

CANNON OFFSHORE FUNDS



Cannon Deposit Plus Fund November 2015

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

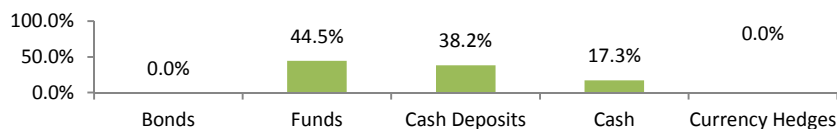
Inflation remains subdued and economic growth moderate throughout the developed world. However, commodity falls have flattered the true level of inflation and building real wage gains in the US and UK are harbingers inflation risks. Once commodity price falls move out of the year on year calculations, underlying inflation of circa 2% will become evident. The Federal Reserve and investors are expecting a December rate increase due to these factors, which will impact bond markets worldwide. Equities were mixed, with some markets higher but most trading sideways. ECB policy is expected to loosen further over coming months, increasing the policy differences of the US versus Japan and Europe. The UK remains in between, lagging US policy due to productivity improvements which for now are controlling labour costs. The fund returned 0.17% for the month taking the year to date figure to 1.34%.

HOLDINGS ANALYSIS

Top Ten Investments, Deposits & Cash Positions

| | | | |
|---------------------------------------|-------|-----------------------------------|------|
| Butterfield Bank 180 day Guernsey | 15.1% | Skipton 80 Day Call | 6.8% |
| TCA Global Credit Master G£ | 10.4% | Carmignac Capital Plus I GBP Acc | 4.3% |
| GAM FCM Cat Bond GBP | 9.5% | Kleinwort Benson 189 Day | 4.1% |
| Muzinich LongShortCreditYield Hgd GBP | 8.2% | Kames Capital Absolute Return Boi | 4.1% |
| GAM STAR CREDIT OPP-GBP ACC | 8.1% | Bank Lumi 18 Month Deposit | 4.1% |

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% | 0.04% | -0.78% | 0.27% | 0.16% | 0.27% | 0.33% | 0.18% | 0.15% | 1.90% |
| 2014 | 0.16% | 0.18% | 0.16% | 0.18% | 0.12% | 0.16% | 0.07% | 0.07% | 0.08% | 0.21% | 0.22% | 0.03% | 1.64% |
| 2015 | 0.35% | 0.35% | 0.21% | 0.17% | 0.14% | -0.11% | -0.11% | 0.00% | 0.16% | 0.12% | 0.17% | | 1.34% |

YTD figures are based on compounded monthly returns

LARGEST MONTH GAIN/LOSS

| | |
|----------------------|--------|
| Largest Month Gain*: | 0.45% |
| Largest Month Loss*: | -0.78% |

*All Performance figures calculated net of fees

Contact Us

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FUND FACTS

| | |
|---------------------|-----------------------|
| Price Date: | 26-Nov-15 |
| NAV price: | 104.6292 |
| Fund Currency: | Sterling |
| Fund size: | £12,476,415 |
| 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: | Not paid |

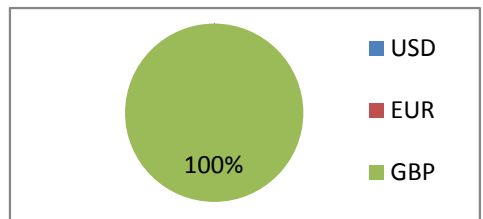
CHARGES

| | |
|--------------|----------|
| 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.

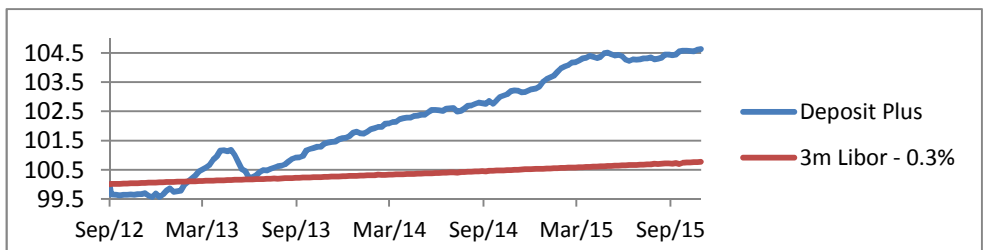
CURRENCY BREAKDOWN



BENCHMARK PERFORMANCE

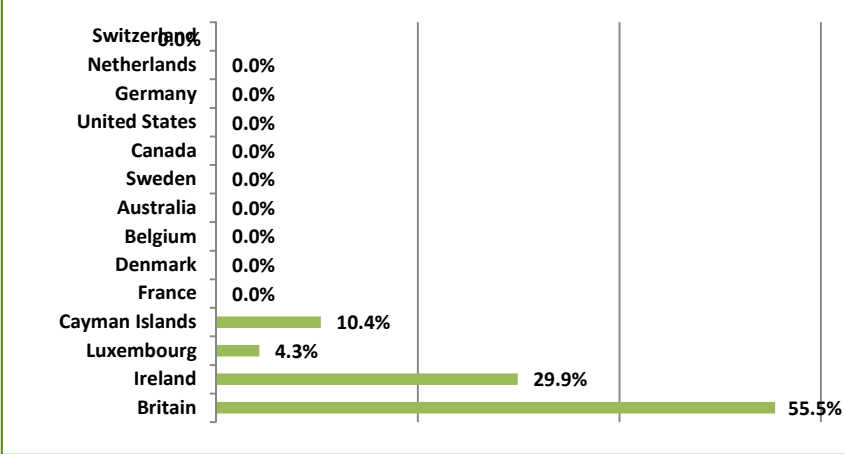
| | |
|------------|-------|
| 2012 | 0.59% |
| 2013 | 0.21% |
| 2014 | 0.24% |
| 2015 (YTD) | 0.25% |

FUND PERFORMANCE

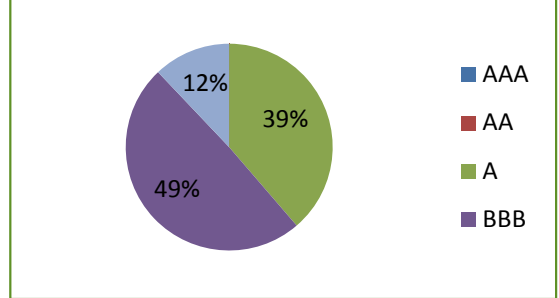


ASSET ALLOCATION

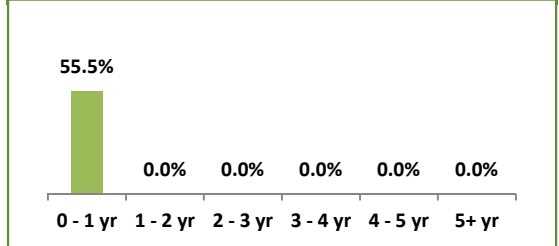
Geographic Analysis - Funds, Bonds, Cash & Deposits



Credit Rating - Bonds, Cash & Deposits



Effective Duration - Bonds, Cash & Deposits



Risk & Efficiency Measures

Standard Deviation - Volatility of returns in excess of the risk free rate of return.
Downside Deviation - Volatility of returns in excess of the risk free rate of return but for any negative returns, measuring dispersion of negative returns.
Sharpe Ratio - Returns in excess of the risk free return divided by the volatility of those returns. A measure of return per unit of risk.
Sortino Ratio - Returns in excess of the risk free return divided by the volatility of negative returns. Measure of return vs volatility of losses.

Direct Bond Portfolio Characteristics

| | |
|-------------------------|----|
| Weighted Credit Quality | NA |
| Average Maturity (Yrs) | NA |
| Number of issues | 0 |
| Average Yield | NA |

| Downside Deviation | 1 yr | 2 yr | 3 yr |
|---------------------|-------|-------|-------|
| Cannon Deposit Plus | 0.23% | 0.24% | 0.24% |
| Benchmark* | 0.11% | 0.07% | 0.06% |

| Standard Deviation | 1 yr | 2 yr | 3 yr |
|---------------------|-------|-------|-------|
| Cannon Deposit Plus | 0.41% | 0.38% | 0.75% |
| Benchmark* | 0.05% | 0.04% | 0.03% |

| Sortino Ratio (MAR = 0) | 1 yr | 2 yr | 3 yr |
|-------------------------|------|------|-------|
| Cannon Deposit Plus | 3.52 | 8.56 | 4.83 |
| Benchmark* | 2.58 | 7.14 | 11.78 |

| Sharpe Ratio | 1 yr | 2 yr | 3 yr |
|---------------------|------|-------|-------|
| Cannon Deposit Plus | 1.98 | 5.40 | 4.42 |
| Benchmark* | 5.23 | 12.27 | 28.54 |

FUND INFORMATION

| | | | |
|---------------|--|-------------------------|------------------------------------|
| Structure | Cayman Open Ended Company | Investment Manager | 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 |
| | | Investment Advisory Fee | 0.50% per annum |
| | | Auditors | Deloitte (Cayman Islands) |
| Administrator | Cannon Asset Management Limited | Reporting | Audited annual accounts to 30 June |
| Custodian | Credit Suisse | Price publication | Cannon Asset Management Limited |
| | | 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 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, Cannon Asset Management Limited