

**International Opportunities Fund- SPC relating to Income Fund Series 5 Segregated Portfolio,  
Income Fund Series 6 Segregated Portfolio and Enhanced Yield Fund Class A Segregated  
Portfolio**

Financial Statements for the year ended 31 December 2014

## INTERNATIONAL OPPORTUNITIES FUND - SPC

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Financial Statements for the year ended 31 December 2014 (Refer Note 1)

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COMPANY INFORMATION

<b>Directors</b>	Mr. Rajesh Somani Mr. Manoj Kedia (Resigned with effect from 31 March 2014) Mr. Shriram Jagetiya (Appointed with effect from 31 March 2014)
<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

International Opportunities Fund - SPC – Income Fund Series 6

International Opportunities Fund - SPC – Enhanced Yield Fund Class A Segregated Portfolio

We have audited the accompanying financial statements of International Opportunities Fund – SPC, comprising the Income Fund Series 5, Income Fund Series 6, and Enhanced Yield Fund Class A Segregated Portfolio (each the “Segregated Portfolio”), which comprise the statement of financial position as at December 31, 2014, and 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 a summary of significant accounting policies and other explanatory information.

This report is made solely to the directors, as a body. Our audit work has been undertaken so that we might state to the 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 directors as a body, for our audit work, for this report, or for the opinions we have formed.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Income Fund Series 5, Income Fund Series 6 and Enhanced Yield Fund Class A Segregated Portfolio as at December 31, 2014, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

*Ernst + Young Ltd.*

24 June 2015

INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF FINANCIAL POSITION  
As at 31 December 2014 (Refer Note 1)

	Note	Income Fund Series 5 Segregated Portfolio USD	Income Fund Series 6 Segregated Portfolio USD	Enhanced Yield Fund Class A Segregated Portfolio USD
<b>ASSETS</b>				
Cash and cash equivalents	3	83,986	20,383	150,099
Loans and receivables	5	99,695,000	29,365,000	49,440,500
Other assets	4	1,615,912	568,038	1,954,961
<b>Total assets</b>		<b>101,394,898</b>	<b>29,953,421</b>	<b>51,545,560</b>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	7	16,393	12,456	24,278
Redemptions payable		-	-	-
<b>Total liabilities (excluding net assets attributable to redeemable participating shares)</b>		<b>16,393</b>	<b>12,456</b>	<b>24,278</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>101,378,505</b>	<b>29,940,965</b>	<b>51,521,282</b>
Number of redeemable participating shares outstanding		999,000	294,000	498,330
- Class A				
<b>NAV per Share</b>		<b>US\$ 101.48</b>	<b>US\$ 101.84</b>	<b>US\$ 103.39</b>

These financial statements have been approved by the Board of Directors on 24th, 2015.

NAME OF DIRECTORS

SIGNATURE

Mr. Rajesh Somani



Mr. Shriram Jagetiya



The notes on pages 12 to 31 form an integral part of these financial statements.



INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2013 (Refer Note 1)

	Note	Enhanced Yield Fund Class A Segregated Portfolio
		USD
<b>ASSETS</b>		
Cash and cash equivalents	3	158,220
Loans and receivables	5	51,440,500
Other assets	4	226,767
<b>Total assets</b>		<b>51,825,487</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	7	12,968
Redemptions payable		-
<b>Total liabilities (excluding net assets attributable to redeemable participating shares)</b>		<b>12,968</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>51,812,519</b>
<b>Number of redeemable participating shares outstanding</b>		<b>518,330</b>
- Class A		-
<b>NAV per Share</b>		<b>US\$ 99.96</b>

The notes on pages 12 to 31 form an integral part of these financial statements.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF COMPREHENSIVE INCOME  
For the period ended 31 December 2014 (Refer Note 1)

	Note	Income Fund Series 5 Segregated Portfolio USD	Income Fund Series 6 Segregated Portfolio USD	Enhanced Yield Fund Class A Segregated Portfolio USD
<b>Investment income</b>				
Interest income	6	1,615,912	568,038	1,730,845
Other income		-	-	54,946
<b>Total income</b>		<b>1,615,912</b>	<b>568,038</b>	<b>1,785,791</b>
<b>Expenses</b>				
Management fees and other expenses**	7	137,407	27,073	34,428
<b>Other Expenses include</b>				
Administration charges		27,167	9,615	18,128
Audit fees		7,727	8,658	10,000
Custody charges		-	-	3,300
Legal fees		-	5,450	-
Other miscellaneous expenditure		3,250	3,350	3,000
Less: Other expenses re-imbursed by Investment Manager		(38,144)	(27,073)	(34,428)
<b>Total operating expenses</b>		<b>137,407</b>	<b>27,073</b>	<b>34,428</b>
<b>Net increase in net assets attributable to holders of redeemable participating shares from operations</b>		<b>1,478,505</b>	<b>540,965</b>	<b>1,751,363</b>

\*\* The Investment Manager has reimbursed all other expenses to the segregated portfolios.

The Funds had no recognised gains and losses other than those presented in the Statement of Comprehensive Income.

These financial statements have been approved by the Board of Directors on June 24, 2015.

NAME OF DIRECTORS

Mr. Rajesh Somani

Mr. Shriram Jagetia

SIGNATURE




The notes on pages 12 to 31 form an integral part of these financial statements.



INTERNATIONAL OPPORTUNITIES FUND - SPC

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)  
For the period ended 31 December 2013 (Refer Note 1)

	Note	Enhanced Yield Fund Class A Segregated Portfolio USD
<b>Investment income</b>		
Interest income		226,767
<b>Expenses</b>		
Management fees and other expenses**	7	247,248
<b>Other Expenses include</b>		
Administration charges		2,226
Audit fees		10,000
Custody charges		742
Legal fees		7,975
Other miscellaneous expenditure		165
Less: Other expenses re-imbursed by Investment Manager		(21,108)
<b>Total operating expenses</b>		<b>247,248</b>
<b>Net increase (decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<b>(20,481)</b>

\*\* The Investment Manager has reimbursed all other expenses to the segregated portfolios.

The Funds had no recognised gains and losses other than those presented in the Statement of Comprehensive Income.

The notes on pages 12 to 31 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 period ended 31 December 2014 (Refer Note 1)

	Income Fund Series 5 Segregated Portfolio	Income Fund Series 6 Segregated Portfolio	Enhanced Yield Fund Class A Segregated Portfolio
	USD	USD	USD
<b>Balance as at the beginning of the period</b>	-	-	51,812,519
Change in net assets attributable to holders of redeemable participating shares resulting from operations for the period	1,478,505	540,965	1,751,363
Issue of redeemable participating shares during the period	99,900,000	29,400,000	-
Redemption of redeemable participating shares during the period	-	-	(2,042,600)
<b>Balance as at the end of the period</b>	<b>101,378,505</b>	<b>29,940,965</b>	<b>51,521,282</b>

The notes on pages 12 to 31 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 period ended 31 December 2013 (Refer Note 1)

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	<b>Enhanced Yield Fund Class A Segregated Portfolio</b>
	<u>USD</u>
<b>Balance as at the beginning of the period</b>	-
Change in net assets attributable to holders of redeemable participating shares resulting from operations for the period	(20,481)
Issue of redeemable participating shares during the period	51,833,000
Redemption of redeemable participating shares during the period	-
<b>Balance as at the end of the period</b>	<u><u>51,812,519</u></u>

Note: All funds were launched during the period.

The notes on pages 12 to 31 form an integral part of these financial statements.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

## STATEMENT OF CASH FLOWS

For the period ended 31 December 2014 (Refer Note 1)

	Income Fund Series 5 Segregated Portfolio  USD	Income Fund Series 6 Segregated Portfolio  USD	Enhanced Yield Fund Class A Segregated Portfolio  USD
<b>A. Cash flows from operating activities</b>			
<b>Net profit</b>	1,478,505	540,965	1,751,363
<b>Movements in working capital</b>			
Interest receivable	(1,615,912)	(568,038)	(1,728,194)
Prepayments	-	-	-
Other receivable	-	-	-
Accrued expenses	16,393	12,456	11,310
<b>Net cash generated from/(used in) operating activities</b>	<u>(121,014)</u>	<u>(14,617)</u>	<u>34,479</u>
<b>B. Cash flows from investing activities</b>			
Placement of fixed deposits	(99,695,000)	(29,365,000)	-
Maturity of fixed deposits	-	-	2,000,000
<b>Net cash used in investing activities</b>	<u>(99,695,000)</u>	<u>(29,365,000)</u>	<u>2,000,000</u>
<b>C. Cash flows from financing activities</b>			
Proceeds from issue of redeemable shares	99,900,000	29,400,000	-
Payments on redemption of redeemable shares	-	-	(2,042,600)
<b>Net cash generated from financing activities</b>	<u>99,900,000</u>	<u>29,400,000</u>	<u>(2,042,600)</u>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	83,986	20,383	(8,121)
<b>Cash and cash equivalents at beginning of period</b>	-	-	158,220
<b>Cash and cash equivalents at end of period</b>	<u>83,986</u>	<u>20,383</u>	<u>150,099</u>
Supplemental disclosure of cash flow information			
Cash received during the year for interest	-	-	-

The notes on pages 12 to 31 form an integral part of these financial statements.

## INTERNATIONAL OPPORTUNITIES FUND - SPC

## STATEMENT OF CASH FLOWS (CONTINUED)

For the period ended 31 December 2013 (Refer Note 1)

	Enhanced Yield Fund Class A Segregated Portfolio
	USD
<b>A. Cash flows from operating activities</b>	
Net profit	(20,481)
<b>Movements in working capital</b>	
Interest receivable	(226,767)
Accrued expenses	12,968
<b>Net cash generated from/(used in) operating activities</b>	<u>(234,280)</u>
<b>B. Cash flows from investing activities</b>	
Placement of fixed deposits	(51,440,500)
Maturity of fixed deposits	-
<b>Net cash used in investing activities</b>	<u>(51,440,500)</u>
<b>C. Cash flows from financing activities</b>	
Proceeds from issue of redeemable shares	51,833,000
Payments on redemption of redeemable shares	-
<b>Net cash generated from financing activities</b>	<u>51,833,000</u>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	158,220
<b>Cash and cash equivalents at beginning of period</b>	-
<b>Cash and cash equivalents at end of period</b>	<u>158,220</u>
Supplemental disclosure of cash flow information	
Cash received during the year for interest	-

The notes on pages 12 to 31 form an integral part of these financial statements.



## INTERNATIONAL OPPORTUNITIES FUND - SPC

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014 (Refer Note 1)

#### 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 recognize 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	20 March 14	21 September 15	31 December 14	20 March 14 to 31 December 14
Income Fund Series 6 Segregated Portfolio	13 February 14	15 February 15	31 December 14	13 February 14 to 31 December 14
Enhanced Yield Fund Class A Segregated Portfolio	15 November 13	16 November 16	31 December 14	01 January 14 to 31 December 14

#### 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 eighteen (18) months from the initial closing date.

#### Income Fund Series 6 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 thirteen (13) 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.



