

Silverdale FUNDS

**Bloomberg
TOP-5
ASIAN FUND**

Silverdale Bond Fund

Communique as at 29th April 2016

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 Launch Date | 8 May 2015 |
| Previous Dividend Date | 24 Mar'16 (US\$ 1.75 per share) |
| Next Dividend Date | 24 Jun'16 (US\$ 1.75 per share) [‡] |
| NAV Computation | Weekly |
| Subscription | Weekly (Friday) [*] |
| Redemption | Weekly (Monday) [*] |
| Management Fee | 0.50% p.a. [†] (Monday) [*] |

Class 1A Details

| | |
|----------------------|-------------------|
| ISIN | KYG8135U1076 |
| CUSIP | G8135U 107 |
| Swiss Valor No. | 28213010 |
| Bloomberg Code | SILV01A KY Equity |
| Morningstar SecID | F00000WLJR |
| Initial Sales Charge | 1.00% |
| Exit Load | 0.25% |

Class 1B Details

| | |
|----------------------|-------------------|
| ISIN | KYG8135U1159 |
| CUSIP | G8135U 115 |
| Bloomberg Code | SILV01B KY Equity |
| Morningstar SecID | F00000WLJW |
| 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

Authorised & regulated by Monetary Authority of Singapore
UEN# 200820921K

Fund Administrator

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

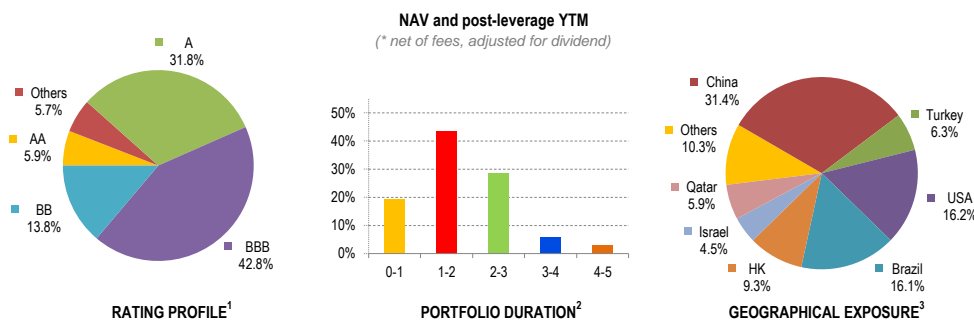
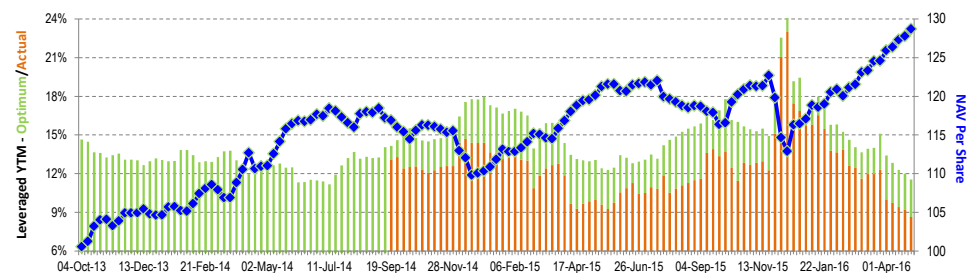


Investors' Choice Award
EM Credit Fund of 2015
Nominee

Silverdale Fund SP-1

Silverdale Bond Fund (or Silverdale Fund SP-1) generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the month ended 29th April 2016, the Fund NAV appreciated by 3.47% to US\$ 122.47 (previous month: US\$ 118.36), with actual portfolio yield (post-leverage) of 8.64% per annum (previous month: 12.32% p.a.), and average duration of 1.78 years (previous month: 1.76 years).

| Portfolio Dashboard | | Growth NAV US\$ | | 128.6911 | Ex-Dividend NAV US\$ | | 122.4680 |
|---|----------|-----------------------------|-----------|----------|--------------------------|--------|----------|
| Performance (Not annualised)* | | Fund Statistics | | | Top Holdings | | % age |
| Previous 1 week | 0.7325 % | Portfolio Yield to Maturity | 3.62 % | | Mcc Holding Hk Corp Ltd | 5.98 % | |
| Trailing 1 month | 2.2043 % | Leveraged YTM - Actual | 8.64 % | | Qnb Finance Ltd | 5.90 % | |
| Trailing 3 months | 6.7776 % | Leveraged YTM - Optimum | 11.55 % | | Israel Electric Corp Ltd | 4.47 % | |
| Trailing 6 months | 6.0314 % | Average Coupon | 4.18 % | | Hebei Iron & Steel | 4.35 % | |
| Trailing 9 months | 7.5662 % | Average Duration^ | 1.78 | years | Ares Capital Corp | 4.29 % | |
| Trailing 12 months | 7.6422 % | Last Dividend Paid | US\$ 1.75 | | Yuexiu Reit Mtn Co | 4.28 % | |
| (*) net of fees, inclusive of dividends | | Total Dividend Paid | US\$ 6.22 | | Vale Overseas Limited | 4.18 % | |



Portfolio Update

During the week ended 29th April 2016, Silverdale Bond Fund purchased QNB Finance 2018, Vale 2019, and Gap Inc 2021 bonds. The Fund also received proceeds from early redemption call on AE Rotor 2018 bonds.

Vale SA (Mkt Cap ~US\$ 27.5bn) 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 31st Mar 2016, it reported debt at ~US\$ 31.5bn, against cash of ~US\$ 3.8bn and unutilized credit line of ~US\$ 3bn. It reported EBITDA of ~US\$ 7bn, net debt/EBITDA at 3.7x with EBITDA to interest of ~5.2x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

Qatar National Bank (Mkt Cap ~US\$ 32.5bn) is the largest bank in Qatar and is controlled by Government of Qatar (~52% stake). It operates in over 27 countries around the world, through 646 branches, supported by over 15,000 employees. As of March 2016, it had total assets worth ~US\$ 151bn and book value of equity of ~US\$ 16bn. It reported Net Interest Margin at ~2.8%, and Non-Performing Loans(NPL) at ~1.4% with NPL coverage of ~120%. It reported Basel III Capital Adequacy Ratio at ~15.8%. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

During the month of April 2016, Silverdale Bond Fund NAV appreciated by ~3.5%, with bond price appreciation contributing over two-third of appreciation. Portfolio appreciation was led by US based credits accounting for two-fifth of NAV appreciation. Brazil & China based credits were the other major contributors, while Indian credits marginally dragged the NAV.

The Fund continues to maintain its conservative position with ~81% of its investments being in investment grade bonds and continuing its weighted average duration of less than 2 years (1.78 years).

2016 ALTERNATIVE INVESTMENTS AWARDS FOR

Best Emerging Markets Credit Fund

Silverdale Capital by **AI HEDGE fund**
Best Fund Management Solution

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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For subscription & information, please

Email: spc@silverdalegroup.com

Or, Call: +65 6835 7130