliminated or if it will recur in the Autumn / Winter. However, we can make some assumptions that look further out than the near term – looking out to a period when treatment of the virus is more successful (either due to the development of a vaccine or the widespread use of drugs that treat the symptoms of the virus better) and economic activity has returned to something more like normal. This long-term outlook then allows us to identify companies that we believe have been unfairly penalised in the short-term declines: companies with market leading positions, strong balance sheets and frequently essential products or services. In short, enduring companies with strong competitive advantages whose share prices have declined with all other companies in the knee jerk reaction to such an exogenous event.

We have approached investing in these companies using two scenarios: a base case and a more bearish case. The base case assumes that the global trajectory of the virus broadly follows the experience in China and South Korea.



VERITAS IZOARD FUND

INVESTMENT MANAGER'S REPORT  
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In these countries, somewhere between 40 and 60 days after lockdowns were imposed, the virus was in retreat with very few new cases. Good contact tracing then led to new cases (and their contacts) being rapidly isolated preventing significant further spread. Under this scenario the first half of 2020 sees limited economic activity due to wide lockdowns being imposed but the second half of 2020 starts to see a recovery, albeit uneven as localised breakouts of the virus lead to further (localised) lockdowns. The more bearish case assumes that the rest of the world do not contain the virus as well as China and South Korea (post lockdown) and consequently the virus remains circulating in the population for much longer, leading to longer (but more ineffective) lockdowns. In this scenario the second half of 2020 also sees limited economic activity with a slower recovery expected in 2021 (again with the expectation that the virus resurfaces during 2021). In either scenario, policy makers use all the tools available to them to accelerate any recovery once it begins.

Having developed our two scenarios, we then mined our list of quality companies for those we believe are likely to be least impacted in the medium to longer term. These are typically those in more stable industries and / or where the structural demand for their product or service is likely to remain strong over the medium term. We then set a range of entry prices for these companies with initial entry points (for smaller positions) set using our base case and scaling the position size up at lower and lower entry points until we would have a full position at our more bearish scenario.

Following this process has led to cash declining substantially over the last two weeks of the quarter as we have managed to find attractive investments in quality companies at prices between our base case and our bear case. It may be that these share prices decline further from the prices that we invested but we feel confident looking out over a five year horizon that the returns from these investments will be attractive.

A company that we have made a new investment in is Mastercard. We have also increased our investment in a number of existing holdings where the share price declines have been outsized compared with our analysis of the long-term earnings prospects of those businesses and therefore believe that the current share price is giving us an opportunity to earn an outsized return.

**Mastercard**

We have long believed that the card networks are the among the best business models in the world. Along with Visa, Mastercard operates in a powerful global duopoly and is the prime beneficiary of strong continued structural growth in global payments, thanks to cash moving to cards and electronic payments. It has a very attractive business model thanks to high barriers to entry; strong operating leverage; low capital intensity and a strong financial position. Furthermore, Mastercard carries no credit risk and has pricing power because the bulk of its revenues stem from network fees that are just a small part of the overall cost of processing payments for merchants.

VERITAS IZOARD FUND

INVESTMENT MANAGER'S REPORT  
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Card networks are scarce but essential for the criss-crossing of card and electronic payments and, being the rails that are critical for these payments, Mastercard has solid and resilient prospects for many years to come. Secular growth is underwritten thanks to a large and growing addressable market, where card penetration is still under 50%, even for consumer payments for goods and services. Strong growth in e-commerce is driving penetration faster still. Being right at the centre of the payment infrastructure means that the card schemes, such as Mastercard, are the prime beneficiaries of these positive secular trends. By way of example, PayPal is the leading e-commerce payment operator but does not own any actual bilateral payment infrastructure and therefore must pay Mastercard a toll to run payments across the Mastercard network.

Although we believe the long-term future of Mastercard is secure, the company is facing near-term headwinds, thanks to the negative impact of COVID-19 lockdowns on spending volumes. In light of this, Mastercard has abandoned its earnings guidance for 2020. However, Mastercard has proved highly resilient in the past and we believe long-term secular support continues. Back in the GFC, Mastercard still managed to grow revenues even with declines in both US consumer spending and retail sales, as well as a stalling of growth in cross-border payments. This was because card payments displaced cash and Mastercard also raised network fees. Growing e-commerce is just making Mastercard more durable. Furthermore, Mastercard has operational flexibility and during the last crisis was able to reduce costs, increase its margin and continue to compound earnings strongly – and we believe Mastercard is good for its pledge to ramp up cost savings now.

We believe the recent decline in the share price of Mastercard started to discount woeful expectations for growth and we took the opportunity to exploit this. Based on highly stressed assumptions for the near term - we believe we secured an expected IRR of +15%. Despite the near-term headwinds, we expect continued structural tailwinds. In the meanwhile, the financial position of Mastercard is pristine with little debt and strong cash generation.

**Longer term perspective**

While it is understandable for investors to feel nervous in these extraordinary times, history shows that at some point, economics and markets recover. For investors, the “known, unknown” at this point is how long the pandemic will last and what the short and long term economic impact will be. In the six months to 31 March the Fund delivered a return of -7.5% (USD C Class) compared against the OECD G7 CPI +8% p.a. inflation return of 4.4%.

VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND

INVESTMENT MANAGER'S REPORT

**Coronavirus thoughts and update**

The human toll, both direct and indirect, of the coronavirus pandemic has been immense. Our thoughts and prayers are with those who have been affected by it and for the front-line caregivers who are courageously fighting this common threat for all of us.

Much has been (and will continue to be) said and written about the pandemic caused by the novel coronavirus (SARS-CoV-2). While we are avid followers of all the news and research coming out from around the world, we only have a few observations worth making. In preview and as a spoiler: we don't believe we have any special insight into how the pandemic unfolds.

As a matter of first principle, equities are 'risk' assets which discount the future – as very long duration instruments, they tend to price in outcomes well into the future (at least 10+ years). In the case of the current pandemic, the market – as it always does – is trying to re-price probabilities and risk, that range between pessimistic and optimistic outcomes.

- On the one hand, there is uncertainty regarding the duration of the recovery period, including an intervening recession and the probability of a second lockdown; liquidity and bankruptcy risk for various companies and industries; as well as changes in consumer spending and behaviour that are more long-lasting. There could indeed be structural changes to global supply chains; higher costs of business in aggregate for building in redundancy measures (a focus on 'resilience' over 'efficiency' in handling future events of this nature); potential widening of the wealth and income inequalities in society (which might mean higher corporate taxation and hence lower net earnings for companies); reluctance for both corporate and personal debt (which could lower aggregate demand); and less propensity for discretionary expenditures, like travel and entertainment; and last but certainly not least, the direction of monetary regimes may change and the health of government balance sheets might come to the fore at some point – all of which affects interest rates, the very basis of the 'risk-free' (or perhaps risky?) long-bond rate.
- On the other hand, it is also important to remember that just as the virus (somewhat) unexpectedly arrived and wreaked havoc, it is plausible that effective testing and treatment protocols might eventually emerge (perhaps sooner than feared); supply chains adapt; new forms of consumption emerge; governments provide effective support to incomes for individuals and some businesses (esp. smaller ones); companies bake in contingencies in their planning; consumer spending eventually returns to pre-crisis levels (including going on that well-deserved holiday or a nice meal with friends) and general preparedness towards pandemics becomes higher than it was at any point in recent memory – and human ingenuity, resolve and progress prevails, as it generally has over the long arc of history.

VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND

INVESTMENT MANAGER'S REPORT  
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A global pandemic could have substantial long-term consequences for businesses (and by extension equity investors). However, we think these are mostly unknowable, and hence, unanalyzable (to any meaningful degree of confidence). It would be futile for us take a 'top down' forecast on the myriad of variables above that may be affected by the pandemic. It is also worthwhile keeping in mind that it is in the inherent nature of markets to be volatile and it is more important to analyze the price levels of individual companies and assets rather than the price moves in a volatile market. Economic cycles are a permanent fixture of equity investing, though pandemics aren't usually the cause.

We aim to invest in business models that we think have underappreciated duration, and which are resilient enough to withstand the uncertainties and challenges that the aftermath of COVID-19 will bring. Given the disruption caused by the pandemic, we have reviewed liquidity risk for all of our holdings in the event of a prolonged shut-down of the economy (which is worse than what China experienced - the first country to be affected and now the first to begin its recovery). During the recent period of volatility, we initiated (or added to) investments in several areas. In aggregate, we are currently nearly 70% invested across 24 holdings, and were consistently net buyers through the most volatile days and weeks in March and April this year, as we saw more companies in our investable universe being priced at valuations offering a margin of safety.

- In consumer goods, we began buying positions in Starbucks, Nestlé and Pernod Ricard; and added to our position in Becele and Jiangsu Yanghe.
- In internet platforms, we initiated positions in Sea; and added to Alibaba and Facebook.
- In other areas, we initiated investments in Wizz Air, Franco-Nevada and Abbott Laboratories; and added to Corteva, HDFC Bank and TravelSky.

**Commercial aviation**

An area which has been particularly severely affected has been commercial aviation (and associated services and suppliers). Given the importance of this crisis to this sector, we outline some thoughts on our individual investments here. We hold both Tier 1 equipment suppliers (Airbus, Raytheon, Rolls-Royce) and, amid the volatility, we initiated positions in Wizz Air (and added to TravelSky).

We believe the risk posed by COVID-19 is primarily one of severe liquidity challenges. This is an important nuance. Air travel demand has demonstrated enduring resilience through multiple cycles and setbacks (9/11 attacks, SARS, the Global Financial Crisis and the Eurozone crisis for example). In general, we expect our companies (which are heterogenous businesses with differing models within the sector) to be able to withstand and manage through the crisis. A key assumption that we are underwriting is that air travel is an essential service for which there is no substitute, and that 5 and 10 years from now, commercial aviation will continue to grow secularly ('longevity'). The vast majority of humanity is yet to set foot inside an airplane.

VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND

INVESTMENT MANAGER'S REPORT  
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However, the near-synchronized forced shutdown of global travel is unprecedented. All previous downturns have been either localized, or a slow-down (not a shut-down). It is likely that there could be several industry-wide changes – this could include a focus on balance sheet strength at airlines (impacts airline capacity as this would mean lower cap-ex and lower demand for aircraft), revisiting leased vs. owned aircraft (impacts airframers), revisiting pay by hour vs. time and materials arrangements (engine suppliers), and so on. While we are not expecting a wholesale shift to the business models, it is reasonable to expect several changes at the margin (which will have to be managed through).

Underpinning the quality thesis of our holdings is ‘barriers to enter/compete’ – and if anything, these barriers are being raised by current events. That said, we remain vigilant of developments in this sector given that the sensitivities and ranges of outcomes are now wider than they were before the pandemic.

- **TravelSky** is a software service provider for the Chinese aviation industry (across distribution and reservation software, accounting/settlement services, and passenger on-boarding and inventory control systems) with highly dominant market shares and the unique dynamic of their largest customers (Chinese airlines) also being shareholders. The business model benefits from economies of scale, cost-to-serve advantages and modest network effects, which are difficult for new entrants to overcome. The business model is a virtual ‘toll booth’ on commercial travel in China, which we believe has structural growth potential over the long-term. China is where SARS-CoV-2 originated and there are signs that there is a slow recovery underway (corroborated by reported data from companies, both in China and in the US and Europe, across multiple industries – domestic traffic is recovering first, and we expect international travel will recover with a significant lag given the global case count is still not under control). The balance sheet has significant net cash, and no debt. Even accounting for some delayed payment terms from the airlines, which would adversely affect working capital, as it has in the past, we expect liquidity to be sufficient.
- **Wizz Air** is an ultra-low-cost airline operating in central and eastern European markets. Although the airline industry has been renowned for destroying value through the course of its history, and hence wouldn’t be our usual ‘hunting grounds’ for businesses that we would want to own, we believe that Wizz is different. Our variant perception is premised on a few factors; firstly, thanks to its focused model, Wizz operates one of the lowest-cost, leanest operations in Europe (not to mention one of the ‘cleanest’ in terms of emissions). They have also built up a significant share of routes and city-pairs (between 50-70%) where Wizz have dominant positions, making it uneconomic/irrational for a new entrant to come in, given their already lowest-cost position (a ‘quasi-monopoly’ of sorts) - this is the central feature that differentiates Wizz from traditional airlines. Looking past the current crisis, we believe Wizz has one of the best capitalized and most liquid balance sheets amongst airlines globally, and their cost-advantage is likely to grow as their fleet regeneration matures over the next 5 years, which will solidify their position (and edge) in the industry. In line with a capital cycle framework, smaller and weaker competitors are likely to also retire their capacity from the market, further strengthening Wizz’s position; we have already seen signs of this, with the likes of Flybe, which formally ceased operations last month.

VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND

INVESTMENT MANAGER'S REPORT  
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Indeed, the pandemic may prove to be a potential catalyst for the acceleration of consolidation in the European airline industry, which has traditionally been unconcentrated in terms of capacity compared to the USA. Furthermore, Wizz is managed by owner-operators who are aligned with shareholders, so we think that Wizz is well positioned to capture the significant growth in air travel in the region (which is one of the least penetrated globally) via a sustainable low-cost position, the benefits of which are passed on to their passengers.

- **Airbus** had a net cash balance sheet going into the crisis and the company remains well-equipped to withstand current pressures with available liquidity, after having withdrawn the dividend for 2019, suspending top-up pension funding, as well as pursuing cost actions and operational measures where possible. Airbus's commercial aircraft backlog is overwhelmingly in the narrow-body segment (80%+), which has a long order book (and lower risk of cancellations, though some are inevitable). The grounding of their key competitor's aircraft (Boeing's 737Max) should provide more flexibility to reshuffle delivery slots for customers. We also believe that management are doing all of the right things to deal with the crisis at hand, and the further we look out (5 years+), the more favourable their prospects.
- **Raytheon Technologies** (which now includes the aerospace assets of United Technologies) will be a Tier 1 supplier with key positions across a wide variety of aerospace and defense programs, high barriers to entry throughout, and c. 65%+ recurring revenues on a steady-state basis. Pro-forma 2020e net debt/EBITDA is expected to be c2.2x. We think Raytheon continues to be in a position to access liquidity (also because half of their revenues are coming from non-cyclical defense franchises) and the business model is valuable, viable, and resilient over the long-term once we pass this phase of acute stress for global aviation.
- **Rolls-Royce Holdings** key asset is their jet engine franchise for the wide-body aircraft market (with sole-source positions in the A350 program with the XWB engine), with a business model which is built around long-term 'revenue per hour' agreements with airlines. They also benefit from having significant exposure to defense end-markets which are more stable and recurring sources of revenues and cash flows. We believe management are taking the right steps in mitigating the cash burn while their engine fleet remains largely grounded – liquidity is also manageable and accessible.

**In high spirits**

Amid the recent market volatility, we purchased an initial position in **Pernod Ricard**.

Aged spirits (which constitute nearly 70% of Pernod's revenues) have built-in duration in their business model (as evidenced by their decades long consistency of growth). The products themselves only get better with time: terroir, provenance and age are all sought after qualities – affording a structural premiumization tailwind which is intrinsic to the category (unlike say, soft drinks). The aging process requires both a time commitment and a capital commitment, and therein lies the barrier to entry – it is not a coincidence that Scotch Whisky is a concentrated, oligopolistic market dominated by Diageo and Pernod.

VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND

INVESTMENT MANAGER'S REPORT  
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Given the current market context catalyzed by the pandemic, we envisage the threat from smaller brands to be materially lower, at least in the near term (we are in the weak point of the capital cycle); and private label products have never been a meaningful competitor, given excise taxes are generally on volume rather than value (removing the headroom for private label to price cheaply).

The economics of distribution also favour high value, low weight products, like distilled spirits – which means there is significant export potential and some correlation between distribution densities and economic margins. Seen in this context, Pernod's decision to maintain virtually full control of distribution is not accidental. In fact, the entire industry has steadily taken back control of its distribution over the last decade or so. With over 40% of their revenues from emerging markets (India and China are key markets), which are still very early in their consumption and penetration journeys, the long-term growth outlook is highly supportive.

We also like the presence of the owner-operator Ricard family, who are aligned with us as long-term shareholders – and recent changes to executive compensation metrics suggests more focus on operating margins, free cash flow and buybacks (and reading between the lines, potentially better monetization of the aged inventory value on the balance sheet). While the balance sheet has some leverage, we judge liquidity as sufficient, and supply chains broadly able to cope. Given the evaporation of demand in out-of-home occasions (given the global lockdowns in place), the shares became available at an attractive price for us to start building a position in. Buying companies with genuine duration at a time when sentiment shortens horizons to months and days, is an important part of our process.

In addition to Pernod, we own two companies within global consumer spirits – **Becle** in Mexico (owner of the Jose Cuervo tequila brand) and **Jiangsu Yanghe Brewery** in China (one of the baijiu makers in the mainland):

- **Becle**: our thesis here is idiosyncratic and is tied to a specific microeconomic situation developing in the Mexican agave industry. Becle is owned and operated by the Beckmann family, with a significant share ownership, and their key tequila brand, Jose Cuervo, traces its origins back over two centuries. This 'duration' over truly long timeframes is a feature we observe in consumer spirits assets globally (including in Pernod Ricard above). Strategically, the company has taken back control of distribution and is now moving to nearly fully vertically integrating the agave supply chain (which we think is sensible given the plan to move their offerings to premium price points and capture growth, especially in markets like the USA). The short-term has been difficult however, with dramatic input cost inflation (due to agave prices moving from P6-8/kg to P25-30/kg), which has eaten materially into margins. This short-term earnings dilution (and negative sentiment) gave us an opportunity to purchase the asset – we believe that like most commodities, the cure for high prices is high prices (capital cycle: high prices attract supply which drives down prices). Our analysis suggests that the agave market will be over-supplied in c. 5 years' time, which would mean agave prices would have to collapse (in the previous cycle, agave became so cheap that it became 'less than free'). This means that underlying normalized margins are likely 500-800bps higher than current margins, which, when combined with a structurally attractive and non-cyclical industry (spirits), felt like an attractive investment opportunity for long-term oriented investors like us.

VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND

INVESTMENT MANAGER'S REPORT  
(CONTINUED)

- **Jiangsu Yanghe:** Baijiu is deeply woven into Chinese culture and heritage, and dates back as far as the Yuan dynasty; consequently, it has proven duration, similar to the themes highlighted with Pernod, and parallels can be drawn with region-specific spirits that have stood the test of time, such as Sake in Japan, providing us with comfort around the quality of the category over the longer-term. As with spirits in general, premiumization is a key theme, even though per capita consumption of alcohol in China is roughly half the level seen elsewhere (e.g. in South Korea or USA). Yanghe also punches above its weight – despite (until recently) largely only operating in its home province (Jiangsu), it is the only baijiu company with two nationally famous brands. Last but not least, current and previous management teams together own a meaningful amount of shares (having been one of the earlier groups to undergo mixed ownership reform) and seem to think and act like true entrepreneurs – despite having nowhere near the heritage value of peers like Moutai, they built up their brands through a strong distribution presence and marketing to a much younger cohort of consumers. Over time, as their expansion strategy bears fruit, we think significant runway exists for Yanghe to grow through premiumization and market share gains in what is still a very fragmented market. We had a smaller initial position in Yanghe prior to the pandemic as we initiated the position at a time when the company was undergoing some restructuring in its channel which we judged to be transitory issues. However, we added to the position meaningfully amid the recent market volatility, as we think there is underappreciated duration in the asset over the long-term.

It should come as no surprise that our process and philosophy is unchanged, despite the elevated levels of uncertainty prevalent today – we seek businesses that we think are resilient to the ebb and flow of macroeconomic forces, as well as the cut and thrust of competition – and invest when we think these qualities are not fully reflected in share prices. Today, we are most keenly focused on being alert to the opportunity set presented by market volatility, as well as re-underwriting the resilience of our holdings in the hardest hit sectors from a demand perspective, to ensure that we are adequately calibrated to fundamental changes in the companies we have invested in.

Thank you for your trust and we look forward to updating you about our progress in due course.

**Results summary**

Over the past six months the Veritas Third Eye Global Emerging Markets Fund (USD A Acc) has fallen 11.2% against the MSCI Emerging Markets Index in USD which has fallen 14.6%.



**VERITAS FUNDS PLC**

**VERITAS ASIAN FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020**

| <b>Holdings</b>  | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|------------------|--|---------------------------|---------------------------------|
| <b>Equities</b>  |  |                           |                                 |
| <b>Australia</b> |  |                           |                                 |
| 4,000,000        | Aristocrat Leisure Ltd.                                      | 52,403,703                | 1.84                            |
| 450,000          | Cochlear Ltd.  | 51,554,943                | 1.81                            |
| 882,459          | CSL Ltd.   | 160,261,097               | 5.65                            |
| 11,600,000       | Goodman Group  | 85,907,309                | 3.02                            |
| 530,000          | REA Group Ltd.   | 25,073,446                | 0.88                            |
| 8,500,000        | Transurban Group   | 62,429,079                | 2.20                            |
|                  |  | <b>437,629,577</b>        | <b>15.40</b>                    |
| <b>China</b>     |  |                           |                                 |
| 13,599,398       | Aier Eye Hospital Group Co. Ltd.                             | 75,544,750                | 2.66                            |
| 466,667          | Alibaba Group Holding Ltd.                                   | 11,045,177                | 0.39                            |
| 1,043,915        | Alibaba Group Holding Ltd. ADR                               | 202,874,441               | 7.14                            |
| 21,999,711       | Centre Testing International Group Co. Ltd.                  | 47,657,454                | 1.68                            |
| 3,805,000        | Country Garden Services Holdings Co. Ltd.                    | 15,475,961                | 0.54                            |
| 44,578,000       | CSPC Pharmaceutical Group Ltd.                               | 89,203,161                | 3.14                            |
| 4,999,772        | Hangzhou Tigermed Consulting Co. Ltd.                        | 45,182,189                | 1.59                            |
| 3,499,820        | Jiangsu Hengrui Medicine Co. Ltd.                            | 45,437,620                | 1.60                            |
| 1,154,579        | Kweichow Moutai Co. Ltd.                                     | 180,976,943               | 6.37                            |
| 1,451,000        | Li Ning Co. Ltd.   | 4,235,492                 | 0.15                            |
| 8,800,000        | Meituan Dianping   | 106,297,333               | 3.74                            |
| 360,000          | New Oriental Education & Technology Group, Inc.              | 38,964,600                | 1.37                            |
| 599,886          | Shenzhen Mindray Bio-Medical Electronics Co. Ltd.            | 22,148,524                | 0.78                            |
| 1,450,000        | TAL Education Group  | 77,118,250                | 2.71                            |
| 4,300,000        | Tencent Holdings Ltd.  | 210,869,706               | 7.42                            |
| 1,999,846        | Wuliangye Yibin Co. Ltd.                                     | 32,513,509                | 1.14                            |
| 2,900,000        | Wuxi Biologics Cayman, Inc.                                  | 37,583,377                | 1.32                            |
| 3,100,000        | Yihai International Holding Ltd.                             | 23,457,276                | 0.83                            |
|                  |  | <b>1,266,585,763</b>      | <b>44.57</b>                    |
| <b>Hong Kong</b> |  |                           |                                 |
| 7,800,000        | AIA Group Ltd.   | 70,619,541                | 2.47                            |
| 22,000,000       | Alibaba Health Information Technology Ltd.                   | 36,813,789                | 1.30                            |
| 23,296,296       | China Everbright International Ltd.                          | 13,360,002                | 0.47                            |
| 8,000,000        | China Gas Holdings Ltd.                                      | 27,841,928                | 0.98                            |
| 8,500,000        | Techtronic Industries Co. Ltd.                               | 54,996,839                | 1.94                            |
|                  |  | <b>203,632,099</b>        | <b>7.16</b>                     |

**VERITAS FUNDS PLC**

**VERITAS ASIAN FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| <b>Holdings</b>             | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------------------|--|---------------------------|---------------------------------|
| <b>Equities (continued)</b> |  |                           |                                 |
| <b>India</b>                |  |                           |                                 |
| 2,371,534                   | Apollo Hospitals Enterprise Ltd.                             | 35,707,220                | 1.26                            |
| 7,000,000                   | Axis Bank Ltd.   | 35,068,819                | 1.23                            |
| 3,352,236                   | Godrej Consumer Products Ltd.                                | 23,079,752                | 0.81                            |
| 1,000,000                   | HDFC Bank Ltd. ADR   | 38,455,000                | 1.35                            |
| 4,512,400                   | HDFC Bank Ltd.   | 51,410,089                | 1.81                            |
| 1,150,000                   | Hindustan Unilever Ltd.                                      | 34,940,269                | 1.23                            |
| 500,000                     | IndusInd Bank Ltd.   | 2,321,839                 | 0.08                            |
| 2,600,000                   | Titan Co. Ltd.   | 32,089,622                | 1.13                            |
|                             |  | <b>253,072,610</b>        | <b>8.90</b>                     |
| <b>Italy</b>                |  |                           |                                 |
| 1,900,000                   | Prada  | 5,552,258                 | 0.20                            |
|                             |  | <b>5,552,258</b>          | <b>0.20</b>                     |
| <b>Singapore</b>            |  |                           |                                 |
| 1,035,716                   | Sea Ltd.   | 45,970,255                | 1.62                            |
|                             |  | <b>45,970,255</b>         | <b>1.62</b>                     |
| <b>South Korea</b>          |  |                           |                                 |
| 4,850,000                   | Samsung Electronics Co. Ltd.                                 | 190,338,645               | 6.70                            |
|                             |  | <b>190,338,645</b>        | <b>6.70</b>                     |
| <b>Taiwan</b>               |  |                           |                                 |
| 19,649,000                  | Taiwan Semiconductor Manufacturing Co. Ltd.                  | 177,702,875               | 6.25                            |
|                             |  | <b>177,702,875</b>        | <b>6.25</b>                     |
| <b>Thailand</b>             |  |                           |                                 |
| 31,000,000                  | CP ALL PCL   | 57,739,773                | 2.03                            |
|                             |  | <b>57,739,773</b>         | <b>2.03</b>                     |
| <b>United States</b>        |  |                           |                                 |
| 1,500,000                   | ResMed, Inc.   | 22,699,397                | 0.80                            |
|                             |  | <b>22,699,397</b>         | <b>0.80</b>                     |
|                             | <b>Total Equities<sup>1</sup></b>                            | <b>2,660,923,252</b>      | <b>93.63</b>                    |

**VERITAS FUNDS PLC**

**VERITAS ASIAN FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| <b>Holdings</b> | <b>Financial assets at fair value through profit or loss</b>  | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------|---|---------------------------|---------------------------------|
|                 | <b>Total Financial assets at Fair Value through Profit or Loss</b>  | <b>2,660,923,252</b>      | <b>93.63</b>                    |
|                 | <b>Net Financial assets and liabilities at Fair Value through Profit or Loss</b>  | <b>2,660,923,252</b>      | <b>93.63</b>                    |
|                 | <b>Other Net Assets</b>   | <b>181,171,735</b>        | <b>6.37</b>                     |
|                 | <b>Net assets attributable to Holders of Redeemable Participating Shares</b>  | <b>2,842,094,987</b>      | <b>100.00</b>                   |
|                 | <b>Analysis of Gross Investments</b>  |                           | <b>% of Total<br/>Assets</b>    |
|                 | <sup>1</sup> Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market | 2,660,923,252             | 93.63                           |

**VERITAS FUNDS PLC**

**VERITAS GLOBAL FOCUS FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020**

| <b>Holdings</b>    | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|--------------------|--|---------------------------|---------------------------------|
| <b>Equities</b>    |  |                           |                                 |
| <b>Australia</b>   |  |                           |                                 |
| 567,100            | Cochlear Ltd.  | 64,970,685                | 2.26                            |
| 4,222,354          | Sonic Healthcare Ltd.  | 62,824,111                | 2.18                            |
|                    |  | <b>127,794,796</b>        | <b>4.44</b>                     |
| <b>Canada</b>      |  |                           |                                 |
| 476,200            | Canadian Pacific Railway Ltd.                                | 104,449,708               | 3.63                            |
|                    |  | <b>104,449,708</b>        | <b>3.63</b>                     |
| <b>China</b>       |  |                           |                                 |
| 367,100            | Alibaba Group Holding Ltd. ADR                               | 71,342,214                | 2.48                            |
|                    |  | <b>71,342,214</b>         | <b>2.48</b>                     |
| <b>France</b>      |  |                           |                                 |
| 1,152,154          | Airbus SE  | 75,024,035                | 2.60                            |
| 682,124            | Safran SA  | 59,996,620                | 2.09                            |
|                    |  | <b>135,020,655</b>        | <b>4.69</b>                     |
| <b>Hong Kong</b>   |  |                           |                                 |
| 9,421,780          | RREEF China Commercial Trust #                               | -                         | -                               |
|                    |  | -                         | -                               |
| <b>Spain</b>       |  |                           |                                 |
| 527,908            | Aena SME SA  | 57,887,075                | 2.01                            |
|                    |  | <b>57,887,075</b>         | <b>2.01</b>                     |
| <b>Sweden</b>      |  |                           |                                 |
| 12,040,600         | Svenska Handelsbanken AB                                     | 100,394,034               | 3.49                            |
|                    |  | <b>100,394,034</b>        | <b>3.49</b>                     |
| <b>Switzerland</b> |  |                           |                                 |
| 748,666            | Nestle SA  | 77,021,563                | 2.68                            |
|                    |  | <b>77,021,563</b>         | <b>2.68</b>                     |

# Unquoted security

**VERITAS FUNDS PLC**

**VERITAS GLOBAL FOCUS FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| <b>Holdings</b>             | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------------------|--|---------------------------|---------------------------------|
| <b>Equities (continued)</b> |  |                           |                                 |
| <b>United Kingdom</b>       |  |                           |                                 |
| 23,603,586                  | BAE Systems PLC  | 152,687,355               | 5.31                            |
| 25,281,800                  | Capita PLC   | 10,252,420                | 0.36                            |
| 1,449,483                   | Reckitt Benckiser Group PLC                                  | 110,524,148               | 3.84                            |
| 2,461,891                   | Unilever NV  | 120,890,415               | 4.20                            |
|                             |  | <b>394,354,338</b>        | <b>13.71</b>                    |
| <b>United States</b>        |  |                           |                                 |
| 831,400                     | Abbott Laboratories  | 65,676,443                | 2.28                            |
| 186,272                     | Alphabet, Inc.   | 216,444,339               | 7.52                            |
| 4,638,550                   | Altice USA, Inc.   | 103,439,665               | 3.60                            |
| 19                          | Amazon.com, Inc.   | 37,010                    | 0.00                            |
| 1,428,331                   | Baxter International, Inc.                                   | 115,773,369               | 4.02                            |
| 283,000                     | Becton Dickinson & Co.                                       | 64,979,630                | 2.26                            |
| 560,686                     | Charter Communications, Inc.                                 | 244,624,498               | 8.51                            |
| 613,767                     | Cigna Corp.  | 108,630,621               | 3.78                            |
| 237,532                     | Cooper Cos, Inc.   | 65,523,202                | 2.28                            |
| 1,488,558                   | CVS Health Corp.   | 88,398,017                | 3.07                            |
| 848,734                     | Facebook, Inc.   | 141,560,344               | 4.92                            |
| 1,212,400                   | Intercontinental Exchange, Inc.                              | 98,016,478                | 3.41                            |
| 374,800                     | Mastercard, Inc.   | 90,680,986                | 3.15                            |
| 1,296,133                   | Philip Morris International, Inc.                            | 94,559,383                | 3.29                            |
| 661,900                     | Raytheon Co.   | 86,947,184                | 3.02                            |
| 325,573                     | Thermo Fisher Scientific, Inc.                               | 92,259,249                | 3.21                            |
| 413,934                     | UnitedHealth Group, Inc.                                     | 103,195,816               | 3.59                            |
|                             |  | <b>1,780,746,234</b>      | <b>61.91</b>                    |
|                             | <b>Total Equities<sup>1</sup></b>                            | <b>2,849,010,617</b>      | <b>99.04</b>                    |

VERITAS FUNDS PLC

VERITAS GLOBAL FOCUS FUND

SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020  
(CONTINUED)

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty | Maturity Date | Unrealised Gain/(Loss) USD | % of Net Assets |
|---|------------------|---------------|-------------|--------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts</b> |                  |               |             |              |               |                            |                 |
| NOK   | 13,795,131       | USD           | 1,239,519   | HSBC         | 06/04/2020    | 77,056                     | 0.01            |
| NOK   | 4,525,832        | USD           | 398,381     | HSBC         | 06/04/2020    | 33,553                     | –               |
| NOK   | 8,386,924        | USD           | 776,545     | HSBC         | 06/04/2020    | 23,883                     | –               |
| USD   | 198,470          | NOK           | 1,910,811   | HSBC         | 06/04/2020    | 16,107                     | –               |
| USD   | 135,721          | NOK           | 1,256,743   | HSBC         | 06/04/2020    | 15,781                     | –               |
| USD   | 160,047          | NOK           | 1,529,250   | HSBC         | 06/04/2020    | 14,099                     | –               |
| NOK   | 1,099,936        | USD           | 93,486      | HSBC         | 06/04/2020    | 11,489                     | –               |
| NOK   | 2,122,761        | EUR           | 176,417     | HSBC         | 06/04/2020    | 9,412                      | –               |
| USD   | 257,386          | NOK           | 2,618,167   | HSBC         | 06/04/2020    | 7,515                      | –               |
| USD   | 171,079          | NOK           | 1,730,771   | HSBC         | 06/04/2020    | 5,899                      | –               |
| USD   | 50,623           | NOK           | 469,462     | HSBC         | 06/04/2020    | 5,819                      | –               |
| NOK   | 814,174          | EUR           | 66,729      | HSBC         | 06/04/2020    | 4,633                      | –               |
| NOK   | 839,155          | SEK           | 765,466     | HSBC         | 06/04/2020    | 4,506                      | –               |
| NOK   | 521,739          | EUR           | 41,455      | HSBC         | 06/04/2020    | 4,399                      | –               |
| NOK   | 621,722          | CHF           | 54,709      | HSBC         | 06/04/2020    | 2,671                      | –               |
| NOK   | 2,136,788        | GBP           | 162,857     | HSBC         | 06/04/2020    | 2,630                      | –               |
| EUR   | 54,257           | NOK           | 595,018     | HSBC         | 06/04/2020    | 2,625                      | –               |
| EUR   | 25,031           | NOK           | 262,781     | HSBC         | 06/04/2020    | 2,330                      | –               |
| NOK   | 918,132          | EUR           | 78,329      | HSBC         | 06/04/2020    | 1,852                      | –               |
| NOK   | 550,557          | AUD           | 83,458      | HSBC         | 06/04/2020    | 1,705                      | –               |
| GBP   | 17,915           | NOK           | 215,096     | HSBC         | 06/04/2020    | 1,616                      | –               |
| EUR   | 28,450           | NOK           | 310,347     | HSBC         | 06/04/2020    | 1,535                      | –               |
| GBP   | 17,936           | NOK           | 216,318     | HSBC         | 06/04/2020    | 1,525                      | –               |
| GBP   | 36,122           | NOK           | 453,207     | HSBC         | 06/04/2020    | 1,395                      | –               |
| NOK   | 230,221          | EUR           | 18,856      | HSBC         | 06/04/2020    | 1,324                      | –               |
| NOK   | 632,250          | AUD           | 97,043      | HSBC         | 06/04/2020    | 1,226                      | –               |
| EUR   | 11,477           | NOK           | 119,339     | HSBC         | 06/04/2020    | 1,178                      | –               |
| NOK   | 135,659          | SEK           | 119,337     | HSBC         | 06/04/2020    | 1,164                      | –               |
| GBP   | 34,182           | NOK           | 431,106     | HSBC         | 06/04/2020    | 1,107                      | –               |
| NOK   | 177,443          | CHF           | 15,364      | HSBC         | 06/04/2020    | 1,021                      | –               |
| NOK   | 137,296          | SEK           | 124,046     | HSBC         | 06/04/2020    | 855                        | –               |
| GBP   | 15,774           | NOK           | 195,797     | HSBC         | 06/04/2020    | 812                        | –               |
| NOK   | 286,529          | SEK           | 268,802     | HSBC         | 06/04/2020    | 805                        | –               |
| NOK   | 283,653          | AUD           | 43,125      | HSBC         | 06/04/2020    | 801                        | –               |
| NOK   | 461,446          | GBP           | 35,196      | HSBC         | 06/04/2020    | 535                        | –               |
| EUR   | 60,905           | NOK           | 693,248     | HSBC         | 06/04/2020    | 530                        | –               |
| NOK   | 85,071           | CHF           | 7,341       | HSBC         | 06/04/2020    | 516                        | –               |
| CHF   | 7,883            | NOK           | 81,490      | HSBC         | 06/04/2020    | 387                        | –               |
| CHF   | 4,279            | NOK           | 42,445      | HSBC         | 06/04/2020    | 381                        | –               |
| NOK   | 62,500           | GBP           | 4,527       | HSBC         | 06/04/2020    | 370                        | –               |

VERITAS FUNDS PLC

VERITAS GLOBAL FOCUS FUND

SCHEDULE OF INVESTMENTS

AS AT 31 MARCH 2020

(CONTINUED)

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty | Maturity Date | Unrealised Gain/(Loss) USD | % of Net Assets |
|---|------------------|---------------|-------------|--------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts (continued)</b> |                  |               |             |              |               |                            |                 |
| NOK   | 64,248           | SEK           | 58,575      | HSBC         | 06/04/2020    | 348                        | –               |
| NOK   | 184,150          | CHF           | 16,688      | HSBC         | 06/04/2020    | 290                        | –               |
| NOK   | 240,079          | SEK           | 229,139     | HSBC         | 06/04/2020    | 288                        | –               |
| NOK   | 346,298          | EUR           | 29,920      | HSBC         | 06/04/2020    | 287                        | –               |
| SEK   | 56,328           | NOK           | 55,363      | HSBC         | 06/04/2020    | 278                        | –               |
| NOK   | 829,098          | AUD           | 129,454     | HSBC         | 06/04/2020    | 270                        | –               |
| SEK   | 144,958          | NOK           | 147,616     | HSBC         | 06/04/2020    | 225                        | –               |
| CHF   | 2,158            | NOK           | 21,128      | HSBC         | 06/04/2020    | 219                        | –               |
| CHF   | 4,115            | NOK           | 42,380      | HSBC         | 06/04/2020    | 217                        | –               |
| NOK   | 227,005          | AUD           | 35,244      | HSBC         | 06/04/2020    | 196                        | –               |
| SEK   | 102,895          | NOK           | 104,444     | HSBC         | 06/04/2020    | 192                        | –               |
| GBP   | 16,253           | NOK           | 208,483     | HSBC         | 06/04/2020    | 192                        | –               |
| NOK   | 146,502          | SEK           | 139,774     | HSBC         | 06/04/2020    | 181                        | –               |
| NOK   | 18,589           | CHF           | 1,558       | HSBC         | 06/04/2020    | 161                        | –               |
| SEK   | 36,751           | NOK           | 36,426      | HSBC         | 06/04/2020    | 152                        | –               |
| NOK   | 111,340          | GBP           | 8,475       | HSBC         | 06/04/2020    | 150                        | –               |
| NOK   | 100,841          | GBP           | 7,683       | HSBC         | 06/04/2020    | 127                        | –               |
| NOK   | 18,918           | CHF           | 1,645       | HSBC         | 06/04/2020    | 102                        | –               |
| CHF   | 9,271            | NOK           | 99,755      | HSBC         | 06/04/2020    | 82                         | –               |
| AUD   | 11,886           | NOK           | 75,057      | HSBC         | 06/04/2020    | 77                         | –               |
| NOK   | 44,403           | CHF           | 4,027       | HSBC         | 06/04/2020    | 67                         | –               |
| NOK   | 1,102,099        | EUR           | 95,998      | HSBC         | 06/04/2020    | 62                         | –               |
| AUD   | 8,740            | NOK           | 55,301      | HSBC         | 06/04/2020    | 46                         | –               |
| NOK   | 259,483          | GBP           | 19,999      | HSBC         | 06/04/2020    | 45                         | –               |
| AUD   | 3,250            | NOK           | 20,452      | HSBC         | 06/04/2020    | 28                         | –               |
| NOK   | 28,308           | CHF           | 2,586       | HSBC         | 06/04/2020    | 23                         | –               |
| NOK   | 97,840           | EUR           | 8,520       | HSBC         | 06/04/2020    | 8                          | –               |
| NOK   | 165,112          | GBP           | 12,743      | HSBC         | 06/04/2020    | 6                          | –               |
| NOK   | 106,079          | CHF           | 9,788       | HSBC         | 06/04/2020    | (14)                       | –               |
| NOK   | 379,441          | AUD           | 59,479      | HSBC         | 06/04/2020    | (19)                       | –               |
| AUD   | 3,368            | NOK           | 22,080      | HSBC         | 06/04/2020    | (56)                       | –               |
| NOK   | 140,336          | CHF           | 12,994      | HSBC         | 06/04/2020    | (65)                       | –               |
| NOK   | 34,874           | AUD           | 5,590       | HSBC         | 06/04/2020    | (77)                       | –               |
| NOK   | 41,689           | CHF           | 3,924       | HSBC         | 06/04/2020    | (86)                       | –               |
| NOK   | 39,445           | AUD           | 6,325       | HSBC         | 06/04/2020    | (88)                       | –               |
| NOK   | 24,192           | AUD           | 3,955       | HSBC         | 06/04/2020    | (100)                      | –               |
| NOK   | 21,440           | CHF           | 2,083       | HSBC         | 06/04/2020    | (111)                      | –               |
| CHF   | 13,883           | NOK           | 151,876     | HSBC         | 06/04/2020    | (115)                      | –               |
| NOK   | 31,516           | AUD           | 5,130       | HSBC         | 06/04/2020    | (117)                      | –               |
| SEK   | 21,307           | NOK           | 23,410      | HSBC         | 06/04/2020    | (130)                      | –               |

**VERITAS FUNDS PLC**

**VERITAS GLOBAL FOCUS FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty | Maturity Date | Unrealised Gain/(Loss) USD | % of Net Assets |
|---|------------------|---------------|-------------|--------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts (continued)</b> |                  |               |             |              |               |                            |                 |
| SEK   | 64,502           | NOK           | 68,184      | HSBC         | 06/04/2020    | (138)                      | –               |
| AUD   | 16,844           | NOK           | 109,068     | HSBC         | 06/04/2020    | (149)                      | –               |
| NOK   | 69,512           | SEK           | 68,777      | HSBC         | 06/04/2020    | (157)                      | –               |
| GBP   | 6,602            | NOK           | 87,344      | HSBC         | 06/04/2020    | (175)                      | –               |
| NOK   | 107,301          | EUR           | 9,561       | HSBC         | 06/04/2020    | (229)                      | –               |
| NOK   | 27,030           | CHF           | 2,782       | HSBC         | 06/04/2020    | (302)                      | –               |
| SEK   | 158,974          | NOK           | 167,667     | HSBC         | 06/04/2020    | (305)                      | –               |
| NOK   | 2,952,540        | USD           | 282,094     | HSBC         | 06/04/2020    | (310)                      | –               |
| AUD   | 16,143           | NOK           | 106,496     | HSBC         | 06/04/2020    | (330)                      | –               |
| NOK   | 72,681           | EUR           | 6,664       | HSBC         | 06/04/2020    | (360)                      | –               |
| EUR   | 20,742           | NOK           | 242,355     | HSBC         | 06/04/2020    | (417)                      | –               |
| AUD   | 10,811           | NOK           | 73,750      | HSBC         | 06/04/2020    | (453)                      | –               |
| NOK   | 420,960          | AUD           | 66,731      | HSBC         | 06/04/2020    | (474)                      | –               |
| NOK   | 98,172           | SEK           | 100,021     | HSBC         | 06/04/2020    | (507)                      | –               |
| NOK   | 60,858           | GBP           | 5,117       | HSBC         | 06/04/2020    | (516)                      | –               |
| NOK   | 2,467,662        | USD           | 236,025     | HSBC         | 06/04/2020    | (517)                      | –               |
| SEK   | 201,298          | NOK           | 214,044     | HSBC         | 06/04/2020    | (552)                      | –               |
| EUR   | 87,849           | NOK           | 1,014,088   | HSBC         | 06/04/2020    | (586)                      | –               |
| NOK   | 64,309           | CHF           | 6,623       | HSBC         | 06/04/2020    | (722)                      | –               |
| EUR   | 17,019           | NOK           | 206,390     | HSBC         | 06/04/2020    | (1,061)                    | –               |
| NOK   | 435,250          | GBP           | 34,503      | HSBC         | 06/04/2020    | (1,109)                    | –               |
| USD   | 104,438          | NOK           | 1,105,928   | HSBC         | 06/04/2020    | (1,110)                    | –               |
| NOK   | 940,586          | GBP           | 73,733      | HSBC         | 06/04/2020    | (1,371)                    | –               |
| NOK   | 179,857          | GBP           | 15,143      | HSBC         | 06/04/2020    | (1,552)                    | –               |
| NOK   | 1,110,810        | USD           | 107,665     | HSBC         | 06/04/2020    | (1,652)                    | –               |
| NOK   | 3,996,483        | USD           | 384,435     | HSBC         | 06/04/2020    | (3,020)                    | –               |
| NOK   | 371,610          | EUR           | 35,896      | HSBC         | 06/04/2020    | (3,841)                    | –               |
| NOK   | 946,129          | AUD           | 155,032     | HSBC         | 06/04/2020    | (4,143)                    | –               |
| NOK   | 835,428          | USD           | 86,590      | HSBC         | 06/04/2020    | (6,859)                    | –               |
| NOK   | 1,772,020        | SEK           | 1,810,589   | HSBC         | 06/04/2020    | (9,657)                    | –               |
| NOK   | 1,145,269        | CHF           | 117,633     | HSBC         | 06/04/2020    | (12,536)                   | –               |
| NOK   | 1,164,559        | USD           | 125,482     | HSBC         | 06/04/2020    | (14,340)                   | –               |
| NOK   | 1,223,179        | USD           | 131,892     | HSBC         | 06/04/2020    | (15,155)                   | –               |
| USD   | 187,044          | NOK           | 2,119,664   | HSBC         | 06/04/2020    | (15,252)                   | –               |
| USD   | 286,955          | NOK           | 3,228,050   | HSBC         | 06/04/2020    | (21,123)                   | –               |
| NOK   | 4,830,737        | GBP           | 404,925     | HSBC         | 06/04/2020    | (39,475)                   | –               |
| NOK   | 5,995,148        | EUR           | 577,923     | HSBC         | 06/04/2020    | (60,674)                   | –               |
| NOK   | 33,226,369       | USD           | 3,570,186   | HSBC         | 06/04/2020    | (399,142)                  | (0.02)          |
| <b>Total Unrealised Gain on Forward Currency Contracts<sup>2#</sup></b> |                  |               |             |              |               | <b>271,366</b>             | <b>0.01</b>     |
| <b>Total Unrealised Loss on Forward Currency Contracts<sup>#</sup></b>  |                  |               |             |              |               | <b>(621,249)</b>           | <b>(0.02)</b>   |



**VERITAS FUNDS PLC**

**VERITAS GLOBAL FOCUS FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

|   | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|---|---------------------------|---------------------------------|
| <b>Total Financial assets at Fair Value through Profit or Loss</b>  | <b>2,849,281,983</b>      | <b>99.05</b>                    |
| <b>Total Financial liabilities at Fair Value through Profit or Loss</b>   | <b>(621,249)</b>          | <b>(0.02)</b>                   |
| <b>Net Financial assets and liabilities at Fair Value through Profit or Loss</b>  | <b>2,848,660,734</b>      | <b>99.03</b>                    |
| <b>Other Net Assets</b>   | <b>27,852,145</b>         | <b>0.97</b>                     |
| <b>Net assets attributable to Holders of Redeemable Participating Shares</b>  | <b>2,876,512,879</b>      | <b>100.00</b>                   |
| <b>Analysis of Gross Investments</b>  |                           | <b>% of Total<br/>Assets</b>    |
| <sup>1</sup> Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market | 2,849,010,617             | 99.04                           |
| <sup>2</sup> Financial derivative instruments traded over-the-counter   | 271,366                   | 0.01                            |

# Forward Currency Contracts are held at Class level for hedging.

**VERITAS FUNDS PLC**

**VERITAS GLOBAL EQUITY INCOME FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020**

| <b>Holdings</b>    | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>GBP</b> | <b>% of Net<br/>Asset Value</b> |
|--------------------|--|---------------------------|---------------------------------|
| <b>Equities</b>    |  |                           |                                 |
| <b>Australia</b>   |  |                           |                                 |
| 670,166            | Sonic Healthcare Ltd.  | 8,041,739                 | 2.33                            |
|                    |  | <b>8,041,739</b>          | <b>2.33</b>                     |
| <b>France</b>      |  |                           |                                 |
| 100,700            | Airbus SE  | 5,288,289                 | 1.54                            |
| 60,200             | Safran SA  | 4,270,274                 | 1.24                            |
| 229,900            | Sanofi   | 16,302,822                | 4.73                            |
| 89,700             | Unibail-Rodamco-Westfield                                    | 4,091,878                 | 1.19                            |
| 1,104,300          | Vivendi S.A.   | 19,084,944                | 5.54                            |
|                    |  | <b>49,038,207</b>         | <b>14.24</b>                    |
| <b>Hong Kong</b>   |  |                           |                                 |
| 14,282,237         | Fortune Real Estate Investment Trust                         | 10,640,277                | 3.09                            |
| 9,738,050          | RREEF China Commercial Trust #                               | -                         | -                               |
|                    |  | <b>10,640,277</b>         | <b>3.09</b>                     |
| <b>Singapore</b>   |  |                           |                                 |
| 9,544,345          | Ascendas Real Estate Investment Trust                        | 15,190,917                | 4.41                            |
| 27,608,535         | NetLink NBN Trust  | 14,113,090                | 4.10                            |
| 6,267,300          | Singapore Telecommunications Ltd.                            | 8,998,912                 | 2.61                            |
| 540,900            | United Overseas Bank Ltd.                                    | 5,952,800                 | 1.73                            |
|                    |  | <b>44,255,719</b>         | <b>12.85</b>                    |
| <b>Spain</b>       |  |                           |                                 |
| 147,800            | Aena SME SA  | 13,070,543                | 3.79                            |
|                    |  | <b>13,070,543</b>         | <b>3.79</b>                     |
| <b>Sweden</b>      |  |                           |                                 |
| 2,391,200          | Svenska Handelsbanken AB                                     | 16,079,460                | 4.67                            |
|                    |  | <b>16,079,460</b>         | <b>4.67</b>                     |
| <b>Switzerland</b> |  |                           |                                 |
| 83,600             | Nestle SA  | 6,936,273                 | 2.01                            |
|                    |  | <b>6,936,273</b>          | <b>2.01</b>                     |
|                    | # Unquoted security  |                           |                                 |

VERITAS FUNDS PLC

VERITAS GLOBAL EQUITY INCOME FUND

SCHEDULE OF INVESTMENTS

AS AT 31 MARCH 2020

(CONTINUED)

| Holdings                    | Financial assets at fair value through profit or loss | Fair Value<br>GBP  | % of Net<br>Asset Value |
|-----------------------------|---|--------------------|-------------------------|
| <b>Equities (continued)</b> |   |                    |                         |
| <b>United Kingdom</b>       |   |                    |                         |
| 3,778,400                   | BAE Systems PLC                                       | 19,711,913         | 5.72                    |
| 2,263,692                   | BP PLC  | 7,783,139          | 2.26                    |
| 613,400                     | British American Tobacco PLC                          | 16,917,572         | 4.91                    |
| 2,937,650                   | Capita PLC  | 960,758            | 0.28                    |
| 2,505,240                   | ConvaTec Group PLC                                    | 4,671,646          | 1.36                    |
| 453,500                     | Diageo PLC  | 11,726,376         | 3.40                    |
| 226,300                     | Ferguson PLC  | 11,439,465         | 3.32                    |
| 1,562,800                   | M&G PLC   | 1,760,494          | 0.51                    |
| 946,200                     | Prudential PLC  | 9,781,343          | 2.84                    |
| 232,000                     | Reckitt Benckiser Group PLC                           | 14,266,840         | 4.14                    |
| 499,600                     | Unilever NV   | 19,785,240         | 5.75                    |
|                             |   | <b>118,804,786</b> | <b>34.49</b>            |
| <b>United States</b>        |   |                    |                         |
| 478,900                     | Cisco Systems, Inc.                                   | 15,174,790         | 4.41                    |
| 203,500                     | CVS Health Corp.                                      | 9,746,238          | 2.83                    |
| 314,700                     | MSC Industrial Direct Co., Inc.                       | 14,013,598         | 4.07                    |
| 125,500                     | Pfizer, Inc.  | 3,304,629          | 0.96                    |
| 327,100                     | Philip Morris International, Inc.                     | 19,245,599         | 5.58                    |
| 162,300                     | Welltower, Inc.                                       | 5,984,399          | 1.74                    |
|                             |   | <b>67,469,253</b>  | <b>19.59</b>            |
|                             | <b>Total Equities<sup>1</sup></b>                     | <b>334,336,257</b> | <b>97.06</b>            |

| Currency<br>Purchased                                       | Amount<br>Purchased | Currency<br>Sold | Amount<br>Sold | Counterparty | Maturity<br>Date | Unrealised<br>Gain/(Loss)<br>GBP | % of Net<br>Assets |
|---|---------------------|------------------|----------------|--------------|------------------|----------------------------------|--------------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts</b> |                     |                  |                |              |                  |                                  |                    |
| USD   | 1,952,167           | GBP              | 1,523,048      | HSBC         | 06/04/2020       | 56,305                           | 0.02               |
| GBP   | 51,879              | USD              | 59,890         | HSBC         | 06/04/2020       | 3,427                            | —                  |
| USD   | 45,814              | GBP              | 35,784         | HSBC         | 06/04/2020       | 1,281                            | —                  |
| GBP   | 78,244              | USD              | 95,562         | HSBC         | 06/04/2020       | 932                              | —                  |
| USD   | 27,613              | GBP              | 21,573         | HSBC         | 06/04/2020       | 767                              | —                  |

**VERITAS FUNDS PLC**

**VERITAS GLOBAL EQUITY INCOME FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| <b>Currency Purchased</b>   | <b>Amount Purchased</b> | <b>Currency Sold</b> | <b>Amount Sold</b> | <b>Counterparty</b> | <b>Maturity Date</b> | <b>Unrealised Gain/(Loss) GBP</b> | <b>% of Net Assets</b>   |
|---|-------------------------|----------------------|--------------------|---------------------|----------------------|-----------------------------------|--------------------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts (continued)</b>   |                         |                      |                    |                     |                      |                                   |                          |
| USD   | 22,251                  | GBP                  | 17,955             | HSBC                | 06/04/2020           | 47                                | –                        |
| GBP   | 17,551                  | USD                  | 21,793             | HSBC                | 06/04/2020           | (80)                              | –                        |
| GBP   | 30,802                  | USD                  | 38,211             | HSBC                | 06/04/2020           | (112)                             | –                        |
| USD   | 19,844                  | GBP                  | 16,358             | HSBC                | 06/04/2020           | (304)                             | –                        |
| USD   | 25,503                  | GBP                  | 21,832             | HSBC                | 06/04/2020           | (1,199)                           | –                        |
| GBP   | 29,285                  | USD                  | 38,154             | HSBC                | 06/04/2020           | (1,583)                           | –                        |
| USD   | 38,856                  | GBP                  | 33,102             | HSBC                | 06/04/2020           | (1,666)                           | –                        |
| GBP   | 93,787                  | USD                  | 118,304            | HSBC                | 06/04/2020           | (1,924)                           | –                        |
| USD   | 67,734                  | GBP                  | 57,364             | HSBC                | 06/04/2020           | (2,565)                           | –                        |
| GBP   | 83,039                  | USD                  | 109,072            | HSBC                | 06/04/2020           | (5,203)                           | –                        |
| <b>Total Unrealised Gain on Forward Currency Contracts<sup>2#</sup></b>   |                         |                      |                    |                     |                      | <b>62,759</b>                     | <b>0.02</b>              |
| <b>Total Unrealised Loss on Forward Currency Contracts<sup>#</sup></b>  |                         |                      |                    |                     |                      | <b>(14,636)</b>                   | <b>0.00</b>              |
| <b>Total Financial assets at Fair Value through Profit or Loss</b>  |                         |                      |                    |                     |                      | <b>334,399,016</b>                | <b>97.08</b>             |
| <b>Total Financial liabilities at Fair Value through Profit or Loss</b>   |                         |                      |                    |                     |                      | <b>(14,636)</b>                   | <b>0.00</b>              |
| <b>Net Financial assets and liabilities at Fair Value through Profit or Loss</b>  |                         |                      |                    |                     |                      | <b>334,384,380</b>                | <b>97.08</b>             |
| <b>Other Net Assets</b>   |                         |                      |                    |                     |                      | <b>10,073,709</b>                 | <b>2.92</b>              |
| <b>Net assets attributable to Holders of Redeemable Participating Shares</b>  |                         |                      |                    |                     |                      | <b>344,458,089</b>                | <b>100.00</b>            |
| <b>Analysis of Gross Investments</b>  |                         |                      |                    |                     |                      |                                   | <b>% of Total Assets</b> |
| <sup>1</sup> Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market |                         |                      |                    |                     |                      | 334,336,257                       | 97.06                    |
| <sup>2</sup> Financial derivative instruments traded over-the-counter   |                         |                      |                    |                     |                      | 62,759                            | 0.02                     |

# Forward Currency Contracts are held at Class level for hedging.

**VERITAS FUNDS PLC**

**VERITAS CHINA FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020**

| <b>Holdings</b>  | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|------------------|--|---------------------------|---------------------------------|
| <b>Equities</b>  |  |                           |                                 |
| <b>China</b>     |  |                           |                                 |
| 100,000          | Aier Eye Hospital Group Co. Ltd.                             | 555,501                   | 2.40                            |
| 4,000            | BeiGene Ltd.   | 492,420                   | 2.13                            |
| 219,951          | Chongqing Fuling Zhacai Group Co. Ltd.                       | 978,550                   | 4.23                            |
| 60,000           | Contemporary Amperex Technology Co. Ltd.                     | 1,019,116                 | 4.40                            |
| 100,000          | ENN Energy Holdings Ltd.                                     | 967,952                   | 4.18                            |
| 104,921          | Guangdong Marubi Biotechnology Co. Ltd.                      | 1,024,239                 | 4.42                            |
| 99,950           | Hangzhou Tigermed Consulting Co. Ltd.                        | 903,233                   | 3.90                            |
| 13,490           | Kweichow Moutai Co. Ltd.                                     | 2,113,058                 | 9.13                            |
| 200,000          | Li Ning Co. Ltd.   | 583,803                   | 2.52                            |
| 160,000          | Luzhou Laojiao Co. Ltd.                                      | 1,662,368                 | 7.18                            |
| 70,000           | Meituan Dianping   | 845,547                   | 3.65                            |
| 4,000            | New Oriental Education & Technology Group, Inc.              | 432,940                   | 1.87                            |
| 150,000          | Shanghai Junshi Biosciences Co. Ltd.                         | 562,193                   | 2.43                            |
| 59,952           | Skshu Paint Co. Ltd.   | 751,113                   | 3.24                            |
| 10,000           | TAL Education Group  | 531,850                   | 2.30                            |
| 45,000           | Tencent Holdings Ltd.  | 2,206,775                 | 9.53                            |
| 80,000           | Wuxi Biologics Cayman, Inc.                                  | 1,036,783                 | 4.48                            |
| 23,000           | Yum China Holdings, Inc.                                     | 981,295                   | 4.24                            |
|                  |  | <b>17,648,736</b>         | <b>76.23</b>                    |
| <b>Hong Kong</b> |  |                           |                                 |
| 200,000          | China Gas Holdings Ltd.                                      | 696,049                   | 3.01                            |
| 200,000          | Dah Sing Banking Group Ltd.                                  | 174,302                   | 0.75                            |
|                  |  | <b>870,351</b>            | <b>3.76</b>                     |
|                  | <b>Total Equities<sup>1</sup></b>                            | <b>18,519,087</b>         | <b>79.99</b>                    |
| <b>Bond</b>      |  |                           |                                 |
| <b>China</b>     |  |                           |                                 |
| 583,000          | Trip.com Group Ltd. 1.25% 15/09/2022                         | 582,303                   | 2.52                            |
|                  |  | <b>582,303</b>            | <b>2.52</b>                     |
|                  | <b>Total Bond<sup>1</sup></b>                                | <b>582,303</b>            | <b>2.52</b>                     |

**VERITAS FUNDS PLC**

**VERITAS CHINA FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| <b>Holdings</b> | <b>Financial assets at fair value through profit or loss</b>                     | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------|--|---------------------------|---------------------------------|
|                 | <b>Unrealised loss on Contract for Difference*</b>                               |                           |                                 |
|                 | <b>China</b>   |                           |                                 |
| (590,051)       | Midea Group Co. Ltd.   | (93,402)                  | (0.40)                          |
|                 |  | <u>(93,402)</u>           | <u>(0.40)</u>                   |
|                 | <b>Total Unrealised loss on Contract for Difference</b>                          | <b>(93,402)</b>           | <b>(0.40)</b>                   |
|                 | <b>Total Financial assets at Fair Value through Profit or Loss</b>               | <b>19,101,390</b>         | <b>82.51</b>                    |
|                 | <b>Total Financial liabilities at Fair Value through Profit or Loss</b>          | <b>(93,402)</b>           | <b>(0.40)</b>                   |
|                 | <b>Net Financial assets and liabilities at Fair Value through Profit or Loss</b> | <b>19,007,988</b>         | <b>82.11</b>                    |
|                 | <b>Other Net Assets</b>  | <b>4,142,204</b>          | <b>17.89</b>                    |
|                 | <b>Net assets attributable to Holders of Redeemable Participating Shares</b>     | <u><b>23,150,192</b></u>  | <u><b>100.00</b></u>            |

\*The counterparty for the contracts for difference is Morgan Stanley.

| <b>Analysis of Gross Investments</b>  |            | <b>% of Total<br/>Assets</b> |
|---|------------|------------------------------|
| <sup>1</sup> Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market | 19,101,390 | 82.51                        |

**VERITAS FUNDS PLC**

**VERITAS GLOBAL REAL RETURN FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

| <b>Holdings</b>    | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>GBP</b> | <b>% of Net<br/>Asset Value</b> |
|--------------------|--|---------------------------|---------------------------------|
| <b>Equities</b>    |  |                           |                                 |
| <b>Australia</b>   |  |                           |                                 |
| 74,200             | Cochlear Ltd.  | 6,855,791                 | 2.36                            |
| 555,206            | Sonic Healthcare Ltd.  | 6,662,263                 | 2.29                            |
|                    |  | <b>13,518,054</b>         | <b>4.65</b>                     |
| <b>Canada</b>      |  |                           |                                 |
| 64,300             | Canadian Pacific Railway Ltd.                                | 11,374,299                | 3.92                            |
| 108,400            | Franco-Nevada Corp.  | 8,699,888                 | 2.99                            |
|                    |  | <b>20,074,187</b>         | <b>6.91</b>                     |
| <b>China</b>       |  |                           |                                 |
| 47,400             | Alibaba Group Holding Ltd. ADR                               | 7,429,103                 | 2.56                            |
|                    |  | <b>7,429,103</b>          | <b>2.56</b>                     |
| <b>France</b>      |  |                           |                                 |
| 152,400            | Airbus SE  | 8,003,329                 | 2.76                            |
| 90,200             | Safran SA  | 6,398,318                 | 2.20                            |
|                    |  | <b>14,401,647</b>         | <b>4.96</b>                     |
| <b>Hong Kong</b>   |  |                           |                                 |
| 4,654,000          | RREEF China Commercial Trust #                               | -                         | -                               |
|                    |  | -                         | -                               |
| <b>Spain</b>       |  |                           |                                 |
| 42,710             | Aena SME SA  | 3,777,015                 | 1.30                            |
|                    |  | <b>3,777,015</b>          | <b>1.30</b>                     |
| <b>Sweden</b>      |  |                           |                                 |
| 1,395,400          | Svenska Handelsbanken AB                                     | 9,383,271                 | 3.23                            |
|                    |  | <b>9,383,271</b>          | <b>3.23</b>                     |
| <b>Switzerland</b> |  |                           |                                 |
| 70,000             | Nestle SA  | 5,807,884                 | 2.00                            |
|                    |  | <b>5,807,884</b>          | <b>2.00</b>                     |
|                    | # Unquoted security  |                           |                                 |

**VERITAS FUNDS PLC**

**VERITAS GLOBAL REAL RETURN FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| <b>Holdings</b>                   | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>GBP</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------------------------|--|---------------------------|---------------------------------|
| <b>Equities (continued)</b>       |  |                           |                                 |
| <b>United Kingdom</b>             |  |                           |                                 |
| 2,584,400                         | BAE Systems PLC  | 13,482,815                | 4.64                            |
| 1,197,650                         | Capita PLC   | 391,691                   | 0.13                            |
| 144,500                           | Reckitt Benckiser Group PLC                                  | 8,886,028                 | 3.06                            |
| 275,200                           | Unilever NV  | 10,898,514                | 3.75                            |
|                                   |  | <b>33,659,048</b>         | <b>11.58</b>                    |
| <b>United States</b>              |  |                           |                                 |
| 98,900                            | Abbott Laboratories  | 6,300,742                 | 2.17                            |
| 18,900                            | Alphabet, Inc.   | 17,711,539                | 6.09                            |
| 596,548                           | Altice USA, Inc.   | 10,728,675                | 3.69                            |
| 3                                 | Amazon.com, Inc.   | 4,713                     | 0.00                            |
| 187,815                           | Baxter International, Inc.                                   | 12,277,387                | 4.23                            |
| 33,900                            | Becton Dickinson & Co.                                       | 6,277,494                 | 2.16                            |
| 59,499                            | Charter Communications, Inc.                                 | 20,935,616                | 7.19                            |
| 73,000                            | Cigna Corp.  | 10,419,993                | 3.59                            |
| 38,969                            | Cooper Cos, Inc.   | 8,669,381                 | 2.98                            |
| 197,000                           | CVS Health Corp.   | 9,434,933                 | 3.25                            |
| 87,000                            | Facebook, Inc.   | 11,702,673                | 4.03                            |
| 150,200                           | Intercontinental Exchange, Inc.                              | 9,793,071                 | 3.37                            |
| 49,600                            | Mastercard, Inc.   | 9,678,190                 | 3.33                            |
| 143,100                           | Philip Morris International, Inc.                            | 8,419,582                 | 2.90                            |
| 87,000                            | Raytheon Co.   | 9,216,759                 | 3.17                            |
| 35,500                            | Thermo Fisher Scientific, Inc.                               | 8,113,079                 | 2.79                            |
| 53,700                            | UnitedHealth Group, Inc.                                     | 10,796,950                | 3.72                            |
|                                   |  | <b>170,480,777</b>        | <b>58.66</b>                    |
| <b>Total Equities<sup>1</sup></b> |  | <b>278,530,986</b>        | <b>95.85</b>                    |



VERITAS FUNDS PLC

VERITAS GLOBAL REAL RETURN FUND

SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020  
(CONTINUED)

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty            | Maturity Date | Unrealised Gain/(Loss) GBP | % of Net Assets |
|---|------------------|---------------|-------------|-------------------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts</b> |                  |               |             |                         |               |                            |                 |
| USD   | 56,595,959       | GBP           | 44,155,207  | HSBC                    | 06/04/2020    | 1,632,368                  | 0.57            |
| USD   | 18,206,439       | GBP           | 14,204,355  | HSBC                    | 06/04/2020    | 525,120                    | 0.18            |
| EUR   | 16,587,417       | GBP           | 14,424,900  | HSBC                    | 06/04/2020    | 269,848                    | 0.09            |
| EUR   | 13,898,114       | GBP           | 12,086,204  | HSBC                    | 06/04/2020    | 226,098                    | 0.08            |
| USD   | 6,170,965        | GBP           | 4,814,482   | HSBC                    | 06/04/2020    | 177,986                    | 0.06            |
| GBP   | 1,906,508        | USD           | 2,248,281   | HSBC                    | 06/04/2020    | 87,591                     | 0.03            |
| GBP   | 1,748,561        | EUR           | 1,898,711   | Brown Brothers Harriman | 06/04/2020    | 66,498                     | 0.02            |
| USD   | 1,808,748        | GBP           | 1,407,209   | HSBC                    | 06/04/2020    | 56,114                     | 0.02            |
| GBP   | 689,458          | USD           | 809,311     | HSBC                    | 06/04/2020    | 34,705                     | 0.01            |
| GBP   | 663,384          | USD           | 782,307     | HSBC                    | 06/04/2020    | 30,478                     | 0.01            |
| GBP   | 576,210          | USD           | 677,675     | Brown Brothers Harriman | 06/04/2020    | 27,954                     | 0.01            |
| USD   | 745,704          | GBP           | 576,940     | HSBC                    | 06/04/2020    | 26,353                     | 0.01            |
| GBP   | 661,969          | EUR           | 722,039     | HSBC                    | 06/04/2020    | 22,317                     | 0.01            |
| EUR   | 1,356,353        | GBP           | 1,179,524   | HSBC                    | 06/04/2020    | 22,065                     | 0.01            |
| USD   | 737,154          | GBP           | 575,911     | HSBC                    | 06/04/2020    | 20,465                     | 0.01            |
| USD   | 603,041          | GBP           | 469,167     | HSBC                    | 06/04/2020    | 18,709                     | 0.01            |
| GBP   | 523,879          | EUR           | 571,418     | HSBC                    | 06/04/2020    | 17,661                     | 0.01            |
| GBP   | 236,835          | USD           | 278,006     | HSBC                    | 06/04/2020    | 11,921                     | 0.01            |
| GBP   | 213,455          | USD           | 251,720     | HSBC                    | 06/04/2020    | 9,807                      | 0.01            |
| GBP   | 195,841          | USD           | 230,000     | Brown Brothers Harriman | 06/04/2020    | 9,765                      | 0.01            |
| USD   | 239,861          | GBP           | 185,577     | HSBC                    | 06/04/2020    | 8,477                      | 0.01            |
| USD   | 243,980          | GBP           | 190,613     | HSBC                    | 06/04/2020    | 6,773                      | –               |
| GBP   | 174,245          | USD           | 207,129     | Brown Brothers Harriman | 06/04/2020    | 6,673                      | –               |
| USD   | 205,461          | GBP           | 159,849     | HSBC                    | 06/04/2020    | 6,374                      | –               |
| GBP   | 184,314          | EUR           | 202,260     | HSBC                    | 06/04/2020    | 5,132                      | –               |
| EUR   | 315,391          | GBP           | 274,659     | HSBC                    | 06/04/2020    | 4,746                      | –               |
| USD   | 112,939          | GBP           | 86,771      | Brown Brothers Harriman | 06/04/2020    | 4,600                      | –               |
| EUR   | 220,670          | GBP           | 191,179     | HSBC                    | 06/04/2020    | 4,312                      | –               |
| GBP   | 134,783          | USD           | 161,384     | Brown Brothers Harriman | 06/04/2020    | 4,219                      | –               |
| GBP   | 77,183           | USD           | 90,600      | HSBC                    | 06/04/2020    | 3,885                      | –               |
| GBP   | 122,225          | USD           | 146,348     | Brown Brothers Harriman | 06/04/2020    | 3,826                      | –               |
| EUR   | 560,645          | GBP           | 492,863     | HSBC                    | 06/04/2020    | 3,811                      | –               |
| EUR   | 253,058          | GBP           | 220,375     | HSBC                    | 06/04/2020    | 3,808                      | –               |
| EUR   | 181,053          | GBP           | 156,856     | HSBC                    | 06/04/2020    | 3,538                      | –               |
| GBP   | 86,032           | EUR           | 93,420      | Brown Brothers Harriman | 06/04/2020    | 3,272                      | –               |
| GBP   | 65,947           | USD           | 77,560      | Brown Brothers Harriman | 06/04/2020    | 3,199                      | –               |
| EUR   | 199,946          | GBP           | 174,007     | Brown Brothers Harriman | 06/04/2020    | 3,125                      | –               |
| EUR   | 459,144          | GBP           | 403,633     | HSBC                    | 06/04/2020    | 3,121                      | –               |

VERITAS FUNDS PLC

VERITAS GLOBAL REAL RETURN FUND

SCHEDULE OF INVESTMENTS

AS AT 31 MARCH 2020

(CONTINUED)

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty            | Maturity Date | Unrealised Gain/(Loss) GBP | % of Net Assets |
|---|------------------|---------------|-------------|-------------------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts (continued)</b> |                  |               |             |                         |               |                            |                 |
| GBP   | 332,439          | EUR           | 371,897     | HSBC                    | 06/04/2020    | 2,977                      | –               |
| USD   | 81,296           | GBP           | 62,898      | HSBC                    | 06/04/2020    | 2,873                      | –               |
| GBP   | 72,644           | USD           | 86,668      | Brown Brothers Harriman | 06/04/2020    | 2,527                      | –               |
| GBP   | 272,857          | EUR           | 305,243     | HSBC                    | 06/04/2020    | 2,443                      | –               |
| GBP   | 56,073           | EUR           | 60,576      | Brown Brothers Harriman | 06/04/2020    | 2,409                      | –               |
| USD   | 83,165           | GBP           | 64,974      | HSBC                    | 06/04/2020    | 2,309                      | –               |
| GBP   | 533,791          | EUR           | 600,126     | HSBC                    | 06/04/2020    | 2,141                      | –               |
| USD   | 1,030,036        | GBP           | 831,414     | HSBC                    | 06/04/2020    | 1,912                      | –               |
| GBP   | 474,292          | EUR           | 533,232     | HSBC                    | 06/04/2020    | 1,903                      | –               |
| USD   | 841,239          | GBP           | 678,807     | HSBC                    | 06/04/2020    | 1,777                      | –               |
| USD   | 50,000           | GBP           | 38,686      | Brown Brothers Harriman | 06/04/2020    | 1,765                      | –               |
| USD   | 46,238           | GBP           | 35,775      | Brown Brothers Harriman | 06/04/2020    | 1,632                      | –               |
| GBP   | 41,771           | EUR           | 45,562      | HSBC                    | 06/04/2020    | 1,408                      | –               |
| USD   | 50,000           | GBP           | 39,084      | Brown Brothers Harriman | 06/04/2020    | 1,367                      | –               |
| GBP   | 55,702           | EUR           | 61,345      | Brown Brothers Harriman | 06/04/2020    | 1,357                      | –               |
| USD   | 45,577           | GBP           | 35,626      | Brown Brothers Harriman | 06/04/2020    | 1,246                      | –               |
| GBP   | 49,493           | EUR           | 54,507      | Brown Brothers Harriman | 06/04/2020    | 1,205                      | –               |
| GBP   | 42,953           | EUR           | 47,206      | Brown Brothers Harriman | 06/04/2020    | 1,133                      | –               |
| USD   | 24,540           | GBP           | 18,817      | Brown Brothers Harriman | 06/04/2020    | 1,036                      | –               |
| GBP   | 17,250           | EUR           | 18,522      | Brown Brothers Harriman | 06/04/2020    | 841                        | –               |
| EUR   | 58,780           | GBP           | 51,313      | Brown Brothers Harriman | 06/04/2020    | 760                        | –               |
| USD   | 31,218           | GBP           | 24,504      | Brown Brothers Harriman | 06/04/2020    | 752                        | –               |
| GBP   | 26,077           | EUR           | 28,609      | Brown Brothers Harriman | 06/04/2020    | 732                        | –               |
| GBP   | 17,915           | EUR           | 19,454      | Brown Brothers Harriman | 06/04/2020    | 681                        | –               |
| GBP   | 386,649          | USD           | 477,094     | Brown Brothers Harriman | 06/04/2020    | 668                        | –               |
| GBP   | 102,375          | EUR           | 114,811     | Brown Brothers Harriman | 06/04/2020    | 664                        | –               |
| USD   | 352,969          | GBP           | 284,906     | HSBC                    | 06/04/2020    | 655                        | –               |
| USD   | 288,161          | GBP           | 232,521     | HSBC                    | 06/04/2020    | 609                        | –               |
| USD   | 12,500           | GBP           | 9,604       | Brown Brothers Harriman | 06/04/2020    | 509                        | –               |
| GBP   | 20,384           | EUR           | 22,449      | Brown Brothers Harriman | 06/04/2020    | 496                        | –               |
| EUR   | 24,787           | GBP           | 21,469      | Brown Brothers Harriman | 06/04/2020    | 490                        | –               |
| EUR   | 34,863           | GBP           | 30,411      | Brown Brothers Harriman | 06/04/2020    | 474                        | –               |
| GBP   | 15,129           | EUR           | 16,602      | HSBC                    | 06/04/2020    | 421                        | –               |
| EUR   | 24,634           | GBP           | 21,453      | HSBC                    | 06/04/2020    | 371                        | –               |
| GBP   | 261,710          | EUR           | 295,020     | HSBC                    | 06/04/2020    | 353                        | –               |
| USD   | 7,620            | GBP           | 5,814       | Brown Brothers Harriman | 06/04/2020    | 351                        | –               |
| GBP   | 53,683           | EUR           | 60,205      | Brown Brothers Harriman | 06/04/2020    | 348                        | –               |
| EUR   | 17,445           | GBP           | 15,113      | HSBC                    | 06/04/2020    | 341                        | –               |
| GBP   | 8,249            | USD           | 9,806       | Brown Brothers Harriman | 06/04/2020    | 316                        | –               |
| EUR   | 44,158           | GBP           | 38,819      | HSBC                    | 06/04/2020    | 300                        | –               |

VERITAS FUNDS PLC

VERITAS GLOBAL REAL RETURN FUND

SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020  
(CONTINUED)

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty            | Maturity Date | Unrealised Gain/(Loss) GBP | % of Net Assets |
|---|------------------|---------------|-------------|-------------------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts (continued)</b> |                  |               |             |                         |               |                            |                 |
| GBP   | 214,101          | EUR           | 241,350     | HSBC                    | 06/04/2020    | 289                        | –               |
| GBP   | 26,354           | EUR           | 29,483      | HSBC                    | 06/04/2020    | 236                        | –               |
| GBP   | 126,916          | USD           | 156,605     | Brown Brothers Harriman | 06/04/2020    | 219                        | –               |
| USD   | 115,892          | GBP           | 93,544      | HSBC                    | 06/04/2020    | 215                        | –               |
| USD   | 94,559           | GBP           | 76,301      | HSBC                    | 06/04/2020    | 200                        | –               |
| GBP   | 26,720           | EUR           | 29,962      | Brown Brothers Harriman | 06/04/2020    | 177                        | –               |
| GBP   | 38,278           | EUR           | 43,035      | HSBC                    | 06/04/2020    | 154                        | –               |
| GBP   | 82,419           | USD           | 101,698     | Brown Brothers Harriman | 06/04/2020    | 142                        | –               |
| EUR   | 242,330          | GBP           | 214,548     | HSBC                    | 06/04/2020    | 131                        | –               |
| EUR   | 7,748            | GBP           | 6,743       | Brown Brothers Harriman | 06/04/2020    | 121                        | –               |
| GBP   | 2,609            | EUR           | 2,810       | Brown Brothers Harriman | 06/04/2020    | 120                        | –               |
| EUR   | 214,963          | GBP           | 190,319     | HSBC                    | 06/04/2020    | 116                        | –               |
| USD   | 30,000           | GBP           | 24,166      | Brown Brothers Harriman | 06/04/2020    | 105                        | –               |
| USD   | 1,601            | GBP           | 1,238       | Brown Brothers Harriman | 06/04/2020    | 57                         | –               |
| GBP   | 1,956            | EUR           | 2,149       | Brown Brothers Harriman | 06/04/2020    | 52                         | –               |
| GBP   | 7,654            | EUR           | 8,584       | Brown Brothers Harriman | 06/04/2020    | 50                         | –               |
| GBP   | 1,363            | USD           | 1,632       | Brown Brothers Harriman | 06/04/2020    | 43                         | –               |
| EUR   | 4,823            | GBP           | 4,232       | Brown Brothers Harriman | 06/04/2020    | 40                         | –               |
| GBP   | 1,236            | USD           | 1,480       | Brown Brothers Harriman | 06/04/2020    | 39                         | –               |
| GBP   | 20,696           | EUR           | 23,330      | HSBC                    | 06/04/2020    | 28                         | –               |
| GBP   | 865              | EUR           | 952         | Brown Brothers Harriman | 06/04/2020    | 21                         | –               |
| GBP   | 762              | EUR           | 839         | Brown Brothers Harriman | 06/04/2020    | 19                         | –               |
| EUR   | 6,124            | GBP           | 5,409       | Brown Brothers Harriman | 06/04/2020    | 17                         | –               |
| GBP   | 473              | EUR           | 519         | Brown Brothers Harriman | 06/04/2020    | 13                         | –               |
| USD   | 315              | GBP           | 242         | Brown Brothers Harriman | 06/04/2020    | 13                         | –               |
| GBP   | 5,935            | USD           | 7,323       | Brown Brothers Harriman | 06/04/2020    | 10                         | –               |
| EUR   | 17,344           | GBP           | 15,356      | HSBC                    | 06/04/2020    | 9                          | –               |
| EUR   | 441              | GBP           | 382         | Brown Brothers Harriman | 06/04/2020    | 9                          | –               |
| GBP   | 315              | EUR           | 347         | Brown Brothers Harriman | 06/04/2020    | 8                          | –               |
| EUR   | 503              | GBP           | 439         | Brown Brothers Harriman | 06/04/2020    | 7                          | –               |
| GBP   | 151              | EUR           | 162         | Brown Brothers Harriman | 06/04/2020    | 7                          | –               |
| EUR   | 420              | GBP           | 366         | Brown Brothers Harriman | 06/04/2020    | 6                          | –               |
| USD   | 41,460           | GBP           | 33,537      | Brown Brothers Harriman | 06/04/2020    | 6                          | –               |
| EUR   | 199              | GBP           | 174         | Brown Brothers Harriman | 06/04/2020    | 3                          | –               |
| EUR   | 198              | GBP           | 173         | Brown Brothers Harriman | 06/04/2020    | 3                          | –               |
| GBP   | 66               | USD           | 78          | Brown Brothers Harriman | 06/04/2020    | 2                          | –               |
| EUR   | 878              | GBP           | 775         | Brown Brothers Harriman | 06/04/2020    | 2                          | –               |
| GBP   | 1,261            | USD           | 1,556       | Brown Brothers Harriman | 06/04/2020    | 2                          | –               |
| EUR   | 166              | GBP           | 145         | Brown Brothers Harriman | 06/04/2020    | 1                          | –               |
| GBP   | 14               | EUR           | 15          | Brown Brothers Harriman | 06/04/2020    | 1                          | –               |

VERITAS FUNDS PLC

VERITAS GLOBAL REAL RETURN FUND

SCHEDULE OF INVESTMENTS

AS AT 31 MARCH 2020

(CONTINUED)

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty            | Maturity Date | Unrealised Gain/(Loss) GBP | % of Net Assets |
|---|------------------|---------------|-------------|-------------------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts (continued)</b> |                  |               |             |                         |               |                            |                 |
| GBP   | 704              | USD           | 868         | Brown Brothers Harriman | 06/04/2020    | 1                          | –               |
| USD   | 607              | GBP           | 491         | Brown Brothers Harriman | 06/04/2020    | –                          | –               |
| EUR   | 10               | GBP           | 9           | Brown Brothers Harriman | 06/04/2020    | –                          | –               |
| GBP   | 10               | EUR           | 10          | Brown Brothers Harriman | 06/04/2020    | –                          | –               |
| USD   | 1                | GBP           | 1           | Brown Brothers Harriman | 06/04/2020    | –                          | –               |
| USD   | 15               | GBP           | 13          | Brown Brothers Harriman | 06/04/2020    | –                          | –               |
| EUR   | 53               | GBP           | 49          | Brown Brothers Harriman | 06/04/2020    | (2)                        | –               |
| GBP   | 755              | EUR           | 861         | Brown Brothers Harriman | 06/04/2020    | (7)                        | –               |
| EUR   | 1,178            | GBP           | 1,051       | Brown Brothers Harriman | 06/04/2020    | (7)                        | –               |
| EUR   | 1,364            | GBP           | 1,217       | Brown Brothers Harriman | 06/04/2020    | (8)                        | –               |
| GBP   | 297              | USD           | 381         | Brown Brothers Harriman | 06/04/2020    | (10)                       | –               |
| EUR   | 423              | GBP           | 385         | Brown Brothers Harriman | 06/04/2020    | (11)                       | –               |
| GBP   | 80,889           | USD           | 100,000     | Brown Brothers Harriman | 06/04/2020    | (13)                       | –               |
| EUR   | 2,599            | GBP           | 2,318       | Brown Brothers Harriman | 06/04/2020    | (15)                       | –               |
| USD   | 729              | GBP           | 611         | Brown Brothers Harriman | 06/04/2020    | (21)                       | –               |
| USD   | 584              | GBP           | 497         | Brown Brothers Harriman | 06/04/2020    | (25)                       | –               |
| USD   | 1,108            | GBP           | 942         | Brown Brothers Harriman | 06/04/2020    | (46)                       | –               |
| USD   | 1,335            | GBP           | 1,137       | Brown Brothers Harriman | 06/04/2020    | (57)                       | –               |
| GBP   | 1,477            | USD           | 1,922       | Brown Brothers Harriman | 06/04/2020    | (78)                       | –               |
| EUR   | 4,000            | GBP           | 3,640       | Brown Brothers Harriman | 06/04/2020    | (96)                       | –               |
| EUR   | 2,909            | GBP           | 2,693       | Brown Brothers Harriman | 06/04/2020    | (116)                      | –               |
| GBP   | 8,563            | EUR           | 9,817       | Brown Brothers Harriman | 06/04/2020    | (134)                      | –               |
| GBP   | 43,723           | EUR           | 49,509      | Brown Brothers Harriman | 06/04/2020    | (136)                      | –               |
| EUR   | 20,879           | GBP           | 18,657      | HSBC                    | 06/04/2020    | (160)                      | –               |
| GBP   | 12,968           | EUR           | 14,855      | Brown Brothers Harriman | 06/04/2020    | (192)                      | –               |
| GBP   | 21,984           | EUR           | 25,053      | Brown Brothers Harriman | 06/04/2020    | (210)                      | –               |
| GBP   | 16,016           | EUR           | 18,329      | HSBC                    | 06/04/2020    | (222)                      | –               |
| EUR   | 10,563           | GBP           | 9,616       | HSBC                    | 06/04/2020    | (258)                      | –               |
| EUR   | 10,305           | GBP           | 9,449       | HSBC                    | 06/04/2020    | (320)                      | –               |
| GBP   | 20,241           | EUR           | 23,260      | HSBC                    | 06/04/2020    | (365)                      | –               |
| GBP   | 24,336           | EUR           | 27,909      | Brown Brothers Harriman | 06/04/2020    | (388)                      | –               |
| USD   | 9,669            | GBP           | 8,221       | Brown Brothers Harriman | 06/04/2020    | (399)                      | –               |
| GBP   | 32,892           | EUR           | 37,678      | Brown Brothers Harriman | 06/04/2020    | (487)                      | –               |
| GBP   | 109,151          | USD           | 135,534     | HSBC                    | 06/04/2020    | (500)                      | –               |
| GBP   | 50,179           | EUR           | 57,241      | HSBC                    | 06/04/2020    | (530)                      | –               |
| EUR   | 18,304           | GBP           | 16,758      | HSBC                    | 06/04/2020    | (543)                      | –               |
| GBP   | 191,451          | USD           | 237,503     | HSBC                    | 06/04/2020    | (695)                      | –               |
| GBP   | 14,220           | USD           | 18,509      | Brown Brothers Harriman | 06/04/2020    | (754)                      | –               |
| GBP   | 17,846           | USD           | 23,074      | Brown Brothers Harriman | 06/04/2020    | (821)                      | –               |
| USD   | 88,874           | GBP           | 72,768      | HSBC                    | 06/04/2020    | (867)                      | –               |

VERITAS FUNDS PLC

VERITAS GLOBAL REAL RETURN FUND

SCHEDULE OF INVESTMENTS

AS AT 31 MARCH 2020

(CONTINUED)

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty            | Maturity Date | Unrealised Gain/(Loss) GBP | % of Net Assets |
|---|------------------|---------------|-------------|-------------------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts (continued)</b> |                  |               |             |                         |               |                            |                 |
| GBP   | 25,453           | USD           | 32,562      | Brown Brothers Harriman | 06/04/2020    | (891)                      | –               |
| EUR   | 35,301           | GBP           | 32,176      | Brown Brothers Harriman | 06/04/2020    | (903)                      | –               |
| USD   | 61,022           | GBP           | 50,303      | HSBC                    | 06/04/2020    | (935)                      | –               |
| GBP   | 317,472          | USD           | 394,209     | HSBC                    | 06/04/2020    | (1,453)                    | –               |
| EUR   | 46,056           | GBP           | 42,331      | HSBC                    | 06/04/2020    | (1,530)                    | –               |
| GBP   | 85,930           | USD           | 108,393     | HSBC                    | 06/04/2020    | (1,763)                    | –               |
| EUR   | 259,295          | GBP           | 231,699     | HSBC                    | 06/04/2020    | (1,989)                    | –               |
| GBP   | 582,333          | USD           | 722,408     | HSBC                    | 06/04/2020    | (2,114)                    | –               |
| EUR   | 291,669          | GBP           | 260,627     | HSBC                    | 06/04/2020    | (2,238)                    | –               |
| GBP   | 163,261          | EUR           | 186,839     | HSBC                    | 06/04/2020    | (2,259)                    | –               |
| EUR   | 391,065          | GBP           | 348,705     | Brown Brothers Harriman | 06/04/2020    | (2,261)                    | –               |
| USD   | 259,345          | GBP           | 212,347     | HSBC                    | 06/04/2020    | (2,531)                    | –               |
| USD   | 53,832           | GBP           | 46,127      | HSBC                    | 06/04/2020    | (2,576)                    | –               |
| GBP   | 198,079          | EUR           | 226,685     | HSBC                    | 06/04/2020    | (2,740)                    | –               |
| USD   | 187,591          | GBP           | 154,639     | HSBC                    | 06/04/2020    | (2,873)                    | –               |
| EUR   | 131,221          | GBP           | 119,457     | HSBC                    | 06/04/2020    | (3,209)                    | –               |
| EUR   | 147,611          | GBP           | 134,378     | HSBC                    | 06/04/2020    | (3,610)                    | –               |
| GBP   | 206,940          | EUR           | 237,806     | HSBC                    | 06/04/2020    | (3,732)                    | –               |
| EUR   | 126,962          | GBP           | 116,420     | HSBC                    | 06/04/2020    | (3,945)                    | –               |
| GBP   | 66,916           | USD           | 87,894      | HSBC                    | 06/04/2020    | (4,192)                    | –               |
| GBP   | 953,280          | USD           | 1,183,700   | HSBC                    | 06/04/2020    | (4,364)                    | –               |
| GBP   | 81,425           | USD           | 106,084     | HSBC                    | 06/04/2020    | (4,400)                    | –               |
| GBP   | 250,935          | EUR           | 288,363     | HSBC                    | 06/04/2020    | (4,525)                    | –               |
| GBP   | 249,981          | USD           | 315,330     | HSBC                    | 06/04/2020    | (5,128)                    | –               |
| GBP   | 517,693          | EUR           | 590,541     | HSBC                    | 06/04/2020    | (5,466)                    | –               |
| EUR   | 197,442          | GBP           | 180,768     | HSBC                    | 06/04/2020    | (5,855)                    | –               |
| GBP   | 1,698,042        | USD           | 2,106,494   | HSBC                    | 06/04/2020    | (6,165)                    | –               |
| GBP   | 631,536          | EUR           | 720,403     | HSBC                    | 06/04/2020    | (6,668)                    | –               |
| EUR   | 248,821          | GBP           | 227,809     | HSBC                    | 06/04/2020    | (7,378)                    | –               |
| USD   | 779,523          | GBP           | 638,260     | HSBC                    | 06/04/2020    | (7,606)                    | –               |
| USD   | 167,487          | GBP           | 143,517     | HSBC                    | 06/04/2020    | (8,016)                    | –               |
| USD   | 544,436          | GBP           | 448,800     | HSBC                    | 06/04/2020    | (8,338)                    | –               |
| GBP   | 202,591          | USD           | 261,963     | HSBC                    | 06/04/2020    | (9,343)                    | (0.01)          |
| USD   | 251,472          | GBP           | 212,971     | HSBC                    | 06/04/2020    | (9,524)                    | (0.01)          |
| GBP   | 195,677          | USD           | 257,020     | HSBC                    | 06/04/2020    | (12,259)                   | (0.01)          |
| GBP   | 237,715          | USD           | 309,708     | HSBC                    | 06/04/2020    | (12,847)                   | (0.01)          |
| GBP   | 750,122          | USD           | 946,214     | HSBC                    | 06/04/2020    | (15,389)                   | (0.01)          |
| USD   | 542,157          | GBP           | 454,430     | Brown Brothers Harriman | 06/04/2020    | (15,811)                   | (0.01)          |
| EUR   | 576,010          | GBP           | 529,427     | HSBC                    | 06/04/2020    | (19,141)                   | (0.01)          |
| GBP   | 389,169          | USD           | 507,526     | Brown Brothers Harriman | 06/04/2020    | (21,433)                   | (0.01)          |

VERITAS FUNDS PLC

VERITAS GLOBAL REAL RETURN FUND

SCHEDULE OF INVESTMENTS

AS AT 31 MARCH 2020

(CONTINUED)

| Currency Purchased  | Amount Purchased | Currency Sold | Amount Sold | Counterparty            | Maturity Date | Unrealised Gain/(Loss) GBP | % of Net Assets |
|---|------------------|---------------|-------------|-------------------------|---------------|----------------------------|-----------------|
| <b>Unrealised Gain/(Loss) on Forward Currency Contracts (continued)</b> |                  |               |             |                         |               |                            |                 |
| EUR   | 645,588          | GBP           | 593,378     | HSBC                    | 06/04/2020    | (21,453)                   | (0.01)          |
| USD   | 485,673          | GBP           | 416,165     | HSBC                    | 06/04/2020    | (23,244)                   | (0.01)          |
| GBP   | 594,189          | USD           | 768,323     | HSBC                    | 06/04/2020    | (27,404)                   | (0.01)          |
| USD   | 772,298          | GBP           | 654,057     | HSBC                    | 06/04/2020    | (29,248)                   | (0.01)          |
| GBP   | 591,880          | USD           | 777,431     | HSBC                    | 06/04/2020    | (37,081)                   | (0.01)          |
| GBP   | 724,100          | USD           | 943,398     | HSBC                    | 06/04/2020    | (39,133)                   | (0.01)          |
| GBP   | 991,314          | USD           | 1,281,710   | Brown Brothers Harriman | 06/04/2020    | (45,622)                   | (0.02)          |
| GBP   | 1,798,171        | USD           | 2,325,146   | HSBC                    | 06/04/2020    | (82,931)                   | (0.03)          |
| USD   | 2,250,731        | GBP           | 1,906,137   | HSBC                    | 06/04/2020    | (85,238)                   | (0.03)          |
| <b>Total Unrealised Gain on Forward Currency Contracts<sup>2#</sup></b> |                  |               |             |                         |               | <b>3,425,960</b>           | <b>1.18</b>     |
| <b>Total Unrealised Loss on Forward Currency Contracts<sup>#</sup></b>  |                  |               |             |                         |               | <b>(637,247)</b>           | <b>(0.22)</b>   |

| Holdings   | Financial assets at fair value through profit or loss | Fair Value GBP     | % of Net Assets Value |
|--|---|--------------------|-----------------------|
| <b>Future Contracts*</b>                         |   |                    |                       |
| (550)  | Euro Stoxx 50 Index Futures June 2020                 | (1,790,507)        | (0.62)                |
| (140)  | FTSE 100 Index Futures June 2020                      | (835,495)          | (0.29)                |
| (615)  | S&P 500 Index Futures June 2020                       | (5,113,805)        | (1.75)                |
|  |   | <b>(7,739,807)</b> | <b>(2.66)</b>         |
| <b>Total Unrealised Loss on Future Contracts</b> |   | <b>(7,739,807)</b> | <b>(2.66)</b>         |

**VERITAS FUNDS PLC**

**VERITAS GLOBAL REAL RETURN FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020  
(CONTINUED)**

|  | <b>Fair Value<br/>GBP</b> | <b>% of Net<br/>Assets Value</b> |
|--|---------------------------|----------------------------------|
| <b>Total Financial assets at Fair Value through Profit or Loss</b>               | <b>281,956,946</b>        | <b>97.03</b>                     |
| <b>Total Financial liabilities at Fair Value through Profit or Loss</b>          | <b>(8,377,054)</b>        | <b>(2.88)</b>                    |
| <b>Net Financial assets and liabilities at Fair Value through Profit or Loss</b> | <b>273,579,892</b>        | <b>94.15</b>                     |
| <b>Other Net Assets</b>  | <b>17,000,003</b>         | <b>5.85</b>                      |
| <b>Net assets attributable to Holders of Redeemable Participating Shares</b>     | <b>290,579,895</b>        | <b>100.00</b>                    |

\* The counterparty for the future contracts is UBS.

|   |             | <b>% of Total<br/>Assets</b> |
|---|-------------|------------------------------|
| <b>Analysis of Gross Investments</b>  |             |                              |
| <sup>1</sup> Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market | 278,530,986 | 95.85                        |
| <sup>2</sup> Financial derivative instruments traded over-the-counter   | 3,425,960   | 1.18                         |

# Forward Currency Contracts are held at Class level for hedging

**VERITAS FUNDS PLC**

**VERITAS IZOARD FUND**

**SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020**

| <b>Holdings</b>       | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------------|--|---------------------------|---------------------------------|
| <b>Equities</b>       |  |                           |                                 |
| <b>Australia</b>      |  |                           |                                 |
| 98,706                | Sonic Healthcare Ltd.  | 1,468,640                 | 2.55                            |
|                       |  | <b>1,468,640</b>          | <b>2.55</b>                     |
| <b>Canada</b>         |  |                           |                                 |
| 14,300                | Canadian Pacific Railway Ltd.                                | 3,136,562                 | 5.45                            |
|                       |  | <b>3,136,562</b>          | <b>5.45</b>                     |
| <b>France</b>         |  |                           |                                 |
| 13,500                | Safran SA  | 1,187,400                 | 2.06                            |
|                       |  | <b>1,187,400</b>          | <b>2.06</b>                     |
| <b>Spain</b>          |  |                           |                                 |
| 14,690                | Aena SME SA  | 1,610,813                 | 2.80                            |
|                       |  | <b>1,610,813</b>          | <b>2.80</b>                     |
| <b>Switzerland</b>    |  |                           |                                 |
| 22,000                | Nestle SA  | 2,263,325                 | 3.93                            |
|                       |  | <b>2,263,325</b>          | <b>3.93</b>                     |
| <b>United Kingdom</b> |  |                           |                                 |
| 460,000               | BAE Systems PLC  | 2,975,657                 | 5.17                            |
| 74,300                | British American Tobacco PLC                                 | 2,540,899                 | 4.41                            |
| 25,100                | Reckitt Benckiser Group PLC                                  | 1,913,894                 | 3.32                            |
| 67,300                | Unilever NV  | 3,304,746                 | 5.74                            |
|                       |  | <b>10,735,196</b>         | <b>18.64</b>                    |
| <b>United States</b>  |  |                           |                                 |
| 4,600                 | Alphabet, Inc.   | 5,345,108                 | 9.28                            |
| 129,557               | Altice USA, Inc.   | 2,889,121                 | 5.02                            |
| 27,651                | Baxter International, Inc.                                   | 2,241,252                 | 3.89                            |
| 11,359                | Charter Communications, Inc.                                 | 4,955,875                 | 8.61                            |
| 17,500                | Cigna Corp.  | 3,097,325                 | 5.38                            |
| 4,486                 | Cooper Cos, Inc.   | 1,237,463                 | 2.15                            |
| 49,100                | CVS Health Corp.   | 2,915,803                 | 5.06                            |
| 16,638                | Facebook, Inc.   | 2,775,052                 | 4.82                            |
| 25,800                | Intercontinental Exchange, Inc.                              | 2,085,801                 | 3.62                            |
| 7,400                 | Mastercard, Inc.   | 1,790,393                 | 3.11                            |



**VERITAS FUNDS PLC**

**VERITAS IZOARD FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| <b>Holdings</b>   | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|---|--|---------------------------|---------------------------------|
| <b>Equities (continued)</b>   |  |                           |                                 |
| <b>United States (continued)</b>  |  |                           |                                 |
| 37,400  | Philip Morris International, Inc.                            | 2,728,517                 | 4.74                            |
| 17,500  | Raytheon Co.   | 2,298,800                 | 3.99                            |
| 7,200   | UnitedHealth Group, Inc.                                     | 1,794,996                 | 3.12                            |
|   |  | <b>36,155,506</b>         | <b>62.79</b>                    |
| <b>Total Equities<sup>1</sup></b>   |  | <b>56,557,442</b>         | <b>98.22</b>                    |
| <b>Total Financial assets at Fair Value through Profit or Loss</b>  |  | <b>56,557,442</b>         | <b>98.22</b>                    |
| <b>Net Financial assets and liabilities at Fair Value through Profit or Loss</b>  |  | <b>56,557,442</b>         | <b>98.22</b>                    |
| <b>Other Net Assets</b>   |  | <b>1,022,214</b>          | <b>1.78</b>                     |
| <b>Net assets attributable to Holders of Redeemable Participating Shares</b>  |  | <b>57,579,656</b>         | <b>100.00</b>                   |
| <b>Analysis of Gross Investments</b>  |  |                           | <b>% of Total Assets</b>        |
| <sup>1</sup> Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market |  | 56,557,442                | 98.22                           |

**VERITAS FUNDS PLC**

**VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

| <b>Holdings</b>             | <b>Financial assets at fair value through profit or loss</b> | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------------------|--|---------------------------|---------------------------------|
| <b>Equities</b>             |  |                           |                                 |
| <b>Canada</b>               |  |                           |                                 |
| 2,100                       | Franco-Nevada Corp.  | 208,982                   | 1.89                            |
|                             |  | <b>208,982</b>            | <b>1.89</b>                     |
| <b>China</b>                |  |                           |                                 |
| 19,050                      | Alibaba Group Holding Ltd.                                   | 450,880                   | 4.08                            |
| 33,300                      | Jiangsu Yanghe Brewery Joint-Stock Co. Ltd.                  | 394,040                   | 3.56                            |
| 10,700                      | Tencent Holdings Ltd.  | 524,722                   | 4.75                            |
| 136,600                     | TravelSky Technology Ltd.                                    | 240,917                   | 2.18                            |
|                             |  | <b>1,610,559</b>          | <b>14.57</b>                    |
| <b>France</b>               |  |                           |                                 |
| 3,900                       | Airbus SE  | 253,953                   | 2.30                            |
| 1,600                       | Pernod Ricard S.A.   | 227,570                   | 2.06                            |
|                             |  | <b>481,523</b>            | <b>4.36</b>                     |
| <b>Mexico</b>               |  |                           |                                 |
| 137,400                     | Becele SAB de CV   | 169,559                   | 1.53                            |
|                             |  | <b>169,559</b>            | <b>1.53</b>                     |
| <b>Switzerland</b>          |  |                           |                                 |
| 1,200                       | Nestle S.A.  | 123,454                   | 1.12                            |
| 9,800                       | Wizz Air Holdings PLC  | 280,396                   | 2.53                            |
|                             |  | <b>403,850</b>            | <b>3.65</b>                     |
| <b>United Arab Emirates</b> |  |                           |                                 |
| 53,000                      | Network International Holdings PLC                           | 256,133                   | 2.32                            |
|                             |  | <b>256,133</b>            | <b>2.32</b>                     |
| <b>United Kingdom</b>       |  |                           |                                 |
| 13,100                      | British American Tobacco PLC                                 | 447,992                   | 4.05                            |
| 6,500                       | Reckitt Benckiser Group PLC                                  | 495,629                   | 4.49                            |
| 46,400                      | Rolls-Royce Holdings PLC                                     | 196,075                   | 1.77                            |
| 9,300                       | Unilever NV  | 456,674                   | 4.13                            |
|                             |  | <b>1,596,370</b>          | <b>14.44</b>                    |

**VERITAS FUNDS PLC**

**VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND**

**SCHEDULE OF INVESTMENTS**

**AS AT 31 MARCH 2020**

**(CONTINUED)**

| <b>Holdings</b>             | <b>Financial assets at fair value through profit or loss</b>                     | <b>Fair Value<br/>USD</b> | <b>% of Net<br/>Asset Value</b> |
|-----------------------------|--|---------------------------|---------------------------------|
| <b>Equities (continued)</b> |  |                           |                                 |
| <b>United States</b>        |  |                           |                                 |
| 5,700                       | Abbott Laboratories  | 450,272                   | 4.07                            |
| 13,500                      | Corteva, Inc.  | 316,980                   | 2.87                            |
| 2,800                       | Facebook, Inc.   | 467,012                   | 4.22                            |
| 6,200                       | Philip Morris International, Inc.  | 452,321                   | 4.09                            |
| 1,575                       | Raytheon Co.   | 206,892                   | 1.87                            |
| 2,000                       | Starbucks Corp.  | 131,460                   | 1.19                            |
|                             |  | <b>2,024,937</b>          | <b>18.31</b>                    |
|                             | <b>Total Equities<sup>1</sup></b>  | <b>6,751,913</b>          | <b>61.07</b>                    |
| <b>Equity Warrants*</b>     |  |                           |                                 |
| <b>Singapore</b>            |  |                           |                                 |
| 30,300                      | CLSA Global Market Pte (Warrant 30/06/2024)                                      | 346,383                   | 3.13                            |
| 62,000                      | Bandhan Bank Ltd. (Warrant 31/10/2024)   | 167,551                   | 1.52                            |
|                             |  | <b>513,934</b>            | <b>4.65</b>                     |
|                             | <b>Total Equity Warrants<sup>1</sup></b>   | <b>513,934</b>            | <b>4.65</b>                     |
|                             | <b>Total Financial assets at Fair Value through Profit or Loss</b>               | <b>7,265,847</b>          | <b>65.72</b>                    |
|                             | <b>Net Financial assets and liabilities at Fair Value through Profit or Loss</b> | <b>7,265,847</b>          | <b>65.72</b>                    |
|                             | <b>Other Net Assets</b>  | <b>3,790,506</b>          | <b>34.28</b>                    |
|                             | <b>Net assets attributable to Holders of Redeemable Participating Shares</b>     | <b>11,056,353</b>         | <b>100.00</b>                   |

\* The counterparty for the warrant is CLSA.

VERITAS FUNDS PLC

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VERITAS THIRD EYE GLOBAL EMERGING MARKETS FUND

SCHEDULE OF INVESTMENTS  
AS AT 31 MARCH 2020  
(CONTINUED)

| <b>Analysis of Gross Investments</b>  | <b>Fair Value<br/>USD</b> | <b>% of Total<br/>Assets</b> |
|---|---------------------------|------------------------------|
| <sup>1</sup> Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market | 7,265,847                 | 65.72                        |

**VERITAS FUNDS PLC**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020**

|  | Note | Veritas Asian Fund<br>USD | Veritas Global Focus<br>Fund<br>USD | Veritas Global Equity<br>Income Fund<br>GBP | Veritas China Fund<br>USD |
|--|------|---------------------------|-------------------------------------|---|---------------------------|
| <b>ASSETS</b>  |      |                           |                                     |   |                           |
| Financial assets at fair value through profit or loss  | 5    | 2,660,923,252             | 2,849,281,983                       | 334,399,016                                 | 19,101,390                |
| Cash and cash equivalents  |      | 170,432,181               | 38,977,778                          | 7,122,016                                   | 2,583,192                 |
| Margin cash held with brokers  |      | 5,421                     | –                                   | –   | 266                       |
| Due from brokers   |      | 5,400,096                 | –                                   | 5,692,290                                   | 1,456,453                 |
| Due from shareholders  |      | 11,754,216                | 4,764,780                           | 519,355                                     | 126,730                   |
| Dividends receivable   |      | 4,516,783                 | 3,715,607                           | 2,344,976                                   | –                         |
| Other debtors  |      | 5,164                     | 218,572                             | 344   | 386                       |
| <b>TOTAL ASSETS</b>  |      | <b>2,853,037,113</b>      | <b>2,896,958,720</b>                | <b>350,077,997</b>                          | <b>23,268,417</b>         |
| <b>LIABILITIES</b>   |      |                           |                                     |   |                           |
| Financial liabilities at fair value through profit or loss   | 5    | –                         | 621,249                             | 14,636                                      | 93,402                    |
| Bank overdraft   |      | –                         | –                                   | –   | –                         |
| Due to brokers   |      | 4,198,009                 | 12,546,092                          | –   | –                         |
| Due to shareholders  |      | 3,703,373                 | 3,171,362                           | 986,134                                     | –                         |
| Investment management fee payable  |      | 2,457,519                 | 2,970,396                           | 346,648                                     | 21,215                    |
| Distribution payable   | 3    | –                         | –                                   | 4,044,900                                   | –                         |
| Other creditors  |      | 583,225                   | 1,136,742                           | 227,590                                     | 3,608                     |
| <b>LIABILITIES (EXCLUDING NET ASSETS<br/>ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES)</b> |      |                           |                                     |   |                           |
|  |      | <b>10,942,126</b>         | <b>20,445,841</b>                   | <b>5,619,908</b>                            | <b>118,225</b>            |
| <b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES</b>                             |      |                           |                                     |   |                           |
|  | 8    | <b>2,842,094,987</b>      | <b>2,876,512,879</b>                | <b>344,458,089</b>                          | <b>23,150,192</b>         |

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020  
(CONTINUED)**

|  | Note | Veritas Global Real<br>Return Fund<br>GBP | Veritas Izoard Fund<br>USD | Veritas Third Eye<br>Global Emerging<br>Markets Fund<br>USD | Total<br>USD         |
|--|------|---|----------------------------|---|----------------------|
| <b>ASSETS</b>  |      |   |                            |   |                      |
| Financial assets at fair value through profit or loss  | 5    | 281,956,946                               | 56,557,442                 | 7,265,847   | 6,354,945,883        |
| Cash and cash equivalents  |      | –   | 926,459                    | 3,141,825   | 224,120,655          |
| Margin cash held with brokers  |      | 16,456,322                                | –                          | 641,093   | 20,986,794           |
| Due from brokers   |      | 3,886,451                                 | –                          | –   | 18,695,873           |
| Due from shareholders  |      | 255,410                                   | –                          | –   | 19,014,808           |
| Dividends receivable   |      | 282,040                                   | 141,008                    | 15,705  | 11,636,095           |
| Other debtors  |      | 541                                       | 120                        | 17,463  | 242,799              |
| <b>TOTAL ASSETS</b>  |      | <b>302,837,710</b>                        | <b>57,625,029</b>          | <b>11,081,933</b>   | <b>6,649,642,907</b> |
| <b>LIABILITIES</b>   |      |   |                            |   |                      |
| Financial liabilities at fair value through profit or loss   | 5    | 8,377,054                                 | –                          | –   | 11,086,780           |
| Bank overdraft   |      | 1,198,453                                 | –                          | –   | 1,481,288            |
| Due to brokers   |      | 1,299,140                                 | –                          | –   | 18,349,838           |
| Due to shareholders  |      | 1,052,174                                 | –                          | –   | 9,394,084            |
| Investment management fee payable  |      | 235,721                                   | 24,946                     | 9,641   | 6,871,406            |
| Distribution payable   | 3    | –   | –                          | –   | 4,999,496            |
| Other creditors  |      | 95,273                                    | 20,427                     | 15,939  | 2,159,000            |
| <b>LIABILITIES (EXCLUDING NET ASSETS<br/>ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES)</b> |      |   |                            |   |                      |
|  |      | <b>12,257,815</b>                         | <b>45,373</b>              | <b>25,580</b>   | <b>54,341,892</b>    |
| <b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES</b>                             |      |   |                            |   |                      |
|  | 8    | <b>290,579,895</b>                        | <b>57,579,656</b>          | <b>11,056,353</b>   | <b>6,595,301,015</b> |

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2019**

|  | Note | Veritas Asian Fund<br>USD | Veritas Global Focus<br>Fund<br>USD | Veritas Global Equity<br>Income Fund<br>GBP | Veritas China Fund<br>USD |
|--|------|---------------------------|-------------------------------------|---|---------------------------|
| <b>ASSETS</b>  |      |                           |                                     |   |                           |
| Financial assets at fair value through profit or loss  | 5    | 1,937,299,108             | 2,795,993,661                       | 491,072,514                                 | 12,142,423                |
| Cash and cash equivalents  |      | 301,744,523               | 571,070,043                         | 34,138,529                                  | 11,012,516                |
| Margin cash held with brokers  |      | 120,709,950               | –                                   | –   | 870,214                   |
| Due from brokers   |      | 12,285,397                | 833,015                             | 42,194,482                                  | –                         |
| Due from shareholders  |      | 76,226,497                | 2,179,581                           | 186,334                                     | 256                       |
| Dividends receivable   |      | 3,497,239                 | 3,762,366                           | 2,376,589                                   | –                         |
| Other debtors  |      | 2,991                     | 431,388                             | –   | 494                       |
| <b>TOTAL ASSETS</b>  |      | <b>2,451,765,705</b>      | <b>3,374,270,054</b>                | <b>569,968,448</b>                          | <b>24,025,903</b>         |
| <b>LIABILITIES</b>   |      |                           |                                     |   |                           |
| Financial liabilities at fair value through profit or loss   | 5    | –                         | 27,770                              | 14,686                                      | –                         |
| Due to brokers   |      | 39,642,096                | 530,724                             | 5,971                                       | 3,398                     |
| Due to shareholders  |      | 3,472,400                 | 30,698,020                          | 42,305,175                                  | –                         |
| Investment management fee payable  |      | 5,985,578                 | 8,975,429                           | 1,658,653                                   | 82,390                    |
| Distribution payable   | 3    | 6,842,974                 | 5,559,204                           | 11,948,436                                  | 27,763                    |
| Other creditors  |      | 344,691                   | 575,230                             | 944,344                                     | 9,945                     |
| <b>LIABILITIES (EXCLUDING NET ASSETS<br/>ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES)</b> |      |                           |                                     |   |                           |
|  |      | <b>56,287,739</b>         | <b>46,366,377</b>                   | <b>56,877,265</b>                           | <b>123,496</b>            |
| <b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES</b>                             |      |                           |                                     |   |                           |
|  | 8    | <b>2,395,477,966</b>      | <b>3,327,903,677</b>                | <b>513,091,183</b>                          | <b>23,902,407</b>         |

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2019  
(CONTINUED)**

|  | Note | Veritas Global Real<br>Return Fund<br>GBP | Veritas Izoard Fund<br>USD | Veritas Third Eye<br>Global Emerging<br>Markets Fund*<br>USD | Total<br>USD         |
|--|------|---|----------------------------|--|----------------------|
| <b>ASSETS</b>  |      |   |                            |  |                      |
| Financial assets at fair value through profit or loss  | 5    | 231,543,721                               | 51,958,313                 | 2,490,474  | 5,688,701,948        |
| Cash and cash equivalents  |      | 52,487,873                                | 11,225,942                 | 9,929,286  | 1,010,914,929        |
| Margin cash held with brokers  |      | 4,785,357                                 | –                          | –  | 127,466,153          |
| Due from brokers   |      | 75,203                                    | –                          | –  | 65,110,125           |
| Due from shareholders  |      | 8,762,030                                 | –                          | –  | 90,030,677           |
| Dividends receivable   |      | 245,486                                   | 102,527                    | 6,861  | 10,594,145           |
| Other debtors  |      | –   | –                          | –  | 434,873              |
| <b>TOTAL ASSETS</b>  |      | <b>297,899,670</b>                        | <b>63,286,782</b>          | <b>12,426,621</b>  | <b>6,993,252,850</b> |
| <b>LIABILITIES</b>   |      |   |                            |  |                      |
| Financial liabilities at fair value through profit or loss   | 5    | 855,311                                   | –                          | –  | 1,097,866            |
| Due to brokers   |      | 6,227                                     | 7,977                      | 1,277  | 40,200,476           |
| Due to shareholders  |      | 507,922                                   | –                          | –  | 86,830,529           |
| Investment management fee payable  |      | 839,194                                   | 102,698                    | 30,238   | 18,248,685           |
| Distribution payable   | 3    | 542,145                                   | 863,528                    | –  | 28,656,884           |
| Other creditors  |      | 403,536                                   | 13,281                     | 12,622   | 2,613,661            |
| <b>LIABILITIES (EXCLUDING NET ASSETS<br/>ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES)</b> |      |   |                            |  |                      |
|  |      | <b>3,154,335</b>                          | <b>987,484</b>             | <b>44,137</b>  | <b>177,648,101</b>   |
| <b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES</b>                             |      |   |                            |  |                      |
|  | 8    | <b>294,745,335</b>                        | <b>62,299,298</b>          | <b>12,382,484</b>  | <b>6,815,604,749</b> |

\* Launched: 1 July 2019

The notes to the financial statements form an integral part of these financial statements.



VERITAS FUNDS PLC

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020

|   | Note | Veritas Asian Fund<br>USD | Veritas Global Focus<br>Fund<br>USD | Veritas Global Equity<br>Income Fund<br>GBP | Veritas China Fund<br>USD |
|---|------|---------------------------|-------------------------------------|---|---------------------------|
| <b>INCOME</b>   |      |                           |                                     |   |                           |
| Interest income   |      | 3,116,146                 | 4,505,393                           | 74,354                                      | 50,895                    |
| Dividend income   |      | 10,380,970                | 13,692,825                          | 8,153,885                                   | 12,995                    |
| Other income  |      | 1                         | 35                                  | 7   | 12                        |
| Net gain/(loss) on financial assets and liabilities at fair value through profit or loss                            |      | (283,102,215)             | (324,759,985)                       | (76,963,359)                                | (302,447)                 |
| Net gain/(loss) on foreign exchange   |      | (1,520,966)               | (740,537)                           | (86,069)                                    | (7,043)                   |
| <b>TOTAL INVESTMENT INCOME/(LOSS)</b>   |      | <b>(271,126,064)</b>      | <b>(307,302,269)</b>                | <b>(68,821,182)</b>                         | <b>(245,588)</b>          |
| <b>EXPENSES</b>   |      |                           |                                     |   |                           |
| Investment management fees  |      | 11,542,103                | 13,450,707                          | 1,961,352                                   | 125,255                   |
| Administration fees   |      | 168,793                   | 201,383                             | 34,250                                      | 3,913                     |
| Depositary fees   |      | 276,374                   | 407,146                             | 83,623                                      | 2,644                     |
| Dividend expense  |      | 237,311                   | –                                   | –   | –                         |
| Directors' fees   |      | 6,756                     | 11,291                              | 2,191                                       | 70                        |
| Audit fees  |      | 16,404                    | 27,415                              | 5,318                                       | 168                       |
| Legal fees  |      | 32,351                    | 49,756                              | 11,732                                      | 3,638                     |
| Other expenses  |      | 42,746                    | 24,187                              | 4,559                                       | 588                       |
| <b>TOTAL EXPENSES</b>   |      | <b>12,322,838</b>         | <b>14,171,885</b>                   | <b>2,103,025</b>                            | <b>136,276</b>            |
| <b>NET INCOME/(LOSS)</b>  |      | <b>(283,448,902)</b>      | <b>(321,474,154)</b>                | <b>(70,924,207)</b>                         | <b>(381,864)</b>          |
| <b>FINANCE COSTS</b>  |      |                           |                                     |   |                           |
| Distributions to holders of redeemable participating shares   | 3    | –                         | –                                   | (4,617,747)                                 | –                         |
| Interest expense  |      | (4,427)                   | (28,825)                            | (5,696)                                     | (456)                     |
| <b>GAIN/(LOSS) FOR THE FINANCIAL PERIOD BEFORE WITHHOLDING TAX</b>  |      | <b>(283,453,329)</b>      | <b>(321,502,979)</b>                | <b>(75,547,650)</b>                         | <b>(382,320)</b>          |
| Less: Capital withholding tax   |      | (649,820)                 | –                                   | –   | –                         |
| Less: Withholding tax   |      | (1,519,589)               | (1,962,177)                         | (948,374)                                   | (1,764)                   |
| <b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS</b> |      | <b>(285,622,738)</b>      | <b>(323,465,156)</b>                | <b>(76,496,024)</b>                         | <b>(384,084)</b>          |

Gains and losses arose solely from continuing activities. There were no gains and losses other than those dealt with in the statements of comprehensive income.

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

|   | Note | Veritas Global Real<br>Return Fund<br>GBP | Veritas Izoard Fund<br>USD | Veritas Third Eye<br>Global Emerging<br>Markets Fund<br>USD | Total<br>USD         |
|---|------|---|----------------------------|---|----------------------|
| <b>INCOME</b>   |      |   |                            |   |                      |
| Interest income   |      | 37,965                                    | 76,590                     | 45,036  | 7,936,671            |
| Dividend income   |      | 1,170,739                                 | 438,552                    | 43,325  | 36,408,142           |
| Other income  |      | 3   | 2                          | –   | 63                   |
| Net gain/(loss) on financial assets and liabilities at fair value through profit or loss                            |      | (10,434,711)                              | (5,089,520)                | (1,412,137)   | (725,635,633)        |
| Net gain/(loss) on foreign exchange   |      | (1,312,566)                               | (2,661)                    | 7,128   | (4,039,926)          |
| <b>TOTAL INVESTMENT INCOME/(LOSS)</b>   |      | <b>(10,538,570)</b>                       | <b>(4,577,037)</b>         | <b>(1,316,648)</b>  | <b>(685,330,683)</b> |
| <b>EXPENSES</b>   |      |   |                            |   |                      |
| Investment management fees  |      | 1,363,930                                 | 164,729                    | 61,795  | 29,566,700           |
| Administration fees   |      | 22,007                                    | 6,859                      | 3,915   | 456,292              |
| Depositary fees   |      | 35,947                                    | 7,445                      | 5,304   | 850,731              |
| Dividend expense  |      | –   | –                          | –   | 237,311              |
| Directors' fees   |      | 814                                       | 199                        | 199   | 22,330               |
| Audit fees  |      | 1,976                                     | 485                        | 485   | 54,218               |
| Legal fees  |      | 6,246                                     | 653                        | 653   | 109,878              |
| Other expenses  |      | 2,000                                     | 654                        | 754   | 77,257               |
| <b>TOTAL EXPENSES</b>   |      | <b>1,432,920</b>                          | <b>181,024</b>             | <b>73,105</b>   | <b>31,374,717</b>    |
| <b>NET INCOME/(LOSS)</b>  |      | <b>(11,971,490)</b>                       | <b>(4,758,061)</b>         | <b>(1,389,753)</b>  | <b>(716,705,400)</b> |
| <b>FINANCE COSTS</b>  |      |   |                            |   |                      |
| Distributions to holders of redeemable participating shares   | 3    | –   | –                          | –   | (5,863,153)          |
| Interest expense  |      | (72)                                      | –                          | –   | (41,032)             |
| <b>GAIN/(LOSS) FOR THE FINANCIAL PERIOD BEFORE WITHHOLDING TAX</b>  |      | <b>(11,971,562)</b>                       | <b>(4,758,061)</b>         | <b>(1,389,753)</b>  | <b>(722,609,585)</b> |
| Less: Capital withholding tax   |      | –   | –                          | –   | (649,820)            |
| Less: Withholding tax   |      | (179,130)                                 | (34,609)                   | (1,483)   | (4,951,214)          |
| <b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS</b> |      | <b>(12,150,692)</b>                       | <b>(4,792,670)</b>         | <b>(1,391,236)</b>  | <b>(728,210,619)</b> |

Gains and losses arose solely from continuing activities. There were no gains and losses other than those dealt with in the statements of comprehensive income.

The notes to the financial statements form an integral part of these financial statements.

VERITAS FUNDS PLC

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2019

| Note  | Veritas<br>Asian<br>Fund<br>USD | Veritas<br>Global Focus<br>Fund<br>USD | Veritas Global<br>Equity Income<br>Fund<br>GBP | Veritas<br>China<br>Fund<br>USD | Veritas<br>Global Real<br>Return Fund<br>GBP | Veritas<br>Izoard<br>Fund<br>USD | Total<br>2019<br>USD |
|---|---------------------------------|--|--|---------------------------------|--|----------------------------------|----------------------|
| <b>INCOME</b>   |                                 |  |  |                                 |  |                                  |                      |
| Interest income   | 2,949,356                       | 4,408,865                              | 160,271  | 158,441                         | 55,058                                       | 214,869                          | 8,010,514            |
| Dividend income   | 11,828,162                      | 20,448,409                             | 9,869,938                                      | 10,210                          | 1,418,165                                    | 454,755                          | 47,366,552           |
| Other income  | 21,674                          | 29,361                                 | 24,739   | 3,808                           | 2,371  | 8,310                            | 98,277               |
| Net gain/(loss) on financial assets and liabilities at fair value through profit or loss                            | 38,577,788                      | (44,336,241)                           | (20,015,973)                                   | 951,455                         | (453,534)                                    | (267,639)                        | (31,595,201)         |
| Net gain/(loss) on foreign exchange   | 9,126,918                       | (324,109)                              | (254,523)                                      | (58)                            | (597,196)                                    | (24,329)                         | 7,674,924            |
| <b>TOTAL INVESTMENT INCOME/(LOSS)</b>   | <b>62,503,898</b>               | <b>(19,773,715)</b>                    | <b>(10,215,548)</b>                            | <b>1,123,856</b>                | <b>424,864</b>                               | <b>385,966</b>                   | <b>31,555,066</b>    |
| <b>EXPENSES</b>   |                                 |  |  |                                 |  |                                  |                      |
| Investment management fees  | 8,233,949                       | 12,998,397                             | 2,538,139                                      | 114,496                         | 1,102,959                                    | 154,291                          | 26,218,588           |
| Administration fees   | 621,729                         | 1,007,516                              | 190,133  | 10,391                          | 97,337                                       | 21,569                           | 2,033,655            |
| Depository fees   | 577,047                         | 664,140                                | 138,152  | 7,994                           | 61,508                                       | 17,261                           | 1,525,124            |
| Directors' fees   | 7,185                           | 12,087                                 | 1,429  | 97                              | 1,080  | 217                              | 22,837               |
| Audit fees  | 12,203                          | 32,312                                 | 5,572  | 197                             | 2,214  | 570                              | 55,370               |
| Legal fees  | 12,846                          | 34,689                                 | 1,911  | 242                             | 1,526  | 800                              | 53,030               |
| Amortisation of formation expenses  | –                               | –                                      | –  | –                               | –  | 921                              | 921                  |
| Other expenses  | 191,487                         | 328,531                                | 52,312   | 14,551                          | 52,476                                       | 11,721                           | 682,055              |
| <b>TOTAL EXPENSES</b>   | <b>9,656,446</b>                | <b>15,077,672</b>                      | <b>2,927,648</b>                               | <b>147,968</b>                  | <b>1,319,100</b>                             | <b>207,350</b>                   | <b>30,591,580</b>    |
| <b>NET INCOME/(LOSS)</b>  | <b>52,847,452</b>               | <b>(34,851,387)</b>                    | <b>(13,143,196)</b>                            | <b>975,888</b>                  | <b>(894,236)</b>                             | <b>178,616</b>                   | <b>963,486</b>       |
| <b>FINANCE COSTS</b>  |                                 |  |  |                                 |  |                                  |                      |
| Distributions to holders of redeemable participating shares   | 3                               | –                                      | –  | (5,778,888)                     | –  | –                                | (7,487,204)          |
| Interest expense  | (1,288,343)                     | (42,202)                               | (5,112)  | (21,220)                        | (17,116)                                     | (74)                             | (1,380,638)          |
| <b>GAIN/(LOSS) FOR THE FINANCIAL PERIOD BEFORE WITHHOLDING TAX</b>  | <b>51,559,109</b>               | <b>(34,893,589)</b>                    | <b>(18,927,196)</b>                            | <b>954,668</b>                  | <b>(911,352)</b>                             | <b>178,542</b>                   | <b>(7,904,356)</b>   |
| Less: Withholding tax   | (645,328)                       | (4,265,845)                            | (1,271,311)                                    | –                               | (293,784)                                    | (64,857)                         | (7,003,788)          |
| <b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS</b> | <b>50,913,781</b>               | <b>(39,159,434)</b>                    | <b>(20,198,507)</b>                            | <b>954,668</b>                  | <b>(1,205,136)</b>                           | <b>113,685</b>                   | <b>(14,908,144)</b>  |

Gains and losses arose solely from continuing activities. There were no gains and losses other than those dealt with in the statements of comprehensive income.

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE  
TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020**

|   | Veritas Asian Fund<br>USD | Veritas Global Focus<br>Fund<br>USD | Veritas Global Equity<br>Income Fund<br>GBP | Veritas China Fund<br>USD |
|---|---------------------------|-------------------------------------|---|---------------------------|
| Net Assets attributable to holders of redeemable participating shares at the start of the period              | 2,395,477,966             | 3,327,903,677                       | 513,091,183                                 | 23,902,407                |
| Foreign exchange movement arising on aggregation  | –                         | –                                   | –   | –                         |
| Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations  | (285,622,738)             | (323,465,156)                       | (76,496,024)                                | (384,084)                 |
| Proceeds from redeemable participating shares issued  | 1,186,697,062             | 300,967,007                         | 16,349,150                                  | 306,497                   |
| Redemption of redeemable participating shares   | (454,457,303)             | (428,892,649)                       | (108,486,220)                               | (674,628)                 |
| <b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES AT THE END OF<br/>THE PERIOD</b> | <b>2,842,094,987</b>      | <b>2,876,512,879</b>                | <b>344,458,089</b>                          | <b>23,150,192</b>         |

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE  
TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

|   | Veritas Global Real<br>Return Fund<br>GBP | Veritas Izoard Fund<br>USD | Veritas Third Eye<br>Global Emerging<br>Markets Fund<br>USD | Total<br>USD         |
|---|---|----------------------------|---|----------------------|
| Net Assets attributable to holders of redeemable participating shares at the start of the period              | 294,745,335                               | 62,299,298                 | 12,382,484  | 6,815,604,749        |
| Foreign exchange movement arising on aggregation  | –   | –                          | –   | 10,670,330           |
| Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations  | (12,150,692)                              | (4,792,670)                | (1,391,236)   | (728,210,619)        |
| Proceeds from redeemable participating shares issued  | 51,487,592                                | 1,572,072                  | 162,332   | 1,575,837,281        |
| Redemption of redeemable participating shares   | (43,502,340)                              | (1,499,044)                | (97,227)  | (1,078,600,726)      |
| <b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF<br/>REDEEMABLE PARTICIPATING SHARES AT THE END OF<br/>THE PERIOD</b> | <b>290,579,895</b>                        | <b>57,579,656</b>          | <b>11,056,353</b>   | <b>6,595,301,015</b> |

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE  
TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2019**

|   | <b>Veritas<br/>Asian<br/>Fund<br/>USD</b> | <b>Veritas<br/>Global Focus<br/>Fund<br/>USD</b> | <b>Veritas Global<br/>Equity Income<br/>Fund<br/>GBP</b> | <b>Veritas<br/>China<br/>Fund<br/>USD</b> | <b>Veritas<br/>Global Real<br/>Return Fund<br/>GBP</b> | <b>Veritas<br/>Izoard<br/>Fund<br/>USD</b> | <b>Total<br/>2019<br/>USD</b> |
|---|---|--|--|---|--|--|-------------------------------|
| Net Assets attributable to holders of redeemable participating shares at the start of the period              | 2,103,698,586                             | 3,541,318,883                                    | 644,301,529  | 22,649,792                                | 239,598,718  | 62,686,023                                 | 6,883,003,401                 |
| Foreign exchange movement arising on aggregation  | –   | –  | –  | –   | –  | –  | (1,301,206)                   |
| Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations  | 50,913,781                                | (39,159,434)                                     | (20,198,507)   | 954,668                                   | (1,205,136)  | 113,685                                    | (14,908,143)                  |
| Proceeds from redeemable participating shares issued  | 446,464,910                               | 190,477,516                                      | 36,133,439   | 390,364                                   | 81,241,294   | 3,427,939                                  | 792,832,987                   |
| Redemption of redeemable participating shares   | (444,612,449)                             | (310,866,955)                                    | (63,501,835)   | (166,547)                                 | (88,583,488)   | -  | (952,689,710)                 |
| <b>NET ASSETS ATTRIBUTABLE TO HOLDERS<br/>OF REDEEMABLE PARTICIPATING SHARES<br/>AT THE END OF THE PERIOD</b> | <b>2,156,464,828</b>                      | <b>3,381,770,010</b>                             | <b>596,734,626</b>                                       | <b>23,828,277</b>                         | <b>231,051,388</b>                                     | <b>66,227,647</b>                          | <b>6,706,937,329</b>          |

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF CASH FLOWS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020**

|  | <b>Veritas<br/>Asian<br/>Fund<br/>USD</b> | <b>Veritas<br/>Global Focus<br/>Fund<br/>USD</b> | <b>Veritas Global<br/>Equity Income<br/>Fund<br/>GBP</b> | <b>Veritas<br/>China<br/>Fund<br/>USD</b> | <b>Veritas<br/>Global Real<br/>Return Fund<br/>GBP</b> |
|--|---|--|--|---|--|
| <b>Cash flows from operating activities</b>  |   |  |  |   |  |
| Purchase of financial assets and settlement of financial liabilities   | (1,574,755,476)                           | (929,121,555)                                    | (63,696,287)   | (20,713,940)                              | (117,870,629)  |
| Proceeds from sale of financial assets and of financial liabilities  | 568,029,117                               | 551,666,727                                      | 143,406,376  | 13,545,928                                | 64,544,436   |
| Realised (gain)/loss   | 62,454,735                                | (171,179,386)                                    | (7,297,797)  | (601,978)                                 | (32,753,670)   |
| Unrealised (gain)/loss   | 220,647,480                               | 495,939,371                                      | 84,261,156   | 904,425                                   | 43,188,381   |
| (Increase)/decrease in debtors   | 126,568,113                               | 1,092,590  | 36,533,461   | (586,397)                                 | (15,519,308)   |
| Increase/(decrease) in creditors   | (45,576,586)                              | 1,012,643  | (9,938,266)  | (98,673)                                  | (160,968)  |
| Interest expense   | (4,427)                                   | (28,825)   | (5,696)  | (456)                                     | (72)   |
| Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations | (285,618,311)                             | (323,436,331)                                    | (71,872,581)   | (383,628)                                 | (12,150,620)   |
| <b>Net cash inflow/(outflow) from operating activities</b>   | <b>(928,255,355)</b>                      | <b>(374,054,766)</b>                             | <b>111,390,366</b>                                       | <b>(7,934,719)</b>                        | <b>(70,722,450)</b>                                    |
| <b>Cash flows from financing activities</b>  |   |  |  |   |  |
| Proceeds from redeemable participating shares issued   | 1,251,169,343                             | 298,381,808                                      | 16,016,129   | 180,023                                   | 59,994,212   |
| Payment on redemption of redeemable participating shares   | (454,226,330)                             | (456,419,307)                                    | (149,805,261)  | (674,628)                                 | (42,958,088)   |
| Distributions to holders of redeemable participating shares  | –   | –  | (4,617,747)  | –   | –  |
| <b>Net cash inflow/(outflow) from financing activities</b>   | <b>796,943,013</b>                        | <b>(158,037,499)</b>                             | <b>(138,406,879)</b>                                     | <b>(494,605)</b>                          | <b>17,036,124</b>                                      |
| Net increase/(decrease) in cash and cash equivalents   | (131,312,342)                             | (532,092,265)                                    | (27,016,513)   | (8,429,324)                               | (53,686,326)   |
| Cash and cash equivalents at beginning of period   | 301,744,523                               | 571,070,043                                      | 34,138,529   | 11,012,516                                | 52,487,873   |
| Exchange adjustment due to currency conversion   | –   | –  | –  | –   | –  |
| <b>Cash and cash equivalents/(bank overdraft) at end of period</b>   | <b>170,432,181</b>                        | <b>38,977,778</b>                                | <b>7,122,016</b>   | <b>2,583,192</b>                          | <b>(1,198,453)</b>                                     |

The notes to the financial statements form an integral part of these financial statements.

**VERITAS FUNDS PLC**

**STATEMENT OF CASH FLOWS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

|  | <b>Veritas<br/>Izoard<br/>Fund<br/>USD</b> | <b>Veritas Third Eye<br/>Global Emerging<br/>Markets Fund<br/>USD</b> | <b>Total<br/>USD</b>   |
|--|--|---|------------------------|
| <b>Cash flows from operating activities</b>  |  |   |                        |
| Purchase of financial assets and settlement of financial liabilities   | (17,933,084)                               | (6,190,187)   | (2,779,249,755)        |
| Proceeds from sale of financial assets and of financial liabilities  | 8,244,435                                  | 2,677   | 1,405,524,030          |
| Realised (gain)/loss   | (2,138,102)                                | (2,677)   | (162,320,756)          |
| Unrealised (gain)/loss   | 7,227,622                                  | 1,414,814   | 887,956,389            |
| (Increase)/decrease in debtors   | (38,601)                                   | (667,400)   | 153,049,975            |
| Increase/(decrease) in creditors   | (942,111)                                  | (18,557)  | (57,778,400)           |
| Interest expense   | –  | –   | (41,032)               |
| Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations | (4,792,670)                                | (1,391,236)   | (722,306,434)          |
| <b>Net cash inflow/(outflow) from operating activities</b>   | <b>(10,372,511)</b>                        | <b>(6,852,566)</b>  | <b>(1,275,165,983)</b> |
| <b>Cash flows from financing activities</b>  |  |   |                        |
| Proceeds from redeemable participating shares issued   | 1,572,072                                  | 162,332   | 1,646,564,434          |
| Payment on redemption of redeemable participating shares   | (1,499,044)                                | (97,227)  | (1,157,668,160)        |
| Distributions to holders of redeemable participating shares  | –  | –   | (5,863,153)            |
| <b>Net cash inflow/(outflow) from financing activities</b>   | <b>73,028</b>                              | <b>65,105</b>   | <b>483,033,121</b>     |
| Net increase/(decrease) in cash and cash equivalents   | (10,299,483)                               | (6,787,461)   | (792,132,862)          |
| Cash and cash equivalents at beginning of period   | 11,225,942                                 | 9,929,286   | 1,010,914,929          |
| Exchange adjustment due to currency conversion   | –  | –   | 3,857,300              |
| <b>Cash and cash equivalents/(bank overdraft) at end of period</b>   | <b>926,459</b>                             | <b>3,141,825</b>  | <b>222,639,367</b>     |

The notes to the financial statements form an integral part of these financial statements.



**VERITAS FUNDS PLC**

**STATEMENT OF CASH FLOWS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2019**

|  | Veritas<br>Asian<br>Fund<br>USD | Veritas<br>Global Focus<br>Fund<br>USD | Veritas Global<br>Equity Income<br>Fund<br>GBP | Veritas<br>China<br>Fund<br>USD | Veritas<br>Global Real<br>Return Fund<br>GBP | Veritas<br>Izoard<br>Fund<br>USD | Total<br>USD         |
|--|---------------------------------|--|--|---------------------------------|--|----------------------------------|----------------------|
| <b>Cash flows from operating activities</b>  |                                 |  |  |                                 |  |                                  |                      |
| Purchase of financial assets and settlement of financial liabilities   | (651,011,419)                   | (659,079,438)                          | (106,491,106)                                  | (19,582,421)                    | (55,181,364)                                 | (16,844,210)                     | (1,555,982,481)      |
| Proceeds from sale of financial assets and of financial liabilities  | 411,324,490                     | 547,185,223                            | 131,246,005                                    | 13,347,615                      | 72,501,875                                   | 1,962,408                        | 1,237,798,187        |
| Realised (gain)/loss   | 14,555,514                      | (101,564,229)                          | (5,886,504)                                    | 563,585                         | (8,515,670)                                  | 316,356                          | (104,788,421)        |
| Unrealised (gain)/loss   | (48,031,779)                    | 145,900,470                            | 25,902,477                                     | (2,010,752)                     | 8,969,204                                    | (48,718)                         | 140,989,433          |
| (Increase)/decrease in debtors   | (1,405,238)                     | 3,347,754                              | (2,061,919)                                    | (3,333,006)                     | (453,987)                                    | 129,964                          | (4,520,167)          |
| Increase/(decrease) in creditors   | (9,030,860)                     | (1,250,728)                            | (9,119,067)                                    | (124,565)                       | 15,449                                       | (573,565)                        | (22,774,486)         |
| Interest expense   | (1,288,343)                     | (42,202)                               | (5,112)  | (21,220)                        | (17,116)                                     | (74)                             | (1,380,638)          |
| Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations | 52,202,124                      | (39,117,232)                           | (14,414,507)                                   | 975,888                         | (1,188,020)                                  | 113,759                          | (6,040,302)          |
| <b>Net cash inflow/(outflow) from operating activities</b>   | <b>(232,685,511)</b>            | <b>(104,620,382)</b>                   | <b>19,170,267</b>                              | <b>(10,184,876)</b>             | <b>16,130,371</b>                            | <b>(14,944,080)</b>              | <b>(316,698,875)</b> |
| <b>Cash flows from financing activities</b>  |                                 |  |  |                                 |  |                                  |                      |
| Proceeds from redeemable participating shares issued   | 442,191,167                     | 178,183,926                            | 36,486,067                                     | 1,403,472                       | 51,511,829                                   | 2,127,939                        | 737,917,743          |
| Payment on redemption of redeemable participating shares   | (458,554,614)                   | (322,355,888)                          | (64,068,871)                                   | (166,547)                       | (88,368,697)                                 | –                                | (978,577,181)        |
| Distributions to holders of redeemable participating shares  | –                               | –                                      | (5,778,888)                                    | –                               | –  | –                                | (7,487,204)          |
| <b>Net cash inflow/(outflow) from financing activities</b>   | <b>(16,363,447)</b>             | <b>(144,171,962)</b>                   | <b>(33,361,692)</b>                            | <b>1,236,925</b>                | <b>(36,856,868)</b>                          | <b>2,127,939</b>                 | <b>(248,146,642)</b> |
| Net increase/(decrease) in cash and cash equivalents   | (249,048,958)                   | (248,792,344)                          | (14,191,425)                                   | (8,947,951)                     | (20,726,497)                                 | (12,816,141)                     | (564,845,517)        |
| Cash and cash equivalents at beginning of period   | 343,254,949                     | 599,430,427                            | 46,004,154                                     | 13,336,870                      | 34,833,685                                   | 26,329,131                       | 1,087,767,961        |
| Exchange adjustment due to currency conversion   | –                               | –                                      | –  | –                               | –  | –                                | (340,513)            |
| <b>Cash and cash equivalents at end of period</b>  | <b>94,205,991</b>               | <b>350,638,083</b>                     | <b>31,812,729</b>                              | <b>4,388,919</b>                | <b>14,107,188</b>                            | <b>13,512,990</b>                | <b>522,581,931</b>   |

The notes to the financial statements form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020**

**1. General**

Veritas Funds Plc (the “Company”) was incorporated in Ireland on 24 April 2001 with registered number 342215, as an open-ended investment company with variable capital and limited liability under the Companies Act, 2014. The Company is authorised by the Central Bank (Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”). The Company was listed on the Irish Stock Exchange up to 13 July 2017. Listing and trading of all the share classes of the Company on the Irish Stock Exchange was cancelled with effect from 14 July 2017. The Company has implemented a remuneration policy pursuant to Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards to depositary functions, remuneration policies and sanctions (the “UCITS V Directive”).

The Company is an umbrella type structure with segregated liability between sub-funds (the “Sub-Funds”), in which different Sub-Funds may be issued from time to time with the prior approval of the Central Bank of Ireland. The Company is a public company, and the registered office is located in 25-28 North Wall Quay, IFSC, Dublin 1, Ireland. As at 31 March 2020, the Company has seven Sub-Funds in existence, Veritas Asian Fund, Veritas Global Focus Fund, Veritas Global Equity Income Fund, Veritas China Fund, Veritas Global Real Return Fund, Veritas Izoard Fund and Veritas Third Eye Global Emerging Markets Fund.

**2. Principal accounting policies**

These financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), issued by the International Accounting Standard Board (“IASB”) as adopted for use in the European Union and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB. Specifically these financial statements have been prepared in accordance with IAS (International Accounting Standard) 34: Interim Financial Reporting.

The comparative figures included for the Statement of Financial Position relate to the previous year ended 30 September 2019, while the comparative figures included for the Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and Statement of Cash Flow relate to the six month period ended 31 March 2019.

The accounting policies used in the preparation of these financial statements are consistent with those used in the Company’s most recent annual financial statements for the year ended 30 September 2019. There have been no changes in accounting policies since the date of the company’s last annual financial statements, for the year ended 30 September 2019. The format of these financial statements differs in some respects from that of the most recent annual financial statements, in that the notes to the financial statements are presented in a summary form.

For these Financial Statements a separate valuation was prepared for each Fund at last traded prices to close of business 31 March 2020. A reconciliation between the last dealing NAV of the period, 31 March 2020 and the NAV used for Financial Statements purposes is provided in note 8.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**3. Distributions**

In accordance with the Sub-Funds' constitution, the Sub-Funds may distribute its distributable income to shareholders and may declare dividends on class of Shares. Distributions will not be paid without prior notice to Shareholders.

The Directors have obtained confirmation from HM Revenue & Customs that the entry of the Company into the Reporting Fund regime was accepted with effect from 1 October 2010.

It is intended that the Company will conduct its affairs so as to ensure that the shares will qualify for reporting fund status throughout its life. However, though the Directors will endeavour to ensure that the Shares qualify for reporting fund status throughout its life, this cannot be guaranteed.

Under the reporting status regime, UK resident holders of an interest in a reporting fund will be subject to UK income tax or corporation tax on the share of the reporting Sub-Funds' income attributable to their holding in the Sub-Funds', whether or not distributed, but any gains will continue to be subject to capital gains tax or corporation tax on chargeable gains.

Distributions made are also subject to equalisation. Equalisation is operated in connection with the issue and redemption of shares. It represents the income element included in the price for the issue and redemption of shares.

The dividends paid for the period ended 31 March 2020 were as follows (Share Class represents the names of the Share Classes in existence as at the period ended 31 March 2020):

| <b>Fund</b>                       | <b>Share Class</b> | <b>Date</b>   | <b>Gross Amount</b> |
|-----------------------------------|--------------------|---------------|---------------------|
| Veritas Global Equity Income Fund | EUR A Class Shares | 31 March 2020 | EUR 78,851          |
| Veritas Global Equity Income Fund | GBP A Class Shares | 31 March 2020 | GBP 775,333         |
| Veritas Global Equity Income Fund | USD A Class Shares | 31 March 2020 | USD 60,529          |
| Veritas Global Equity Income Fund | EUR B Class Shares | 31 March 2020 | EUR 10,312          |
| Veritas Global Equity Income Fund | GBP B Class Shares | 31 March 2020 | GBP 86,984          |
| Veritas Global Equity Income Fund | USD B Class Shares | 31 March 2020 | USD 191,712         |
| Veritas Global Equity Income Fund | EUR D Class Shares | 31 March 2020 | EUR 24,972          |
| Veritas Global Equity Income Fund | GBP D Class Shares | 31 March 2020 | GBP 2,781,015       |
| Veritas Global Equity Income Fund | USD D Class Shares | 31 March 2020 | USD 97,781          |
| Veritas Global Equity Income Fund | USD E Class Shares | 31 March 2020 | USD 21,349          |

The distributions payable at 31 March 2020 amounted to USD 4,999,496 (30 September 2019: USD 28,656,884).

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**3. Distributions (continued)**

The dividends paid for the year ended 30 September 2019 were as follows (Share Class represents the names of the Share Classes in existence as at the year ended 30 September 2019):

| <b>Fund</b>                       | <b>Share Class</b>  | <b>Date</b>       | <b>Gross Amount</b> |
|-----------------------------------|---------------------|-------------------|---------------------|
| Veritas Asian Fund                | EUR A Class Shares  | 30 September 2019 | EUR 139,399         |
| Veritas Asian Fund                | GBP A Class Shares  | 30 September 2019 | GBP 1,275,085       |
| Veritas Asian Fund                | USD A Class Shares  | 30 September 2019 | USD 741,045         |
| Veritas Asian Fund                | EUR B Class Shares  | 30 September 2019 | EUR 200             |
| Veritas Asian Fund                | GBP B Class Shares  | 30 September 2019 | GBP 7,490           |
| Veritas Asian Fund                | USD B Class Shares  | 30 September 2019 | USD 39,314          |
| Veritas Asian Fund                | EUR D Class Shares* | 30 September 2019 | EUR 32,812          |
| Veritas Asian Fund                | GBP D Class Shares  | 30 September 2019 | GBP 2,918,162       |
| Veritas Asian Fund                | USD D Class Shares  | 30 September 2019 | USD 707,410         |
| Veritas Global Focus Fund         | EUR A Class Shares  | 30 September 2019 | EUR 350,618         |
| Veritas Global Focus Fund         | GBP A Class Shares  | 30 September 2019 | GBP 1,088,136       |
| Veritas Global Focus Fund         | USD A Class Shares  | 30 September 2019 | USD 733,794         |
| Veritas Global Focus Fund         | EUR D Class Shares  | 30 September 2019 | EUR 5,601           |
| Veritas Global Focus Fund         | GBP D Class Shares  | 30 September 2019 | GBP 2,226,995       |
| Veritas Global Focus Fund         | USD D Class Shares  | 30 September 2019 | USD 358,756         |
| Veritas Global Equity Income Fund | EUR A Class Shares  | 31 March 2019     | EUR 79,507          |
| Veritas Global Equity Income Fund | GBP A Class Shares  | 31 March 2019     | GBP 1,512,622       |
| Veritas Global Equity Income Fund | USD A Class Shares  | 31 March 2019     | USD 104,925         |
| Veritas Global Equity Income Fund | EUR B Class Shares  | 31 March 2019     | EUR 13,002          |
| Veritas Global Equity Income Fund | GBP B Class Shares  | 31 March 2019     | GBP 109,094         |
| Veritas Global Equity Income Fund | USD B Class Shares  | 31 March 2019     | USD 260,394         |
| Veritas Global Equity Income Fund | EUR D Class Shares  | 31 March 2019     | EUR 25,284          |
| Veritas Global Equity Income Fund | GBP D Class Shares  | 31 March 2019     | GBP 3,665,939       |
| Veritas Global Equity Income Fund | USD D Class Shares  | 31 March 2019     | USD 122,064         |
| Veritas Global Equity Income Fund | USD E Class Shares  | 31 March 2019     | USD 23,103          |
| Veritas Global Equity Income Fund | EUR A Class Shares  | 30 September 2019 | EUR 166,906         |
| Veritas Global Equity Income Fund | GBP A Class Shares  | 30 September 2019 | GBP 2,966,621       |
| Veritas Global Equity Income Fund | USD A Class Shares  | 30 September 2019 | USD 139,884         |
| Veritas Global Equity Income Fund | EUR B Class Shares  | 30 September 2019 | EUR 23,991          |
| Veritas Global Equity Income Fund | GBP B Class Shares  | 30 September 2019 | GBP 213,321         |
| Veritas Global Equity Income Fund | USD B Class Shares  | 30 September 2019 | USD 450,779         |
| Veritas Global Equity Income Fund | EUR D Class Shares  | 30 September 2019 | EUR 65,904          |
| Veritas Global Equity Income Fund | GBP D Class Shares  | 30 September 2019 | GBP 7,841,100       |
| Veritas Global Equity Income Fund | USD D Class Shares  | 30 September 2019 | USD 220,511         |
| Veritas Global Equity Income Fund | USD E Class Shares  | 30 September 2019 | USD 49,053          |

\* Launched: 15 October 2018

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**3. Distributions (continued)**

| <b>Fund</b>                     | <b>Share Class</b> | <b>Date</b>       | <b>Gross Amount</b> |
|---------------------------------|--------------------|-------------------|---------------------|
| Veritas China Fund              | EUR A Class Shares | 30 September 2019 | EUR 25              |
| Veritas China Fund              | GBP A Class Shares | 30 September 2019 | GBP 5,550           |
| Veritas China Fund              | USD A Class Shares | 30 September 2019 | USD 20,909          |
| Veritas Global Real Return Fund | EUR A Class Shares | 30 September 2019 | EUR 6,553           |
| Veritas Global Real Return Fund | GBP A Class Shares | 30 September 2019 | GBP 75,045          |
| Veritas Global Real Return Fund | EUR D Class Shares | 30 September 2019 | EUR 29,637          |
| Veritas Global Real Return Fund | GBP D Class Shares | 30 September 2019 | GBP 362,327         |
| Veritas Global Real Return Fund | USD D Class Shares | 30 September 2019 | USD 78,518          |
| Veritas Global Real Return Fund | EUR E Class Shares | 30 September 2019 | EUR 9,915           |
| Veritas Izoard Fund             | GBP C Class Shares | 30 September 2019 | GBP 519,666         |
| Veritas Izoard Fund             | USD C Class Shares | 30 September 2019 | USD 224,339         |

**4. Derivatives**

The Company may employ techniques and instruments including but not limited to futures, options, forward contracts and contracts for difference (described below) relating to transferable securities and/or other financial instruments in which it invests for efficient portfolio management purposes and for investment purposes.

*Contracts for difference*

Contracts for difference (CFD's) result in exposure to market risk based on changes in market prices relative to contracted amounts. Market risks arise due to possible movement in securities values underlying these instruments. In addition, a high degree of leverage may be typical. As a result, a relatively small price movement in a contract may result in substantial losses to the Company. The fair value of contracts for difference entered into by the Company as at 31 March 2020 are disclosed in the Schedule of Investments.

All income accruing to the underlying securities in the CFDs and the financing charges associated with the CFD trading are accrued by the Company on an accruals basis and is recognised in the Statement of Comprehensive Income account as part of the net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**4. Derivatives (continued)**

*Forward contracts*

The Sub-Funds are authorised for purposes of efficient portfolio management to enter into forward currency contracts for the purpose of managing the foreign currency exposure arising from the Sub-Funds' investment or anticipated investment in securities denominated in foreign currencies. Forward contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or an index at a specified future date for a specified price and may be settled in cash or another financial asset. Forward contracts are individually traded over-the-counter contracts. Forward contracts result in credit exposure to the counterparty.

Forward contracts result in exposure to market risk based on changes in market prices relative to contracted amounts. Market risks arise due to the possible movement in foreign currency exchange rates, indices, and securities' values underlying these instruments. In addition, because of the low margin deposits normally required in relation to notional contract sizes, a high degree of leverage may be typical of a forward trading account. As a result, a relatively small price movement in an underlying of forward contract may result in substantial losses to the Company.

Notional amounts are the underlying reference amounts to stock exchange indices, equities and foreign currencies upon which the fair value of the forward contracts traded by the Company are based. While notional amounts do not represent the current fair value and are not necessarily indicative of the future cash flows of the Company's forward contracts, the underlying price changes in relation to the variables specified by the notional amounts affect the fair value of these derivative financial instruments. The fair value of forward currency contracts entered into by the Company as at 31 March 2020 are disclosed in the Schedule of Investments.

Realised gains and losses are recorded in the Statement of Comprehensive Income at the time the forward currency contract settles. Realised and unrealised gains and losses applicable to forward currency contracts entered into a Sub-Fund level are allocated at Sub-Fund level. In relation to class specific forward currency contracts, the realised and unrealised gains and losses and transaction costs are allocated solely to those share classes.

*Futures*

Futures are contracts for delayed delivery of commodities or financial instruments, in which the seller agrees to make delivery at a specific future date of a specific commodity, at a specified price or yield. Gains and losses on futures are recorded by the Sub-Funds based on market fluctuations and are recorded as realised or unrealised gains/(losses) or other income dependent upon settlement terms of the contracts held. The fair value of futures entered into by the Company as at 31 March 2020 are disclosed in the Schedule of Investments.

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
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(CONTINUED)**

**5. Financial assets and liabilities at fair value through profit or loss**

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 March 2020:

**Veritas Asian Fund**

| <b>31 March 2020</b>   | <b>Level 1<br/>USD</b> | <b>Level 2<br/>USD</b> | <b>Level 3<br/>USD</b> | <b>Total<br/>USD</b> |
|--|------------------------|------------------------|------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b> |                        |                        |                        |                      |
| Equities   | 2,660,923,252          | –                      | –                      | 2,660,923,252        |
| <b>Total</b>   | <b>2,660,923,252</b>   | <b>–</b>               | <b>–</b>               | <b>2,660,923,252</b> |

**Veritas Global Focus Fund**

| <b>31 March 2020</b>  | <b>Level 1<br/>USD</b> | <b>Level 2<br/>USD</b> | <b>Level 3*<br/>USD</b> | <b>Total<br/>USD</b> |
|---|------------------------|------------------------|-------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b>      |                        |                        |                         |                      |
| Equities  | 2,849,010,617          | –                      | –                       | 2,849,010,617        |
| Forward Currency Contracts  | –                      | 271,366                | –                       | 271,366              |
| <b>Total</b>  | <b>2,849,010,617</b>   | <b>271,366</b>         | <b>–</b>                | <b>2,849,281,983</b> |
| <b>Financial liabilities at fair value through profit or loss</b> |                        |                        |                         |                      |
| Forward Currency Contracts  | –                      | (621,249)              | –                       | (621,249)            |
| <b>Total</b>  | <b>–</b>               | <b>(621,249)</b>       | <b>–</b>                | <b>(621,249)</b>     |

\*RREEF China Commercial Trust with Nil investment value is classified under Level 3. It has been priced at Nil as all distributions relating to the investment have been disbursed to shareholders.

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**5. Financial assets and liabilities at fair value through profit or loss (continued)**

**Veritas Global Equity Income Fund**

| <b>31 March 2020</b>  | <b>Level 1<br/>GBP</b> | <b>Level 2<br/>GBP</b> | <b>Level 3*<br/>GBP</b> | <b>Total<br/>GBP</b> |
|---|------------------------|------------------------|-------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b>      |                        |                        |                         |                      |
| Equities  | 334,336,257            | –                      | –                       | 334,336,257          |
| Forward Currency Contracts  | –                      | 62,759                 | –                       | 62,759               |
| <b>Total</b>  | <b>334,336,257</b>     | <b>62,759</b>          | <b>–</b>                | <b>334,399,016</b>   |
| <b>Financial liabilities at fair value through profit or loss</b> |                        |                        |                         |                      |
| Forward Currency Contracts  | –                      | (14,636)               | –                       | (14,636)             |
| <b>Total</b>  | <b>–</b>               | <b>(14,636)</b>        | <b>–</b>                | <b>(14,636)</b>      |

\*RREEF China Commercial Trust with Nil investment value is classified under Level 3. It has been priced at Nil as all distributions relating to the investment have been disbursed to shareholders.

**Veritas China Fund**

| <b>31 March 2020</b>  | <b>Level 1<br/>USD</b> | <b>Level 2<br/>USD</b> | <b>Level 3<br/>USD</b> | <b>Total<br/>USD</b> |
|---|------------------------|------------------------|------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b>      |                        |                        |                        |                      |
| Equities  | 18,519,087             | –                      | –                      | 18,519,087           |
| Bond  | –                      | 582,303                | –                      | 582,303              |
| <b>Total</b>  | <b>18,519,087</b>      | <b>582,303</b>         | <b>–</b>               | <b>19,101,390</b>    |
| <b>Financial liabilities at fair value through profit or loss</b> |                        |                        |                        |                      |
| Contracts for Difference  | –                      | (93,402)               | –                      | (93,402)             |
| <b>Total</b>  | <b>–</b>               | <b>(93,402)</b>        | <b>–</b>               | <b>(93,402)</b>      |



**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**5. Financial assets and liabilities at fair value through profit or loss (continued)**

**Veritas Global Real Return Fund**

| 31 March 2020   | Level 1<br>GBP     | Level 2<br>GBP   | Level 3*<br>GBP | Total<br>GBP       |
|---|--------------------|------------------|-----------------|--------------------|
| <b>Financial assets at fair value through profit or loss</b>      |                    |                  |                 |                    |
| Equities  | 278,530,986        | –                | –               | 278,530,986        |
| Forward Currency Contracts  | –                  | 3,425,960        | –               | 3,425,960          |
| <b>Total</b>  | <b>278,530,986</b> | <b>3,425,960</b> | <b>–</b>        | <b>281,956,946</b> |
| <b>Financial liabilities at fair value through profit or loss</b> |                    |                  |                 |                    |
| Future Contracts  | (7,739,807)        | –                | –               | (7,739,807)        |
| Forward Currency Contracts  | –                  | (637,247)        | –               | (637,247)          |
| <b>Total</b>  | <b>(7,739,807)</b> | <b>(637,247)</b> | <b>–</b>        | <b>(8,377,054)</b> |

\*RREEF China Commercial Trust with Nil investment value is classified under Level 3. It has been priced at Nil as all distributions relating to the investment have been disbursed to shareholders.

**Veritas Izoard Fund**

| 31 March 2020  | Level 1<br>USD    | Level 2<br>USD | Level 3<br>USD | Total<br>USD      |
|--|-------------------|----------------|----------------|-------------------|
| <b>Financial assets at fair value through profit or loss</b> |                   |                |                |                   |
| Equities   | 56,557,442        | –              | –              | 56,557,442        |
| <b>Total</b>   | <b>56,557,442</b> | <b>–</b>       | <b>–</b>       | <b>56,557,442</b> |

**Veritas Third Eye Global Emerging Markets Fund**

| 31 March 2020  | Level 1<br>USD   | Level 2<br>USD | Level 3<br>USD | Total<br>USD     |
|--|------------------|----------------|----------------|------------------|
| <b>Financial assets at fair value through profit or loss</b> |                  |                |                |                  |
| Equities   | 6,751,913        | –              | –              | 6,751,913        |
| Equity Warrants  | –                | 513,934        | –              | 513,934          |
| <b>Total</b>   | <b>6,751,913</b> | <b>513,934</b> | <b>–</b>       | <b>7,265,847</b> |

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
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(CONTINUED)**

**5. Financial assets and liabilities at fair value through profit or loss (continued)**

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 30 September 2019:

**Veritas Asian Fund**

| <b>30 September 2019</b>                                     | <b>Level 1<br/>USD</b> | <b>Level 2<br/>USD</b> | <b>Level 3<br/>USD</b> | <b>Total<br/>USD</b> |
|--|------------------------|------------------------|------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b> |                        |                        |                        |                      |
| Equities   | 1,927,894,936          | -                      | -                      | 1,927,894,936        |
| Equity Warrants  | -                      | 7,740,390              | -                      | 7,740,390            |
| Contracts for Difference                                     | -                      | 1,663,782              | -                      | 1,663,782            |
| <b>Total</b>   | <b>1,927,894,936</b>   | <b>9,404,172</b>       | <b>-</b>               | <b>1,937,299,108</b> |

**Veritas Global Focus Fund**

| <b>30 September 2019</b>  | <b>Level 1<br/>USD</b> | <b>Level 2<br/>USD</b> | <b>Level 3*<br/>USD</b> | <b>Total<br/>USD</b> |
|---|------------------------|------------------------|-------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b>      |                        |                        |                         |                      |
| Equities  | 2,795,989,897          | -                      | -                       | 2,795,989,897        |
| Forward Currency Contracts  | -                      | 3,764                  | -                       | 3,764                |
| <b>Total</b>  | <b>2,795,989,897</b>   | <b>3,764</b>           | <b>-</b>                | <b>2,795,993,661</b> |
| <b>Financial liabilities at fair value through profit or loss</b> |                        |                        |                         |                      |
| Forward Currency Contracts  | -                      | (27,770)               | -                       | (27,770)             |
| <b>Total</b>  | <b>-</b>               | <b>(27,770)</b>        | <b>-</b>                | <b>(27,770)</b>      |

\*RREEF China Commercial Trust with Nil investment value is classified under Level 3. It has been priced at Nil as all distributions relating to the investment have been disbursed to shareholders.

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**5. Financial assets and liabilities at fair value through profit or loss (continued)**

**Veritas Global Equity Income Fund**

| <b>30 September 2019</b>  | <b>Level 1<br/>GBP</b> | <b>Level 2<br/>GBP</b> | <b>Level 3*<br/>GBP</b> | <b>Total<br/>GBP</b> |
|---|------------------------|------------------------|-------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b>      |                        |                        |                         |                      |
| Equities  | 491,072,424            | -                      | -                       | 491,072,424          |
| Forward Currency Contracts  | -                      | 90                     | -                       | 90                   |
| <b>Total</b>  | <b>491,072,424</b>     | <b>90</b>              | -                       | <b>491,072,514</b>   |
| <b>Financial liabilities at fair value through profit or loss</b> |                        |                        |                         |                      |
| Forward Currency Contracts  | -                      | (14,686)               | -                       | (14,686)             |
| <b>Total</b>  | -                      | <b>(14,686)</b>        | -                       | <b>(14,686)</b>      |

**Veritas China Fund**

| <b>30 September 2019</b>                                     | <b>Level 1<br/>USD</b> | <b>Level 2<br/>USD</b> | <b>Level 3<br/>USD</b> | <b>Total<br/>USD</b> |
|--|------------------------|------------------------|------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b> |                        |                        |                        |                      |
| Bond   | -                      | 582,163                | -                      | 582,163              |
| Equities   | 11,560,260             | -                      | -                      | 11,560,260           |
| <b>Total</b>   | <b>11,560,260</b>      | <b>582,163</b>         | -                      | <b>12,142,423</b>    |

**Veritas Global Real Return Fund**

| <b>30 September 2019</b>  | <b>Level 1<br/>GBP</b> | <b>Level 2<br/>GBP</b> | <b>Level 3*<br/>GBP</b> | <b>Total<br/>GBP</b> |
|---|------------------------|------------------------|-------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b>      |                        |                        |                         |                      |
| Equities  | 230,768,211            | -                      | -                       | 230,768,211          |
| Future Contracts  | 744,512                | -                      | -                       | 744,512              |
| Forward Currency Contracts  | -                      | 30,998                 | -                       | 30,998               |
| <b>Total</b>  | <b>231,512,723</b>     | <b>30,998</b>          | -                       | <b>231,543,721</b>   |
| <b>Financial liabilities at fair value through profit or loss</b> |                        |                        |                         |                      |
| Future Contracts  | (105,593)              | -                      | -                       | (105,593)            |
| Forward Currency Contracts  | -                      | (749,718)              | -                       | (749,718)            |
| <b>Total</b>  | <b>(105,593)</b>       | <b>(749,718)</b>       | -                       | <b>(855,311)</b>     |

\*RREEF China Commercial Trust with Nil investment value is classified under Level 3. It has been priced at Nil as all distributions relating to the investment have been disbursed to shareholders.

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
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(CONTINUED)**

**5. Financial assets and liabilities at fair value through profit or loss (continued)**

**Veritas Izoard Fund**

| <b>30 September 2019</b>                                     | <b>Level 1<br/>USD</b> | <b>Level 2<br/>USD</b> | <b>Level 3<br/>USD</b> | <b>Total<br/>USD</b> |
|--|------------------------|------------------------|------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b> |                        |                        |                        |                      |
| Equities   | 51,958,313             | -                      | -                      | 51,958,313           |
| <b>Total</b>   | <b>51,958,313</b>      | <b>-</b>               | <b>-</b>               | <b>51,958,313</b>    |

**Veritas Third Eye Global Emerging Markets Fund\***

| <b>30 September 2019</b>                                     | <b>Level 1<br/>USD</b> | <b>Level 2<br/>USD</b> | <b>Level 3<br/>USD</b> | <b>Total<br/>USD</b> |
|--|------------------------|------------------------|------------------------|----------------------|
| <b>Financial assets at fair value through profit or loss</b> |                        |                        |                        |                      |
| Equities   | 2,216,647              | -                      | -                      | 2,216,647            |
| Equity Warrants  | -                      | 273,827                | -                      | 273,827              |
| <b>Total</b>   | <b>2,216,647</b>       | <b>273,827</b>         | <b>-</b>               | <b>2,490,474</b>     |

\* Launched: 1 July 2019

In determining an instrument's placement within the hierarchy, the Directors separate the Company's investment portfolio into two categories: investments and derivative instruments. Each of these categories can further be divided between financial assets or financial liabilities.

*Investments*

Investments whose values are based on quoted market prices in active markets, and are therefore classified within level 1.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

**NOTES TO THE FINANCIAL STATEMENTS  
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(CONTINUED)**

**5. Financial assets and liabilities at fair value through profit or loss (continued)**

Investments classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all. When observable prices are not available for these securities, the Directors uses one or more valuation techniques (e.g., the market approach or the income approach) for which sufficient and reliable data is available. Within level 3, the use of the market approach generally consists of using comparable market transactions, while the use of the income approach generally consists of the net present value of estimated future cash flows, adjusted as appropriate for liquidity, credit, market and/or other risk factors.

The inputs used by the Directors in estimating the value of investments in collective investment schemes classified as level 3 includes the redemption value based on the net asset value of the respective collective investment scheme, as indicated by the management of the underlying collective investment schemes. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Directors in the absence of market information. The fair value measurement of level 3 investments does not include transaction costs that may have been capitalised as part of the security's cost basis. Assumptions used by the Directors due to the lack of observable inputs may significantly impact the resulting fair value and therefore the Company's results of operations.

*Derivative Instruments*

Derivative instruments can be exchange-traded or privately negotiated over-the-counter ("OTC"). OTC derivatives, such as generic forward contracts and CFD's have inputs which can generally be corroborated by market data and are therefore classified within level 2. Futures are exchange traded and are therefore classified as level 1.

The Company considers the transfers between different levels to occur when there is a change in significant observable and unobservable inputs for a particular investment. There were no transfers between different level of investments during the period ended 31 March 2020 (30 September 2019: Nil).

The Company's assets and liabilities (by class) not measured at fair value but for which fair value is disclosed are level 1. These assets and liabilities are carried at amortised cost, their carrying values are a reasonable approximation of fair value.

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
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(CONTINUED)**

**6. Exchange rates**

The following exchange rates were used to translate assets and liabilities into the functional currency (USD) at 31 March 2020 and 30 September 2019 for the Veritas Asian Fund, Veritas Global Focus Fund, Veritas China Fund, Veritas Izoard Fund and the Veritas Third Eye Global Emerging Markets Fund.

|                      | <b>31 March<br/>2020</b> | <b>30 September<br/>2019</b> |
|----------------------|--------------------------|------------------------------|
| Australian Dollar    | 1.64163                  | 1.48104                      |
| British Pound        | 0.80906                  | 0.81301                      |
| Chinese Yuan         | 7.10900                  | 7.14340                      |
| Danish Krona         | 6.82320                  | 6.83570                      |
| Euro                 | 0.91333                  | 0.91563                      |
| Hong Kong Dollar     | 7.75260                  | 7.83965                      |
| Indian Rupee         | 75.39500                 | 70.82750                     |
| Korean Won           | 1,224.84000              | 1,198.37000                  |
| Mexican Peso         | 23.69900                 | -                            |
| New Taiwanese Dollar | 30.29200                 | 31.05700                     |
| Norwegian Krone      | 10.47860                 | -                            |
| Swedish Krona        | 10.12870                 | 9.80980                      |
| Swiss Franc          | 0.96565                  | 0.99520                      |
| Thai Baht            | 32.79500                 | 30.58500                     |

The following exchange rates were used to translate assets and liabilities into the functional currency (GBP) at 31 March 2020 and 30 September 2019 for the Veritas Global Equity Income Fund and Veritas Global Real Return Fund.

|                    | <b>31 March<br/>2020</b> | <b>30 September<br/>2019</b> |
|--------------------|--------------------------|------------------------------|
| Australian Dollar  | 2.02906                  | 1.82168                      |
| Euro               | 1.12887                  | 1.12622                      |
| Hong Kong Dollar   | 9.58221                  | 9.64277                      |
| Singapore Dollar   | 1.76217                  | 1.70091                      |
| South African Rand | 22.0420                  | 18.71753                     |
| Swedish Krona      | 12.51907                 | 12.06605                     |
| Swiss Franc        | 1.19354                  | 1.22410                      |
| US Dollar          | 1.23600                  | 1.23000                      |

**NOTES TO THE FINANCIAL STATEMENTS  
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(CONTINUED)**

**7. Related parties and connected persons**

**Connected persons**

In accordance with the requirements of the Central Bank UCITS Regulations, all transactions carried out with the Company by the management company or depositary of a UCITS, and the delegate or sub-delegates of such a management company or depositary (excluding any non-group company sub-depositarys appointed by a depositary), and any associated or group companies of such a management company, depositary, delegate or sub-delegate (“connected persons”) must be carried out as if negotiated at arm’s length and be in the best interests of shareholders. The Directors are satisfied that there are arrangements in place to ensure that the obligations set out in the Central Bank UCITS Regulations are applied to all transactions with connected persons and transactions with connected persons entered into during the period complied with the obligations set out in the Central Bank UCITS Regulations.

Mr Richard Grant is partner of the Investment Manager and as such has an interest in the relationship between the Company and the Investment Manager. Mr Richard Grant is also director of Veritas Asset Management (Asia) Ltd, a sub-advisor to the Investment Manager on Veritas Asian Fund and Veritas China Fund. Mr Richard Grant held shares 17,716 (30 September 2019: 17,286) in Veritas Global Equity Income Fund, 5,567 shares (30 September 2019: 5,561) in Veritas China Fund, 204,421 shares (30 September 2019: 204,198) in Veritas Global Real Return Fund, 10,323 shares (30 September 2019: 10,181) in Veritas Izoard Fund and 2,500 shares (30 September 2019: 2,500) in Veritas Third Eye Global Emerging Markets Fund. Mrs Catherine Grant, wife of Director Mr Richard Grant held 5,299 shares (30 September 2019: 5,275) in Veritas Global Focus Fund.

The Company uses the services of KB Associates for the provision of a Money Laundering Reporting Officer. Mr Mike Kirby who is a Director of the Company, is the Managing Principle of KB Associates.

Veritas Asset Management LLP, the Investment Manager, is a related party under the IAS 24 “Related Party Disclosures”. Fees payable to these parties and the amounts due at the period end are shown on the Statement of Financial Position and Statement of Comprehensive Income.

**8. Net asset value**

The Company has adopted IFRS 13 and changed its valuation input for financial assets and liabilities measured at fair value, based on a quoted price in an active market, to last traded prices. As all of the last traded prices for the Company’s financial assets and liabilities fall within the bid-ask spread, there is no variance, other than those due to timing between the Net Assets per the financial statements and the published Net Asset Value.

Net assets attributable to holders of redeemable participating shares represent a liability in the Statement of Financial Position, carried at the redemption amount that would be payable at the Statement of Financial Position date if the shareholder exercised the right to redeem the share to the Company.

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
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(CONTINUED)**

**8. Net asset value (continued)**

Reconciliation between dealing NAV as at 12pm on 31 March 2020 and Financial Statements NAV as at close of business 31 March 2020:

| <b>2020</b>   | <b>Veritas<br/>Asian<br/>Fund<br/>USD</b> | <b>Veritas<br/>Global Focus<br/>Fund<br/>USD</b> | <b>Veritas Global<br/>Equity Income<br/>Fund<br/>GBP</b> | <b>Veritas<br/>China<br/>Fund<br/>USD</b> |
|---|---|--|--|---|
| Dealing NAV (31 March 2020)<br>at Mid prices at 12 pm                                     | 2,831,036,438                             | 2,887,223,761                                    | 342,817,647  | 23,060,139                                |
| Adjustment for as of dealing  | 3,062,500                                 | 1,244,270  | 241,271  | 143,073                                   |
| Change in Net Asset value due<br>to price change from 12 pm to close of<br>business       | 7,996,049                                 | (11,955,152)                                     | 1,399,171  | (53,020)                                  |
| NAV as per Valuations<br>(31 March 2020)<br>at last traded prices at close of<br>business | <u>2,842,094,987</u>                      | <u>2,876,512,879</u>                             | <u>344,458,089</u>                                       | <u>23,150,192</u>                         |

| <b>2020</b>   | <b>Veritas Global<br/>Real Return<br/>Fund<br/>GBP</b> | <b>Veritas<br/>Izoard<br/>Fund<br/>USD</b> | <b>Veritas Third Eye<br/>Global Emerging<br/>Markets Fund<br/>USD</b> |
|---|--|--|---|
| Dealing NAV (31 March 2020)<br>at Mid prices at 12 pm                                     | 293,249,075  | 57,869,544                                 | 11,048,772  |
| Adjustment for as of dealing  | (557,089)  | 1,726                                      | (12,006)  |
| Change in Net Asset value due<br>to price change from 12 pm to close of<br>business       | (2,112,091)  | (291,614)                                  | 19,587  |
| NAV as per Valuations<br>(31 March 2020)<br>at last traded prices at close of<br>business | <u>290,579,895</u>                                     | <u>57,579,656</u>                          | <u>11,056,353</u>   |



**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
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(CONTINUED)**

**8. Net asset value (continued)**

Reconciliation between dealing NAV as at 12pm on 30 September 2019 and Financial Statements NAV as at close of business 30 September 2019:

| <b>2019</b>   | <b>Veritas<br/>Asian<br/>Fund<br/>USD</b> | <b>Veritas<br/>Global Focus<br/>Fund<br/>USD</b> | <b>Veritas Global<br/>Equity Income<br/>Fund<br/>GBP</b> | <b>Veritas<br/>China<br/>Fund<br/>USD</b> |
|---|---|--|--|---|
| Dealing NAV (30 September 2019)<br>at Mid prices at 12 pm                                     | 2,396,338,538                             | 3,343,496,199                                    | 554,484,241  | 23,865,767                                |
| Adjustment for as of dealing  | (1,071,796)                               | (29,247,891)                                     | (41,806,752)   | 4,955                                     |
| Change in Net Asset value due<br>to price change from 12 pm to close of<br>business           | 211,224                                   | 13,655,369                                       | 413,694  | 31,685                                    |
| NAV as per Valuations<br>(30 September 2019)<br>at last traded prices at close of<br>business | <u>2,395,477,966</u>                      | <u>3,327,903,677</u>                             | <u>513,091,183</u>                                       | <u>23,902,407</u>                         |

| <b>2019</b>   | <b>Veritas Global<br/>Real Return<br/>Fund<br/>GBP</b> | <b>Veritas<br/>Izoard<br/>Fund<br/>USD</b> | <b>Veritas Third Eye<br/>Global Emerging<br/>Markets Fund<br/>USD</b> |
|---|--|--|---|
| Dealing NAV (30 September 2019)<br>at Mid prices at 12 pm                                     | 294,163,014  | 62,066,619                                 | 12,377,699  |
| Adjustment for as of dealing  | 60,258   | 6,376                                      | (3,751)   |
| Change in Net Asset value due<br>to price change from 12 pm to close of<br>business           | 522,063  | 226,303                                    | 8,536   |
| NAV as per Valuations<br>(30 September 2019)<br>at last traded prices at close of<br>business | <u>294,745,335</u>                                     | <u>62,299,298</u>                          | <u>12,382,484</u>   |

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**8. Net asset value (continued)**

**Veritas Asian Fund**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>31 March<br/>2020</b> | <b>Total NAV<br/>31 March<br/>2020</b> | <b>Units in<br/>issue<br/>31 March<br/>2020</b> |
|--------------------|--|--|---|
| USD A Class Shares | 425.76   | 125,421,813                            | 294,581   |
| GBP A Class Shares | 639.71   | 231,759,141                            | 362,285   |
| EUR A Class Shares | 443.12   | 25,941,170                             | 58,542  |
| USD B Class Shares | 294.86   | 50,850,104                             | 172,458   |
| GBP B Class Shares | 469.56   | 8,062,899                              | 17,171  |
| EUR B Class Shares | 325.48   | 250,616                                | 770   |
| USD C Class Shares | 434.23   | 1,415,434,772                          | 3,259,608                                       |
| GBP C Class Shares | 654.30   | 172,415,802                            | 263,512   |
| EUR C Class Shares | 448.51   | 6,279,522                              | 14,001  |
| USD D Class Shares | 424.87   | 230,298,567                            | 542,047   |
| GBP D Class Shares | 639.97   | 381,322,177                            | 595,843   |
| EUR D Class Shares | 443.67   | 3,376,307                              | 7,610   |

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2019</b> | <b>Total NAV<br/>30 September<br/>2019</b> | <b>Units in<br/>issue<br/>30 September<br/>2019</b> |
|--------------------|--|--|---|
| USD A Class Shares | 462.19   | 137,815,802                                | 298,183   |
| GBP A Class Shares | 697.83   | 236,810,940                                | 339,355   |
| EUR A Class Shares | 482.24   | 26,615,980                                 | 55,193  |
| USD B Class Shares | 320.88   | 52,739,586                                 | 164,358   |
| GBP B Class Shares | 513.51   | 9,230,660                                  | 17,976  |
| EUR B Class Shares | 354.99   | 273,421                                    | 770   |
| USD C Class Shares | 470.79   | 1,099,385,551                              | 2,335,190   |
| GBP C Class Shares | 712.84   | 176,843,239                                | 248,082   |
| EUR C Class Shares | 487.80   | 347,791                                    | 713   |
| USD D Class Shares | 460.64   | 91,184,920                                 | 197,955   |
| GBP D Class Shares | 697.23   | 373,887,544                                | 536,246   |
| EUR D Class Shares | 482.21   | 4,188,986                                  | 8,687   |

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**8. Net asset value (continued)**

**Veritas Asian Fund (continued)**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2018</b> | <b>Total<br/>NAV<br/>30 September<br/>2018</b> | <b>Units in<br/>issue<br/>30 September<br/>2018</b> |
|--------------------|--|--|---|
| USD A Class Shares | 441.64   | 163,817,399                                    | 370,932   |
| GBP A Class Shares | 628.95   | 316,754,456                                    | 503,627   |
| EUR A Class Shares | 433.27   | 29,351,731                                     | 67,745  |
| USD B Class Shares | 306.74   | 54,295,624                                     | 177,009   |
| GBP B Class Shares | 463.03   | 8,428,540                                      | 18,203  |
| EUR B Class Shares | 319.08   | 245,757  | 770   |
| USD C Class Shares | 446.33   | 775,954,933                                    | 1,738,530   |
| GBP C Class Shares | 637.43   | 142,987,653                                    | 224,320   |
| EUR C Class Shares | 434.58   | 66,925   | 154   |
| USD D Class Shares | 440.10   | 207,379,565                                    | 471,207   |
| GBP D Class Shares | 627.99   | 197,291,450                                    | 314,164   |

**Veritas Global Focus Fund**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>31 March<br/>2020</b> | <b>Total NAV<br/>31 March<br/>2020</b> | <b>Units in<br/>issue<br/>31 March<br/>2020</b> |
|--------------------|--|--|---|
| USD A Class Shares | 31.84  | 139,428,920                            | 4,379,536                                       |
| GBP A Class Shares | 43.74  | 209,317,001                            | 4,785,579                                       |
| EUR A Class Shares | 17.68  | 72,438,964                             | 4,098,009                                       |
| USD B Class Shares | 22.68  | 7,060,131                              | 311,235   |
| GBP B Class Shares | 33.02  | 4,664,667                              | 141,273   |
| EUR B Class Shares | 20.80  | 135,568                                | 6,518   |
| USD C Class Shares | 35.33  | 514,583,103                            | 14,563,355                                      |
| GBP C Class Shares | 48.41  | 1,170,900,148                          | 24,188,533                                      |
| EUR C Class Shares | 32.57  | 110,273,311                            | 3,385,603                                       |
| USD D Class Shares | 33.02  | 50,582,983                             | 1,531,784                                       |
| GBP D Class Shares | 45.34  | 196,289,863                            | 4,329,447                                       |
| EUR D Class Shares | 30.37  | 1,719,966                              | 56,630  |
| NOK E Class Shares | 285.75   | 88,505,059                             | 309,733   |

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**8. Net asset value (continued)**

**Veritas Global Focus Fund (continued)**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2019</b> | <b>Total<br/>NAV<br/>30 September<br/>2019</b> | <b>Units in<br/>issue<br/>30 September<br/>2019</b> |
|--------------------|--|--|---|
| USD A Class Shares | 35.53  | 168,097,604                                    | 4,731,102   |
| GBP A Class Shares | 49.05  | 250,005,500                                    | 5,096,724   |
| EUR A Class Shares | 19.78  | 80,350,591                                     | 4,062,776   |
| USD B Class Shares | 25.38  | 7,949,100                                      | 313,207   |
| GBP B Class Shares | 37.12  | 5,297,153                                      | 142,694   |
| EUR B Class Shares | 23.33  | 164,199  | 7,039   |
| USD C Class Shares | 39.38  | 511,159,241                                    | 12,978,826  |
| GBP C Class Shares | 54.22  | 1,348,671,817                                  | 24,874,395  |
| EUR C Class Shares | 36.40  | 131,602,179                                    | 3,615,816   |
| USD D Class Shares | 36.81  | 53,267,353                                     | 1,447,180   |
| GBP D Class Shares | 50.78  | 307,065,723                                    | 6,046,869   |
| EUR D Class Shares | 33.94  | 833,750  | 24,565  |
| NOK E Class Shares | 320.82   | 38,823,339                                     | 121,011   |

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2018</b> | <b>Total NAV<br/>30 September<br/>2018</b> | <b>Units in<br/>issue<br/>30 September<br/>2018</b> |
|--------------------|--|--|---|
| USD A Class Shares | 34.25  | 164,485,447                                | 4,802,123   |
| GBP A Class Shares | 44.60  | 246,437,649                                | 5,525,274   |
| EUR A Class Shares | 17.93  | 65,960,583                                 | 3,678,858   |
| USD B Class Shares | 24.48  | 8,362,793                                  | 341,583   |
| GBP B Class Shares | 33.78  | 5,040,152                                  | 149,211   |
| EUR B Class Shares | 21.16  | 148,844                                    | 7,034   |
| USD C Class Shares | 37.71  | 499,270,294                                | 13,241,116  |
| GBP C Class Shares | 48.96  | 1,376,224,491                              | 28,107,787  |
| EUR C Class Shares | 32.77  | 151,426,792                                | 4,621,444   |
| USD D Class Shares | 35.48  | 44,870,194                                 | 1,264,729   |
| GBP D Class Shares | 46.17  | 343,853,972                                | 7,447,965   |
| EUR D Class Shares | 30.76  | 562,972                                    | 18,302  |

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**8. Net asset value (continued)**

**Veritas Global Equity Income Fund**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>31 March<br/>2020</b> | <b>Total NAV<br/>31 March<br/>2020</b> | <b>Units in<br/>issue<br/>31 March<br/>2020</b> |
|--------------------|--|--|---|
| USD A Class Shares | 105.13   | 4,351,972                              | 41,396  |
| GBP A Class Shares | 164.77   | 61,464,667                             | 373,031   |
| EUR A Class Shares | 188.03   | 6,029,790                              | 32,069  |
| USD B Class Shares | 101.94   | 13,560,214                             | 133,023   |
| GBP B Class Shares | 148.22   | 6,648,704                              | 44,856  |
| EUR B Class Shares | 168.70   | 760,310                                | 4,507   |
| USD C Class Shares | 149.60   | 1,077,304                              | 7,201   |
| GBP C Class Shares | 235.61   | 21,192,781                             | 89,947  |
| EUR C Class Shares | 268.89   | 209,193                                | 778   |
| USD D Class Shares | 110.46   | 7,088,365                              | 64,173  |
| GBP D Class Shares | 173.86   | 224,734,018                            | 1,292,623                                       |
| EUR D Class Shares | 195.57   | 1,944,986                              | 9,945   |
| USD E Class Shares | 128.22   | 1,725,601                              | 13,458  |

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2019</b> | <b>Total NAV<br/>30 September<br/>2019</b> | <b>Units in<br/>issue<br/>30 September<br/>2019</b> |
|--------------------|--|--|---|
| USD A Class Shares | 127.95   | 5,775,906                                  | 45,143  |
| GBP A Class Shares | 201.26   | 78,595,103                                 | 390,513   |
| EUR A Class Shares | 229.22   | 6,796,619                                  | 29,651  |
| USD B Class Shares | 124.40   | 18,666,886                                 | 150,050   |
| GBP B Class Shares | 181.58   | 8,759,306                                  | 48,239  |
| EUR B Class Shares | 206.29   | 988,197                                    | 4,790   |
| USD C Class Shares | 179.33   | 56,281,011                                 | 313,840   |
| GBP C Class Shares | 283.83   | 25,051,403                                 | 88,263  |
| EUR C Class Shares | 323.01   | 142,293                                    | 441   |
| USD D Class Shares | 134.25   | 9,092,129                                  | 67,726  |
| GBP D Class Shares | 212.04   | 316,583,722                                | 1,493,035   |
| EUR D Class Shares | 238.07   | 2,668,871                                  | 11,210  |
| USD E Class Shares | 155.96   | 2,056,693                                  | 13,187  |

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**8. Net asset value (continued)**

**Veritas Global Equity Income Fund (continued)**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2018</b> | <b>Total NAV<br/>30 September<br/>2018</b> | <b>Units in<br/>issue<br/>30 September<br/>2018</b> |
|--------------------|--|--|---|
| USD A Class Shares | 132.07   | 12,873,613                                 | 97,478  |
| GBP A Class Shares | 195.93   | 144,707,240                                | 738,552   |
| EUR A Class Shares | 222.46   | 7,486,045                                  | 33,652  |
| USD B Class Shares | 129.06   | 28,930,460                                 | 224,153   |
| GBP B Class Shares | 177.68   | 11,081,628                                 | 62,369  |
| EUR B Class Shares | 201.22   | 1,780,925                                  | 8,850   |
| USD C Class Shares | 178.21   | 52,049,827                                 | 292,074   |
| GBP C Class Shares | 266.03   | 28,855,906                                 | 108,467   |
| EUR C Class Shares | 301.87   | 734,855                                    | 2,434   |
| USD D Class Shares | 138.22   | 11,091,124                                 | 80,245  |
| GBP D Class Shares | 205.90   | 365,505,051                                | 1,775,149   |
| EUR D Class Shares | 230.46   | 2,257,834                                  | 9,797   |
| USD E Class Shares | 150.43   | 3,593,907                                  | 23,892  |

**Veritas China Fund**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>31 March<br/>2020</b> | <b>Total NAV<br/>31 March<br/>2020</b> | <b>Units in<br/>issue<br/>31 March<br/>2020</b> |
|--------------------|--|--|---|
| USD A Class Shares | 149.35   | 16,446,731                             | 110,125   |
| GBP A Class Shares | 161.03   | 4,666,634                              | 28,980  |
| EUR A Class Shares | 146.86   | 10,280                                 | 70  |
| GBP B Class Shares | 153.21   | 695,565                                | 4,540   |
| EUR B Class Shares | 146.97   | 58,935                                 | 401   |

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2019</b> | <b>Total NAV<br/>30 September<br/>2019</b> | <b>Units in<br/>issue<br/>30 September<br/>2019</b> |
|--------------------|--|--|---|
| USD A Class Shares | 151.86   | 16,961,277                                 | 111,693   |
| GBP A Class Shares | 164.54   | 4,832,114                                  | 29,367  |
| EUR A Class Shares | 149.63   | 22,063                                     | 148   |
| GBP B Class Shares | 156.94   | 709,724                                    | 4,522   |
| EUR B Class Shares | 150.03   | 92,087                                     | 614   |

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**8. Net asset value (continued)**

**Veritas China Fund (continued)**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2018</b> | <b>Total NAV<br/>30 September<br/>2018</b> | <b>Units in<br/>issue<br/>30 September<br/>2018</b> |
|--------------------|--|--|---|
| USD A Class Shares | 147.35   | 15,756,334                                 | 106,929   |
| GBP A Class Shares | 149.43   | 4,325,416                                  | 28,946  |
| EUR A Class Shares | 137.39   | 188,164                                    | 1,370   |
| GBP B Class Shares | 143.05   | 505,157                                    | 3,531   |
| EUR B Class Shares | 138.29   | 322,694                                    | 2,333   |

**Veritas Global Real Return Fund**

| <b>Share Class</b>  | <b>NAV<br/>Per Share<br/>31 March<br/>2020</b> | <b>Total NAV<br/>31 March<br/>2020</b> | <b>Units in<br/>issue<br/>31 March<br/>2020</b> |
|---------------------|--|--|---|
| USD A Class Shares  | 30.90  | 17,349,811                             | 561,490   |
| GBP A Class Shares  | 16.98  | 60,079,100                             | 3,537,395                                       |
| EUR A Class Shares  | 16.71  | 14,628,835                             | 875,516   |
| USD B Class Shares  | 29.36  | 5,730,418                              | 195,150   |
| GBP B Class Shares  | 16.36  | 4,486,486                              | 274,289   |
| EUR B Class Shares  | 17.54  | 1,047,883                              | 59,748  |
| USD D Class Shares  | 30.93  | 50,969,235                             | 1,648,047                                       |
| GBP D Class Shares  | 17.05  | 135,823,401                            | 7,967,893                                       |
| EUR D Class Shares  | 16.77  | 12,973,473                             | 773,760   |
| USD E Class Shares* | 29.59  | 1,793,119                              | 60,608  |
| EUR E Class Shares  | 17.51  | 3,894,679                              | 222,469   |

\* Launched: 29 November 2019

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2019</b> | <b>Total NAV<br/>30 September<br/>2019</b> | <b>Units in<br/>issue<br/>30 September<br/>2019</b> |
|--------------------|--|--|---|
| USD A Class Shares | 32.11  | 18,812,871                                 | 585,960   |
| GBP A Class Shares | 17.69  | 68,836,575                                 | 3,890,680   |
| EUR A Class Shares | 17.56  | 7,669,973                                  | 436,861   |
| USD B Class Shares | 30.59  | 6,555,819                                  | 214,320   |
| GBP B Class Shares | 17.08  | 5,339,580                                  | 312,586   |
| EUR B Class Shares | 18.48  | 1,044,035                                  | 56,508  |
| USD D Class Shares | 32.13  | 37,260,764                                 | 1,159,797   |
| GBP D Class Shares | 17.74  | 145,463,303                                | 8,197,748   |
| EUR D Class Shares | 17.61  | 15,219,081                                 | 864,044   |
| EUR E Class Shares | 18.18  | 3,307,468                                  | 181,922   |

**VERITAS FUNDS PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

**8. Net asset value (continued)**

**Veritas Global Real Return Fund (continued)**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2018</b> | <b>Total NAV<br/>30 September<br/>2018</b> | <b>Units in<br/>issue<br/>30 September<br/>2018</b> |
|--------------------|--|--|---|
| USD A Class Shares | 29.27  | 47,063,463                                 | 1,607,698   |
| GBP A Class Shares | 16.37  | 72,413,045                                 | 4,423,853   |
| EUR A Class Shares | 16.50  | 3,627,799                                  | 219,860   |
| USD B Class Shares | 28.04  | 6,793,329                                  | 242,269   |
| GBP B Class Shares | 15.87  | 3,781,954                                  | 238,376   |
| EUR B Class Shares | 17.44  | 3,081,105                                  | 176,629   |
| USD D Class Shares | 29.33  | 24,226,104                                 | 826,078   |
| GBP D Class Shares | 16.42  | 87,278,302                                 | 5,316,745   |
| EUR D Class Shares | 16.54  | 10,186,500                                 | 615,724   |
| EUR E Class Shares | 16.77  | 1,346,911                                  | 80,296  |

**Veritas Izoard Fund**

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>31 March<br/>2020</b> | <b>Total NAV<br/>31 March<br/>2020</b> | <b>Units in<br/>issue<br/>31 March<br/>2020</b> |
|--------------------|--|--|---|
| USD C Class Shares | 114.95   | 14,527,529                             | 126,384   |
| GBP C Class Shares | 146.29   | 34,831,818                             | 238,094   |

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2019</b> | <b>Total<br/>NAV<br/>30 September<br/>2019</b> | <b>Units in<br/>issue<br/>30 September<br/>2019</b> |
|--------------------|--|--|---|
| USD C Class Shares | 124.30   | 16,183,364                                     | 130,195   |
| GBP C Class Shares | 158.97   | 37,492,630                                     | 235,847   |

| <b>Share Class</b> | <b>NAV<br/>Per Share<br/>30 September<br/>2018</b> | <b>Total<br/>NAV<br/>30 September<br/>2018</b> | <b>Units in<br/>issue<br/>30 September<br/>2018</b> |
|--------------------|--|--|---|
| USD C Class Shares | 119.59   | 18,426,165                                     | 154,081   |
| GBP C Class Shares | 144.26   | 33,940,308                                     | 235,273   |



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED 31 MARCH 2020  
(CONTINUED)

**8. Net asset value (continued)**

**Veritas Third Eye Global Emerging Markets Fund**

|                    | NAV<br>Per Share<br>31 March<br>2020 | Total<br>NAV<br>31 March<br>2020 | Units in<br>issue<br>31 March<br>2020 |
|--------------------|--------------------------------------|----------------------------------|---------------------------------------|
| Share Class        |                                      |                                  |                                       |
| USD A Class Shares | 87.72                                | 5,561,673                        | 63,399                                |
| GBP A Class Shares | 89.69                                | 4,445,534                        | 49,564                                |

|                    | NAV<br>Per Share<br>30 September<br>2019 | Total<br>NAV<br>30 September<br>2019 | Units in<br>issue<br>30 September<br>2019 |
|--------------------|--|--------------------------------------|---|
| Share Class        |  |                                      |   |
| USD A Class Shares | 98.82                                    | 6,264,913                            | 63,399                                    |
| GBP A Class Shares | 101.53                                   | 4,973,635                            | 48,989                                    |

**9. Soft commissions**

The Company has not entered into any soft commission arrangements during the period.

**10. Cross liability**

Each Sub-Fund is segregated and there are no cross liabilities between the Sub-Funds.

**11. Significant matters arising during the period**

Mr Ian Barnes resigned from position of director of the Company on 15 January 2020.

Beginning in January 2020, global financial markets have experienced significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which may negatively impact the Company's performance.

There were no other significant events during the period.

**12. Subsequent events**

There were no significant events subsequent to the period-end.

**13. Approval of financial statements**

The Financial Statements were approved by the Board of Directors on 13 May 2020.

**VERITAS FUNDS PLC**

**VERITAS ASIAN FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

| <b>Largest purchases</b>                          | <b>Units</b> | <b>Cost (USD)</b> |
|---|--------------|-------------------|
| Aier Eye Hospital Group Co. Ltd.                  | 7,599,645    | 44,293,646        |
| Alibaba Group Holding Ltd. ADR                    | 155,000      | 30,496,130        |
| Alibaba Health Information Technology Ltd.        | 22,000,000   | 33,551,697        |
| Aristocrat Leisure Ltd.                           | 1,600,000    | 36,667,211        |
| Centre Testing International Group Co. Ltd.       | 10,999,851   | 24,827,214        |
| China Gas Holdings Ltd.                           | 8,000,000    | 31,616,017        |
| Cochlear Ltd.                                     | 120,000      | 17,605,922        |
| CSL Ltd.  | 180,000      | 35,799,692        |
| Goodman Group                                     | 7,100,000    | 69,376,115        |
| Hangzhou Tigermed Consulting Co. Ltd.             | 4,999,772    | 51,432,263        |
| IndusInd Bank Ltd.                                | 1,100,000    | 22,466,934        |
| Jiangsu Hengrui Medicine Co. Ltd.                 | 2,999,846    | 37,416,610        |
| JP Morgan US Dollar Liquidity Fund                | 35,977,160   | 35,977,160        |
| Kweichow Moutai Co. Ltd.                          | 834,780      | 134,614,795       |
| Luckin Coffee Inc.                                | 850,000      | 29,674,280        |
| Maruti Suzuki India                               | 200,000      | 20,304,159        |
| Meituan Dianping                                  | 8,800,000    | 115,947,928       |
| Morgan Stanley US Dollar Liquidity Fund           | 45,903,587   | 45,903,587        |
| New Oriental Education & Technology Group, Inc.   | 360,000      | 46,678,987        |
| ResMed, Inc.                                      | 1,500,000    | 20,686,705        |
| Samsung Electronics Co. Ltd.                      | 3,200,000    | 146,293,664       |
| Sea Ltd.  | 1,035,716    | 48,306,365        |
| Shenzhen Mindray Bio-Medical Electronics Co. Ltd. | 599,886      | 22,745,954        |
| Taiwan Semiconductor Manufacturing Co. Ltd.       | 3,600,000    | 36,068,619        |
| TAL Education Group                               | 1,450,000    | 79,649,582        |
| Techtronic Industries Co. Ltd.                    | 2,250,000    | 17,760,337        |
| Tencent Holdings Ltd.                             | 1,400,000    | 68,722,364        |
| Titan Co. Ltd.                                    | 2,600,000    | 44,220,776        |
| Transurban Group                                  | 5,000,000    | 50,058,357        |
| Wuliangye Yibin Co. Ltd.                          | 1,999,846    | 35,991,841        |
| Wuxi Biologics Cayman, Inc.                       | 2,900,000    | 43,040,330        |
| Yihai International Holding Ltd.                  | 3,100,000    | 21,199,465        |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

**VERITAS FUNDS PLC**

**VERITAS ASIAN FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

| <b>Largest sales</b>                    | <b>Units</b> | <b>Proceeds (USD)</b> |
|---|--------------|-----------------------|
| Asian Paints                            | 1,000,000    | 25,083,669            |
| BeiGene                                 | 600,000      | 9,319,911             |
| Cochlear Ltd.                           | 70,000       | 11,476,611            |
| CSL Ltd.                                | 50,000       | 8,586,712             |
| Ctrip.com International                 | 600,000      | 18,091,240            |
| Hindustan Unilever Ltd.                 | 450,000      | 13,185,728            |
| IndusInd Bank Ltd.                      | 2,500,000    | 14,311,499            |
| JP Morgan US Dollar Liquidity Fund      | 60,000,000   | 60,000,000            |
| Kasikornbank                            | 5,000,000    | 23,975,767            |
| LG Household & Health Care              | 69,235       | 76,896,729            |
| Luckin Coffee Inc.                      | 850,000      | 28,067,469            |
| Maruti Suzuki India                     | 920,000      | 89,926,868            |
| Morgan Stanley US Dollar Liquidity Fund | 75,011,160   | 75,011,160            |
| Ping An Insurance Group Co of China     | 7,000,000    | 77,437,458            |
| Prada SpA                               | 4,100,000    | 15,033,231            |
| Samsung Biologics                       | 40,000       | 13,737,444            |
| Shenzhen Airport                        | 13,999,813   | 17,968,446            |
| Shenzhou International Group Holdings   | 2,700,000    | 37,784,030            |
| Treasury Wine Estates                   | 2,282,700    | 18,900,156            |
| Trip.Company Group Ltd.                 | 475,000      | 14,790,503            |
| Zhejiang Supor Cookware                 | 2,649,780    | 28,529,584            |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

**VERITAS FUNDS PLC**

**VERITAS GLOBAL FOCUS FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

| <b>Largest purchases</b>                | <b>Units</b> | <b>Cost (USD)</b>     |
|---|--------------|-----------------------|
| Abbott Laboratories                     | 831,400      | 64,951,709            |
| Airbus SE                               | 445,300      | 52,002,937            |
| Alibaba Group Holding Ltd. ADR          | 367,100      | 70,804,746            |
| Alphabet, Inc.                          | 12,500       | 18,167,949            |
| Altice USA, Inc.                        | 4,638,550    | 121,654,993           |
| Baxter International, Inc.              | 284,516      | 22,441,081            |
| Becton Dickinson & Co.                  | 283,000      | 62,000,342            |
| Canadian Pacific Railway Ltd.           | 107,000      | 23,312,164            |
| Cigna Corp.                             | 211,500      | 43,369,267            |
| Cochlear Ltd.                           | 567,100      | 51,929,426            |
| Cooper Cos, Inc.                        | 73,300       | 21,851,081            |
| CVS Health Corp.                        | 435,800      | 26,814,523            |
| Facebook, Inc.                          | 127,000      | 26,116,916            |
| Intercontinental Exchange, Inc.         | 390,800      | 36,042,537            |
| JP Morgan US Dollar Liquidity Fund      | 33,225,362   | 33,225,362            |
| Mastercard, Inc.                        | 374,800      | 87,108,889            |
| Morgan Stanley US Dollar Liquidity Fund | 33,202,693   | 33,202,693            |
| Raytheon Co.                            | 661,900      | 141,378,790           |
| Sonic Healthcare Ltd.                   | 855,900      | 11,805,747            |
| Svenska Handelsbanken AB                | 1,954,000    | 20,194,323            |
| UnitedHealth Group, Inc.                | 51,700       | 11,183,880            |
| <b>Total sales</b>                      | <b>Units</b> | <b>Proceeds (USD)</b> |
| Capita PLC                              | 7,765,668    | 15,928,577            |
| Comcast                                 | 1,552,231    | 68,577,727            |
| Dentsply Sirona                         | 1,743,193    | 71,260,874            |
| JP Morgan US Dollar Liquidity Fund      | 193,791,402  | 193,791,402           |
| Microsoft                               | 721,152      | 119,592,455           |
| Morgan Stanley US Dollar Liquidity Fund | 194,080,269  | 194,080,269           |
| Rolls-Royce Holdings                    | 7,031,241    | 64,128,316            |
| S&P Global                              | 383,617      | 104,224,302           |
| Sonic Healthcare Ltd.                   | 1,632,400    | 34,107,235            |
| Thermo Fisher Scientific, Inc.          | 170,500      | 56,872,956            |
| UnitedHealth Group, Inc.                | 63,000       | 16,932,050            |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

**VERITAS FUNDS PLC**

**VERITAS GLOBAL EQUITY INCOME FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

| <b>Total purchases</b>            | <b>Units</b> | <b>Cost (GBP)</b> |
|-----------------------------------|--------------|-------------------|
| BAE Systems PLC                   | 417,200      | 2,378,040         |
| Cisco Systems, Inc.               | 478,900      | 14,827,420        |
| Diageo PLC                        | 453,500      | 10,115,208        |
| Ferguson PLC                      | 226,300      | 10,661,393        |
| JP Morgan GBP Liquidity Fund      | 13,024,960   | 13,024,960        |
| Morgan Stanley GBP Liquidity Fund | 13,022,788   | 13,022,788        |
| MSC Industrial Direct Co., Inc.   | 58,400       | 3,394,215         |
| Vivendi S.A.                      | 1,104,300    | 22,172,587        |

| <b>Largest sales</b>                  | <b>Units</b> | <b>Proceeds (GBP)</b> |
|---------------------------------------|--------------|-----------------------|
| Ascendas Real Estate Investment Trust | 4,589,055    | 7,366,985             |
| Capita PLC                            | 5,643,233    | 9,486,062             |
| ConvaTec Group PLC                    | 8,490,800    | 15,957,747            |
| JP Morgan GBP Liquidity Fund          | 25,000,000   | 25,000,000            |
| Morgan Stanley GBP Liquidity Fund     | 25,000,147   | 25,000,147            |
| Nestle SA                             | 93,800       | 7,818,991             |
| NetLink NBN Trust                     | 7,601,200    | 4,091,499             |
| Pfizer, Inc.                          | 230,400      | 6,113,162             |
| Philip Morris International, Inc.     | 92,600       | 6,088,023             |
| Prudential PLC                        | 616,600      | 8,430,621             |
| Reckitt Benckiser Group PLC           | 93,600       | 5,417,938             |
| Safran SA                             | 66,900       | 7,551,520             |
| Sanofi                                | 136,400      | 10,082,249            |
| Singapore Telecommunications Ltd.     | 844,700      | 1,584,408             |
| Sonic Healthcare Ltd.                 | 1,357,700    | 20,242,527            |
| Svenska Handelsbanken AB              | 730,800      | 4,877,635             |
| Unibail-Rodamco-Westfield             | 53,800       | 4,923,414             |
| Unilever NV                           | 142,900      | 5,989,841             |
| United Overseas Bank Ltd.             | 150,400      | 1,723,031             |
| Welltower, Inc.                       | 155,500      | 9,830,127             |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

**VERITAS FUNDS PLC**

**VERITAS CHINA FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

| <b>Largest purchases</b>                        | <b>Units</b> | <b>Cost (USD)</b> |
|---|--------------|-------------------|
| Aier Eye Hospital Group Co. Ltd.                | 100,000      | 565,620           |
| Anta Sports Products Ltd                        | 125,000      | 1,139,659         |
| BeiGene Ltd.                                    | 4,000        | 681,485           |
| China Gas Holdings Ltd.                         | 200,000      | 812,994           |
| Chongqing Fuling Zhacai Group Co. Ltd.          | 100,000      | 363,550           |
| Contemporary Amperex Technology Co. Ltd.        | 60,000       | 1,338,668         |
| CSPC Pharmaceutical Group Ltd                   | 400,000      | 1,059,494         |
| ENN Energy Holdings Ltd.                        | 100,000      | 1,117,915         |
| GSX Techedu Inc.                                | 40,000       | 1,478,122         |
| Guangdong Marubi Biotechnology Co. Ltd.         | 129,921      | 1,263,118         |
| Hangzhou Tigermed Consulting Co. Ltd.           | 99,950       | 914,846           |
| Koolearn Technology                             | 200,000      | 519,539           |
| Li Ning Co. Ltd.                                | 200,000      | 521,334           |
| Luckin Coffee Inc.                              | 40,000       | 1,348,416         |
| Luzhou Laojiao Co. Ltd.                         | 60,000       | 738,865           |
| Meituan Dianping                                | 70,000       | 966,030           |
| New Oriental Education & Technology Group, Inc. | 4,000        | 529,709           |
| Ping An Healthcare and Technology               | 100,000      | 742,482           |
| Skshu Paint Co. Ltd.                            | 59,952       | 781,321           |
| TAL Education Group                             | 10,000       | 591,020           |
| Tencent Holdings Ltd.                           | 30,000       | 1,487,202         |
| Wuxi Biologics Cayman, Inc.                     | 80,000       | 1,033,419         |
| Yum China Holdings, Inc.                        | 16,000       | 698,545           |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

**VERITAS FUNDS PLC**

**VERITAS CHINA FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

| <b>Total sales</b>                      | <b>Units</b> | <b>Proceeds (USD)</b> |
|---|--------------|-----------------------|
| Aier Eye Hospital Group Co. Ltd.        | 99,994       | 560,716               |
| AK Medical Holdings                     | 400,000      | 465,652               |
| Alibaba Group Holding Ltd. ADR          | 10,000       | 2,013,949             |
| Anta Sports Products Ltd.               | 125,000      | 929,101               |
| CSPC Pharmaceutical Group Ltd.          | 400,000      | 920,539               |
| GSX Techedu Inc.                        | 40,000       | 1,658,808             |
| Guangdong Marubi Biotechnology Co. Ltd. | 25,000       | 271,090               |
| Koolearn Technology                     | 200,000      | 865,950               |
| Luckin Coffee Inc.                      | 40,000       | 1,277,856             |
| Morgan Stanley US Dollar Liquidity Fund | 2,351,847    | 2,351,847             |
| Ping An Healthcare and Technology       | 100,000      | 1,013,653             |
| Shenzhou International Group Holdings   | 100,000      | 1,348,809             |
| Tencent Holdings Ltd.                   | 5,000        | 253,710               |
| Trip.Company Group Ltd.                 | 25,000       | 778,448               |
| Xiabu Xiabu Catering Management         | 500,000      | 640,670               |
| Yum China Holdings, Inc.                | 13,000       | 615,497               |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

**VERITAS FUNDS PLC**

**VERITAS GLOBAL REAL RETURN FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

| <b>Largest purchases</b>          | <b>Units</b> | <b>Cost (GBP)</b> |
|-----------------------------------|--------------|-------------------|
| Abbott Laboratories               | 98,900       | 5,974,746         |
| Airbus SE                         | 86,300       | 7,305,634         |
| Alibaba Group Holding Ltd. ADR    | 47,400       | 7,193,518         |
| Alphabet, Inc.                    | 2,800        | 2,834,785         |
| Altice USA, Inc.                  | 596,548      | 11,690,843        |
| BAE Systems PLC                   | 413,800      | 2,362,232         |
| Baxter International, Inc.        | 68,815       | 4,399,713         |
| Becton Dickinson & Co.            | 33,900       | 6,300,828         |
| Canadian Pacific Railway Ltd.     | 25,300       | 4,484,658         |
| Cigna Corp.                       | 30,600       | 4,876,500         |
| Cochlear Ltd.                     | 74,200       | 5,649,041         |
| Cooper Cos, Inc.                  | 23,300       | 5,452,611         |
| CVS Health Corp.                  | 86,100       | 4,203,486         |
| Facebook, Inc.                    | 9,500        | 1,492,365         |
| Intercontinental Exchange, Inc.   | 72,000       | 5,029,296         |
| JP Morgan GBP Liquidity Fund      | 3,539,332    | 3,539,332         |
| Mastercard, Inc.                  | 49,600       | 9,506,566         |
| Morgan Stanley GBP Liquidity Fund | 3,538,194    | 3,538,194         |
| Philip Morris International, Inc. | 31,500       | 2,008,767         |
| Raytheon Co.                      | 87,000       | 13,624,043        |
| Reckitt Benckiser Group PLC       | 25,200       | 1,592,640         |
| Safran SA                         | 30,200       | 1,888,838         |
| Sonic Healthcare Ltd.             | 192,000      | 2,233,545         |
| Svenska Handelsbanken AB          | 267,200      | 2,123,286         |
| UnitedHealth Group, Inc.          | 23,200       | 4,763,644         |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.



**VERITAS FUNDS PLC**

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**VERITAS GLOBAL REAL RETURN FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020  
(CONTINUED)**

| <b>Total sales</b>                | <b>Units</b> | <b>Proceeds (GBP)</b> |
|-----------------------------------|--------------|-----------------------|
| Alphabet, Inc.                    | 2,900        | 2,684,100             |
| Capita PLC                        | 811,851      | 1,305,615             |
| Comcast                           | 144,500      | 4,946,435             |
| Dentsply Sirona                   | 155,435      | 4,770,018             |
| Facebook, Inc.                    | 9,000        | 1,203,214             |
| JP Morgan GBP Liquidity Fund      | 16,063,515   | 16,063,515            |
| Microsoft                         | 76,100       | 9,630,911             |
| Morgan Stanley GBP Liquidity Fund | 16,062,915   | 16,062,915            |
| Rolls-Royce Holdings              | 698,359      | 4,870,893             |
| S&P Global                        | 36,600       | 7,537,162             |
| Sonic Healthcare Ltd.             | 156,500      | 2,514,716             |
| Thermo Fisher Scientific, Inc.    | 3,400        | 870,687               |
| UnitedHealth Group, Inc.          | 8,300        | 1,744,597             |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

**VERITAS FUNDS PLC**

**VERITAS IZOARD FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

| <b>Total purchases</b>                  | <b>Units</b> | <b>Cost (USD)</b> |
|---|--------------|-------------------|
| Altice USA, Inc.                        | 129,557      | 3,405,122         |
| BAE Systems PLC                         | 69,800       | 514,759           |
| Baxter International, Inc.              | 27,651       | 2,115,276         |
| Canadian Pacific Railway Ltd.           | 2,100        | 457,527           |
| Cigna Corp.                             | 6,000        | 1,254,750         |
| Cooper Cos, Inc.                        | 600          | 178,861           |
| CVS Health Corp.                        | 23,900       | 1,464,460         |
| Facebook, Inc.                          | 3,300        | 672,290           |
| Intercontinental Exchange, Inc.         | 11,300       | 1,020,759         |
| Mastercard, Inc.                        | 7,400        | 1,510,931         |
| Morgan Stanley US Dollar Liquidity Fund | 46,479       | 46,479            |
| Raytheon Co.                            | 17,500       | 3,575,312         |
| Safran SA                               | 2,600        | 196,943           |
| UnitedHealth Group, Inc.                | 7,200        | 1,557,525         |

| <b>Total sales</b>                      | <b>Units</b> | <b>Proceeds (USD)</b> |
|---|--------------|-----------------------|
| Alphabet, Inc.                          | 400          | 557,325               |
| BAE Systems PLC                         | 45,600       | 342,133               |
| Comcast                                 | 47,600       | 2,102,974             |
| Morgan Stanley US Dollar Liquidity Fund | 5,168,855    | 5,168,855             |
| Philip Morris International, Inc.       | 9,200        | 752,879               |
| S&P Global                              | 9,200        | 2,499,536             |
| Sonic Healthcare Ltd.                   | 96,900       | 1,992,460             |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

**VERITAS FUNDS PLC**

**VERITAS THIRD EYE GLOBAL EMERGING MARKTES FUND**

**SCHEDULE OF SIGNIFICANT CHANGES IN INVESTMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

| <b>Largest purchases</b>                    | <b>Units</b> | <b>Cost (USD)</b> |
|---|--------------|-------------------|
| Abbott Laboratories                         | 5,700        | 430,046           |
| Airbus SE                                   | 3,900        | 377,475           |
| Alibaba Group Holding Ltd.                  | 19,050       | 496,441           |
| Beele SAB de CV                             | 137,400      | 208,623           |
| British American Tobacco PLC                | 3,000        | 113,941           |
| Corteva, Inc.                               | 13,500       | 361,594           |
| Facebook, Inc.                              | 2,800        | 544,892           |
| Franco-Nevada Corp.                         | 2,100        | 205,567           |
| Jiangsu Yanghe Brewery Joint-Stock Co. Ltd. | 33,300       | 476,688           |
| Morgan Stanley US Dollar Liquidity Fund     | 4,763        | 4,763             |
| Nestle S.A.                                 | 1,200        | 110,493           |
| Network International Holdings PLC          | 53,000       | 374,647           |
| Pernod Ricard S.A.                          | 1,600        | 214,764           |
| Philip Morris International, Inc.           | 300          | 21,446            |
| Raytheon Co.                                | 1,575        | 345,516           |
| Starbucks Corp.                             | 2,000        | 123,522           |
| Tencent Holdings Ltd.                       | 10,700       | 463,102           |
| TravelSky Technology Ltd.                   | 136,600      | 280,679           |
| Unilever NV                                 | 2,100        | 115,838           |
| Wizz Air Holdings PLC                       | 9,800        | 308,243           |
| <b>Total sales</b>                          |              |                   |
| JP Morgan US Dollar Liquidity Fund          | 75,000       | 75,000            |
| Morgan Stanley US Dollar Liquidity Fund     | 75,053       | 75,053            |

The Schedule of Changes in Investments reflects the aggregate purchases of a security exceeding one percent of the total value of purchases for the period and aggregate sales of a security exceeding one percent of the total sales for the period.

A full list is available free of charge from the administrator.

SUPPLEMENTARY INFORMATION

**1. Total expense ratio**

The total expense ratio for each share class of each Sub-Fund for the period ended 31 March 2020 is as follows:

**Veritas Asian Fund**

|                    |       |
|--------------------|-------|
| USD A Class Shares | 1.04% |
| GBP A Class Shares | 1.04% |
| EUR A Class Shares | 1.04% |
| USD B Class Shares | 1.54% |
| GBP B Class Shares | 1.54% |
| EUR B Class Shares | 1.54% |
| USD C Class Shares | 0.79% |
| GBP C Class Shares | 0.79% |
| EUR C Class Shares | 0.81% |
| USD D Class Shares | 0.79% |
| GBP D Class Shares | 0.79% |
| EUR D Class Shares | 0.79% |

**Veritas Global Focus Fund**

|                    |       |
|--------------------|-------|
| USD A Class Shares | 1.04% |
| GBP A Class Shares | 1.04% |
| EUR A Class Shares | 1.04% |
| USD B Class Shares | 1.54% |
| GBP B Class Shares | 1.54% |
| EUR B Class Shares | 1.54% |
| USD C Class Shares | 0.79% |
| GBP C Class Shares | 0.79% |
| EUR C Class Shares | 0.79% |
| USD D Class Shares | 0.79% |
| GBP D Class Shares | 0.79% |
| EUR D Class Shares | 0.79% |
| NOK E Class Shares | 0.82% |

**Veritas Global Equity Income Fund**

|                    |       |
|--------------------|-------|
| USD A Class Shares | 1.07% |
| GBP A Class Shares | 1.06% |
| EUR A Class Shares | 1.06% |
| USD B Class Shares | 1.56% |
| GBP B Class Shares | 1.56% |
| EUR B Class Shares | 1.56% |
| USD C Class Shares | 0.81% |
| GBP C Class Shares | 0.81% |
| EUR C Class Shares | 0.81% |
| USD D Class Shares | 0.81% |
| GBP D Class Shares | 0.81% |

**SUPPLEMENTARY INFORMATION (CONTINUED)**

**1. Total expense ratio (continued)**

**Veritas Global Equity Income Fund (continued)**

|                    |       |
|--------------------|-------|
| EUR D Class Shares | 0.81% |
| USD E Class Shares | 1.56% |

**Veritas China Fund**

|                    |       |
|--------------------|-------|
| USD A Class Shares | 1.09% |
| GBP A Class Shares | 1.09% |
| EUR A Class Shares | 1.07% |
| GBP B Class Shares | 1.59% |
| EUR B Class Shares | 1.59% |

**Veritas Global Real Return Fund**

|                     |       |
|---------------------|-------|
| USD A Class Shares  | 1.05% |
| GBP A Class Shares  | 1.05% |
| EUR A Class Shares  | 1.05% |
| USD B Class Shares  | 1.55% |
| GBP B Class Shares  | 1.55% |
| EUR B Class Shares  | 1.55% |
| USD D Class Shares  | 0.90% |
| GBP D Class Shares  | 0.90% |
| EUR D Class Shares  | 0.90% |
| USD E Class Shares* | 0.90% |
| EUR E Class Shares  | 0.90% |

**Veritas Izoard Fund**

|                    |       |
|--------------------|-------|
| USD C Class Shares | 0.55% |
| GBP C Class Shares | 0.55% |

**Veritas Third Eye Global Emerging Markets Fund**

|                    |       |
|--------------------|-------|
| USD A Class Shares | 1.21% |
| GBP A Class Shares | 1.21% |

\* Launched: 29 November 2019

**2. Publications**

The Extract Prospectus, the documents of the Company listed in the Prospectus, the yearly and half-yearly reports as well as the Articles and the simplified Extract Prospectus, can be obtained, or be ordered free of charge, from the Zurich branch of the Swiss Representative during normal business hours.