

Silverdale FUNDS

Bloomberg
TOP-5
ASIAN FUND

Silverdale Bond Fund

Communique as at 6th August 2015

Fund Description

Silverdale Bond Fund is a diversified portfolio of primarily investment grade short duration US dollar bonds, actively managed for enhanced returns, using ring-fenced leverage.

Investor Benefits

Active management with real time response, capitalizing on opportunistic investments and employing prudent risk management systems. Embedded leverage for higher return without hassles of loan management.

Fund Information

Fund	Silverdale Bond Fund, or Silverdale Fund SP-1
Fund Type	Segregated Portfolio Company
Domicile	Cayman Islands
Inception Date [†]	9 Sep 2010
Weekly NAV Launch Date	1 Oct 2013
Cayman Feeder Launch Dt	8 May 2015
Previous Dividend Date	26 June 2015 (6% pro rata)
Next Dividend Date	25 Sep 2015 (6% pro rata [#])
NAV Computation	Weekly (Friday [*])
Subscription	Weekly (Monday [*])
Redemption	Weekly (Monday [*])
Management Fee	0.50% p.a.

Class 1A Details

ISIN	KYG8135U1076
CUSIP	G8135U 107
Swiss Valor No.	28213010
Bloomberg Code	SILV01A KY Equity
Minimum Investment	US\$ 1,000,000
Initial Sales Charge	1.00%
Exit Load	0.25%

Class 1B Details

ISIN	KYG8135U1159
CUSIP	G8135U 115
Swiss Valor No.	TBC
Bloomberg Code	SILV01B KY Equity
Minimum Investment	US\$ 100,000
Initial Sales Charge	0.00%
Contingent Load	3.00% - 0.25%
Exit Load	1.00%

Fund Management Details

THE FUND

Silverdale Bond Fund or Silverdale Fund SP-1 is a segregated portfolio of Silverdale Fund SPC, a Cayman Islands domiciled segregated portfolio company, registered with Cayman Islands Monetary Authority

FUND MANAGER

Silverdale Capital Pte Ltd

Monetary Authority of Singapore Registered Fund Manager

Banker/Custodian

Standard Chartered Bank
Bank Julius Baer & Co., Singapore Branch

Fund Administrator

Orangefield (Mauritius) Limited

355 NeXTeracom Tower 1, Cybercity,
Ebene, Mauritius
Tel.: +230 464 7275
Fax: +230 464 3290
Email: spc@silverdalegroup.com

For subscription & information, please

Email: spc@silverdalegroup.com

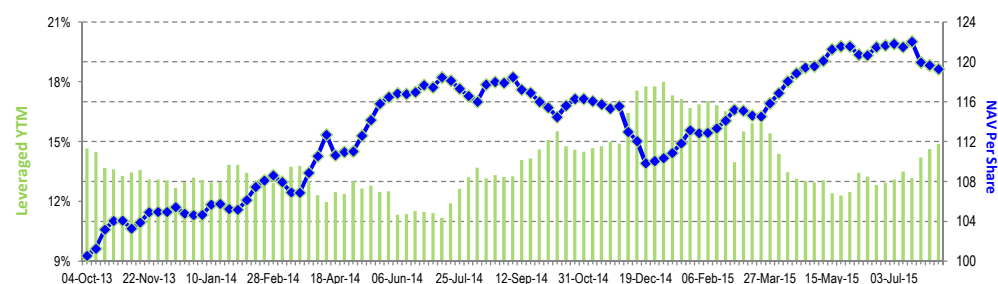
Or, Call: +65 6835 7130

Silverdale Fund SP-1

Silverdale Bond Fund (or Silverdale Fund SP-1) generates enhanced investor returns by clever use of asset-level segregated leverage, while actively managing its portfolio duration. During the short week ended 6th August 2015, the Fund NAV declined by 0.31% to US\$ 118.29 (previous week: US\$ 118.67), with optimum portfolio yield (post-leverage) of 14.88% per annum (previous week: 14.63% p.a.), and average duration of 2.13 years (previous week: 2.13 years).

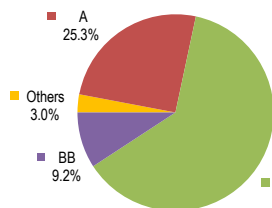
Portfolio Dashboard	Growth NAV US\$	119.2657	Ex-Dividend NAV US\$	118.2926
Performance (Not annualised)*	Fund Statistics		Top Holdings	% age
Previous 1 week	Leveraged Yield to Maturity ^A	14.88 %	Mcc Holding Hk Corp Ltd	5.09 %
Trailing 1 month	Portfolio Yield to Maturity	3.70 %	Banco Btg Pactual/Cayman	3.93 %
Trailing 3 months	Average Coupon	4.61 %	Far East Horizon Ltd	3.86 %
Trailing 6 months	Average Duration ^{AA}	2.13 years	Anglogold Holdings Plc	3.73 %
Trailing 9 months	Average Maturity	2.30 years	Hebei Iron & Steel	3.41 %
Trailing 12 months	Dividend Paid	US\$ 0.97	Israel Electric Corp Ltd	3.10 %
			Jingneng Inv Group Co	3.09 %

(*) net of fees, adjusted for dividends

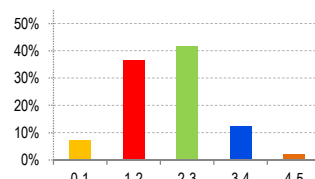


NAV and post-leverage YTM

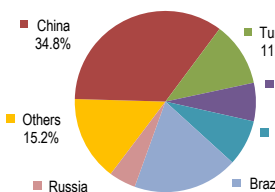
(* net of fees, adjusted for dividend)



RATING PROFILE1



PORTFOLIO DURATION2



GEOGRAPHICAL EXPOSURE3

Portfolio Update

During the week, Silverdale Bond Fund purchased Embraer 2017, Shenzhen International 2017, and CNOOC 2020 bonds.

Embraer SA (Mkt Cap ~US\$ 5.2bn) is the third largest manufacturer of mid-sized airplanes catering to commercial aviation, executive jets, and defense. As at 30th June 2015, it reported order book of ~US\$ 22.9bn. It reported debt at ~US\$ 3.5bn, against cash of ~US\$ 3bn, with EBITDA to interest of ~5.2x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

Shenzhen International (Market Cap: US\$ 3.1bn) operates six logistics park with aggregate area of 300,000 sqm located at the three most prosperous regions in China, namely the Pearl River Delta, the Yangtze River Delta and the Bohai-Rim. These logistics parks have average occupancy rate of ~94-95%. Further, it operates 17 toll roads (across Shenzhen, Guangdong and other provinces in China) covering more than 500km, with a core asset portfolio of seven toll roads in Shenzhen. The concession periods of these toll roads last till 2022 to 2034 (7-19 years remaining) which would generate steady cash flow in the long term. It also holds a 49% stake in Shenzhen Airlines (fifth-largest airline in China) with the balance 51% being held by Air China. Shenzhen Investment Holdings Company Limited (SIHCL) is the controlling shareholder (~48%) which is wholly-owned by Shenzhen SASAC.

CNOOC Limited (Mkt Cap: US\$ 55bn) is China's largest and one of the world's largest oil and gas exploration and production company. It has net proven reserves of 4.43 billion barrels of oil equivalent (boe) with average daily production of 1.13 million boe. The group has oil and gas assets in Asia, Africa, North America, South America and Oceania. As at Dec 2014, it reported annual EBITDA of ~US\$ 22.5bn with Net Debt/EBITDA of ~0.33x and interest coverage ratio of ~58x. The company is 64% owned by the Chinese Government through China National Offshore Oil Corp. The said bonds are issued by its wholly owned subsidiary, and guaranteed by it.

Subscription Details

Subscription can be made only as per terms & conditions of the composite Private Placement Memorandum (including Class Supplement) which may be obtained free of cost from the Fund Administrator at spc@silverdalegroup.com

DISCLAIMER

The above commentary does not provide a complete analysis of every material fact regarding the market, industry, security, portfolio or the fund. It is not a recommendation to buy or sell any security nor an investment advice. The portfolio holdings, opinions and information may change without notice. The contents of this document, including any narrative does not constitute an offer to sell or a solicitation of any offer to buy the units or shares in Silverdale Bond Fund (or Silverdale Fund SP-1), or any other segregated portfolio or Class of Silverdale Fund SPC or any of the funds managed or advised by Silverdale Capital Pte Ltd., and is strictly for information only. Any subscription for units or shares must be made solely on the basis of the fund's private placement memorandum, class supplements, application form and appendices (together "the Composite PPM"). Past performance is not necessarily a guide to the future performance. Opinions and estimates contained in this document are subject to change without notice, and the actual results would differ from the said opinions and estimates. The Fund may use or invest in financial derivative instruments. Please refer to the Composite PPM for Risk Factors. This document is written for the benefit of and being communicated only to Accredited Investors or Institutional Investors as defined under the Securities and Futures Act (Cap. 289) of Singapore or any similarly defined investor in any other securities legislation. The recipient should obtain opinion from independent professional adviser before making any decision based on this document. The NAV performance is computed taking: 1 month = 4 weeks, 3 months = 13 weeks, 6 months = 26 weeks, 9 months = 39 weeks, and 12 months = 52 weeks. NAV prior to 8 May 2015 is based on NAV of underlying fund (Class E of Sri Silverdale Opportunities Fund). (*) Assuming to be Business Day. (#) Indicative. (**) At optimum leverage. (***) Average duration excludes favourable impact of interest rate hedges. (†) Initially launched as multi-assets fund with quarterly NAV. (1), (2) & (3) Based on gross investments into securities. (1) Credit exposure of those rated below "BB" has been clubbed as "Others". (3) Country exposure of less than 4% has been clubbed as "Others".