

PERFORMANCE REPORT

NOVEMBER 2015

Net return history (shareclass RC NOK***, net of fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2015	-2.7%	-1.3%	-0.2%	1.5%	2.1%	0.4%	0.4%	-3.7%	-2.8%	1.3%	-0.7%		-5.6%
2014	1.1%	1.0%	0.9%	0.7%	0.7%	0.8%	0.6%	0.1%	-1.3%	-5.5%	-0.3%	-11.5%	-12.7%
2013	1.1%	0.8%	1.0%	1.0%	1.5%	0.0%	1.1%	1.2%	1.1%	-0.1%	1.1%	0.8%	11.0%
2012	2.7%**	1.7%	1.1%	1.0%	0.2%	1.0%	0.8%	1.2%	0.7%	-1.0%	1.5%	1.6%	13.0%**
2011	1.9%	2.3%	2.0%	1.4%	-1.7%	-2.4%	1.0%	-2.3%	-2.6%	1.4%	0.0%	0.6%	1.5%
2010	6.2%*	0.8%	2.0%	3.8%	-3.4%	1.3%	1.4%	2.2%	2.8%	1.5%	1.1%	-1.0%	19.9%
2009	8.9%	0.3%	-4.2%	2.1%	1.2%	7.9%	6.8%	3.0%	5.7%	2.6%	1.4%	4.1%	46.8%
2008									-2.6%	-3.2%	-10.4%	-13.5%	-26.9%

Net asset value (shareclass RC NOK***, net of fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2015	102.0	100.7	100.6	102.1	104.3	104.7	105.1	101.2	98.4	99.6	99.0		-5.6%
2014	121.5	122.6	123.7	124.6	125.5	126.5	127.3	127.4	125.7	118.8	118.	104.8	-12.7%
2013	109.5	110.3	111.3	112.5	114.2	114.2	115.4	116.8	118.0	117.9	119.2	120.1	11.0%
2012	131.0**	137.5	101.1***	102.1	102.3	103.3	104.1	105.4	106.2	105.0	106.6	108.3	13.0%**
2011	126.9	129.9	132.4	134.4	132.1	128.9	130.2	127.2	123.9	125.6	125.7	126.4	1.5%
2010	110.3*	111.3	113.4	117.7	113.6	115.1	116.8	119.3	122.6	124.4	125.8	124.54	19.9%
2009	79.6	79.8	76.5	78.1	79.0	85.2	91.1	93.8	99.2	101.8	103.1	107.3	46.8%
2008								100.0	97.5	94.3	84.5	73.1	-26.9%

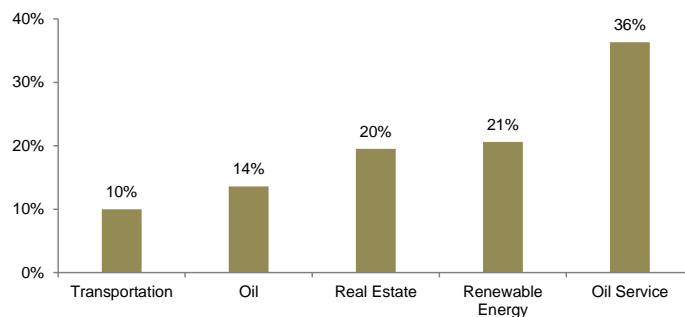
*From January 2010, performance and NAV are reported based on the EC share class. EC share class 31.December 2009: 103.9
Past performance is no guarantee for future performance

**From 1 Jan 2012, performance and NAV are reported on return in NOK

***From March 2012, performance and NAV are reported based the EC NOK share class, EC changed name to RC NOK as of January 2013

Key statistics

Performance per November 2015, Net of fees (RC NOK)	-0.7%
Performance YTD 2015 (RC NOK shareclass)	-5.6%
Performance since inception	34.8%
Number of positions 31/10/2015	30
Number of issuers	29
Interest rate duration	1.5 years



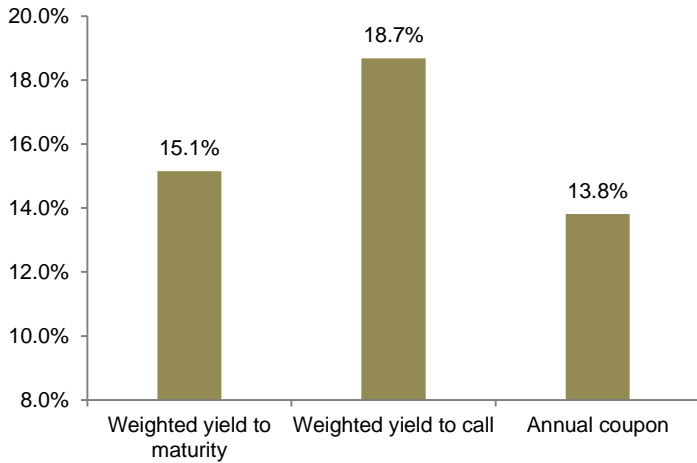
Currency	NOK
Domicile	Luxembourg
Investment Manager	Storm Capital Management Ltd
Prime Broker	Oppenheim Asset Management Services
Administrator	Deutsche Fund Platforms

Management Fee	Retail: 0.75%, Institutional: 0.5%
Performance Fee	10%
Liquidity	Daily
Auditor	PriceWaterhouseCoopers

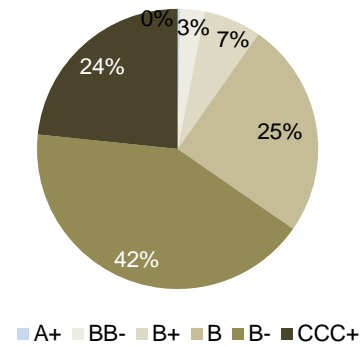
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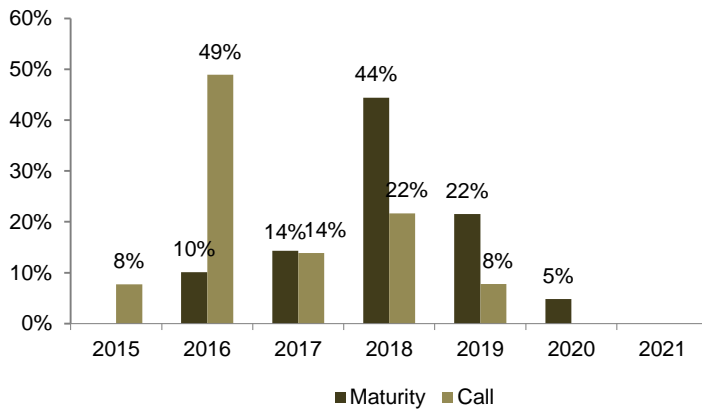
Yield to maturity, yield to call, ann. coupon



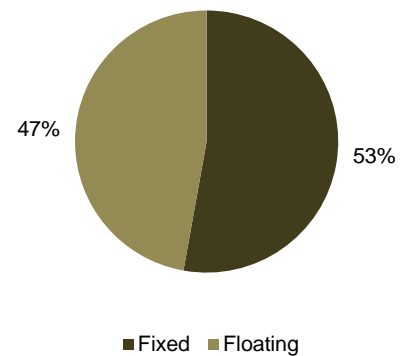
Credit rating



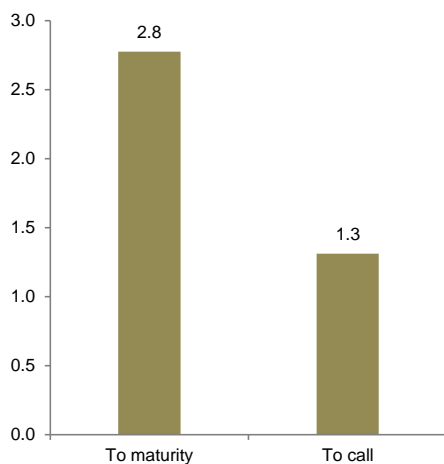
Maturity profile



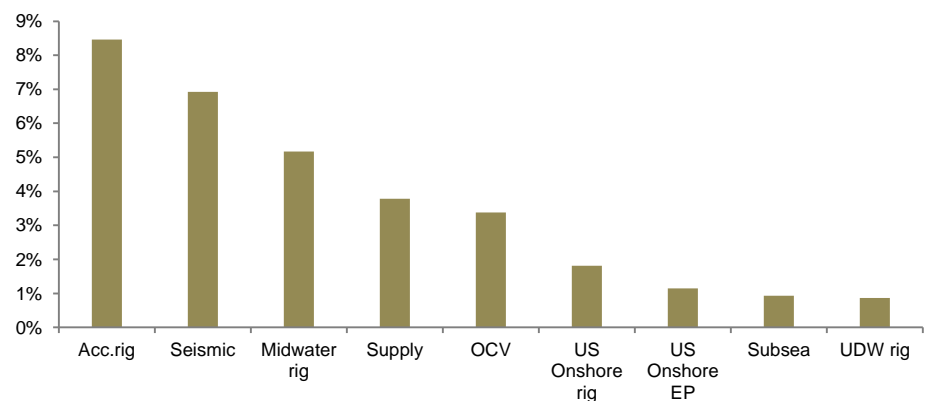
Coupon allocation



Duration, years



Oil service exposure



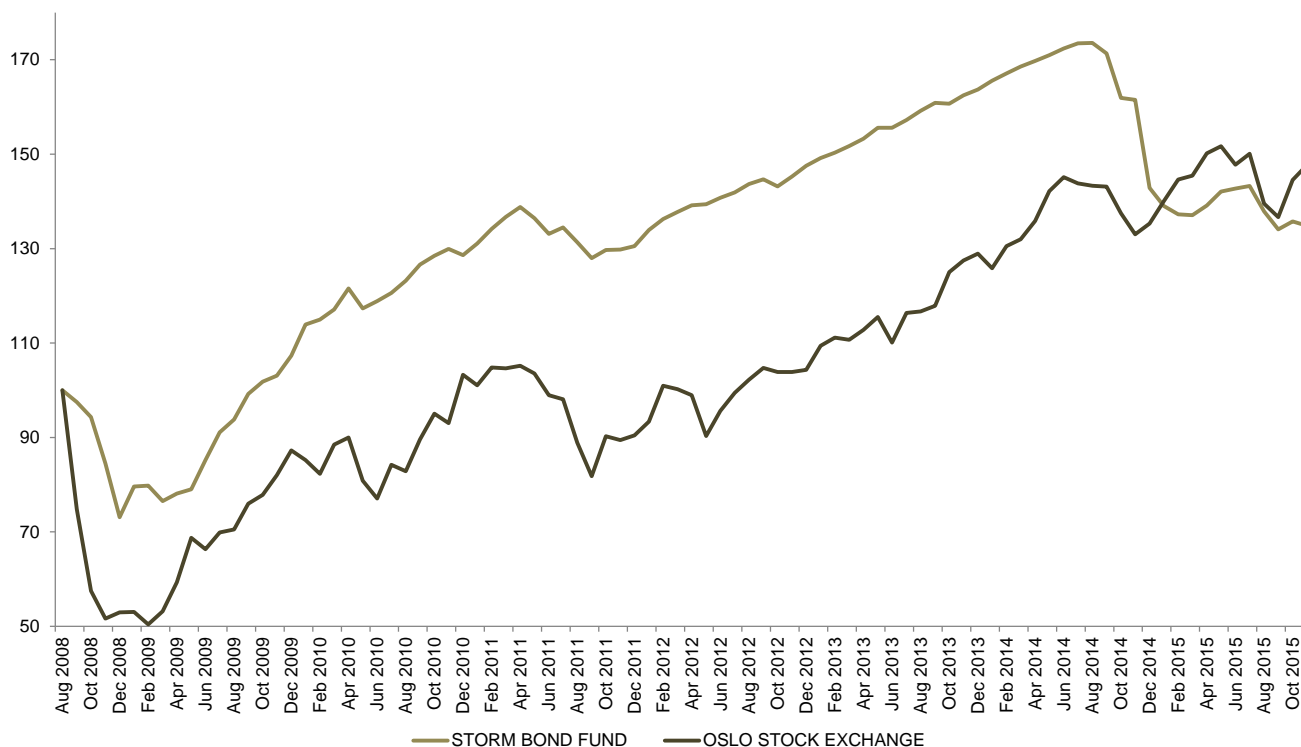
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Top 20 positions

	Name	Price	Yield %	NAV %	Information
1	Jacktel A/S 14-19	91.50	10.2%	8.5%	1st lien pledge in a jack-up built for the Norwegian continental shelf. Currently working for Maersk and won a contract on Johan Sverdrup in November with STL that secures work until 2020. We expect the company to obtain bank financing before the bond expires.
2	Borgestad ASA 14-17 FRN	100.75	7.7%	6.5%	Loan to value at ~60-70% with 1st and 2nd priority pledge in real estate in Poland and Grenland, Norway.
3	Etrion Corp. 14-19	82.33	15.3%	6.3%	Stockholm listed Lundin-family owned company installing, owning and producing solar power on long contracts. High leverage, but long term secured cash flow.
4	Kistefos AS 13-16 FRN	99.17	9.3%	6.1%	Norwegian holding company with ~50% loan to value on assets. Owned 100% by Christen Sveaas.
5	Fjord Line AS 13-18 FRN	93.75	13.2%	5.1%	Recently Norwegian restructured ferry operator with ~80% loan to value on brand new ferries running on gas.
6	European Energy A/S 14-18 FRN	81.00	16.8%	5.0%	Developing and owning wind- and solar power generating assets and has about 40% EBITDA margin.
7	REC Silicon ASA 11-18	91.75	13.9%	4.9%	Unsecured bond in a company with NOK 800m net debt and market cap of NOK ~3.5bn
8	Det Norske Oljeselskap ASA 15-22	94.00	11.6%	4.6%	Mr Kjell Inge Røkke backed exploration & production co' producing 60k boe/d. 12% ownership in Johan Sverdrup and fully funded.
9	Petroleum Geo-Services ASA 11-18 -144A-	84.75	13.7%	4.1%	The leading contract seismic company. Robust balance sheet with ~50% LTV and access to financing.
10	Index International AB 14-18 FRN	91.50	10.9%	4.1%	Swedish real estate company with net assets above SEK 2bn. Over the past 5 years annual ROI is more than 60% and is yielding significantly above peers.
11	Hoegh LNG Holding Ltd. 15-20 FRN	97.83	6.0%	3.8%	The Company has a leading market position within the FSRU and FLNG industry and firm backlog of ~USD 3.5bn. Average contract length is 13 years.
12	Oceanteam Shipping ASA 12-17 FRN	70.00	33.3%	3.4%	LTV 80% on a contracted OCV fleet. 50% of the EBITDA from an unleveraged asset light business.
13	Dof ASA 12-19 FRN	64.50	22.3%	2.9%	The group has a diverse portfolio of vessels, a modern fleet and a solid backlog. Brazilian built vessels shields it from blockings in Brazil.
14	IGas Energy PLC 13-18	72.50	26.7%	2.9%	London-listed company producing oil and gas onshore UK. Backed by Blackstone. The company has hedged a significant portion of the oil production. Secured bond.
15	Polarcus Ltd. 13-18 -144A-	15.38	120.2%	2.8%	Seismic company with top modern fleet. Positive development in recent quarter. High risk/reward.
16	Psos Finance Ltd. 14-18	85.13	19.8%	2.8%	1st priority pledge in a drillship operating for PdVSA in Venezuela. Owned and backed by Petro Saudi. Banco Espirito Santo has issued a letter of credit of USD 130m that covers the bond.
17	IGas Energy PLC 13-18	57.50	33.3%	2.7%	London-listed company producing oil and gas onshore UK. Backed by Blackstone. The company has hedged a significant portion of the oil production. Secured bond.
18	Host Hoteleendom AS 13-16 FRN	99.00	9.2%	2.7%	1st and 2nd priority in three hotels in Oslo and Lillehammer (Breiseth, Millennium and Grims Grenka)
19	Elematic Oy AB 14-18	76.00	24.6%	2.7%	Finnish private equity owned company-producing modules for precast concrete. Founded in 1959.
20	Songa Offshore ASA 11-18 FRN	77.00	23.4%	2.4%	Norwegian rig company with market cap of NOK 1.5bn and 4x brand new rigs on 8Y contracts to Statoil.

Storm Bond Fund

Storm Bond Fund was down 0.7% in November and is down 5.6% year to date. The Oslo Stock Exchange was up 2.2% in November and is up 9.2% year to date. Since inception, the fund is up 34.8% vs 47.7% for the Oslo Stock Exchange.



November saw continued higher activity in the high yield market in our space, although the month returned a negative result. Especially our renewable energy bonds European Energy and Etrion were down around 10% during the month. We believe it is liquidity driven in these cases as there have been no negative credit events in these two companies. Etrion actually re-financed most of their assets in Italy.

Positive credit events in PGS that raised MNOK 900 in new equity and Jacktel, that secured a fantastic contract with Statoil securing the rig past maturity in 2019 contributed positively to the portfolio although they were down slightly with the oil price towards the end of November.

The market is as we see it in a sweet spot as we can hold first class companies with double digit returns even if the oil price doesn't move from present levels. Most companies in our portfolio is adapting fast to the lower oil prices making USD 40 / barrel oil sustainable for many. However, we still believe the supply disruption has to come onshore US due to a significant drop in onshore drilling activity.

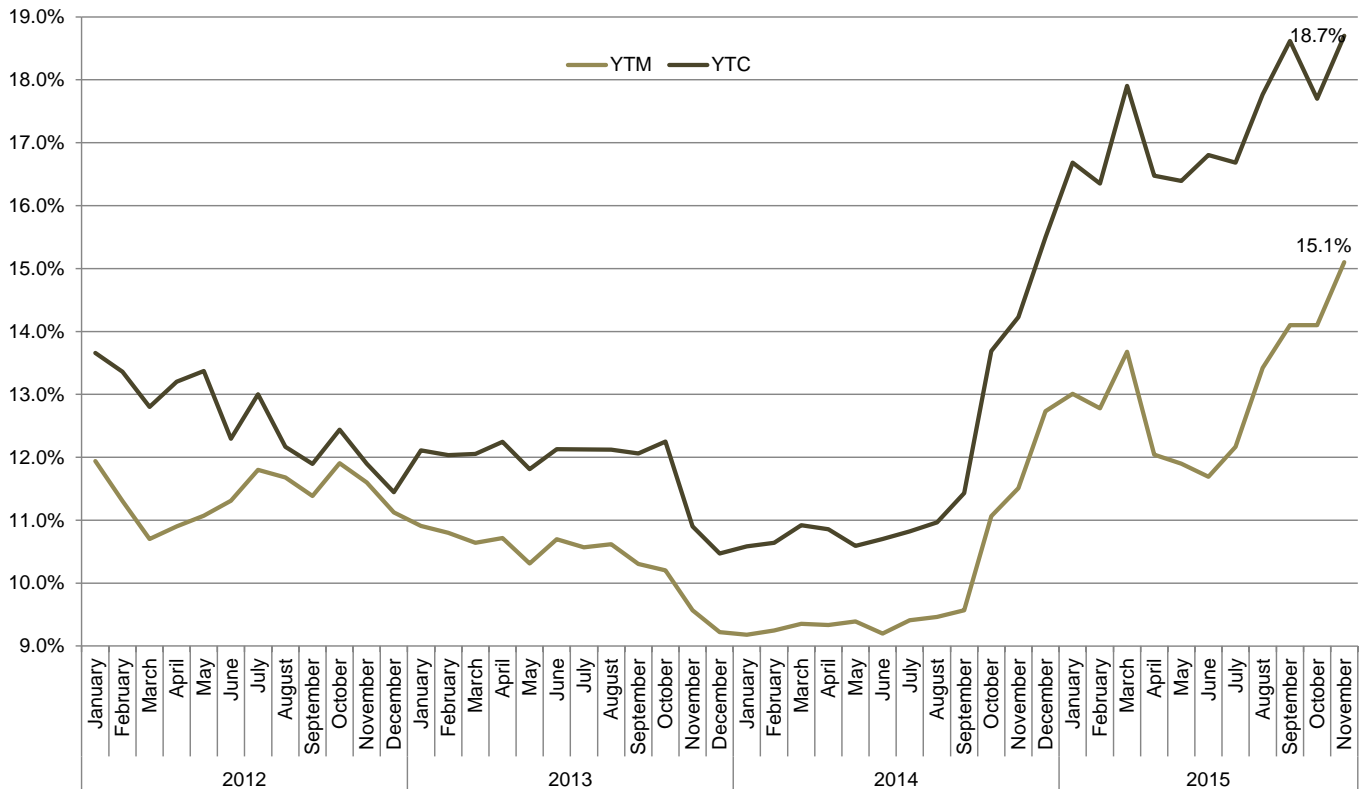
We conclude that the question is not if, but when oil prices come up again. The further it falls, the faster it will come back. Amongst the short term factors are Middle East tension as well as the OPEC meeting today.

The effective portfolio coupon is currently 13.8%, while the yield to maturity is 15.1% and yield to call is 18.7%.

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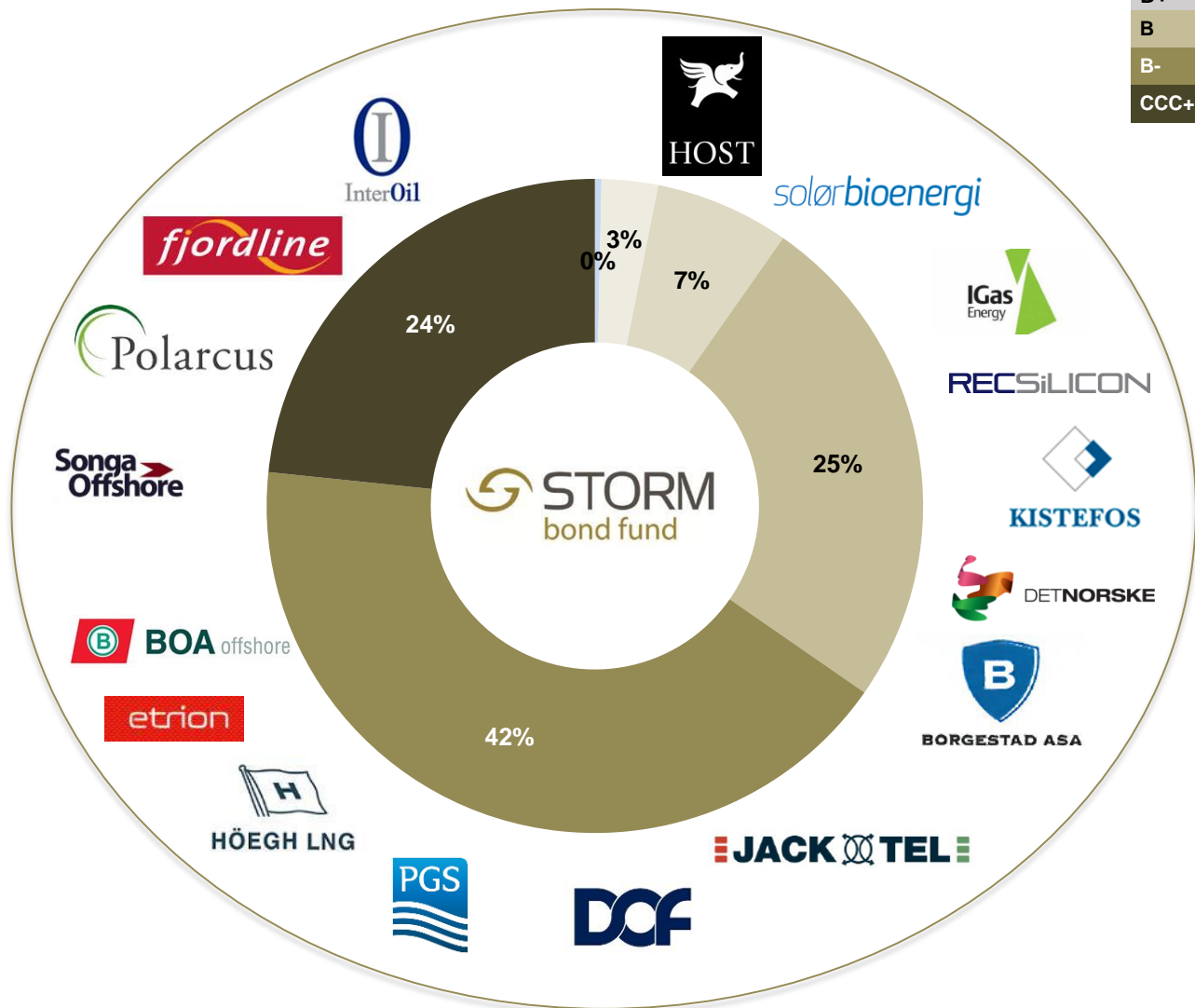
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The graph below shows historical yields in Storm Bond Fund. In order not to inflate yields, we have capped the yields at 25% in this graph and in all other figures in the newsletter.



Selected investments in Storm Bond Fund with credit- or shadow credit ratings

A+	0%
BB-	3%
B+	7%
B	25%
B-	42%
CCC+	24%

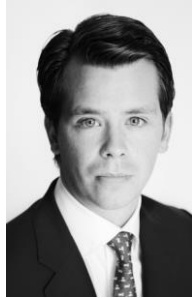


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