

Silverdale
FUNDS



Silverdale Bond Fund

Communique as at 23rd December 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

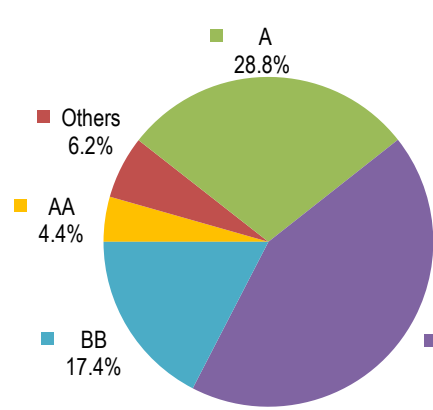
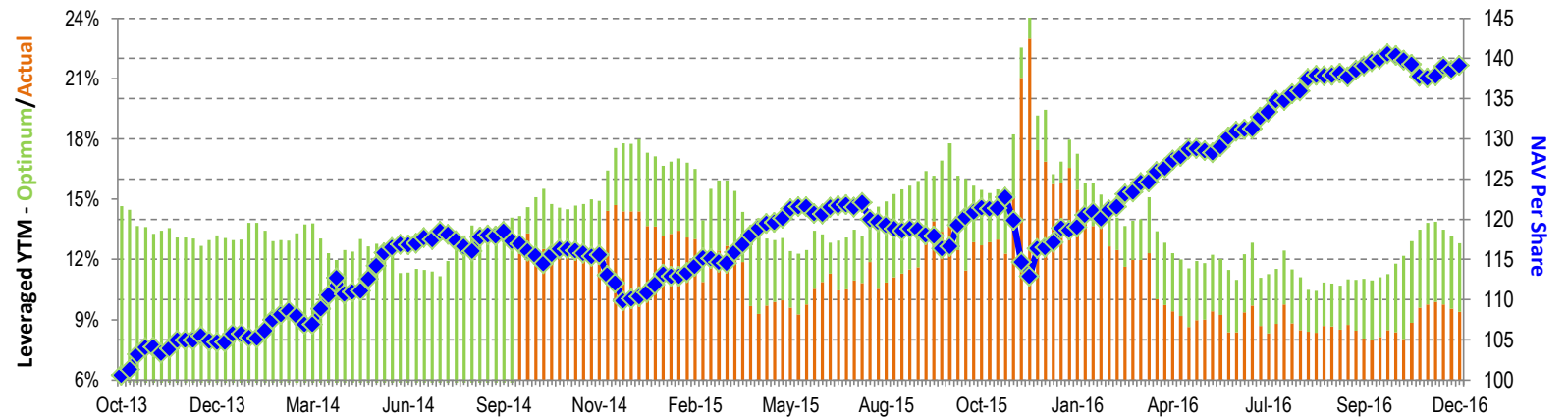
Fund Administrator

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

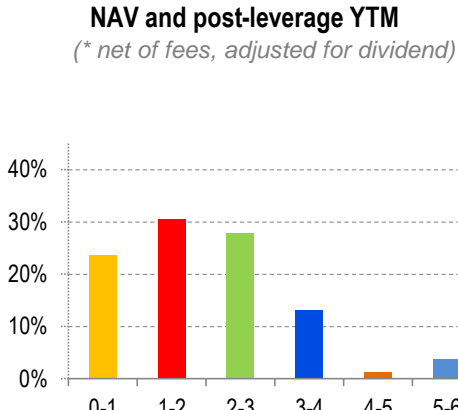
Silverdale Bond Fund (or Silverdale Fund SP-1) generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 23rd December 2016, the Fund NAV appreciated by 0.46% to US\$ 129.25 (previous week: US\$ 128.65), with actual portfolio yield (post-leverage) to 9.38% per annum (previous week: 9.55% p.a.), and average duration of 2.02 years (previous week: 2.03 years).

Portfolio Dashboard

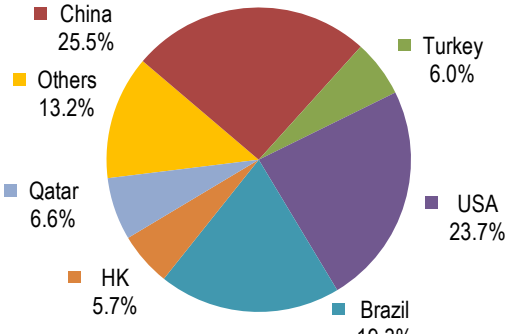
Performance*		Growth NAV US\$	139.1213	Ex-Dividend NAV US\$	129.2482
Fund Statistics		Top Holdings			
% age					
Previous 1 week	0.4305 %	Portfolio Yield to Maturity	3.61 %	Gap Inc/The 2021	3.56 %
Trailing 1 month	1.1505 %	Leveraged YTM - Actual	9.38 %	Seagate Hdd 2023	3.44 %
Trailing 3 months	0.4362 %	Leveraged YTM - Optimum	12.80 %	Qib Sukuk Ltd 2019	3.32 %
Trailing 6 months	6.0032 %	Average Coupon	4.36 %	Qnb Finance Ltd 2018	3.32 %
Trailing 12 months	19.4710 %	Average Duration^	2.02 years	Mcc Holding Hk 2017	3.30 %
Trailing 3 years	9.96% p.a.	Total Dividend Paid	US\$ 9.87	Prospect Capital 2019	3.14 %
(*) after all fees, before dividends		Sharpe Ratio	1.29	Seagate Hdd 2018	3.10 %



RATING PROFILE¹



PORTFOLIO DURATION²



GEOGRAPHICAL EXPOSURE³

Portfolio Update

During the week ended 23rd December 2016, Silverdale Bond Fund purchased Transalta 2018, Petrobras 2018, Petrobras 2019, Viacom 2019, and HP 2021 bonds.

TransAlta Corporation (Mkt Cap: US\$ 1.6bn) headquartered in Calgary, Alberta, owns and operates 8,580 MW of coal, gas, solar, wind and hydro power plants. Its assets are located in Canada, USA and Australia. As at 30th Sep 2016, it reported net debt of US\$ 3bn and available line of credit amounting to US\$ 1.1bn. It reported TTM EBITDA of ~US\$ 670mn with Net Debt/EBITDA of ~4.4x and interest coverage ratio of ~3.7x.

Petroleo Brasileiro S.A. (Mkt Cap: US\$ 61.9bn), is an integrated energy company, with total assets of over ~US\$ 200bn. As at 30th Sep 2016, it reported TTM EBITDA of ~US\$ 24.3bn with Net Debt/EBITDA of ~4.1x and interest coverage ratio of ~3.2x. 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.

Viacom Inc (Mkt Cap: US\$ 14.1bn), is a global media company, with interests in cable television networks, theatrical film content production, and distribution. As at 30th Sep 2016, it reported net debt of US\$ 11.5bn and available line of credit amounting to US\$ 2.5bn. It reported TTM EBITDA of ~US\$ 3bn with Net Debt/EBITDA of ~4.2x and interest coverage ratio of ~4.5x.

HP Inc. (Mkt Cap: US\$ 25.8bn), is a global supplier of imaging and printing systems, computing systems, mobile devices, solutions, and services for business and home. Its products include laser and inkjet printers, scanners, copiers and faxes, personal computers, workstations, storage solutions, and other computing and printing systems. As at 31st Oct 2016, it reported net debt of US\$ 550mn and available line of credit amounting to US\$ 800mn. It reported TTM EBITDA of ~US\$ 4.3bn with Net Debt/EBITDA of ~0.14x and interest coverage ratio of ~14.2x.

Dividend

The Fund is likely to declare a dividend of circa US\$ 1.90 per share on the shares held on Friday, December 30, 2016 (Dividend Record Date). All subscriptions received on or before 23rd December 2016 are eligible for dividend distribution.



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

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