

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 (Friday)*
Subscription / Redemption	Weekly (Monday)*
Management Fee	0.50% p.a. ^{^^}
Next Dividend Date	30 Jun'17 (US\$ 1.90 per share)*
Previous Dividend Date	31 Mar'17 (US\$ 1.90 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%
Exit Load	0.25%

FUND MANAGEMENT DETAILS

THE FUND

Silverdale Bond Fund
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

Vistra (Mauritius) Limited
Regulated by Financial Services Commission
355 NeXTeracom Tower 1, Cybercity
Ebene, Mauritius
Tel.: +230 464 7275
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Email: spc@silverdalegroup.com



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Silverdale Fund SP-1

Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 16th June 2017, the Fund NAV appreciated by 0.39% to US\$ 132.55 (previous week: US\$ 132.04), with actual portfolio yield (post-leverage) of 7.36% per annum (previous week: 7.33% p.a.), and average duration of 2.00 years (previous week: 1.98 years).

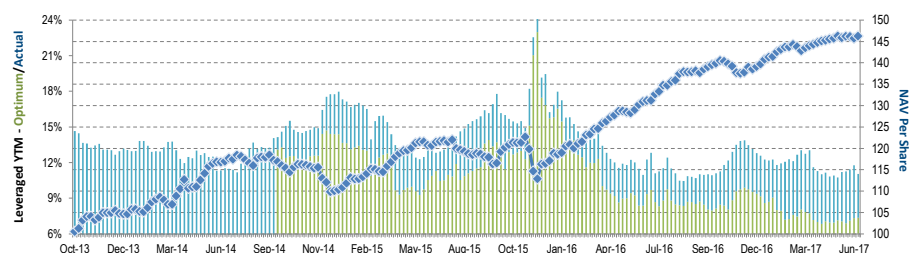
PORTFOLIO DASHBOARD

	Growth	NAV US\$	146.2262	Ex-Dividend	NAV US\$	132.5531
PERFORMANCE*				FUND STATISTICS		TOP HOLDINGS
Previous 1 week	0.3897 %	Portfolio Yield to Maturity	3.77 %		Prospect Capital 2019	2.78 %
Trailing 1 month	0.2729 %	Leveraged YTM - Actual	7.36 %		Tewoo Group Fin 2019	2.64 %
Trailing 3 months	2.0778 %	Leveraged YTM - Optimum	11.04 %		Yapi Ve Kredi 2019	2.63 %
Trailing 6 months	5.9862 %	Average Coupon	4.63 %		Transalta Corp 2022	2.37 %
Trailing 12 months	12.0441 %	Average Duration	2.00 years		Block Financial Llc 2020	2.34 %
Trailing 3 years	7.73% p.a.	Total Dividend Paid	US\$ 13.67		Macys Retail 2020	2.20 %
		Sharpe Ratio	1.17		Embraer Overseas 2020	2.14 %

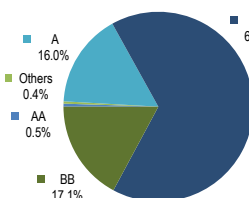
(* after all fees, grossing up for dividends)

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	130.6596
Return to Investor	4.06%	5.46%	6.09%	20.10%	5.62%	6.35%	0.50%	3.61%

Investor Return and Dividend Distribution



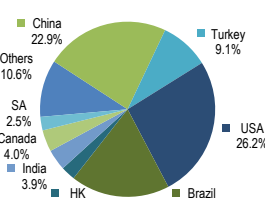
NAV and post-leverage YTM (* net of fees, adjusted for dividend)



RATING PROFILE¹



PORTFOLIO DURATION²



GEOGRAPHICAL EXPOSURE³

PORTFOLIO UPDATE

During the week ended 16th June 2017, we sold Halk Bankasi 2019 (-/Ba1/BB+) bonds while we purchased purchased Ehi Car Services 2018 (BB-/BB-), Is Bankasi 2018 (-/Ba1/BB+), Yapi ve Kredi 2018 (-/Ba1/BBB-), Yapi ve Kredi 2019 (-/Ba1/BBB-), Halk Bankasi 2019 (-/Ba1/BB+), Ziraat Bankasi 2019 (-/Ba1/BB+), Tewoo Group 2019 (-/Baa3), Embraer 2020 (BBB/Ba1/BBB-), and DNB Bank Perpetual (BBB/Baa3/-) bonds. Further we received proceeds from early tender of Hesteel Group 2017 (-/A2/-) bonds

eHi Car Services Ltd (Mkt Cap: US\$ 700mn) is the one of the largest chauffeured car services provider and second largest car rental provider in China. As of 31 Dec 2016, its car rental (~79% of FY16 revenue) fleet included 53,658 vehicles which offered rental services in 216 cities, 319 train stations and 97 airports across China. Its chauffeured car services (~21% of FY16 revenue) were offered in 190 cities across China through its own fleet of 3,258 vehicles and its contracted service providers. As at 31st Dec 2016, it reported net debt of US\$ 3.2bn, TTM EBITDA of ~US\$ 920mn with Net Debt/EBITDA of ~3.4x and interest coverage ratio of ~4.1x.

Yapi ve Kredi Bankasi (Mkt Cap: US\$ 5.5bn) is the fourth largest private bank in Turkey in terms of assets and loans, with ~850 branches. As of March 2017, it had total assets worth ~US\$ 77.5bn and book value of equity of ~US\$ 7.6bn. It reported Net Interest Margin at ~3.4% and Non-Performing Loans (NPL) at ~4.6% with NPL coverage of ~111%. It reported capital adequacy ratio at ~14.4% with Tier-I ratio at ~10.7%.

TC Ziraat Bankasi owned by Turkish Government; is the largest bank in Turkey in terms of assets and loans, with ~1,818 branches. As of March 2017, it had total assets worth ~US\$ 110bn and book value of equity of ~US\$ 11.6bn. It reported Net Interest Margin at ~5.3% and Non-Performing Loans (NPL) at ~1.7% with NPL coverage of ~100%. It reported capital adequacy ratio at ~14.9% with Tier-I ratio at ~13.9%.

Tewoo Group is the largest commodities trading and metals distribution company in China by total revenue (~US\$ 60bn); with 60% of its gross profit being generated from selling iron ore, coking coal and steel products in China. The Group is headquartered in Tianjin, with operations across China, United States, Germany, Japan, Singapore, Philippines and Hong Kong. As at 30th June 2016, it reported total assets of US\$ 34bn. It is a wholly owned subsidiary of Tianjin SASAC. The Tianjin Government has historically provided financial support to Tewoo through equity infusions and grants.

DNB ASA (Market Cap: US\$ 27.6bn) is Norway's largest financial services group with total assets of over US\$ 330bn. The Bank's services include retail, commercial, corporate, and investment banking, real estate broking and life and non-life insurance. As of 31 Mar 2017, it reported net non-performing and net doubtful loans and guarantees at 1.3%. Further, it reported Common Equity Tier-1 Capital ratio at 15.8%, Tier-1 capital ratio at 17.2% and Total Capital Ratio at 19.2%. The two largest shareholders of DNB are the Norwegian Government (~34%) and Sparebankstiftelsen (~10%).

DIVIDEND

The Fund is likely to declare a dividend of circa US\$ 1.90 per share on the shares held on Friday, June 30, 2017 (Dividend Record Date). All subscriptions received on or before 23rd June 2017 are eligible for dividend distribution.

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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