

Silverdale

F U N D S

Fund Description

Silverdale Fixed Income Fund is a diversified portfolio of primarily Asian investment grade US dollar bonds that is actively managed for consistent returns.

Investor Benefits

Active management with real time response, capitalizing on opportunistic investments, and employing prudent risk management systems. It yields quarterly distribution, with re-investment option.

Fund Information

Fund	Silverdale Fixed Income Fund
ISIN	MU0308S00058
Swiss Valor No.	22123988
Bloomberg Code	SILV009 MP Equity
Inception Date [†]	9 Sep 2010
Launch Date	19 Aug 2013
Previous Dividend Date	24 June 2016 (3% pro rata)
Next Dividend Date	30 Sep 2016 (3% pro rata) [#]

Subscription Details

Minimum Subscription	US\$ 100,000
NAV Computation	Weekly
Subscription	Weekly
Redemption	Weekly
Dividend Distribution	Quarterly
Management Fee	0.75% p.a.

Fund Management Details

THE FUND

Share Class-J of Sri Silverdale Opportunities Fund, a Mauritius based umbrella fund, authorised and regulated by Financial Services Commission.

INVESTMENT MANAGER

Sri Silverdale Capital Partners
Regulated by Financial Services Commission

INVESTMENT ADVISOR

Silverdale Capital Pte Ltd
Regulated by Monetary Authority of Singapore
UEN# 200820921K

Banker

Standard Chartered Bank

Fund Administrator

Orangefield (Mauritius) Limited
355 NeXTeracom Tower 1, Cybercity, Ebene, Mauritius
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Silverdale Capital
Best Fund Management Solution



Silverdale Fixed Income Fund

Communique as at 24th June 2016

OVERVIEW

Silverdale Fixed Income Fund is actively managed for stable returns and quarterly distributions; the portfolio duration is kept low to manage interest rate risks and credit risks. As at 24th June 2016, the Fund declared quarterly dividend payout of 3% p.a. pro rata, amounting to US\$ 0.7769 per share; the ex-dividend NAV of the Fund was US\$ 102.81 as compared to previous month (cum-dividend) NAV of US\$ 102.76. The portfolio yield was 3.85% p.a. (previous month: 3.80% p.a.) with average portfolio duration of 1.91 yrs (previous month: 1.81 years).

Portfolio Dashboard	Growth NAV US\$	111.5890	Ex-Dividend NAV US\$	102.8106
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Performance (not annualised) *

Previous 1 week	0.2401 %
Trailing 1 month	0.7474 %
Trailing 3 months	2.3435 %
Trailing 6 months	4.5415 %
Trailing 12 months	3.7282 %
Since Inception (Aug'13)	11.5890 %

(* net of fees, inclusive of dividends)

Fund Statistics

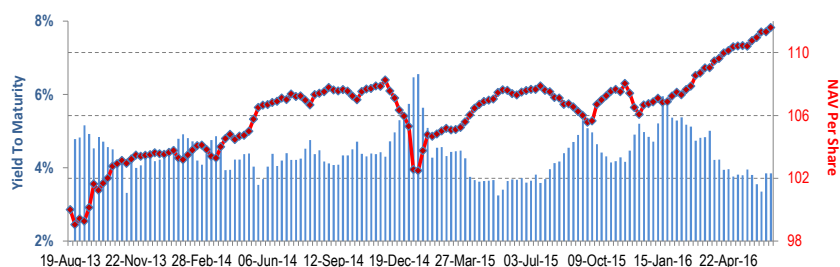
Yield to Maturity	3.85 %
Effective Duration	1.91 years
Average Maturity	2.08 years
Average Coupon	4.98 %
Last Dividend Paid	US\$ 0.7769
Total Dividend Paid	US\$ 8.7784

Top Holdings

Wanda Properties	6.31 %
Turkiye Halk Bankasi	6.30 %
Turkiye Vakiflar	6.14 %
Gap Inc/The	5.49 %
Vale Overseas Li	5.44 %
Li & Fung Ltd	5.42 %
Gtl Trade Finance	5.36 %

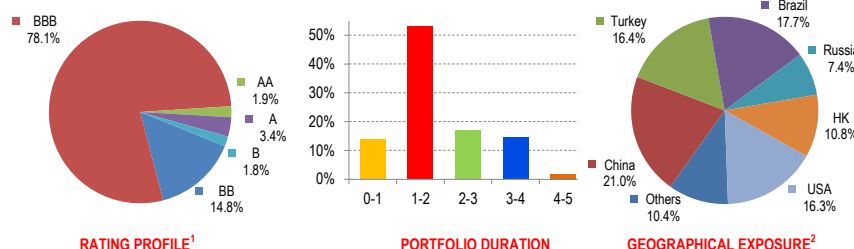
Distribution Date	27-Sep-13	27-Dec-13	28-Mar-14	27-Jun-14	26-Sep-14	26-Dec-14	27-Mar-15	26-Jun-15	25-Sep-15	24-Dec-15	25-Mar-16	24-Jun-16	Total
Dividend (US\$)	0.3166	0.7742	0.7718	0.7892	0.7873	0.7688	0.7602	0.7695	0.7486	0.7519	0.7634	0.7769	8.7784

DIVIDEND DISTRIBUTION



NAV and YTM Trend

(* net of fees, adjusted for dividend)



Portfolio Update

During the week ended 24th June 2016, Silverdale Fixed Income Fund purchased Raizen Energy 2017 and AE Rotor 2018 bonds.

Raizen Energia S.A., with crushing capacity of 65.8mn tons and 24 sugar-ethanol mills, is the largest manufacturer in the sugar and ethanol sector in Brazil. It is part of Raizen, a 50:50 joint-venture between Cosan Group and Royal Dutch Shell. As of Mar'16 it reported debt of ~US\$ 2.9bn, against which it had cash & equivalents of ~US\$ 900mn and SBLC from promoters of US\$ 500mn.

AE-Rotor Holding incorporated in the Netherlands, is subsidiary of the India-based Suzlon Group. 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\$ 450bn).

During the month of June 2016, Silverdale Fixed Income Fund NAV appreciated by ~0.81%, primarily contributed by yield tightening which accounted for almost two-third of gross appreciation during the period. US credit contributed to over half of price appreciation followed by Chinese credit and Turkish credit. There was no material drag to the NAV.

During the month, Silverdale Fixed Income Fund NAV sold Lukoil 2018, and Coca Cola Icecek 2018 bonds while it purchased Raizen Energy 2017, AE Rotor 2018, Turkiye Vakiflar 2018, BTG Investment 2018, Lukoil 2019 and Taqa 2021 bonds. It also received proceeds from tendering of Petrobras and Poly Real Estate bonds.

British decision to exit EU (BREXIT) did not directly impact Silverdale Bond Fund since the Fund does not have any direct exposure to British bonds or GBP. Further, the short duration of the Fund (of less than 2 years) would cushion any significant gyrations in interest rate. Also, the above average level of cash holdings of the Fund, would enable the fund to opportunistically invest. The Fund continued to maintain its conservative position with ~83.4% of its investments being in investment grade bonds with its weighted average duration of less than 2 years (1.91 years).

Dividend

The Fund has declared Twelfth Dividend of 3% per annum pro rata for June 2016 quarter amounting to US\$ 0.7769 per share. All shareholders holding shares on June 24, 2016 (Dividend Record Date) have been paid 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 mauritius@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 Fixed Income Fund or Silverdale Bond Fund or Silverdale India Equity Fund or any other Class of Sri Silverdale Opportunities Fund or any of the funds managed or advised by Sri Silverdale Capital Partners or by Silverdale Capital Pte Ltd., and is strictly for information only. Any application 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 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. Please refer to the PPM for Risk Factors. This document is written for the benefit of and being communicated only to expert investors as defined in Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008, issued under the Securities Act 2005 of Mauritius. 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. (†) Initially the portfolio was launched as part of multi-assets fund with quarterly NAV. (#) Indicative. (1) Credit exposure of less than 5% has been clubbed into 'Others'. (2) Country exposure of less than 5% and cash-on-hand has been clubbed into 'Others'.

