

Silverdale

FUND S

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Silverdale Bond Fund

Communique as at 1st July 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 |
| NAV Computation | Weekly |
| Subscription | Weekly (Friday)* |
| Redemption | Weekly (Monday)* |
| Management Fee | 0.50% p.a.^ (Monday)* |
| Next Dividend Date | 30 Sep'16 (US\$ 1.75 per share)* |
| Previous Dividend Date | 24 Jun'16 (US\$ 1.75 per share) 24 Mar'16 (US\$ 1.75 per share) 24 Dec'15 (US\$ 1.75 per share) 25 Sep'15 (US\$ 1.75 per share) 26 Jun'15 (US\$ 0.97 per share) |

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

Regulated by Monetary Authority of Singapore
UEN# 200820921K

Fund Administrator

Orangefield (Mauritius) Limited
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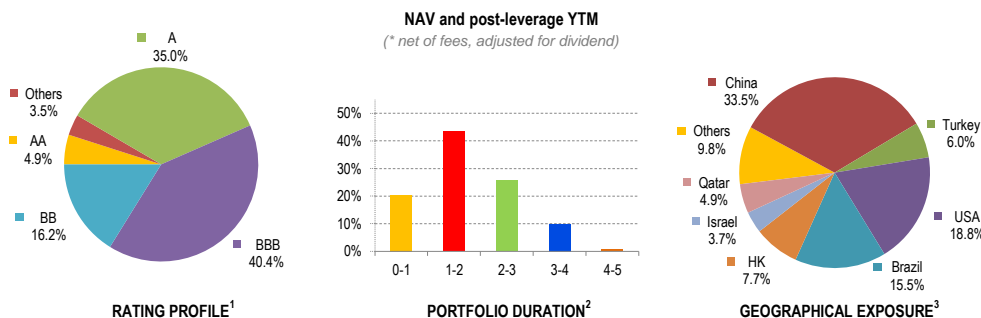
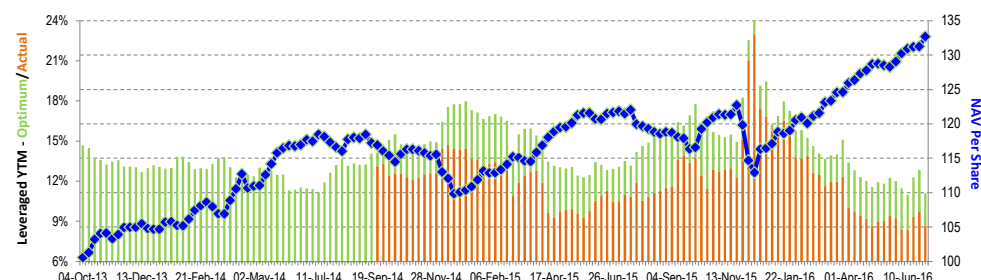
Or, Call: +65 6835 7130

Silverdale Fund SP-1

Silverdale Bond Fund (or Silverdale Fund SP-1) generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 1st July 2016, the Fund NAV appreciated by 1.16% to US\$ 124.70 (previous week: US\$ 123.27), with actual portfolio yield (post-leverage) of 8.68% per annum (previous week: 9.70% p.a.), and average duration of 1.84 years (previous week: 1.84 years).

| Portfolio Dashboard | Growth NAV US\$ | 132.6723 | Ex-Dividend NAV US\$ | 124.6992 |
|--------------------------------------|-----------------------------|------------|--------------------------|--------------|
| Performance (Not annualised)* | Fund Statistics | | Top Holdings | % age |
| Previous 1 week | Portfolio Yield to Maturity | 3.35 % | Mcc Holding Hk Corp Ltd | 4.96 % |
| Trailing 1 month | Leveraged YTM - Actual | 8.68 % | Qnb Finance Ltd | 4.94 % |
| Trailing 3 months | Leveraged YTM - Optimum | 11.10 % | Gap Inc/The | 4.64 % |
| Trailing 6 months | Average Coupon | 4.23 % | Tianjin City Constructio | 4.18 % |
| Trailing 9 months | Average Duration^ | 1.84 years | Vale Overseas Limited | 3.70 % |
| Trailing 12 months | Last Dividend Paid | US\$ 1.75 | Hebei Iron & Steel | 3.66 % |
| | Total Dividend Paid | US\$ 7.97 | Israel Electric Corp Ltd | 3.66 % |

(* net of fees, inclusive of dividends)



Portfolio Update

During the week ended 1st July 2016, Silverdale Bond Fund purchased Petrobras 2018, AE Rotor 2018, and Seagate 2018 bonds.

Petroleo Brasileiro S.A. (Mkt Cap: US\$ 44.8bn), is an integrated energy company, with total assets of over ~US\$ 200bn. As at 31st Mar 2016, it reported EBITDA of ~US\$ 20.6bn with Net Debt/EBITDA of ~5.1x and interest coverage ratio of ~3.1x. Brazilian Govt owns ~46% of its capital and ~60% of its voting shares. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

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).

Seagate Technology plc (Mkt Cap: US\$ 7.2bn) is a worldwide leader in the design, manufacture and marketing of hard disk drive products used as the primary medium for storing electronic information. The company is one of two dominant pure play hard drive suppliers in the industry, each with over 40% market share. As at 1 Apr 2016, it reported debt at ~US\$ 4.1bn, against cash of ~US\$ 1.2bn and unutilized credit line of ~US\$ 700mn. It reported EBITDA of ~US\$ 1.5bn, net debt/EBITDA at 2.1x with EBITDA to interest of ~4.8x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

2016 ALTERNATIVE INVESTMENTS AWARDS FOR
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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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