

### 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
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 (Friday)*
Subscription / Redemption	Weekly (Monday)*
Management Fee	0.50% p.a.**
Next Dividend Date	29 Sep'17 (US\$ 1.90 per share) <sup>#</sup>
Previous Dividend Date	30 Jun'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

the segregated portfolio-1 (SP-1) 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

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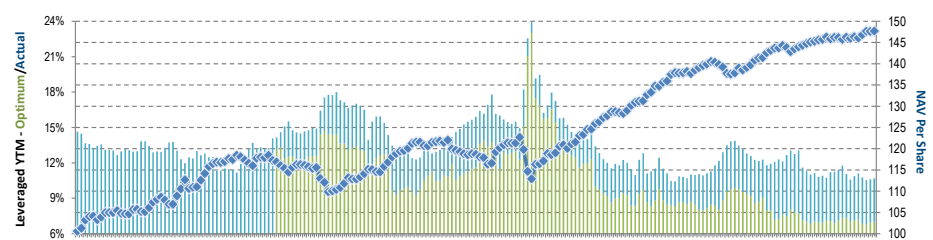
Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 4th August 2017, the Fund NAV appreciated by 0.07% to US\$ 132.11 (previous week: US\$ 132.02), with actual portfolio yield (post-leverage) of 7.03% per annum (previous week: 6.96% p.a.), and average duration of 2.11 years (previous week: 2.04 years).

### PORTFOLIO DASHBOARD

PERFORMANCE*		Growth NAV US\$		147.6782	Ex-Dividend NAV US\$		132.1051
FUND STATISTICS		TOP HOLDINGS		% age			
Previous 1 week	0.0676 %	Portfolio Yield to Maturity	3.73 %	Yapi Ve Kredi 2019	2.94 %		
Trailing 1 month	1.2259 %	Leveraged YTM - Actual	7.03 %	Tewoo Group Fin 2019	2.82 %		
Trailing 3 months	1.4890 %	Leveraged YTM - Optimum	10.69 %	Petrobras 2021	2.56 %		
Trailing 6 months	3.4667 %	Average Coupon	4.83 %	Prospect Capital 2019	2.44 %		
Trailing 12 months	9.1979 %	Average Duration	2.11 years	Macys Retail 2021	2.22 %		
Trailing 3 years	8.38% p.a.	Total Dividend Paid	US\$ 15.57	Tc Ziraat Bankasi As 2019	2.21 %		
(*) after all fees, grossing up for dividends		Sharpe Ratio (1 Year)	2.11	Transalta Corp 2022	2.16 %		

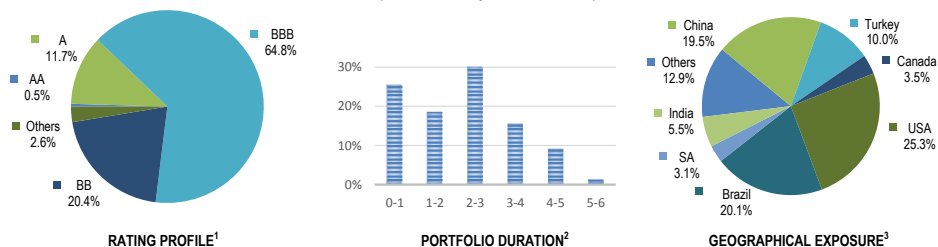
Period	Oct'13-Dec'13	2014	2015	2016	Jul'16-Sep'16	Oct'16-Dec'16	Jan'17-Mar'17	Apr'17-Jun'17
Dividend	-	-	4.47	7.3000	1.9000	1.9000	1.9000	1.9000
Ex-Dividend Price	104.6428	110.3573	112.6058	127.9435	129.1991	127.9435	130.6596	130.7470
Return to Investor	4.06%	5.46%	6.09%	20.10%	6.35%	0.50%	3.61%	1.52%

### Investor Return and Dividend Distributions



### NAV and post-leverage YTM

(\* net of fees, adjusted for dividend)



### PORTFOLIO UPDATE

During the week ended 4th August 2017, we sold Seagate 2018 (BB+/Baa3/BBB-) bonds, while we purchased TV Azteca 2020 (-/-B/+), Vedanta 2021 (B+/B3/-), Macys 2022 (BBB-/Baa3/BBB), AngloGold 2022 (BB+/Baa3/-), AT&T 2022 (BBB+/-A/-), and Vedanta 2024 (B+/B3/-) bonds.

TV Azteca S.A.B. de CV (Market Cap: US\$ 420mn) is Mexico's second largest broadcaster as well as the second largest producer of Spanish-language television content in the world. It also owns Azteca America, a television network directed at the Spanish-speaking population in US, and two soccer teams of the first division of the Mexican Football Federation. It has stakes in fiber optic networks in Colombia and Peru. It has raised US\$ 400mn in August 2017, part of the proceeds would be used to partially call the 2020 bonds.

Vedanta Resources plc (Mkt Cap: US\$ 2.6bn) is a LSE listed, globally diversified natural resources company with interests in zinc, lead, silver, copper, iron ore, aluminium, power and oil & gas. Indian assets contribute ~60% of its revenues, the balance being from Ireland, Namibia, South Africa, Tasmania, Zambia, and Liberia. As at 31st Mar 2017, it reported net debt of ~US\$ 8.5bn and unused line of credit amounting to ~US\$ 1.6bn. It reported EBITDA of ~US\$ 3.2bn with Net Debt/EBITDA of ~2.7x and interest coverage ratio of ~2.8x. It is owned (~69%) by Mr. Anil Agarwal through Volcan Investments Ltd.

Macy's Inc (Mkt Cap: US\$ 7.3bn) is one of the largest fashion goods retailers in the world with TTM sales at ~US\$ 25.3bn. As at 29th Apr 2017, it reported net debt of ~US\$ 5.5bn and available line of credit amounting to ~US\$ 1.5bn. It reported EBITDA of ~US\$ 2.3bn with Net Debt/EBITDA of ~2.4x and interest coverage ratio of ~6.5x.

AngloGold Ashanti (Mkt Cap: US\$ 3.8bn) with production of circa 3.70mn ounces is the world's third largest gold producer, operating in 20 locations in 10 countries. As at 31st Mar 2017, it reported net debt of ~US\$ 2bn and unutilised line of credit of ~US\$ 1.5bn. It reported TTM EBITDA of ~US\$ 1.5bn with Net Debt/EBITDA of ~1.4x and interest coverage ratio of ~9.6x.

AT&T (Mkt Cap: US\$ 236bn) is world's largest global telecom company with annual revenue of ~US\$ 162bn. It provides voice services in over 225 countries and data roaming in over 210 countries. In July 2015, it acquired satellite TV provider DIRECTV and became the largest pay TV provider in the US. In 2016 it announced a deal to acquire Time Warner. As at 30 June 2017, it reported net debt net debt of ~US\$ 118bn against EBITDA of ~US\$ 51.7bn and unused line of credit of ~US\$ 12bn. It reported Net Debt/EBITDA at 2.3x and EBITDA to interest at 10.1x. 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](mailto:spc@silverdalegroup.com)

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