

Silverdale
FUNDS

Bloomberg
TOP-5
ASIAN FUND

Silverdale Bond Fund

Communique as at 21st October 2016

Silverdale Fund SP-1

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 Dec'16 (US\$ 1.90 per share) [#]
Previous Dividend Dates	30 Sep'16 (US\$ 1.90 per share) 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)

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% / 2% / 1%
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

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



Silverdale Bond Fund
Best Fixed Income Fund
Nominee

Silverdale Capital
Ranked as
Best Fund Management Solution



2016 ALTERNATIVE INVESTMENTS AWARDS
Best Emerging Markets Credit Fund



Investors' Choice Award
EM Credit Fund of 2015
Nominee

For subscription & information, please
Email: spc@silverdalegroup.com
Or, Call: +65 6835 7130

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

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 Bond Fund (or Silverdale Fund SP-1), or any other segregated portfolio or Class of Silverdale Fund SPC or any of the funds managed or advised by Silverdale Capital Pte Ltd., and is strictly for information only. Any subscription 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 Composite 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. The Fund may use or invest in financial derivative instruments. Please refer to the Composite PPM for Risk Factors. This document is written for the benefit of and being communicated only to Accredited Investors or Institutional Investors as defined under the Securities and Futures Act (Cap. 289) of Singapore or any similarly defined investor in any other securities legislation. 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. NAV prior to 8 May 2015 is based on NAV of underlying fund (Class E of Sri Silverdale Opportunities Fund). (*) Assuming to be Business Day. (#) Indicative. (^) Average duration excludes favourable impact of interest rate hedges. (†) Initially launched as multi-assets fund with quarterly NAV. (1), (2), & (3) Based on gross investments into securities. (1) Credit exposure of those rated below "BB" has been clubbed as "Others". (3) Country exposure of less than 4% has been clubbed as "Others". (^^) Based on Gross Assets. Ranking source: Bloomberg's special report on Asia's Hedge Fund dated June 26, 2015; category: Multi Strategy.

Portfolio Dashboard

Performance (Not annualised)*	
Previous 1 week	0.4497 %
Trailing 1 month	1.4522 %
Trailing 3 months	4.3089 %
Trailing 6 months	9.9983 %
Trailing 9 months	18.0941 %
Trailing 12 months	16.2291 %

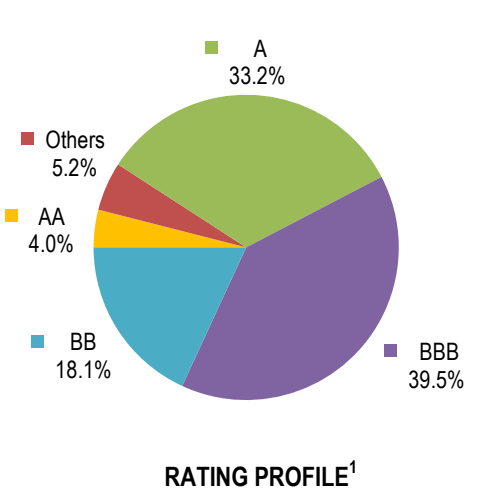
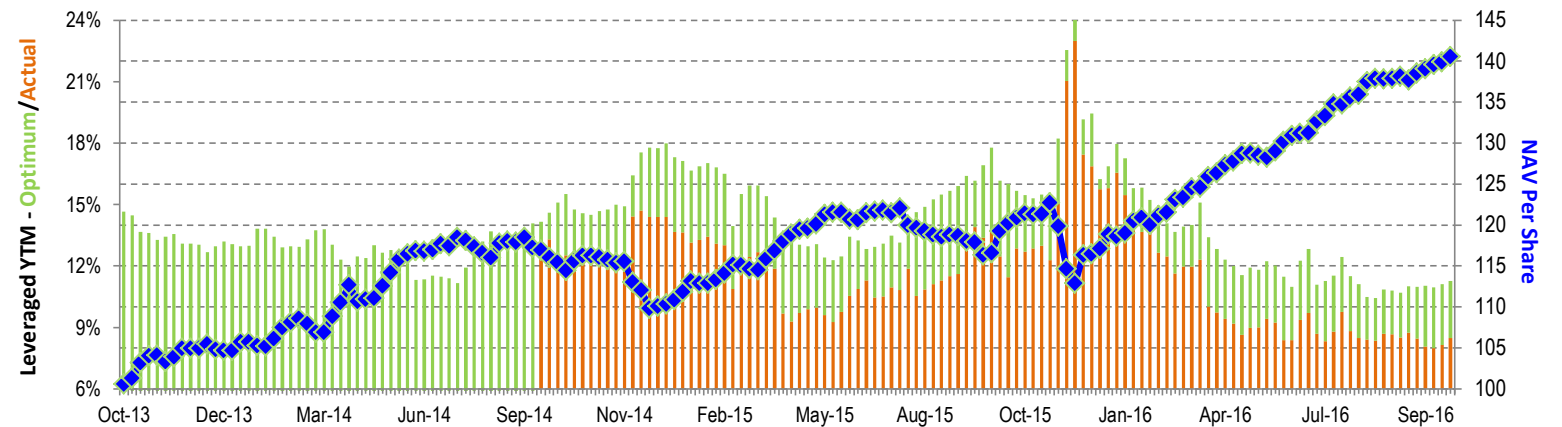
(*) after all fees, before dividends

Growth NAV US\$ 140.5287

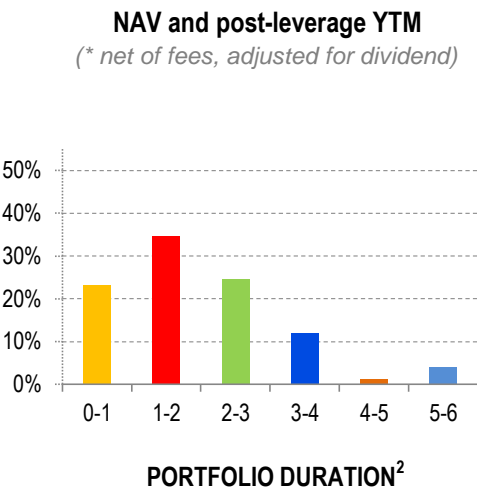
Fund Statistics	
Portfolio Yield to Maturity	3.21 %
Leveraged YTM - Actual	8.47 %
Leveraged YTM - Optimum	11.27 %
Average Coupon	4.28 %
Average Duration^	2.06 years
Last Dividend Paid	US\$ 1.90
Total Dividend Paid	US\$ 9.87

Ex-Dividend NAV US\$ 130.6556

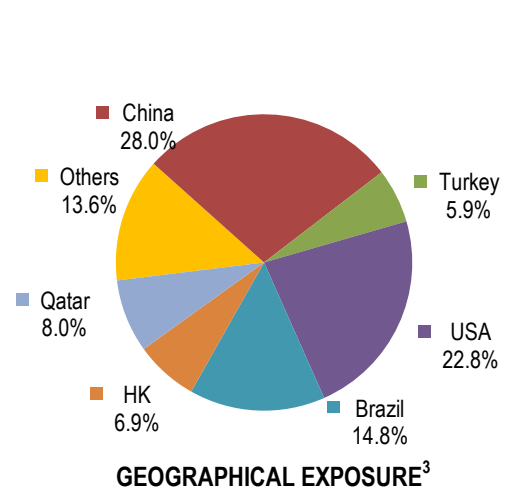
Top Holdings	% age
Gap Inc/The 2021	4.33 %
Seagate Hdd 2023	4.10 %
Qib Sukuk Ltd 2019	4.01 %
Mcc Holding Hk 2017	3.99 %
Qnb Finance Ltd 2018	3.98 %
Seagate Hdd 2018	3.88 %
Prospect Capital Corp 2019	3.73 %



RATING PROFILE¹



PORTFOLIO DURATION²



GEOGRAPHICAL EXPOSURE³

Portfolio Update

During the week ended 21st Oct 2016, Silverdale Bond Fund purchased Embraer 2020, AngloGold Ashanti 2020, Vale 2020, Symantec 2020, and Seagate 2023 bonds.

Embraer S.A. (Mkt Cap ~US\$ 3.7bn) is the leading manufacturer of regional jet airplanes (up to 120 seats), with a growing defense & security segment, and a line of mid-size business jets. As at 30th June 2016, it reported order book of ~US\$ 21.9bn with North America accounting for over 50% of it. It reported debt at ~US\$ 3.7bn, against cash of ~US\$ 3.1bn, with Net Debt to EBITDA at ~0.95x. The bonds are issued by its wholly owned subsidiary and guaranteed by it. Founded in 1969 by the Brazilian federal government, the company was privatized in 1994 and transformed into a publicly-held corporation.

Vale SA (Mkt Cap ~US\$ 32.1bn) 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 mining operations are located in Brazil, Canada, Australia, Indonesia, and Mozambique. As at 30th June 2016, it reported debt at ~US\$ 31.8bn, against cash & equivalents of ~US\$ 4.3bn and unutilized credit line of over US\$ 3bn. It reported TTM EBITDA of ~US\$ 7.7bn, net debt/EBITDA at 3.6x with EBITDA to interest of ~5.1x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

AngloGold Ashanti Limited (Mkt Cap ~US\$ 5.8bn) is world's third largest gold producer; operating 17 mines in 9 countries. It produced 3.95Moz of gold in 2015, generating US\$ 5.2bn in revenue. The average reserve life of its portfolio of mines is ~13 years. As at 30th June 2016, it reported debt at ~US\$ 2.65bn, against cash of ~US\$ 0.47bn and unutilized credit line of over US\$ 1.8bn. It reported EBITDA of ~US\$ 1.26bn, Net Debt/EBITDA at ~1.73x with EBITDA to Interest coverage of ~6.8x.

Symantec Corp (Mkt Cap ~US\$ 15bn) is a leading provider of consumer and enterprise security and data management software. Its "Norton" branded products have a leading market share in the PC security and growing share in the mobile security. As at 1st July 2016, it reported debt at ~US\$ 3.3bn, against cash & equivalents of ~US\$ 6.1bn and unutilized credit line of US\$ 1bn. It reported TTM EBITDA of ~US\$ 1.1bn, debt/EBITDA at ~2.95x with EBITDA to interest of ~9.5x. On 1st August 2016 Symantec completed acquisition Blue Coat Inc for US\$ 4.65bn. Blue Coat provides advanced web security solutions for global enterprises and governments. The acquisition will strengthen Symantec's position in the enterprise security software market.

Seagate Technology Plc (Mkt Cap: US\$ 10.3bn) is a worldwide leader in the design, manufacture and marketing of hard disk drive products in a duopolist market with over 40% market share. As at 30 Sep 2016, it reported debt at ~US\$ 4.1bn, against cash of ~US\$ 1.5bn and unutilized credit line of ~US\$ 700mn. It reported EBITDA of ~US\$ 1.6bn, net debt/EBITDA at 1.9x with EBITDA to interest of ~8.4x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.