

# Silverdale

## FUNDS

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## Silverdale Bond Fund

Communique as at 10th 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 <sup>†</sup>	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.^
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

Visira (Mauritius) Limited  
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Email: spc@silverdalegroup.com



**Silverdale Bond Fund**  
Best Fixed Income Fund  
Nominee

**Silverdale Capital**  
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  
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Or, Call: +65 6835 7130

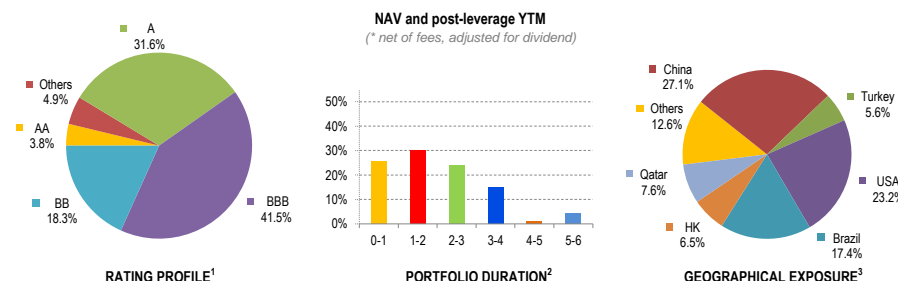
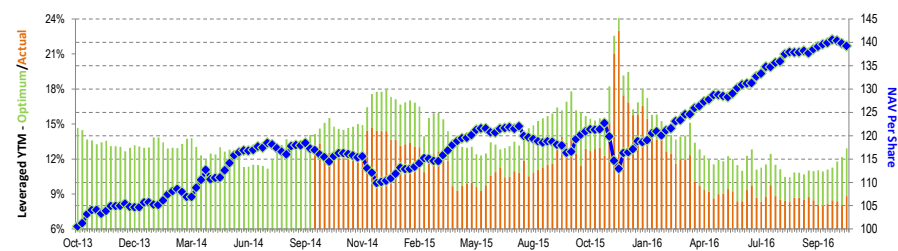
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### Silverdale Fund SP-1

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 10th November 2016, the Fund NAV declined by 0.43% to US\$ 129.34 (previous week: US\$ 129.89), with actual portfolio yield (post-leverage) of 8.83% per annum (previous week: 8.05% p.a.), and average duration of 2.09 years (previous week: 2.06 years).

Portfolio Dashboard			Growth NAV US\$	139.2108	Ex-Dividend NAV US\$	129.3377
Performance*			Fund Statistics		Top Holdings	% age
Previous 1 week	-0.3976	%	Portfolio Yield to Maturity	3.44	Gap Inc/The 2021	4.08
Trailing 1 month	-0.4924	%	Leveraged YTM - Actual	8.83	Seagate Hdd 2023	3.94
Trailing 3 months	1.2643	%	Leveraged YTM - Optimum	12.91	Qib Sukuk Ltd 2019	3.80
Trailing 6 months	8.3445	%	Average Coupon	4.33	Mcc Holding Hk 2017	3.78
Trailing 12 months	14.7231	%	Average Duration^	2.09	Qnb Finance Ltd 2018	3.77
Trailing 3 years	10.25%	p.a.	Last Dividend Paid	US\$ 1.90	Seagate Hdd 2018	3.57
(*) after all fees, before dividends			Total Dividend Paid	US\$ 9.87	Prospect Capital Corp 2019	3.52



### Portfolio Update

During the week ended 10th November 2016, Silverdale Bond Fund purchased Dell 2019, Bluestar 2018, Dell 2020, International Game Tech 2019, Embraer 2020, Vale 2020, Vale 2021, and Staples 2023 bonds.

Dell Tech is one of the world's leading providers of personal computers, servers, network security and storage services. It operates in 180 countries serving 98% of Fortune 500 companies. After the merger with EMC, it has become the largest privately held technology company in the world with projected annual revenues of over US\$ 75bn. As at 29th July 2016, it reported debt at -US\$ 36.3bn, against cash & equivalents of -US\$ 30.5bn (-US\$ 23.3bn restricted cash) and TTM EBITDA of -US\$ 3bn.

International Game Technology (Mkt Cap -US\$ 5.8bn) is a leading gaming equipment manufacturer and supplier headquartered in London, with operating offices in Rome, Rhode Island, and Las Vegas. They have local presence and relationships with regulators in more than 100 countries around the world. It reported total debt outstanding at -US\$ 8.2bn against which it has cash & equivalents of -US\$ 390mn. It reported EBITDA of -US\$ 2bn and net debt/EBITDA at -3.9x.

Embraer S.A. (Mkt Cap -US\$ 3.8bn) is the leading manufacturer of regional jet airplanes (up to 120 seats), with a growing defense & security segments and mid-size business jets. As at 30th Sep 2016, it reported order book of -US\$ 21.4bn with North America accounting for over 50% of it. It reported debt at -US\$ 3.8bn, against cash of -US\$ 3.2bn, with Net Debt to EBITDA at -0.85x. 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\$ 38.8bn) is one of the largest mining enterprises globally, being the largest global supplier of iron ore and the largest global producer of nickel. As at 30th Sep 2016, it reported debt at -US\$ 31.5bn, against cash & equivalents of -US\$ 5.5bn and unutilized credit line of over US\$ 3bn. It reported TTM EBITDA of -US\$ 8.8bn, net debt/EBITDA at 2.9x with EBITDA to interest of -5x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

Staples, Inc. (Mkt Cap: -US\$ 5.6bn) is the world's largest dedicated retailer of office supplies, with over 3,000 stores worldwide in 26 countries. It generates annual revenues of -US\$ 21bn with North America accounting for -85% of its sales. As at 30th July 2016, it reported debt at -US\$ 1.2bn, against cash & equivalents of -US\$ 0.8bn and unutilized credit line of US\$ 0.9bn. It reported TTM EBITDA of -US\$ 1.3bn, net debt/EBITDA at 0.35x with EBITDA to interest of -8.6x.

### 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