

Senfin Shariah Balanced Fund

GIPS® Compliant Report for the period from January 1, 2013 to December 31, 2022

Pooled Fund Inception Date : December 3, 2012

Calendar Year Returns (%)

Year	Fund Net Return	Benchmark* Return	3-Year Std Deviation**		SSBF AUM (LKR Mn)	SFAM Asset Under Management (LKR Mn)
			Fund	Benchmark		
2013	10.99%	7.77%	NA	NA	181	324
2014	13.60%	26.30%	NA	NA	206	700
2015	5.80%	-5.21%	2.64%	3.51%	268	2,311
2016	-2.52%	-9.33%	3.30%	3.65%	216	2,635
2017	1.49%	2.73%	2.96%	3.48%	97	1,789
2018	-2.05%	-4.61%	2.25%	3.14%	94	1,394
2019	4.58%	1.70%	1.75%	3.14%	17	691
2020	14.67%	10.66%	3.99%	5.32%	18	2,170
2021	16.78%	80.91%	4.56%	7.91%	79	4,689
2022	-18.85%	-30.56%	6.33%	10.28%	65	4,982

*All Share Total Return Index (ASTRI)

** The 3-year standard deviation measures the variability of the Fund and the benchmark over the preceding 36-month period.

Past performance is no guarantee of future results

GIPS Compliance Statement

Senfin Asset Management (Pvt) Ltd (SFAM) claims compliance with the Global investment performance standards (GIPS®), and has prepared and presented this report in compliance with the GIPS® Standards. Senfin Asset Management (Pvt) Limited has not been independently verified. Policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

Definition of the Firm

Senfin Asset Management (Pvt) Ltd (SFAM) is a company incorporated in Sri Lanka and licensed by the Securities & Exchange Commission of Sri Lanka (SEC) to manage unit trust funds and discretionary portfolios. SFAM is a wholly-owned subsidiary of Senkadagala Finance PLC, a company licensed by the Central Bank of Sri Lanka. SFAM manages equity, fixed income in the conventional and Shariah space while operates in Sri Lanka and invests in Sri Lankan markets. Total firm assets can be decomposed into four composites namely Senfin Equity Composite, Senfin Fixed Income composite, Senfin Balanced Composite and Senfin Shariah Equity Composite and seven broadly distributed pooled funds.

Objective of the Fund

The objective of Senfin Shariah Balance Fund is to achieve a balanced between capital appreciation and income over the medium to long term. The strategy is to follow an active investment strategy by allocating capital between Shariah compliant equity securities and Shariah compliant income securities in line with the investment objective of the Fund. The Fund's strategic (long term) allocation to equity and Shariah compliant income securities will be 60% and 40% respectively. Given that the Fund will maintain a balance between Shariah compliant equity and fixed income securities, the risk profile of the Fund is Medium.

Benchmark Description

The Total Return Index of the All Share Price Index (ASTRI). The ASTRI reflects returns due to both share price changes and dividend income of listed companies in Colombo Stock Exchange

Currency

The currency used to calculate all the returns is Sri Lanka Rupees (LKR)

Net returns

The pooled return presented is actual net-of-fees. In line with practice in the unit trust management industry, the presented net return figure is arrived at after deducting all fund expenses, including audit and custody fees, income taxes, management and registrar fees, trustee fees and withholding taxes. The fund does not charge performance based fees from its clients.

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Fee schedule

The standard fee schedule of Senfin Shariah Balanced Fund is as follows: Management fee p.a. 1.75% of NAV, Front end fee 1.50%, Trustee Fee 0.15% p.a., Custodian Fee LKR 20,000 per month

Expense ratio

The total expense ratio as of 31st December 2022 for Senfin Shariah Balanced Pooled Fund was 2.65%

Availability of information

Senfin Asset Management (Pvt) Ltd's policies for valuing investments, calculating performance, preparing GIPS Reports and the list of broad distribution pooled fund descriptions are available upon request

Primary Risk Profile of the Fund

Investing in the stock market involves risks including the potential loss of principal in equity securities and therefore the risk profile of the Fund can be considered high.

Some of the risks that investors coming into this Fund should consider are provided below.

Equity Security Risk : Listed shares are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. Investor perceptions are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies; inflation and interest rates; economic expansion or contraction and global or regional political, economic, banking and health crises. The value of equity securities in the Fund's portfolio will fluctuate and, as a result, the Fund's unit price may decline suddenly, or over a sustained period of time.

Interest Rate Risk : Risk that market rates and thereby profit rates of Shariah income securities will fluctuate

Cash and Cash Equivalents Risk : At any time, the Fund may have significant investments in cash or cash equivalents. When a substantial portion of a portfolio is held in cash or cash equivalents, there is the risk that the value of the cash account, including interest, will not keep pace with inflation, thus reducing purchasing power over time.

Large Investor risk : Securities of unit trusts may be purchased and sold by "large" investors, such as institutions, funds of funds and investment portfolios. If a large investor redeems a portion or all of its investment from the Fund, some investments may have to be prematurely uplifted with penalty or require to be sold in the secondary market at prevailing rates, thus reducing the fund's potential return. Conversely, if a large investor was to increase its investment in a fund, the fund may have to hold a relatively large position in cash for a period of time while the portfolio advisor attempts to find suitable investments. This could also negatively impact the performance of the fund and hence impact the return for other investors in the fund.

Managed Portfolio Risk : The management's investment strategies, or choice of specific securities, may be unsuccessful and may cause the Fund to incur losses.

Frontier Markets Risk : To the extent that the Fund will be investing in a frontier market, the risk may be heightened by political changes and changes in tax or currency controls that could adversely affect the values of these investments. Frontier markets have been more volatile than the markets of developed countries with more mature economies.

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