

Silverdale

F U N D S

Bloomberg
Top-5
ASIAN FUND

Silverdale Bond Fund

Communique as at 2nd October 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	25 Sep'15 (US\$ 1.75 per share)
Next Dividend Date	24 Dec'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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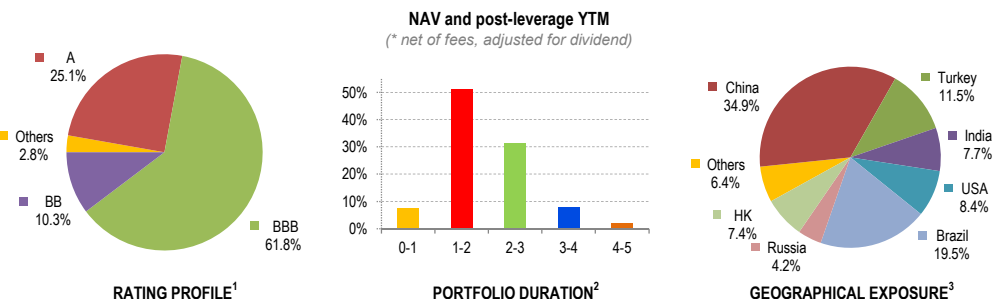
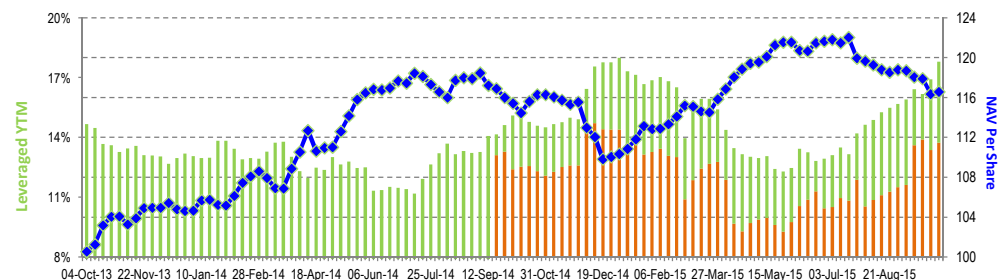
Or, Call: +65 6835 7130

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 week ended 2nd October 2015, the Fund NAV appreciated by 0.19% to US\$ 113.84 (previous week: US\$ 113.62), with optimum portfolio yield (post-leverage) of 17.79% per annum (previous week: 16.92% p.a.), and average duration of 1.98 years (previous week: 1.99 years).

Portfolio Dashboard

Performance (Not annualised)*		Fund Statistics		Top Holdings		% age
Previous 1 week	0.1849 %	Leveraged Yield to Maturity^A	17.79 %	Mcc Holding Hk Corp Ltd		5.25 %
Trailing 1 month	-1.7860 %	Portfolio Yield to Maturity	4.30 %	Banco Btg Pactual/Cayman		3.97 %
Trailing 3 months	-4.3111 %	Average Coupon	4.40 %	Israel Electric Corp Ltd		3.91 %
Trailing 6 months	-0.2443 %	Average Duration^^	1.98 years	Far East Horizon Ltd		3.88 %
Trailing 9 months	5.6198 %	Average Maturity	2.14 years	Yuexiu Reit Mtn Co		3.73 %
Trailing 12 months	1.0047 %	Last Dividend Paid	US\$ 1.75	Ae Rotor Holding Bv		3.72 %
		Total Dividend Paid	US\$ 2.72	Hebei Iron & Steel		3.51 %
(*) net of fees, adjusted for dividends						



Portfolio Update

During the week, Silverdale Bond Fund sold VTB 2017 bonds while it purchased Vale 2017, Yuexiu Reit 2018, Israel Electric 2018 and AngloGold Ashanti 2020 bonds.

Vale SA (Mkt Cap ~US\$ 21.8bn) is one of the largest mining enterprises globally, being the largest global supplier of iron ore and the largest global producer of nickel. Vale's principal mining operations are located in Brazil, Canada, Australia, Indonesia, and Mozambique. In addition, the company is active in exploration activities in nine countries. As at 30th June 2015, it reported debt at ~US\$ 29.7bn (~80% due after 2018), against cash of ~US\$ 3.1bn and Unutilized credit line of ~US\$ 7.3bn. It reported EBITDA of ~US\$ 8.6bn, net debt/EBITDA at 3.6x with EBITDA to interest of ~10.3x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

Yuexiu REIT (Mkt Cap: US\$ 1.5bn) is a Hong Kong based real estate investment trust. It was established in 2005 following the acquisition of four commercial properties from Yuexiu Property Company Limited. Its property portfolio consists of six properties in Guangzhou region: wholesale malls, Grade A offices, retail malls, premium international brand 5-star hotels, and serviced apartments, with total area of ~680,971 square meters. The company is 36.11% held by Yuexiu Property Co Ltd, which in turn is 49.9% owned by the Guangzhou municipal government (SASAC).

Israel Electric Corporation Limited (IEC) generates, transmits and distributes substantially all the electricity consumed in Israel. It is owned ~99.85% by the Government of Israel. It has an installed generating capacity of ~13.6 GW, with 63 generating units across 17 sites with electricity sales of ~53.5 GWh. IEC also owns and operates ~54,000 km of power transmission & distribution lines. As at 30 June 2015, it reported turnover of ~US\$ 6.2bn generating EBITDA of ~US\$ 2.1bn.

AngloGold Ashanti Limited (AGA, Mkt Cap ~US\$ 21.8bn) is World's third largest gold producer operating 19 mines in 9 countries. It produced 4.4Moz of gold in 2014, generating \$5.2bn in revenue. The average reserve life of AGA's portfolio of mines is ~13 years. As at 30th June 2015, it reported debt at ~US\$ 3.7bn, against cash of ~US\$ 0.5bn and EBITDA of ~US\$ 1.4bn. Pro-forma net debt reduces to ~2.4bn since ~US\$ 800mn received from sale of CC&V mine in US was used to buy back bonds.

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

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