

Silverdale

F U N D S

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TOP-5
ASIAN FUND

Silverdale Bond Fund

Communique as at 4th November 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 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
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Silverdale Bond Fund
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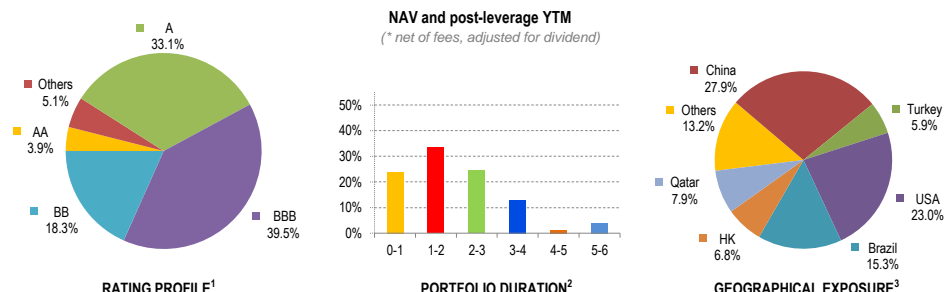
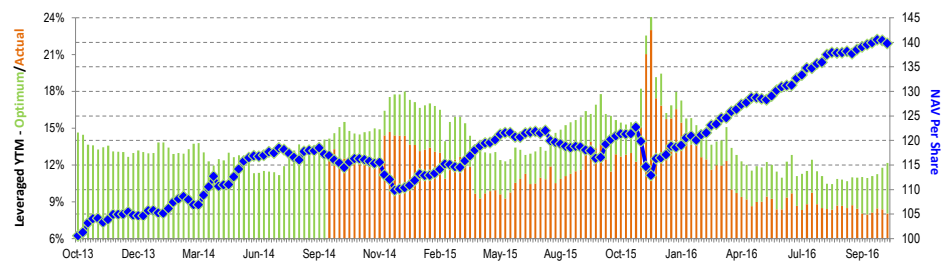
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Silverdale Fund SP-1

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 4th November 2016, the Fund NAV declined by 0.45% to US\$ 129.89 (previous week: US\$ 130.48), with actual portfolio yield (post-leverage) of 8.05% per annum (previous week: 8.38% p.a.), and average duration of 2.06 years (previous week: 2.07 years).

Portfolio Dashboard

Performance*	Growth NAV US\$	139.7665	Ex-Dividend NAV US\$	129.8934
Previous 1 week	-0.4183 %			
Trailing 1 month	0.1633 %			
Trailing 3 months	2.8371 %			
Trailing 6 months	8.5748 %			
Trailing 12 months	15.2320 %			
Trailing 3 years	10.61% p.a.			
(*) after all fees, before dividends				
Fund Statistics				
Portfolio Yield to Maturity	3.32 %			
Leveraged YTM - Actual	8.05 %			
Leveraged YTM - Optimum	12.17 %			
Average Coupon	4.30 %			
Average Duration [¶]	2.06 years			
Last Dividend Paid	US\$ 1.90			
Total Dividend Paid	US\$ 9.87			
Top Holdings	% age			
Gap Inc/The 2021	4.24 %			
Seagate Hdd 2023	4.15 %			
Qib Sukuk Ltd 2019	3.97 %			
Mcc Holding Hk 2017	3.96 %			
Qnb Finance Ltd 2018	3.94 %			
Seagate Hdd 2018	3.73 %			
Prospect Capital Corp 2019	3.69 %			



Portfolio Update

During the week ended 4th November 2016, Silverdale Bond Fund purchased BRF SA 2017, Wuhan Metro 2019, Embraer 2020, AngloGold Ashanti 2020, and Seagate 2023 bonds.

BRF S.A. (Mkt Cap ~US\$ 12.9bn) is one of largest food conglomerates globally with a product portfolio consisting of frozen poultry and pork, a large portfolio of processed products, including read-to-eat meals, cold cuts, pasta, margarine, and pizza. The company operates 44 plants and 40 distribution centers, exports to more than 120 countries, and is a global leader in poultry exports. As at 30th Sep 2016, it reported debt at ~US\$ 6bn, against cash of ~US\$ 2.5bn. It reported EBITDA of ~US\$ 1.5bn, Net Debt/EBITDA at 2.4x with EBITDA to Interest coverage of ~3.4x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

Wuhan Metro Group Co. Ltd. is mandated by the Wuhan Municipal Government to construct and operate the metro rail system in Wuhan City, the capital of Hubei province in China. It also generates revenue from property development along these metro lines and commercial leasing, advertising etc. The company operates 126km of metro lines and has ~276km under construction. It is ~80% owned by Wuhan SASAC and ~12% owned by China Development Bank, with the remaining stakes held by Huaneng Guicheng (an SOE trust company) and Founder BEA (70% owned by Peking University). It enjoys strong Government support in term of capital injection, budget allocation, and subsidies.

Embraer S.A. (Mkt Cap ~US\$ 4bn) 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.

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.

Seagate Technology Plc (Mkt Cap: US\$ 9.7bn) 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.

2016 ALTERNATIVE INVESTMENTS AWARDS
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Investors' Choice Award
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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