

CANNON OFFSHORE FUNDS



Deposit Plus Fund April 2013

INVESTMENT OBJECTIVE

The Fund seeks to achieve its investment objective by investing in deposits, short dated government bonds, short dated corporate bonds and selected funds with low portfolio duration where appropriate. Bonds will generally be of 5 year maturity or less and the average portfolio maturity will generally be 3 years or less. Substantial exposure to gilts and deposits may also be held from time to time.

INVESTMENT COMMENT

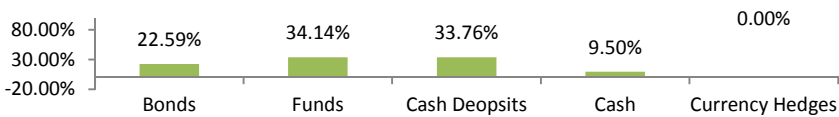
The fund has returned 1.28% year to date, due to returns both from bond investments and funds. Deposits and cash have also contributed to returns, but these are declining with falling wholesale bank and deposit rates, which remain a challenge to returns. Bond gains have been substantially influenced by capital returns, in addition to the accrual of interest. Funds together with cash and deposits, form the bulk of the portfolio's value and are intended to be independent of bond returns. Interest rates on new deposits and notice accounts continue to trend downwards and we remain concerned about the distorting impact of this policy, but economies have not recovered enough to allow their withdrawal. In any event, we continue to manage the cash and other investments for modest returns with limited risk and high liquidity.

HOLDINGS ANALYSIS

Top Ten Holdings

GAM FCM Cat Bond GBP	7.73%	Barclays Call - Subs	6.62%
Carmignac Capital Plus I GBP Acc	7.55%	TCA Global Credit Master G£	3.90%
Skipton 80 Day Call	7.51%	Henderson Credit Alpha Acc	3.78%
Investec UK Deposit	7.50%	JB Absolute Return Bond Plus B £	3.77%
Muzinich Short Dur High Yld H£I	7.41%	Investec Guernsey Deposit	3.76%

Asset Type Allocation



MONTHLY PERFORMANCE (BID TO BID)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012										-0.36%	0.02%	0.02%	-0.32%
2013	0.05%	0.36%	0.41%	0.45%									1.28%

LARGEST MONTH GAIN/LOSS

*Largest Month Gain: 0.45%

*Largest Month Loss: -0.36%

*All Performance figures calculated net of fees

Contact Us

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FUND FACTS

Price Date:	25-Apr-13
NAV price:	100.9536
Fund Currency:	Sterling
Fund size:	£13,434,511.51
Launch Date:	01 October 2012
Dealing:	Thursday, Weekly
Cut off time:	T-2, 5 pm, BST or GMT
Minimum investment:	GBP100,000
Minimum top up:	GBP5,000
Benchmark:	LIBOR GBP 3 M - 0.3%
Dividend Policy:	Accumulation

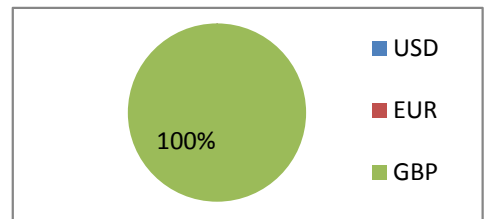
CHARGES

Initial Fee:	Up to 5%
Annual Fee:	0.50%

PRICING

Pricing is sourced from the Custodian. Subsequent calculations and production of performance graphs are dependent on this information.

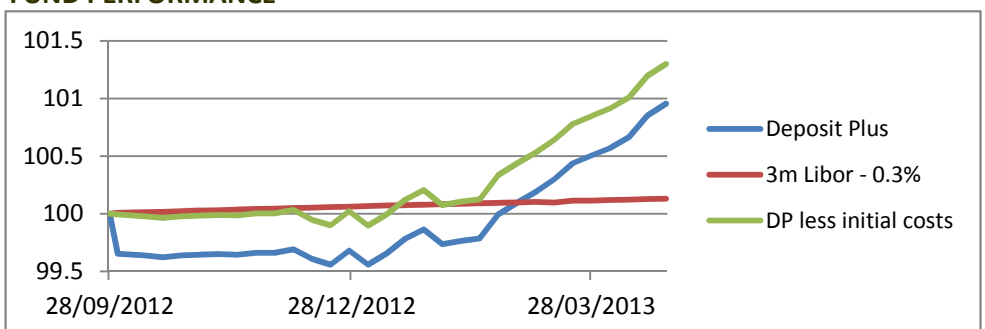
CURRENCY BREAKDOWN



BENCHMARK PERFORMANCE*

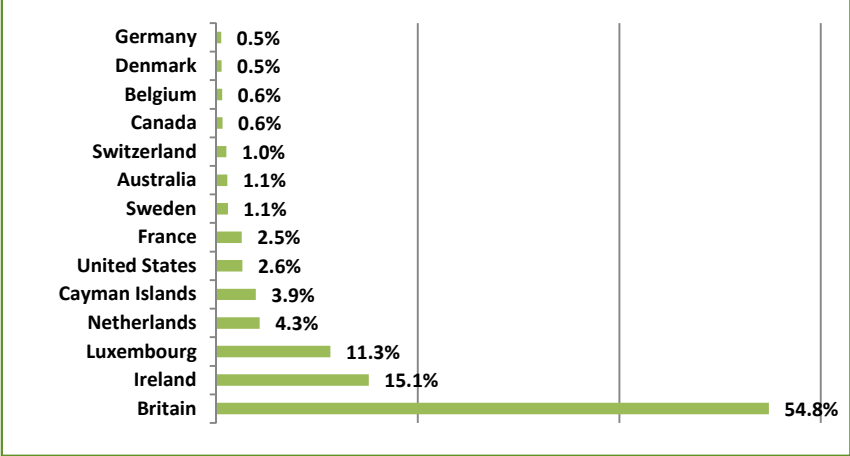
2010	0.39%
2011	0.54%
2012	0.59%
2013 (YTD)	0.04%

FUND PERFORMANCE

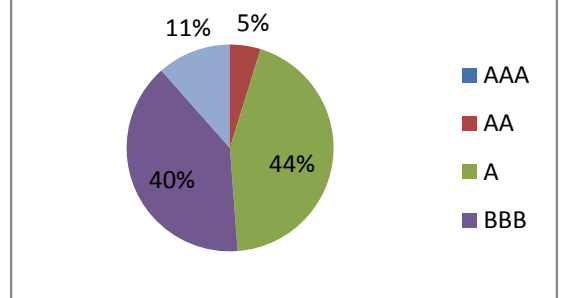


ASSET ALLOCATION

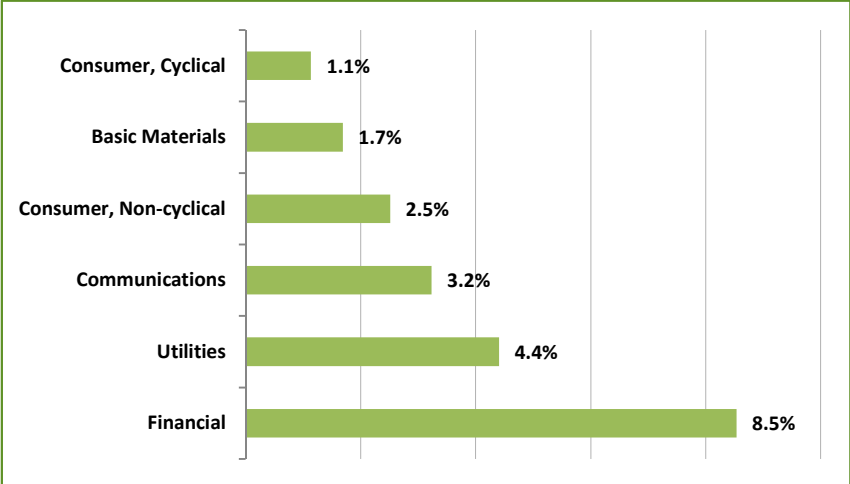
Geographic Analysis - Funds, Bonds, Cash & Deposits



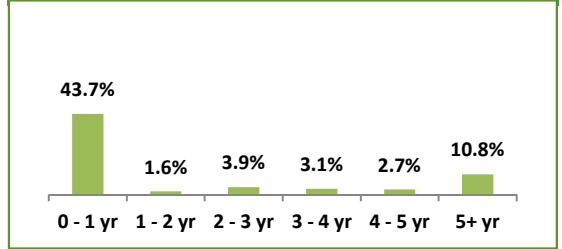
Credit Rating - Bonds, Cash & Deposits



Industry Analysis - Bonds



Effective Duration - Bonds, Cash & Deposits



Direct Bond Portfolio Characteristics

Weighted Credit Quality	AA
Average Maturity (Yrs)	5.2
Number of issues	44
Average Yield	4.82%

Standard Deviation	1 yr	2 yr	3 yr
Cannon Deposit Plus	NA	NA	NA
LIBOR GBP 3 Month*	0.07	0.13	0.47

Sharpe Ratio	1 yr	3 yr	5 yr
Cannon Deposit Plus	NA	NA	NA
LIBOR GBP 3 Month*	-2.7	0.5	0.2

FUND INFORMATION

Structure	Cayman Open Ended Company	Investment Adviser	Cannon Capital Advisors Limited
Regulation	Registered with the Cayman Islands Monetary Authority, Administrator and Adviser regulated by the Guernsey Financial Services Commission	Investment Sub Adviser	N/A
Manager	Cannon Capital Advisors Ltd	Investment Advisory Fee	0.50% per annum
Custodian	Bank Morgan Stanley AG	Auditors	KPMG Cayman
		Reporting	Audited annual accounts to 30 June
		Price publication	Cannon Asset Management Ltd
		Exchange	N/A

FURTHER CONTACT DETAILS

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IMPORTANT INFORMATION

Investment in the units of open-ended investment funds is generally a medium to long-term investment. The value of units may go down as well as up and investors may get back less cash than they originally invested. Past performance is not necessarily a guide to the future. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. The units of Cannon Deposit Plus Fund are traded at ruling prices and are priced weekly using the forward pricing method. A schedule of fees and charges and maximum commissions is available on request from Cannon Asset Management Limited, The Management Company. Cannon Deposit Plus is a collective investment scheme, which invests in other collective investment schemes, which levy their own charges, together with direct investment in investment grade bonds. Commission and incentives may be paid and if so, are included in the overall costs. Figures quoted are from Cannon Asset Management Limited for a lump sum investment using sell-sell prices, which exclude initial fees. Cannon Capital Advisors Limited funds are distribution funds and do not distribute income. Performance is quoted in sterling terms. Please refer to the prospectus of this scheme for more details, a copy of which is available on request from the Management Company, the registered office of which is Kingsway House, Havilland Street, St Peter Port, Guernsey, GY1 3FN. *= Source Bloomberg.