

Silverdale

F U N D S

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ASIAN FUND

Silverdale Bond Fund

Communique as at 18th 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\$ 1.75 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

Visitra (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 by **AI HEDGEfund**
Best Fund Management Solution

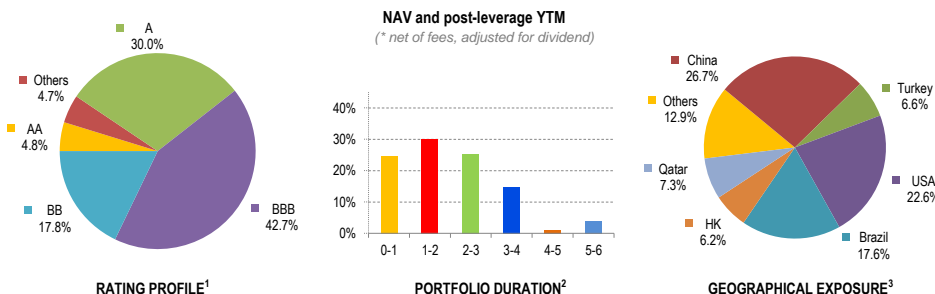
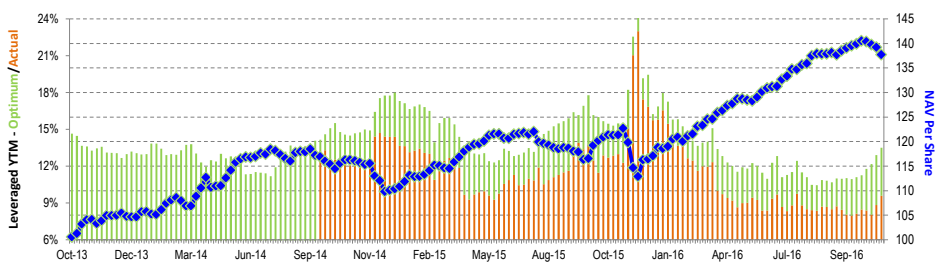
For subscription & information, please
Email: spc@silverdalegroup.com
Or, Call: +65 6835 7130

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 18th November 2016, the Fund NAV declined by 1.15% to US\$ 127.85 (previous week: US\$ 129.34), nudging up actual portfolio yield (post-leverage) to 9.59% per annum (previous week: 8.83% p.a.), with average duration of 2.08 years (previous week: 2.09 years).

Portfolio Dashboard

Performance*	Growth NAV US\$	137.7238	Ex-Dividend NAV US\$	127.8507
Fund Statistics				
Previous 1 week	-1.0682 %			
Trailing 1 month	-1.9960 %			
Trailing 3 months	-0.1299 %			
Trailing 6 months	7.3705 %			
Trailing 12 months	12.2440 %			
Trailing 3 years	9.49% p.a.			
(*) after all fees, before dividends				
Portfolio Yield to Maturity	3.60 %			
Leveraged YTM - Actual	9.59 %			
Leveraged YTM - Optimum	13.49 %			
Average Coupon	4.34 %			
Average Duration^	2.08			
Last Dividend Paid	US\$ 1.90			
Total Dividend Paid	US\$ 9.87			
Top Holdings				
Gap Inc/The 2021	3.86 %			
Seagate Hdd 2023	3.69 %			
Qib Sukuk Ltd 2019	3.62 %			
Mcc Holding Hk 2017	3.60 %			
Qnb Finance Ltd 2018	3.59 %			
Prospect Capital Corp 2019	3.35 %			
Seagate Hdd 2018	3.34 %			



Portfolio Update

During the week ended 18th November 2016, Silverdale Bond Fund purchased Gerdau 2017, Autonation 2018, Coca Cola Icecek 2018, Wanda 2018, Lukoil 2019, Turk Telecom 2019, Doosan Infracore 2019, AngloGold 2020, EMC 2020, and Vale 2020 bonds.

Autonation, Inc. (Market Cap: US\$ 4.4bn) is the largest automotive retailer in the United States which owns and operates 371 vehicle franchises. It offers a diversified range of automotive products and services, including new and used vehicles, automotive repair services, and automotive finance and insurance products. As at 30th Sep 2016, it reported net debt at ~US\$ 6.2bn and TTM EBITDA of ~US\$ 1bn. It reported net debt/EBITDA at 6.3x with EBITDA to interest of ~5.4x.

Coca Cola İçecek AS (Market Cap: US\$ 2.4bn) is engaged in the production, marketing and sales of sparkling and still beverages. It is the fifth largest independent bottler in Coca-Cola system in terms of sales volume, with 25 production facilities and annual production capacity of ~1.5bn unit cases across 10 countries. As at Sep 2016, it reported total debt at ~US\$ 1.1bn with net debt to EBITDA at ~1.8x. Anadolu Efes owns 50.3% stake in the Company with The Coca Cola Co. owning 20.1% stake.

Dalian Wanda is the world's largest private property owner and developer (contracted sales of ~US\$ 24bn in 2015) and the largest cinema chain operator. It operates in four key segments - commercial property, luxury hotels, culture and tourism, and departmental stores. As at 30th June 2016, it reported cash to short-term debt at 3.33x and EBIT/interest coverage at 3.8x. The bonds are issued by its wholly owned subsidiary Wanda Properties Overseas Ltd and is supported by a keepwell deed from Dalian Wanda.

Lukoil (Mkt Cap: US\$ 44.5bn) is Russia's largest private owned oil company with proved hydrocarbon reserves of ~16.6bn boe. It carries exploration activities in over 14 countries and retails its products in 23 countries. As at 30th June 2016, it reported ~0.27x debt/equity, ~0.64x Net Debt/EBITDA, and ~18.5x EBITDA to interest coverage. It has ~US\$ 13.5bn debt against annual EBITDA of ~US\$ 12.2bn. The bonds are issued by its wholly owned subsidiary Lukoil International Finance, and are guaranteed by Lukoil.

Turk Telekomunikasyon AS (Market Cap: US\$ 5.8bn) is the largest integrated telecommunications company in Turkey, with 38.5mn subscribers, offering complete range of mobile, broadband, data, TV and fixed voice services. As at Sep 2016, it reported total debt at ~US\$ 4.5bn with cash and equivalent at ~US\$ 1.1bn. It reported TTM EBITDA at ~US\$ 1.8bn with net debt to EBITDA at ~1.9x and EBITDA to interest coverage at 2.2x. It is majority owned by Oger Telecom (~55% equity) with Turkish Govt owning ~30% equity.

Doosan Infracore (Mkt Cap: US\$ 1.4bn) is amongst top ten construction equipment manufacturers in the world and the largest in Korea. As at Sep 2016, it reported total debt at ~US\$ 4bn with net debt to EBITDA at ~8x. It is part of Doosan Group, which is a Fortune 500 company and ranked as the 16th largest business group in Korea (by assets) as of June 2016. The said bonds are Guaranteed by The Korea Development Bank which is owned by Korean Government.

2016 ALTERNATIVE INVESTMENTS AWARDS
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Investors' Choice Award
EM Credit Fund of 2015
Nominee

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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