

Silverdale FUNDS

**Bloomberg
TOP-5
ASIAN FUND**

Silverdale Bond Fund

Communique as at 10th September 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'15 (6% pro rata)
Next Dividend Date	25 Sep'15 (US\$ 1.75 per share [#])
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

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DISCLAIMER

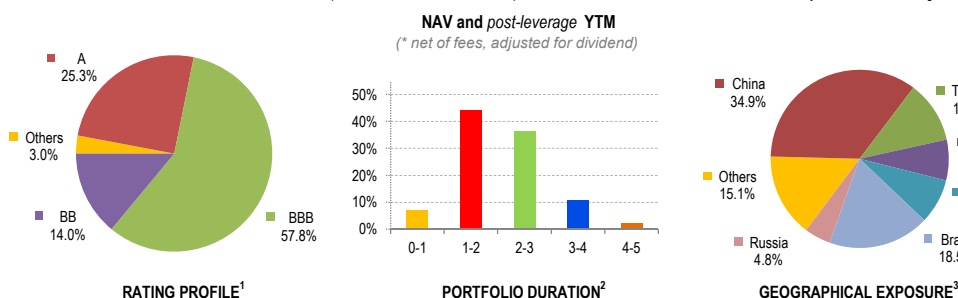
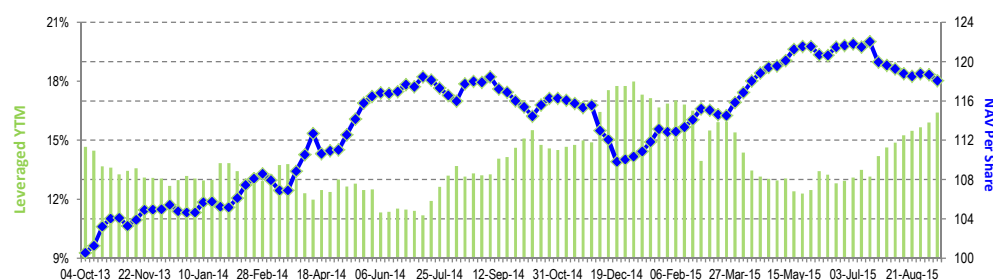
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Silverdale Fund SP-1

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 10th September 2015, the Fund NAV declined by 0.54% to US\$ 117.07 (previous week: US\$ 117.71), with optimum portfolio yield (post-leverage) of 16.41% per annum (previous week: 15.90% p.a.), and average duration of 2.07 years (previous week: 2.07 years).

Portfolio Dashboard

Performance (Not annualised)*	Growth NAV US\$	118.0477	Ex-Dividend NAV US\$	117.0746
Previous 1 week	-0.5318 %			
Trailing 1 month	-0.6170 %			
Trailing 3 months	-2.1548 %			
Trailing 6 months	2.9983 %			
Trailing 9 months	5.3465 %			
Trailing 12 months	0.7177 %			
(*) net of fees, adjusted for dividends				
Fund Statistics	Top Holdings	% age		
Leveraged Yield to Maturity [^]	16.41 %	Mcc Holding Hk Corp Ltd	5.06 %	
Portfolio Yield to Maturity	4.00 %	Banco Btg Pactual/Cayman	3.90 %	
Average Coupon	4.68 %	Anglogold Holdings Plc	3.85 %	
Average Duration ^{^^}	2.07 years	Far East Horizon Ltd	3.75 %	
Average Maturity	2.23 years	Ae Rotor Holding Bv	3.61 %	
Dividend Paid	US\$ 0.97	Hebei Iron & Steel	3.38 %	
		Eastern Creation li Inve	3.36 %	



Portfolio Update

During the week, Silverdale Bond Fund sold Vale 2016 bonds while it purchased AE Rotor 2018, and Baidu 2019 bonds.

AE-Rotor Holding B.V. incorporated in the Netherlands, is subsidiary of the India-based Suzlon Group, one of the world's leading wind turbine makers. Suzlon makes and installs windmills and has installed over 14GW of wind power globally. The said bonds are backed by irrevocable standby letter of credit (SBLC) from State Bank of India (India's largest bank with assets of US\$ 0.4tn).

Baidu (Mkt Cap: US\$ 52.7bn) is the leading Internet search engine and online marketing services provider in China, with over 80% market share (by revenue). It also offers a wide range of diversified products that boost traffic and enhance user stickiness such as Baidu maps, cloud, encyclopedia, Government information, educational/legal/patent searches, games, finance statistics, ITV, browser, travel booking etc. As at 30 June 2015 it had total debt of ~US\$ 5.8bn against which it reported cash & equivalent of ~US\$ 12.1bn. It reported total debt/EBITDA of ~2.9x (Net debt/EBITDA ~3.1x) and EBITDA to interest coverage of ~19x. The recent US\$ 1bn share repurchase program provides an opportunity to accumulate its 2019 bonds.

Dividend

The Fund is likely to declare a dividend of US\$ 1.75 per share[#] on the shares held on Friday, September 25, 2015 (Dividend Record Date). All subscriptions received before Dividend Record Date shall be eligible for the said dividend.

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