

Silverdale

Fund Management

**Bloomberg
TOP-5
ASIAN FUND**

Silverdale Bond Fund

Communique as at 13th April 2017

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 Jun'17 (US\$ 1.90 per share)*
Previous 4 Dividend Dates	31 Mar'17 (US\$ 1.90 per share) 30 Dec'16 (US\$ 1.90 per share) 30 Sep'16 (US\$ 1.90 per share) 24 Jun'16 (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%

Class 1C Details

ISIN	KYG8135U2066
CUSIP	G8135U 206
Bloomberg Code	SILV01C KY Equity
Morningstar SecID	TBC
Initial Sales Charge	Upto 5%
Contingent Load	0.00%
Exit Load	0.25%

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 mutual fund, registered with Cayman Islands Monetary Authority

FUND MANAGER

Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore
UEN# 200820921K

Fund Administrator

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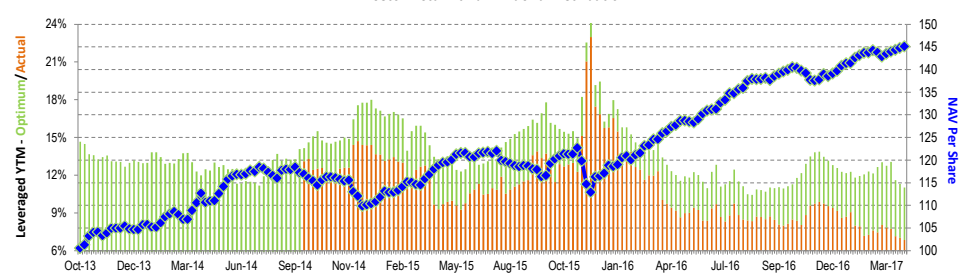
For subscription & information, please
Email: spc@silverdalegroup.com
Or, Call: +65 6835 7130

Portfolio Dashboard

Performance*		Growth NAV US\$ 145.1065		Ex-Dividend NAV US\$ 131.4334	
Previous 1 week	0.2729 %	Portfolio Yield to Maturity	3.40 %	Top Holdings	% age
Trailing 1 month	1.2277 %	Leveraged YTM - Actual	6.84 %	Block Financial Llc 2020	2.50 %
Trailing 3 months	2.9045 %	Leveraged YTM - Optimum	11.02 %	Chang Development 2020	2.38 %
Trailing 6 months	4.0045 %	Average Coupon	4.48 %	Prospect Capital 2019	2.35 %
Trailing 12 months	14.6996 %	Average Duration^	2.07 years	Seagate Hdd 2023	2.34 %
Trailing 3 years	9.46% p.a.	Total Dividend Paid	US\$ 13.67	Vale Overseas Limited 2020	2.24 %
(*) after all fees, grossing up for dividends		Sharpe Ratio	1.38	Gap Inc/The 2021	2.21 %
				Seagate Hdd 2022	2.17 %

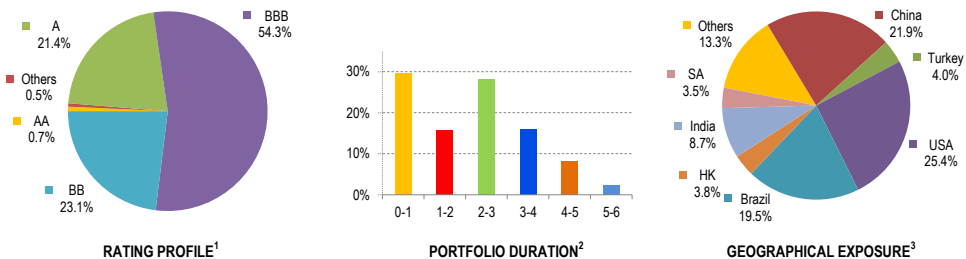
Period	Oct'13-Dec'13	2014	2015	2016	Apr'16-Jun'16	Jul'16-Sep'16	Oct'16-Dec'16	Jan'17-Mar'17
Dividend	-	-	4.47	7.3000	1.7500	1.9000	1.9000	1.9000
Ex-Dividend Price	104.6428	110.3573	112.6058	127.9435	123.2694	129.1991	127.9435	130.6642
Return to Investor	4.06%	5.46%	6.09%	20.10%	5.62%	6.35%	0.50%	3.61%

Investor Return and Dividend Distribution



NAV and post-leverage YTM

(* net of fees, adjusted for dividend)



Portfolio Update

During the week ended 13th April 2017, Silverdale Bond Fund purchased Embraer 2020 (BBB/Ba1/BBB-), Vale 2020 (BBB-/Ba2/BBB), H&R Block 2020 (BBB/Baa3/-), Macys 2022 (BBB-/Baa3/BBB), and H&R Block 2022 (BBB/Baa3/-).

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 segment and a line of mid-size business jets. As at 31st Dec 2016, it reported order book of ~US\$ 19.6bn which is ~3.2x FY2016 revenue. It reported debt at ~US\$ 3.8bn, against cash of ~US\$ 3.2bn, with Net Debt to EBITDA at ~0.69x. 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\$ 45.1bn) is the largest global supplier of iron ore and the largest global producer of nickel. As at 31 Dec 2016, it reported debt at ~US\$ 29.4bn, against cash & equivalents of ~US\$ 4.3bn and unutilized credit line of over US\$ 4.6bn. It reported TTM EBITDA of ~US\$ 10.4bn, net debt/EBITDA at 2.3x with EBITDA to interest ratio of ~5.9x.

Macys's Inc (Mkt Cap: US\$ 8.8bn) is one of the largest fashion goods retailers in the world with FY 2017 sales at ~US\$ 25.8bn. It operates through 880 stores along with websites such as macys.com, bloomingdales.com, and bluemercury.com. As at 28th Jan 2017, it reported net debt of ~US\$ 5.5bn and available line of credit amounting to ~US\$ 1.5bn. It reported EBITDA of ~US\$ 2.4bn with Net Debt/EBITDA of ~2.4x and interest coverage ratio of ~6.5x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

H&R Block Inc. (Mkt Cap: US\$ 4.9bn) provides tax filing services and discounts tax refunds primarily for lower and middle income customers. As at 31st Jan 2017, it reported net debt of ~US\$ 2.4bn and available line of credit amounting to ~US\$ 900mn. It reported TTM EBITDA of ~US\$ 835mn with Net Debt/EBITDA of ~2.8x and interest coverage ratio of ~9.0x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.



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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

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