

**International Opportunities Fund- SPC relating to Income Fund Series 5 Segregated Portfolio, Income Fund Series 7 Segregated Portfolio, Income Fund Series 9 Segregated Portfolio, Income Fund Series 11 Segregated Portfolio, Income Fund Series 13 Segregated Portfolio, Enhanced Yield Fund Class A Segregated Portfolio and Fixed Income Fund Series A Segregated Portfolio**

Financial Statements for the year ended 31 December 2016

**INTERNATIONAL OPPORTUNITIES FUND - SPC**

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**Financial Statements for the year ended 31 December 2016 (Refer Note 1)**

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## International Opportunities Fund - SPC

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### COMPANY INFORMATION

<b>Directors</b>	Mr. Rajesh Somani Mr. Shriram Jagetiya
<b>Registered Office</b>	4 <sup>th</sup> Floor, Harbour Place 103 South Church Street George Town, PO Box 10240 Grand Cayman KY1-1002 Cayman Islands
<b>Investment Manager</b>	Aditya Birla Sun Life Asset Management Company Pte Ltd #32-04, Hong Leong Building 16 Raffles Quay Singapore 048581
<b>Administrator</b>	Deutsche Bank AG, Singapore Branch #16-00 South Tower One Raffles Quay Singapore 048583
<b>Custodian</b>	Deutsche Bank AG Singapore Branch #16-00 South Tower One Raffles Quay Singapore 048583
<b>Cayman Islands Legal Advisors</b>	Harney Westwoods & Riegels 7502 International Commerce Centre One Austin Road West Kowloon Hong Kong
<b>Auditors</b>	Ernst & Young Ltd. Suite 6401 62 Forum Lane Camana Bay Grand Cayman KY 1-1106 Cayman Islands



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## Independent Auditors' Report

The Board of Directors

International Opportunities Fund SPC – Income Fund Series 5 Segregated Portfolio  
International Opportunities Fund SPC – Income Fund Series 7 Segregated Portfolio  
International Opportunities Fund SPC – Income Fund Series 9 Segregated Portfolio  
International Opportunities Fund SPC – Income Fund Series 11 Segregated Portfolio  
International Opportunities Fund SPC – Income Fund Series 13 Segregated Portfolio  
International Opportunities Fund SPC – Fixed Income Fund Series A Segregated Portfolio  
International Opportunities Fund SPC – Enhanced Yield Fund Series A Segregated Portfolio

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of International Opportunities Fund SPC (comprising of the segregated portfolios as listed above) (the “Fund”) which comprise the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable participating shares and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

Other information consists of the Company information. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

### **Responsibilities of management and the Board of Directors for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Fund's financial reporting process.

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

This report is made solely to the Board of Directors, as a body. Our audit work has been undertaken so that we might state to the Board of Directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Board of Directors as a body, for our audit work, for this report, or for the opinions we have formed.

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Ernst & Young Ltd.*

29 May 2017

INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF FINANCIAL POSITION  
As at 31 December 2016 (Refer Note 1)

	Note	Income Fund Series 5 Segregated Portfolio * 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio *	Income Fund Series 9 Segregated Portfolio *	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio *	Fixed Income Fund Series A Segregated Portfolio
		USD	USD	USD	USD	USD	USD	USD
<b>ASSETS</b>								
Cash and cash equivalents	3	1,598	5,625	4,230	39,455	62,554	61,915	99,900
Loans and receivables	5	59,945,000	49,965,000	45,250,000	54,083,753	100,454,445	-	49,900,000
Other assets	4	1,118,142	813,831	844,356	1,160,097	1,419,756	-	7,485
<b>Total assets</b>		<b>61,064,740</b>	<b>50,784,456</b>	<b>46,098,586</b>	<b>55,283,305</b>	<b>101,936,755</b>	<b>61,915</b>	<b>50,007,385</b>
<b>LIABILITIES</b>								
Accounts payable and accrued expenses	7	14,740	9,456	14,896	12,912	16,928	61,915	93,000
Redemptions payable		61,050,000	50,775,000	46,083,690	-	-	-	-
<b>Total liabilities (excluding net assets attributable to redeemable participating shares)</b>		<b>61,064,740</b>	<b>50,784,456</b>	<b>46,098,586</b>	<b>12,912</b>	<b>16,928</b>	<b>61,915</b>	<b>93,000</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>55,270,393</b>	<b>101,919,827</b>	<b>-</b>	<b>49,914,385</b>
(Also refer to Statement of Changes in Net Assets)								

\* Statement of Financial Position for Income Fund Series 5 Segregated Portfolio 2<sup>nd</sup> Offer Period is as at 3 October 2016, for Income Fund Series 7 Segregated Portfolio is as at 29 June 2016, for Income Fund Series 9 Segregated Portfolio is as at 1 February 2016, and for Enhanced Yield Fund Class A Segregated Portfolio is as at 16 November 2016.

**Number of redeemable participating shares outstanding**

- Class A	10	541,650	1,005,550	500,000
<b>NAV per Share</b>	11	<b>US\$ 102.04</b>	<b>US\$ 101.36</b>	<b>US\$ 99.83</b>

These financial statements have been approved by the Board of Directors on May 29, 2017.

NAME OF DIRECTORS

SIGNATURE SIGNATURE

Mr. Rajesh Somani

The notes on pages 12 to 36 form an integral part of these financial statements.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF FINANCIAL POSITION (CONTINUED)  
As at 31 December 2015 (Refer Note 1)

	Note	Income Fund Series 5 Segregated Portfolio 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
		USD	USD	USD	USD
<b>ASSETS</b>					
Cash and cash equivalents	3	29,386	17,678	5,735	114,946
Loans and receivables	5	59,945,000	49,965,000	45,250,000	48,440,500
Other assets	4	276,578	408,603	770,932	3,676,828
<b>Total assets</b>		<b>60,250,964</b>	<b>50,391,281</b>	<b>46,026,667</b>	<b>52,232,274</b>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	7	14,788	9,569	13,709	14,557
Redemptions payable		-	-	-	-
<b>Total liabilities (excluding net assets attributable to redeemable participating shares)</b>		<b>14,788</b>	<b>9,569</b>	<b>13,709</b>	<b>14,557</b>
<b>Net assets attributable to holders of redeemable participating shares</b> (Also refer to Statement of Changes in Net Assets)		<b>60,236,176</b>	<b>50,381,712</b>	<b>46,012,958</b>	<b>52,217,717</b>
<b>Number of redeemable participating shares outstanding</b>					
- Class A	10	<b>600,000</b>	<b>500,000</b>	<b>453,000</b>	<b>488,330</b>
<b>NAV per Share</b>	11	<b>US\$ 100.39</b>	<b>US\$ 100.76</b>	<b>US\$ 101.57</b>	<b>US\$ 106.93</b>

The notes on pages 12 to 36 form an integral part of these financial statements.



INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF COMPREHENSIVE INCOME  
For the year ended 31 December 2016 (Refer Note 1)

	Note	Income Fund Series 5 Segregated Portfolio * 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio *	Income Fund Series 9 Segregated Portfolio *	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio *	Fixed Income Fund Series A Segregated Portfolio
		USD	USD	USD	USD	USD	USD	USD
<b>Investment income</b>								
Interest income	6	832,862	404,161	73,422	1,160,097	1,419,756	1,489,946	7,485
Other income		8,702	1,067	2,000	-	-	71,690	-
<b>Total income</b>		<b>841,564</b>	<b>405,228</b>	<b>75,422</b>	<b>1,160,097</b>	<b>1,419,756</b>	<b>1,561,636</b>	<b>7,485</b>
<b>Expenses</b>								
Management fees including other expenses	8	27,740	11,940	4,690	54,704	54,929	77,583	93,100
<b>Other Expenses include</b>								
Administration charges		16,102	9,008	1,500	15,766	19,216	16,039	20,000
Audit fees		8,567	2,931	795	8,000	8,000	8,567	8,000
Legal fees		-	-	-	-	-	-	5,000
Other miscellaneous expenditure		3,070	-	-	14,938	12,353	4,369	100
<b>Total operating expenses</b>		<b>27,740</b>	<b>11,940</b>	<b>4,690</b>	<b>54,704</b>	<b>54,929</b>	<b>77,583</b>	<b>93,100</b>
<b>Net increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<b>813,824</b>	<b>393,288</b>	<b>70,732</b>	<b>1,105,393</b>	<b>1,364,827</b>	<b>1,484,053</b>	<b>(85,615)</b>

\* Statement of Comprehensive Income for Income Fund Series 5 Segregated Portfolio 2nd Offer Period is for the period from 1 January 2016 to 3 October 2016, Income Fund Series 7 Segregated Portfolio is for the period from 1 January 2016 to 29 June 2016, Income Fund Series 9 Segregated Portfolio is for the period from 1 January 2016 to 1 February 2016, and for Enhanced Yield Fund Class A Segregated Portfolio is for the period from 1 January 2016 to 16 November 2016.

These financial statements have been approved by the Board of Directors on May 29, 2017.

NAME OF DIRECTORS

SIGNATURE SIGNATURE

Mr. Rajesh Somani

The notes on pages 12 to 36 form an integral part of these financial statements.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)  
For the year ended 31 December 2015 (Refer Note 1)

	Note	Income Fund Series 5 Segregated Portfolio 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
		USD	USD	USD	USD
<b>Investment income</b>					
Interest income	6	276,578	408,603	770,933	1,739,313
Other income		-	-		52,816
<b>Total income</b>		<b>276,578</b>	<b>408,603</b>	<b>770,933</b>	<b>1,792,129</b>
<b>Expenses</b>					
Management fees including other expenses	8	40,402	26,891	57,975	32,894
<b>Other Expenses include</b>					
Administration charges		5,300	9,034	16,500	18,653
Audit fees		10,000	5,069	9,205	11,100
Legal fees		-	-	8,050	-
Other miscellaneous expenditure		7,103	12,788	3,220	3,139
<b>Total operating expenses</b>		<b>40,402</b>	<b>26,891</b>	<b>57,975</b>	<b>32,894</b>
<b>Net increase in net assets attributable to holders of redeemable participating shares from operations</b>		<b>236,176</b>	<b>381,712</b>	<b>712,958</b>	<b>1,759,235</b>

The notes on pages 12 to 36 form an integral part of these financial statements.

INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF  
REDEEMABLE PARTICIPATING SHARES  
For the year ended 31 December 2016 (Refer Note 1)

	Income Fund Series 5 Segregated Portfolio 2 <sup>nd</sup> Offer Period *	Income Fund Series 7 Segregated Portfolio *	Income Fund Series 9 Segregated Portfolio *	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio *	Fixed Income Fund Series A Segregated Portfolio
	USD	USD	USD	USD	USD	USD	USD
Balance as at the beginning of the year	60,236,176	50,381,712	46,012,958	-	-	52,217,717	-
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares resulting from operations for the year	813,824	393,288	70,732	1,105,393	1,364,827	1,484,053	(85,615)
Issue of redeemable participating shares during the year				54,165,000	100,555,000		50,000,000
Redemption of redeemable participating shares during the year	(61,050,000)	(50,775,000)	(46,083,690)	-	-	(53,701,770)	-
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,270,393</b>	<b>101,919,827</b>	<b>-</b>	<b>49,914,385</b>

(Also refer to Statement of Financial Position)

\* Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for Income Fund Series 5 Segregated Portfolio 2nd Offer Period is for the period from 1 January 2016 to 3 October 2016, Income Fund Series 7 Segregated Portfolio is for the period from 1 January 2016 to 29 June 2016, Income Fund Series 9 Segregated Portfolio is for the period from 1 January 2016 to 1 February 2016, and for Enhanced Yield Fund Class A Segregated Portfolio is for the period from 1 January 2016 to 16 November 2016.

The notes on pages 12 to 36 form an integral part of these financial statements.

INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF  
REDEEMABLE PARTICIPATING SHARES (CONTINUED)  
For the year ended 31 December 2015 (Refer Note 1)

	Income Fund Series 5 Segregated Portfolio 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD	USD
<b>Balance as at the beginning of the year</b>	-	-	-	51,521,282
Net increase in net assets attributable to holders of redeemable participating shares resulting from operations for the year	236,176	381,712	712,958	1,759,235
Issue of redeemable participating shares during the year	60,000,000	50,000,000	45,300,000	-
Redemption of redeemable participating shares during the year	-	-	-	(1,062,800)
<b>Balance as at the end of the year</b>	<b>60,236,176</b>	<b>50,381,712</b>	<b>46,012,958</b>	<b>52,217,717</b>

(Also refer to Statement of Financial Position)

The notes on pages 12 to 36 form an integral part of these financial statements.

INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF CASH FLOWS

For the year ended 31 December 2016 (Refer Note 1)

	Income Fund Series 5 Segregated Portfolio * 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio *	Income Fund Series 9 Segregated Portfolio *	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio *	Income Fund Series A Segregated Portfolio
	USD	USD	USD	USD	USD	USD	USD
<b>A. Cash flows from operating activities</b>							
Net profit/(loss)	813,824	393,288	70,732	1,105,393	1,364,827	1,484,053	(85,615)
<b>Movements in working capital</b>							
Interest receivable	(832,862)	(404,161)	(73,424)	(1,160,097)	(1,419,756)	3,676,828	(7,485)
Prepayments							
Other receivable	(8,702)	(1,067)	-	-	-	-	-
Accrued expenses	(48)	(113)	1,187	12,912	16,928	47,358	93,000
<b>Net cash generated from/(used in) operating activities</b>	<b>(27,788)</b>	<b>(12,053)</b>	<b>(1,505)</b>	<b>(41,792)</b>	<b>(38,001)</b>	<b>5,208,239</b>	<b>(100)</b>
<b>B. Cash flows from investing activities</b>							
Placement of fixed deposits	-	-	-	(54,083,753)	(100,454,445)	-	(49,900,000)
Maturity of fixed deposits	-	-	-	-	-	48,440,500	-
<b>Net cash generated from/(used in) investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(54,083,753)</b>	<b>(100,454,445)</b>	<b>48,440,500</b>	<b>(49,900,000)</b>
<b>C. Cash flows from financing activities</b>							
Proceeds from issue of redeemable shares	-	-	-	54,165,000	100,555,000	-	50,000,000
Payments on redemption of redeemable shares	-	-	-	-	-	(53,701,770)	-
<b>Net cash generated from/(used in) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,165,000</b>	<b>100,555,000</b>	<b>(53,701,770)</b>	<b>50,000,000</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(27,788)</b>	<b>(12,053)</b>	<b>(1,505)</b>	<b>39,455</b>	<b>62,554</b>	<b>(53,031)</b>	<b>99,900</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>29,386</b>	<b>17,678</b>	<b>5,735</b>	<b>-</b>	<b>-</b>	<b>114,946</b>	<b>-</b>
<b>Cash and cash equivalents at end of year</b>	<b>1,598</b>	<b>5,625</b>	<b>4,230</b>	<b>39,455</b>	<b>62,554</b>	<b>61,915</b>	<b>99,900</b>
<b>Supplemental disclosure of cash flow information</b>							
Cash received during the year for interest	-	-	-	-	-	5,166,774	-

\* Statement of Cash Flows for Income Fund Series 5 Segregated Portfolio 2nd Offer Period is for the period from 1 January 2016 to 3 October 2016, Income Fund Series 7 Segregated Portfolio is for the period from 1 January 2016 to 29 June 2016, Income Fund Series 9 Segregated Portfolio is for the period from 1 January 2016 to 1 February 2016, and for Enhanced Yield Fund Class A Segregated Portfolio is for the period from 1 January 2016 to 16 November 2016.

The notes on pages 12 to 36 form an integral part of these financial statements.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF CASH FLOWS (CONTINUED)  
For the year ended 31 December 2015 (Refer Note 1)

	Income Fund Series 5 Segregated Portfolio 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD	USD
<b>A. Cash flows from operating activities</b>				
Net profit	236,176	381,712	712,958	1,759,235
<b>Movements in working capital</b>				
Interest receivable	(276,578)	(408,603)	(770,932)	(1,721,867)
Accrued expenses	14,788	9,569	13,709	(9,721)
<b>Net cash generated from/(used in) operating activities</b>	<u>(25,614)</u>	<u>(17,322)</u>	<u>(44,265)</u>	<u>27,647</u>
<b>B. Cash flows from investing activities</b>				
Placement of fixed deposits	(59,945,000)	(49,965,000)	(45,250,000)	-
Maturity of fixed deposits	-	-	-	1,000,000
<b>Net cash generated from/(used in) investing activities</b>	<u>(59,945,000)</u>	<u>(49,965,000)</u>	<u>(45,250,000)</u>	<u>1,000,000</u>
<b>C. Cash flows from financing activities</b>				
Proceeds from issue of redeemable shares	60,000,000	50,000,000	45,300,000	-
Payments on redemption of redeemable shares	-	-	-	(1,062,800)
<b>Net cash generated from/(used in) financing activities</b>	<u>60,000,000</u>	<u>50,000,000</u>	<u>45,300,000</u>	<u>(1,062,800)</u>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	29,386	17,678	5,735	(35,153)
<b>Cash and cash equivalents at beginning of year</b>	-	-	-	150,099
<b>Cash and cash equivalents at end of year</b>	<u>29,386</u>	<u>17,678</u>	<u>5,735</u>	<u>114,946</u>
<b>Supplemental disclosure of cash flow information</b>				
Cash received during the year for interest	-	-	-	17,446

The notes on pages 12 to 36 form an integral part of these financial statements.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

#### 1. GENERAL INFORMATION

International Opportunities Fund - SPC (the “Fund”) formerly known as Aditya Birla Sun Life – SPC, was incorporated on 8 August 2012 in the Cayman Islands as an exempted company limited by shares and registered as a segregated portfolio company. Effective from 10 December 2013, Aditya Birla Sun Life – SPC changed name to International Opportunities Fund - SPC. The Fund is a regulated mutual fund for the purposes of the Mutual Funds Law (Revised) of the Cayman Islands.

As a segregated portfolio company under Cayman Islands law, the Company can create several segregated portfolios (the “Segregated Portfolios”), each of which are separate Segregated Portfolio of the Fund. As a matter of Cayman Islands law, the assets and liabilities of each Segregated Portfolio are segregated from the general assets and liabilities of the Fund, and accordingly, creditors of a particular Segregated Portfolio should have recourse only to the assets of such Segregated Portfolio. The Fund however is a single entity which can have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. In such circumstances, there is a risk that the assets of a Segregated Portfolio can be applied to meet the liabilities of another Segregated Portfolio whose assets are exhausted.

Each Segregated Portfolio will have a distinct portfolio of investments. These financial statements cover the following Segregated Portfolios:

Name of the Segregated Portfolio	Commencement date	Maturity date	Statement of financial position date	Period covered by Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and Statement of Cash Flows
Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	30 September 15 <sup>(a)</sup>	03 October 16	03 October 16	01 January 16 to 03 Oct 2016
Income Fund Series 7 Segregated Portfolio	29 June 15 <sup>(b)</sup>	29 June 16	29 June 16	01 January 16 to 29 June 16
Income Fund Series 9 Segregated Portfolio	29 January 15 <sup>(c)</sup>	01 February 16	01 February 16	01 January 16 to 01 February 16
Income Fund Series 11 Segregated Portfolio	09 March 16	14 March 17	31 December 16	09 March 16 to 31 December 16
Income Fund Series 13 Segregated Portfolio	22 June 16	22 June 17	31 December 16	22 June 16 to 31 December 16
Enhanced Yield Fund Class A Segregated Portfolio	15 November 13 <sup>(d)</sup>	16 November 16	16 November 16	01 January 16 to 16 November 16
Fixed Income Fund Series A Segregated Portfolio	30 December 16	02 January 18	31 December 16	30 December 16 to 31 December 16

(a) Income Fund Series 5 Segregated Portfolio – 2<sup>nd</sup> offer period got matured on 03 October 2016 and all the shares under this offer period were fully redeemed.

(b) Income Fund Series 7 Segregated Portfolio matured on 29 June 2016, and shares in International Opportunities Fund- SPC relating to Income Fund Series 7 Segregated Portfolio were fully redeemed.

(c) Income Fund Series 9 Segregated Portfolio matured on 01 February 2016, and shares in International Opportunities Fund- SPC relating to Income Fund Series 9 Segregated Portfolio were fully redeemed.

(d) Enhanced Yield Fund Class A Segregated Portfolio matured on 16 November 2016, and shares in International Opportunities Fund- SPC relating to Enhanced Yield Fund Class A Segregated Portfolio were fully redeemed.

#### Investment objective

The investment objectives, policies and strategies of each Segregated Portfolio are set out in relevant supplemental confidential memorandum relating to that Segregated Portfolio issued by the Fund. A summary of the investment objectives of each Segregated Portfolio is set out below.

#### Income Fund Series 5 Segregated Portfolio

The investment objective of the Segregated Portfolio is to generate a consistent return. It shall seek to achieve this by opening US dollar denominated fixed deposit accounts offered by Indian Offshore Banks for maturity tenors of not more than 370 days from the initial closing date.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

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### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

#### 1. GENERAL INFORMATION (CONTINUED)

##### **Income Fund Series 7 Segregated Portfolio**

The investment objective of the Segregated Portfolio is to generate a consistent return. It shall seek to achieve this by opening US dollar denominated fixed deposit accounts offered by Bank of India UK Branch and Bank of Baroda UK Branch for maturity tenors of not more than thirteen (13) months.

##### **Income Fund Series 9 Segregated Portfolio**

The investment objective of the Segregated Portfolio is to generate a consistent return. It shall seek to achieve this by placing US dollar denominated fixed deposit with Indian Offshore Banks for maturity tenors of not more than thirteen (13) months.

##### **Income Fund Series 11 Segregated Portfolio**

The investment objective of the Segregated Portfolio is to generate a consistent return. It shall seek to achieve this by placing US dollar denominated fixed deposit accounts offered by Middle East Bank(s) for maturity tenors of not more than fifteen (15) months.

##### **Income Fund Series 13 Segregated Portfolio**

The investment objective of the Segregated Portfolio is to generate a consistent return. It shall seek to achieve this by opening US dollar denominated fixed deposit accounts offered by Middle East Bank(s) for maturity tenors of not more than fifteen (15) months.

##### **Enhanced Yield Fund Class A Segregated Portfolio**

The investment objective of the Segregated Portfolio is to generate consistent returns. It shall seek to achieve this by opening US dollar denominated fixed deposit accounts offered by Indian Offshore Banks or Middle East Banks for maturity tenors of not more than thirty six (36) months.

##### **Fixed Income Fund Series A Segregated Portfolio**

The investment objective of the Segregated Portfolio is to generate consistent returns. It shall seek to achieve this by placing fixed deposit with banks from the Gulf Cooperation Council ("GCC") states for tenure not exceeding 370 days.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB).

##### **(a) Basis of Preparation**

The financial statements of the Segregated Portfolios are presented in United States dollars ("US Dollars") and rounded to the nearest unit.

In respect of the Segregated Portfolios (viz. Income Fund Series 5 Segregated Portfolio, Income Fund Series 7 Segregated Portfolio, Income Fund Series 9 Segregated Portfolio, Income Fund Series 11 Segregated Portfolio, Income Fund Series 13 Segregated Portfolio, Enhanced Yield Fund Class A Segregated Portfolio, and Fixed Income Fund Series A Segregated Portfolio) the financial statements are prepared on a fair value basis for financial instruments and financial assets and liabilities held for trading. Other financial assets and liabilities are stated at historical cost or redemption amount (redeemable participating shares).

Read with the above, the accounting policies have been applied consistently by the Segregated Portfolios.



## INTERNATIONAL OPPORTUNITIES FUND - SPC

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### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (b) *Financial instruments*

#### (i) *Classification*

The Segregated Portfolios classify their financial assets and financial liabilities into the following categories:

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Segregated Portfolios include in this category amounts relating to cash and cash equivalents, interest receivable and time deposits held.

#### (ii) *Recognition*

The Segregated Portfolios recognise a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. Financial instruments are measured initially at fair value. Profits and losses on the disposal of investments are computed on a first-in first-out basis and are included in the Statement of Comprehensive Income.

#### (iii) *Subsequent measurement*

After initial measurement, the Fund measures financial instruments which are classified as loans and receivables at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process. The interest earned elements of such instruments are recorded separately in interest income.

#### (iv) *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired and either (a) the Segregated Portfolios have transferred substantially all the risks or rewards of the asset; or (b) the Segregated Portfolios have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset. When the Segregated Portfolios have transferred their rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Segregated Portfolios' continuing involvement in the asset. In that case, the Segregated Portfolios also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Segregated Portfolios have retained. The Segregated Portfolios derecognise a financial liability when the obligation under the liability is discharged, cancelled or expired.

Transaction costs are paid by the Segregated Portfolios in connection with the Segregated Portfolios' trading activities at normal commercial rates and are expensed as incurred.

### (c) *Foreign Currencies*

Items included in each Segregated Portfolio's accounts are measured using the currency of the primary economic environment in which it operates which is United States Dollar. The functional currency for Income Fund Series 5 Segregated Portfolio, Income Fund Series 7 Segregated Portfolio, Income Fund Series 9 Segregated Portfolio, Enhanced Yield Fund Class A Segregated Portfolio and Fixed Income Fund Series A Segregated Portfolio is United States Dollar.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

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### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*(d) Use of estimates*

The preparation of Financial Statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses in the Financial Statements and accompanying notes. Actual results could differ from those estimates.

*(e) Net Asset Value per share*

The Net Asset Value ("NAV") per share disclosed on the face of the Statement of Financial Position is calculated in accordance with IFRS by dividing the net assets attributable to each share class by the number of redeemable participating shares of that class outstanding at period end. As noted above, financial assets and liabilities at fair value through profit or loss are valued at quoted market prices.

*(f) Cash and cash equivalents*

Cash and cash equivalents include cash deposits held at call with the Custodian and Prime Broker. Cash equivalents are short-term liquid investments that are readily convertible to known amounts of cash.

*(g) Income and expense*

Interest income and expense are accounted for on an effective yield basis. Other income and expenses are accounted for on an accrual basis.

*(h) Redeemable participating shares*

Redeemable participating shares are classified as financial liabilities in accordance with IAS 32. All redeemable participating shares issued by the Segregated Portfolios provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Segregated Portfolio's net assets at the redemption date.

*(i) New accounting pronouncements*

The IFRSs adopted by the Segregated Portfolios in the preparation of these financial statements are those that were effective for accounting periods ending on or before 31 December 2016.

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) *New accounting pronouncements (continued)*

**New accounting pronouncements in issue, not yet effective**

At the date of approval of these financial statements, the following new standards and amendments, which have not been applied, but that may impact the financial statements, were issued but not yet effective:

*IAS, IFRS and IFRIC Interpretations Issued but Not Yet Effective*

	Effective date (Annual periods beginning on or after)
IAS 7 Statement of Cash Flows	1 January 2017
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018

The impact of the changes has not been ascertained.

3. CASH AND CASH EQUIVALENTS

The following table details the names of the financial institutions holding Cash and Cash Equivalents of each Segregated Portfolio as at 31 December 2016:

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio	Fixed Income Fund Series A Segregated Portfolio
	USD	USD	USD	USD	USD	USD	USD
Deutsche Bank AG	1,598	5,625	4,230	39,455	62,554	61,915	99,900
	1,598	5,625	4,230	39,455	62,554	61,915	99,900

The following table details the names of the financial institutions holding Cash and Cash Equivalents of each Segregated Portfolio as at 31 December 2015:

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD	USD
Deutsche Bank AG	29,386	17,678	5,735	114,946
	29,386	17,678	5,735	114,946

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

4. OTHER ASSETS

31 December 2016

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio	Fixed Income Fund Series A Segregated Portfolio
	USD	USD	USD	USD	USD	USD	USD
Interest receivable	1,109,440	812,764	844,356	1,160,097	1,419,756	-	7,485
Other receivable	8,702	1,067	-	-	-	-	-
	<u>1,118,142</u>	<u>813,831</u>	<u>844,356</u>	<u>1,160,097</u>	<u>1,419,756</u>	<u>-</u>	<u>7,485</u>

31 December 2015

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD	USD
Interest receivable	276,578	408,603	770,932	3,676,828
	<u>276,578</u>	<u>408,603</u>	<u>770,932</u>	<u>3,676,828</u>

5. LOANS AND RECEIVABLES

The following table details the names of the financial institutions holding Fixed Deposits of each Segregated Portfolio as at 31 December 2016:

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio	Fixed Income Fund Series A Segregated Portfolio
	USD	USD	USD	USD	USD	USD	USD
Bank of Baroda	545,000	25,000,000	23,000,000	-	-	-	-
Canara Bank	29,000,000	-	-	-	-	-	-
Union Bank Of India	500,000	-	-	-	-	-	-
Bank of India	29,900,000	24,965,000	22,250,000	-	-	-	-
Dubai Islamic Bank	-	-	-	54,083,753	-	-	-
Doha Bank	-	-	-	-	100,454,445	-	49,900,000
	<u>59,945,000</u>	<u>49,965,000</u>	<u>45,250,000</u>	<u>54,083,753</u>	<u>100,454,445</u>	<u>-</u>	<u>49,900,000</u>

**INTERNATIONAL OPPORTUNITIES FUND - SPC**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2016**

**5. LOANS AND RECEIVABLES (CONTINUED)**

The following table details the names of the financial institutions holding Fixed Deposits of each Segregated Portfolio as at 31 December 2015:

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD	USD
ICICI Bank Limited	-	-	-	48,440,500
Indian Overseas Bank	-	-	-	-
Bank of Baroda	545,000	25,000,000	23,000,000	-
Canara Bank	29,000,000	-	-	-
Union Bank Of India	500,000	-	-	-
Bank of India	29,900,000	24,965,000	22,250,000	-
Punjab National Bank	-	-	-	-
State Bank of India	-	-	-	-
	<u>59,945,000</u>	<u>49,965,000</u>	<u>45,250,000</u>	<u>48,440,500</u>

**6. INTEREST INCOME**

Interest income included reversal of interest income of USD 60,865 and USD 39,541 for Enhanced Yield Fund Class A Segregated Portfolio for the years ended 2016 and 2015, respectively, on account of pre-matured withdrawals of fixed deposits for meeting redemption.

**7. ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

The following table details the accounts payable as at 31 December 2016:

	Income Fund Series 5 Segregated Portfolio α 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio ^	Income Fund Series 9 Segregated Portfolio *	Income Fund Series 11 Segregated Portfolio ∞	Income Fund Series 13 Segregated Portfolio #	Enhanced Yield Fund Class A Segregated Portfolio @	Fixed Income Fund Series A Segregated Portfolio >
	USD	USD	USD	USD	USD	USD	USD
Management fees payable	14,740	9,456	14,896	12,912	16,928	61,915	93,000
	<u>14,740</u>	<u>9,456</u>	<u>14,896</u>	<u>12,912</u>	<u>16,928</u>	<u>61,915</u>	<u>93,000</u>

INTERNATIONAL OPPORTUNITIES FUND - SPC

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2016

**7. ACCOUNTS PAYABLE AND ACCRUED EXPENSES (CONTINUED)**

α Management Fees Payable of USD 14,740 includes operating and other expenses paid on behalf of the Administrator – USD 3,740; Audit Fee Payable – USD 8,000; Financial Preparation Fee Payable – USD 3,000.

^ Management Fees Payable of USD 9,456 includes operating and other expenses paid on behalf of the Administrator – USD 1,456; Audit Fee Payable – USD 8,000.

\* Management Fees Payable of USD 14,896 includes operating and other expenses paid on behalf of the Administrator – USD 1,500; Audit Fee Payable – USD 8,000; Financial Preparation Fee Payable – USD 3,000; Management Fee Payable – USD 2,396.

∞ Management Fees Payable of USD 12,912 includes operating and other expenses paid on behalf of the Administrator – USD 1,622; Audit Fee Payable – USD 8,000; Financial Preparation Fee Payable – USD 3,000; Other payables – USD 290.

# Management Fees Payable of USD 16,928 includes operating and other expenses paid on behalf of the Administrator – USD 5,928; Audit Fee Payable – USD 8,000; Financial Preparation Fee Payable – USD 3,000.

@ Management Fees Payable of USD 61,915 includes operating and other expenses paid on behalf of the Administrator – USD 2,306; Audit Fee Payable – USD 8,000; Management Fee Payable – USD 48,609; Financial Preparation Fee Payable – USD 3,000.

> Management Fees Payable of USD 93,000 includes operating and other expenses paid on behalf of the Administrator – USD 20,000; Audit Fee Payable – USD 8,000; Legal fee payable – USD 5,000; Management Fee Payable – USD 60,000.

The following table details the accounts payable as at 31 December 2015:

	Income Fund Series 5 Segregated Portfolio <sup>^</sup> 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio <sup>∞</sup>	Income Fund Series 9 Segregated Portfolio#	Enhanced Yield Fund Class A Segregated Portfolio@
	USD	USD	USD	USD
Management fees payable	14,788	9,569	13,709	14,557
	<u>14,788</u>	<u>9,569</u>	<u>13,709</u>	<u>14,557</u>

^ Management Fees Payable of USD 14,788 includes operating and other expenses paid on behalf of the Administrator – USD 1,788; Audit Fee Payable – USD 10,000; Financial Preparation Fee Payable – USD 3,000.

∞ Management Fees Payable of USD 9,569 includes operating and other expenses paid on behalf of the Administrator – USD 1,500; Audit Fee Payable – USD 5,069; Financial Preparation Fee Payable – USD 3,000.

# Management Fees Payable of USD 13,709 includes operating and other expenses paid on behalf of the Administrator – USD 1,504; Audit Fee Payable – USD 9,205; Financial Preparation Fee Payable – USD 3,000.

@ Management Fees Payable of USD 14,557 includes operating and other expenses paid on behalf of the Administrator – USD 1,557; Audit Fee Payable – USD 10,000; Financial Preparation Fee Payable – USD 3,000.

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

8. FEES AND EXPENSES

*Management fee*

*Income Fund Series 5 Segregated Portfolio*

The Investment Manager is entitled to receive a management fee (the "Management Fee") all-inclusive, at a rate of up to 10 bps per annum of the aggregate subscription proceeds of the Class IFS5 Shares of the Segregated Portfolio, payable following the Initial Closing Date.

*Income Fund Series 7 Segregated Portfolio*

The Investment Manager is not entitled to receive a management fee. The total expense ratio charged is up to 0.10% of the aggregate subscription proceeds of the Class IFS7 shares to be collected at the time of subscription allotment.

*Income Fund Series 9 Segregated Portfolio*

The Investment Manager is entitled to receive an all-inclusive one-time management fee (the "Management Fee"), at a rate of up to 15 bps per annum of the aggregate subscription proceeds of the Class IFS9 Shares of the Segregated Portfolio, payable following the Initial Closing Date.

*Income Fund Series 11 Segregated Portfolio*

The Investment Manager is entitled to receive an all-inclusive one-time management fee (the "Management Fee"), at a rate of up to 0.25% per annum of the aggregate subscription proceeds of the Class IFS11 Shares of the Segregated Portfolio, payable following the Initial Closing Date.

*Income Fund Series 13 Segregated Portfolio*

The Investment Manager is entitled to receive an all-inclusive one-time management fee (the "Management Fee"), at a rate of up to 0.15% per annum of the aggregate subscription proceeds of the Class IFS13 Shares of the Segregated Portfolio, payable following the Initial Closing Date.

*Enhanced Yield Fund Class A Segregated Portfolio*

The Investment Manager is entitled to receive an all-inclusive one-time management fee (the "Management Fee"), equal to 0.25% per annum of the aggregate subscription proceeds received under the Segregated Portfolio, payable following the Initial Closing Date.

*Fixed Income Fund Series A Segregated Portfolio*

The Investment Manager is entitled to receive an all-inclusive one-time management fee (the "Management Fee"), at a rate of up to 0.25% per annum of the aggregate subscription proceeds received under the Segregated Portfolio, payable following the Initial Closing Date.

The Management fees comprise of administration fees, audit fees, custodian fees, legal fees, organisational fees and other expenses, as disclosed above.

**31 December 2016**

The following table details the management fee expense including expenses reimbursed by the Investment Manager as a percentage of the initial subscription amount:

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio	Fixed Income Fund Series A Segregated Portfolio
Management fee expense (Annualised)	0.07%	0.06%	0.07%	0.12%	0.10%	0.17%	67.96%

## INTERNATIONAL OPPORTUNITIES FUND - SPC

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

#### 8. FEES AND EXPENSES (CONTINUED)

##### 31 December 2015

The following table details the management fee expense including expenses reimbursed by the Investment Manager as a percentage of the initial subscription amount:

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
Management fee expense (Annualised)	0.27%	0.11%	0.14%	0.06%

##### *Directors' fees*

The Directors do not receive any remuneration other than reimbursement for out-of-pocket expenses. Directors' fees are paid by Aditya Birla Sun Life Asset Management Company Pte Ltd (ABSLAMC).

#### 9. TAXATION

Under current laws of the Cayman Islands, there are no income, estate, corporation, capital gains, withholding or other taxes payable by the Fund. As a result, no provision for income taxes has been made in the financial statements.

In jurisdictions other than the Cayman Islands, in some cases foreign taxes will be withheld at source on dividends and certain interest received by the Fund. Capital gains derived by the Funds in such jurisdictions generally will be exempt from foreign income or withholding taxes at source.

#### 10. SHARE CAPITAL

##### *Authorised*

The Fund has an aggregate authorised capital of US\$50,000 divided into 1 non-participating, voting management share (the "Management Share") with a nominal or par value of US\$0.01 per share and 4,999,999 redeemable participating non-voting shares with a par value of US\$0.01 per share, each of which (other than the Management Share) may be issued as shares of any class of the Segregated Portfolios.

Within each Segregated Portfolio, the Fund will offer redeemable participating shares ("Shares") in one or more classes and at any time may create additional classes without the approval of existing shareholders. The Board of Directors in its absolute discretion may differentiate between classes, including, without limitation, as to the base currency, the investment objective and policy, any investment or other restrictions or guidelines, subscription and redemption rights, the fees and expenses charged relating to the Segregated Portfolio attributable to such Class. The Board of Directors or its duly authorised agent may decline to accept the subscription for Shares in the Segregated Portfolio from any prospective investor. Shares do not have the right to vote.



**INTERNATIONAL OPPORTUNITIES FUND - SPC**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2016

**10. SHARE CAPITAL (CONTINUED)**

The movement in the number of redeemable participating shares for the year ended 31 December 2016 is as follows:

	<b>Income Fund Series 5 Segregated Portfolio - 2<sup>nd</sup> Offer Period</b>	<b>Income Fund Series 7 Segregated Portfolio</b>	<b>Income Fund Series 9 Segregated Portfolio</b>	<b>Income Fund Series 11 Segregated Portfolio</b>	<b>Income Fund Series 13 Segregated Portfolio</b>	<b>Enhanced Yield Fund Class A Segregated Portfolio</b>	<b>Fixed Income Fund Series A Segregated Portfolio</b>
Shares outstanding at the beginning of year	600,000	500,000	453,000	-	-	488,330	-
Shares issued	-	-	-	541,650	1,005,550	-	500,000
Shares redeemed	(600,000)	(500,000)	(453,000)	-	-	(488,330)	-
Shares outstanding at the end of year	-	-	-	541,650	1,005,550	-	500,000

The movement in the number of redeemable participating shares for the year ended 31 December 2015 is as follows:

	<b>Income Fund Series 5 Segregated Portfolio - 2<sup>nd</sup> Offer Period</b>	<b>Income Fund Series 7 Segregated Portfolio</b>	<b>Income Fund Series 9 Segregated Portfolio</b>	<b>Enhanced Yield Fund Class A Segregated Portfolio</b>
Shares outstanding at the beginning of year	-	-	-	498,330
Shares issued	600,000	500,000	453,000	-
Shares redeemed	-	-	-	(10,000)
Shares outstanding at the end of year	600,000	500,000	453,000	488,330

Following the close of the Initial Offer Period, there is no further subscription of Shares.

**Capital Management**

The Fund's objectives for managing capital are:

- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its prospectus.
- To achieve consistent returns while safeguarding capital by investing in Fixed Deposit Accounts with offshore branches of Indian Banks, Middle East Banks and banks from the GCC states.
- To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise. These are close ended and there is no additional issue of redeemable shares after the issue of the Fund.
- To maintain sufficient size to make the operation of the Fund cost-efficient.

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

10. SHARE CAPITAL (CONTINUED)

*Capital Management (continued)*

Refer to financial risk management objectives (Note 12) for the policies and processes applied by the Fund in managing its capital.

11. NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES

The calculation of net asset value per redeemable participating share for each Segregated Portfolio is based on the net assets attributable to holders of redeemable participating shares for that Segregated Portfolio and the redeemable participating shares outstanding for that particular Segregated Portfolio at financial year-end.

The following table details the net asset value per participating share as at 31 December 2016.

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio	Fixed Income Fund Series A Segregated Portfolio
	USD	USD	USD	USD	USD	USD	USD
Net asset attributable to holders of redeemable participating shares	-	-	-	55,270,393	101,919,827	-	49,914,385
Number of redeemable participating shares	-	-	-	541,650	1,005,550	-	500,000
Net asset value per redeemable participating share	-	-	-	102.04	101.36	-	99.83

The following table details the net asset value per participating share as at 31 December 2015.

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD	USD
Net asset attributable to holders of redeemable participating shares	60,236,176	50,381,712	46,012,958	52,217,717
Number of redeemable participating shares	600,000	500,000	453,000	488,330
Net asset value per redeemable participating share	100.39	100.76	101.57	106.93

## INTERNATIONAL OPPORTUNITIES FUND - SPC

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### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

#### 12. FINANCIAL RISK MANAGEMENT OBJECTIVES

Risk is inherent in the Segregated Portfolios' activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Segregated Portfolios are exposed to market risk (including interest rate risk), credit risk and liquidity risk arising from the financial instruments they hold.

##### *Risk management structure*

The Fund, acting for and on behalf of the Segregated Portfolios, delegates responsibility to the Investment Manager to manage the investment and re-investment of the Segregated Portfolios' Assets, supervise, select and evaluate investments of the Segregated Portfolios and, if necessary, to obtain any investment advisory services required by the Fund from investment advisers or other sources. Investment Manager is responsible for identifying and controlling risks of the Segregated Portfolios.

##### *Risk measurement and reporting system*

The Investment Manager monitors and measures the overall risk exposures.

##### *Risk mitigation*

The Investment Manager is responsible for managing and controlling investment risks and may use various techniques and instruments, including derivatives, to do so.

##### *Investment strategy*

The investment strategy of each Segregated Portfolio is further described within the Confidential Memorandum relating to that Segregated Portfolio.

For each of the segregated portfolios, the Investment Manager will try to secure preferential rates for the Fixed Deposit Accounts. The Investment Manager aims to negotiate rates that are better than standard retail rates offered to private clients.

##### *Market risk*

Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk and other price risk. Each Segregated Portfolio's market risk is managed by the Investment Manager subject to the investment objective and investment policies.

##### *Interest rate risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. Each Segregated Portfolio's interest rate risk is managed by the Investment Manager subject to the investment objective and investment policies.

The Segregated Portfolios' exposure to interest rate risk, analysed by maturity of the instrument as at 31 December 2016 was as follows:

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Interest rate risk (continued)*

**Income Fund Series 11 Segregated Portfolio**

	Financial assets in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Cash and cash equivalents	-	-	-	-	39,455	39,455
Loans and receivables	54,083,753	-	-	-	-	54,083,753
Other assets	-	-	-	-	1,160,097	1,160,097
<b>Total assets</b>	<b>54,083,753</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,199,552</b>	<b>55,283,305</b>

  

	Financial liabilities in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Accounts payable and accrued expenses	-	-	-	-	12,912	12,912
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,912</b>	<b>12,912</b>
<b>Total Interest Sensitivity Gap</b>	<b>54,083,753</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,186,640</b>	<b>55,270,393</b>

**Income Fund Series 13 Segregated Portfolio**

	Financial assets in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Cash and cash equivalents	-	-	-	-	62,554	62,554
Loans and receivables	-	100,454,445	-	-	-	100,454,445
Other assets	-	-	-	-	1,419,756	1,419,756
<b>Total assets</b>	<b>-</b>	<b>100,454,445</b>	<b>-</b>	<b>-</b>	<b>1,482,310</b>	<b>101,936,755</b>

  

	Financial liabilities in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Accounts payable and accrued expenses	-	-	-	-	16,928	16,928
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,928</b>	<b>16,928</b>
<b>Total Interest Sensitivity Gap</b>	<b>-</b>	<b>100,454,445</b>	<b>-</b>	<b>-</b>	<b>1,465,382</b>	<b>101,919,827</b>

**Fixed Income Fund Series A Segregated Portfolio**

	Financial assets in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Cash and cash equivalents	-	-	-	-	99,900	99,900
Loans and receivables	-	-	49,900,000	-	-	49,900,000
Other assets	-	-	-	-	7,485	7,485
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>49,900,000</b>	<b>-</b>	<b>107,385</b>	<b>50,007,385</b>

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Interest rate risk (continued)*

**Fixed Income Fund Series A Segregated Portfolio (continued)**

	Financial liabilities in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Accounts payable and accrued expenses	-	-	-	-	93,000	93,000
<b>Total liabilities</b>	-	-	-	-	<b>93,000</b>	<b>93,000</b>
<b>Total Interest Sensitivity Gap</b>	-	-	<b>49,900,000</b>	-	<b>14,385</b>	<b>49,914,385</b>

The Segregated Portfolio's exposure to interest rate risk, analysed by maturity of the instrument as at 31 December 2015 was as follows:

**Income Fund Series 5 Segregated Portfolio – 2<sup>nd</sup> Offer Period**

	Financial assets in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Cash and cash equivalents	-	-	-	-	29,386	29,386
Loans and receivables	-	59,945,000	-	-	-	59,945,000
Other assets	-	-	-	-	276,578	276,578
<b>Total assets</b>	-	<b>59,945,000</b>	-	-	<b>305,964</b>	<b>60,250,964</b>

	Financial liabilities in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Accounts payable and accrued expenses	-	-	-	-	14,788	14,788
<b>Total liabilities</b>	-	-	-	-	<b>14,788</b>	<b>14,788</b>
<b>Total Interest Sensitivity Gap</b>	-	<b>59,945,000</b>	-	-	<b>291,176</b>	<b>60,236,176</b>

**Income Fund Series 7 Segregated Portfolio**

	Financial assets in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Cash and cash equivalents	-	-	-	-	17,678	17,678
Loans and receivables	-	49,965,000	-	-	-	49,965,000
Other assets	-	-	-	-	408,603	408,603
<b>Total assets</b>	-	<b>49,965,000</b>	-	-	<b>426,281</b>	<b>50,391,281</b>

	Financial liabilities in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Accounts payable and accrued expenses	-	-	-	-	9,569	9,569
<b>Total liabilities</b>	-	-	-	-	<b>9,569</b>	<b>9,569</b>
<b>Total Interest Sensitivity Gap</b>	-	<b>49,965,000</b>	-	-	<b>416,712</b>	<b>50,381,712</b>

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Interest rate risk (continued)*

Income Fund Series 9 Segregated Portfolio

	Financial assets in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Cash and cash equivalents	-	-	-	-	5,735	5,735
Loans and receivables	45,250,000	-	-	-	-	45,250,000
Other assets	-	-	-	-	770,932	770,932
<b>Total assets</b>	<b>45,250,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>776,667</b>	<b>46,026,667</b>

	Financial liabilities in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Accounts payable and accrued expenses	-	-	-	-	13,709	13,709
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,709</b>	<b>13,709</b>
<b>Total Interest Sensitivity Gap</b>	<b>45,250,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>762,958</b>	<b>46,012,958</b>

Enhanced Yield Fund Class A Segregated Portfolio

	Financial assets in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Cash and cash equivalents	-	-	-	-	114,946	114,946
Loans and receivables	-	48,440,500	-	-	-	48,440,500
Other assets	-	-	-	-	3,676,828	3,676,828
<b>Total assets</b>	<b>-</b>	<b>48,440,500</b>	<b>-</b>	<b>-</b>	<b>3,791,774</b>	<b>52,232,274</b>

	Financial liabilities in USD					Total
	Less than 3 months	3 months to 1 year	1 to 5 years	Greater than 5 years	Non-Interest Bearing	
Accounts payable and accrued expenses	-	-	-	-	14,557	14,557
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,557</b>	<b>14,557</b>
<b>Total Interest Sensitivity Gap</b>	<b>-</b>	<b>48,440,500</b>	<b>-</b>	<b>-</b>	<b>3,777,217</b>	<b>52,217,717</b>

INTERNATIONAL OPPORTUNITIES FUND - SPC

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Currency risk*

Each Segregated Portfolio may invest in financial instruments and enter into transactions denominated in currencies other than its functional currency. Consequently, each Segregated Portfolio is exposed to the risk that the exchange rate of its functional currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Segregated Portfolio's assets or liabilities denominated in currencies other than the functional currency.

The Segregated Portfolio's currency risk is managed and monitored by the Investment Manager in accordance with policies and procedures in place.

The Segregated Portfolios invest exclusively in US Dollar fixed deposit. Consequently, as at 31 December 2016 and 2015, the Segregated Portfolios did not have any currency risk exposure.

*Credit risk*

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Segregated Portfolio.

The carrying amounts of financial assets which best represent the maximum credit risk exposure at 31 December 2016 are as follows:

	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Fixed Income Fund Series A Segregated Portfolio
	USD	USD	USD
Fixed Deposits*	54,083,753	100,454,445	49,900,000
Cash and cash equivalents	39,455	62,554	99,900
<b>Total</b>	<b>54,123,208</b>	<b>100,516,999</b>	<b>49,999,900</b>

\*Excludes interest accrued and not due on fixed deposits.

**INTERNATIONAL OPPORTUNITIES FUND - SPC**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2016

**12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)**

*Credit risk (continued)*

The carrying amounts of financial assets which best represent the maximum credit risk exposure at 31 December 2015 are as follows:

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period USD	Income Fund Series 7 Segregated Portfolio USD	Income Fund Series 9 Segregated Portfolio USD	Enhanced Yield Fund Class A Segregated Portfolio USD
Fixed Deposits*	59,945,000	49,965,000	45,250,000	48,440,500
Cash and cash equivalents	29,386	17,678	5,735	114,946
<b>Total</b>	<b>59,974,386</b>	<b>49,982,678</b>	<b>45,255,735</b>	<b>48,555,446</b>

\*Excludes interest accrued and not due on fixed deposits.

The cash balances of the Segregated Portfolios are held with Deutsche Bank.

The Fixed Deposits are held with the following banks:

**31 December 2016**

	Income Fund Series 11 Segregated Portfolio USD	Income Fund Series 13 Segregated Portfolio USD	Fixed Income Fund Series A Segregated Portfolio USD
Dubai Islamic Bank	54,083,753	-	-
Doha Bank	-	100,454,445	49,900,000
	<b>54,083,753</b>	<b>100,454,445</b>	<b>49,900,000</b>



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NOTES TO THE FINANCIAL STATEMENTS

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12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Credit risk (continued)*

31 December 2015

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD	USD
ICICI Bank Limited	-	-	-	48,440,500
Bank of Baroda	545,000	25,000,000	23,000,000	-
Canara Bank	29,000,000	-	-	-
Union Bank of India	500,000	-	-	-
Bank of India	29,900,000	24,965,000	22,250,000	-
	<u>59,945,000</u>	<u>49,965,000</u>	<u>45,250,000</u>	<u>48,440,500</u>

The credit quality of the banks at which fixed deposit accounts are maintained is monitored using in-house research capabilities as well as inputs from external sources such as independent credit rating agencies.

At 31 December 2016, the long term senior debt credit ratings of the following banks were as follows:

	Standard & Poors	Moody's Investor Services	Fitch
Deutsche Bank AG	A-	A3	A-
Dubai Islamic Bank	Not Rated	Baa1	A
Doha Bank	A-	A2	A+

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Credit risk (continued)*

At 31 December 2015, the long term senior debt credit ratings of the following banks were as follows:

	Standard & Poors	Moody's Investor Services	Fitch
Deutsche Bank AG	BBB+	A3	A-
ICICI Bank Limited	BBB-	Baa3	BBB-
Bank of Baroda	Not Rated	Baa3	BBB-
Canara Bank	Not Rated	Baa3	BBB-
Union Bank of India	BBB-	Baa3	Not Rated
Bank of India	BBB-	Baa3	Not Rated

*Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The main source of liquidity risk is from redemption from shareholders in the Segregated Portfolios.

The table below summarises the maturity profile of the Segregated Portfolios' financial assets and liabilities as at 31 December 2016 based on contractual undiscounted payments:

**Income Fund Series 11 Segregated Portfolio**

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Assets</b>					
Cash and cash equivalents	39,455	-	-	-	39,455
Loans and receivables	-	54,083,753	-	-	54,083,753
Interest receivable	1,160,097	-	-	-	1,160,097
<b>Total assets</b>	<b>1,199,552</b>	<b>54,083,753</b>	-	-	<b>55,283,305</b>
<b>Liabilities</b>					
Accounts payable and accrued expenses	12,912	-	-	-	12,912
Net assets attributable to holders of redeemable participating shares	-	55,270,393	-	-	55,270,393
<b>Total liabilities</b>	<b>12,912</b>	<b>55,270,393</b>	-	-	<b>55,283,305</b>

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Liquidity risk (continued)*

**Income Fund Series 13 Segregated Portfolio**

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Assets</b>					
Cash and cash equivalents	62,554		-	-	62,554
Loans and receivables	-	100,454,445	-	-	100,454,445
Interest receivable	1,419,756	-	-	-	1,419,756
<b>Total assets</b>	<b>1,482,310</b>	<b>100,454,445</b>	<b>-</b>	<b>-</b>	<b>101,936,755</b>
<b>Liabilities</b>					
Accounts payable and accrued expenses	16,928	-	-	-	16,928
Net assets attributable to holders of redeemable participating shares	101,919,827	-	-	-	101,919,827
<b>Total liabilities</b>	<b>101,936,755</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101,936,755</b>

**Fixed Income Fund Series A Segregated Portfolio**

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Assets</b>					
Cash and cash equivalents	99,900	-	-	-	99,900
Loans and receivables	-	-	49,900,000	-	49,900,000
Interest receivable	7,485	-	-	-	7,485
<b>Total assets</b>	<b>107,385</b>	<b>-</b>	<b>49,900,000</b>	<b>-</b>	<b>50,007,385</b>
<b>Liabilities</b>					
Accounts payable and accrued expenses	93,000	-	-	-	93,000
Net assets attributable to holders of redeemable participating shares	-	49,914,385	-	-	49,914,385
<b>Total liabilities</b>	<b>93,000</b>	<b>49,914,385</b>	<b>-</b>	<b>-</b>	<b>50,007,385</b>

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Liquidity risk (continued)*

The table below summarises the maturity profile of the Segregated Portfolio's financial assets and liabilities as at 31 December 2015 based on contractual undiscounted payments:

**Income Fund Series 5 Segregated Portfolio - 2<sup>nd</sup> Offer Period**

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Assets</b>					
Cash and cash equivalents	29,386	-	-	-	29,386
Loans and receivables	-	59,945,000	-	-	59,945,000
Interest receivable	276,578	-	-	-	276,578
<b>Total assets</b>	<b>305,964</b>	<b>59,945,000</b>	-	-	<b>60,250,964</b>

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Liabilities</b>					
Accounts payable and accrued expenses	14,788	-	-	-	14,788
Net assets attributable to holders of redeemable participating shares	-	60,236,176	-	-	60,236,176
<b>Total liabilities</b>	<b>14,788</b>	<b>60,236,176</b>	-	-	<b>60,250,964</b>

**Income Fund Series 7 Segregated Portfolio**

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Assets</b>					
Cash and cash equivalents	17,678	-	-	-	17,678
Loans and receivables	-	49,965,000	-	-	49,965,000
Interest receivable	408,603	-	-	-	408,603
<b>Total assets</b>	<b>426,281</b>	<b>49,965,000</b>	-	-	<b>50,391,281</b>

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Liabilities</b>					
Accounts payable and accrued expenses	9,569	-	-	-	9,569
Net assets attributable to holders of redeemable participating shares	-	50,381,712	-	-	50,381,712
<b>Total liabilities</b>	<b>9,569</b>	<b>50,381,712</b>	-	-	<b>50,391,281</b>

INTERNATIONAL OPPORTUNITIES FUND - SPC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12. FINANCIAL RISK MANAGEMENT OBJECTIVES (CONTINUED)

*Liquidity risk (continued)*

Income Fund Series 9 Segregated Portfolio

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Assets</b>					
Cash and cash equivalents	5,735	-	-	-	5,735
Loans and receivables	-	45,250,000	-	-	45,250,000
Interest receivable	770,932	-	-	-	770,932
<b>Total assets</b>	<b>776,667</b>	<b>45,250,000</b>	<b>-</b>	<b>-</b>	<b>46,026,667</b>
<b>Liabilities</b>					
Accounts payable and accrued expenses	13,709	-	-	-	13,709
Net assets attributable to holders of redeemable participating shares	-	46,012,958	-	-	46,012,958
<b>Total liabilities</b>	<b>13,709</b>	<b>46,012,958</b>	<b>-</b>	<b>-</b>	<b>46,026,667</b>

Enhanced Yield Fund Class A Segregated Portfolio

	Less than 1 month USD	1 month to 1 year USD	Greater than 1 year USD	No Stated Maturity USD	Total USD
<b>Assets</b>					
Cash and cash equivalents	114,946	-	-	-	114,946
Loans and receivables	-	48,440,500	-	-	48,440,500
Interest receivable	3,676,828	-	-	-	3,676,828
<b>Total assets</b>	<b>3,791,774</b>	<b>48,440,500</b>	<b>-</b>	<b>-</b>	<b>52,232,274</b>
<b>Liabilities</b>					
Accounts payable and accrued expenses	14,557	-	-	-	14,557
Net assets attributable to holders of redeemable participating shares	-	52,217,717	-	-	52,217,717
<b>Total liabilities</b>	<b>14,557</b>	<b>52,217,717</b>	<b>-</b>	<b>-</b>	<b>52,232,274</b>

**INTERNATIONAL OPPORTUNITIES FUND - SPC**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2016

**13. RELATED PARTY DISCLOSURES**

The following are considered to be related parties to the Fund:

- The Investment Manager.
- The directors and certain entities connected to the directors.

**Management fees**

Aditya Birla Sun Life Asset Management Company Pte Ltd (“the Investment Manager”) is responsible for managing the investments of the Fund and its Segregated Portfolios’ assets under the terms of Investment Management Agreement.

For the year ended 31 December 2016, the following fees was received/receivable by Investment Manager from the Segregated Portfolios. Refer to notes 7 and 8 for more details.

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Income Fund Series 11 Segregated Portfolio	Income Fund Series 13 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio	Fixed Income Fund Series A Segregated Portfolio
	USD	USD	USD	USD	USD	USD	USD
Management fees charged to Profit and Loss	27,740	11,940	4,690	54,704	54,929	77,583	93,100
Management fees payable	14,740	9,456	14,896	12,912	16,928	61,915	93,000

For the year ended 31 December 2015, the following fees were received/receivable by Investment Manager from the Segregated Portfolios. Refer to notes 7 and 8 for more details.

	Income Fund Series 5 Segregated Portfolio - 2 <sup>nd</sup> Offer Period	Income Fund Series 7 Segregated Portfolio	Income Fund Series 9 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD	USD
Management fees charged to Profit and Loss	40,402	26,891	57,975	32,894
Management fees payable	14,788	9,569	13,709	14,557

**Directors’ fees**

The directors are employees of affiliates of the Investment Manager and the Fund does not hold any independent directors. The directors who held office for the years ended 31 December 2016 and 2015 did not receive any remuneration. Refer to note 8 for more details.

**INTERNATIONAL OPPORTUNITIES FUND - SPC**

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**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2016**

**14. COMMITMENTS AND CONTIGENCIES**

There are no commitments as at the balance sheet date for any of the Segregated Portfolios.

**15. SUBSEQUENT EVENTS**

No significant events have occurred since the year end which would require adjustment to or disclosure in the Financial Statements.

**16. APPROVAL OF THE FINANCIAL STATEMENTS**

The Financial Statements were approved by the Board of Directors on 29 May, 2017.