

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

KEY FEATURES

□ Short duration (2-3 years)

- Primarily Investment Grade (Min 75%)
- □ No Forex risk (US dollars only)
- Enhanced returns, using ring-fenced leverage

Quarterly dividend distribution

FUND INFORMATION

Fund	Silverdale Bond Fund					
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	29 Sep'17 (US	\$ 1.90 per share)#				
Previous Dividend Date	30 Jun'17 (US	\$ 1.90 per share)				

CLASS 1A DETAILS

ISIN CUSIF Swiss Valor No. Bloombera Code Morningstar SecID Initial Sales Charge Exit Load

CLASS 1B DETAILS

ISIN CUSIP Bloomberg Code Morningstar SecID Initial Sales Charge Contingent Load Exit Load

CLASS 1C DETAILS

ISIN CUSIP Bloomberg Code Morningstar SecID Initial Sales Charge Exit Load

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 Regulated by Financial Services Commission 355 NeXTeracom Tower 1, Cybercity Ebene, Mauritius Tel.: +230 464 7275 Fax: +230 464 3290 Email: spc@silverdalegroup.com

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DISCLAIMER

Supplement) which may be obtained free of cost from the Fund Administrator at spc@silverdalegroup.com The above commentary does not provide a complete analysis of every material fact regarding the market, industry, security, portfolio or the fund. It is not a recommendation to buy or sell any security nor an investment advice. The portfolio holdings, opinions and information may change without notice. The contents of this document, including any narrative does not constitute an offer to sell or a solicitation of any offer to buy the units or shares in Silverdale Bond Fund (or Silverdale Fund SP-1), or any other segregated portfolio or Class of Silverdale Fund SPC or any of the funds managed or advised by Silverdale Capital Pte Ltd., and is strictly for information only. Any subscription for units or shares must be made solely on the basis of the fund's private placement memorandum, class supplements, application form and appendices (together "the Composite PPM"). Past performance is not necessarily a guide to the future performance. Opinions and estimates contained in this document are subject to change without notice, and the actual results would differ from the said opinions and estimates. The Fund may use or invest in financial derivative instruments. Please refer to the Composite PPM for Risk Factors. This document is written for the benefit of and being communicated only to Accredited Investors or Institutional Investors as defined under the Securities and Futures Act (Cap. 289) of Singapore or any similarly defined investor in any other securities legislation. The recipient should obtain opinion from independent professional adviser before making any decision based

on this document. The NAV performance is computed taking: 1 month = 4 weeks, 3 months = 13 weeks, 6 months = 26 weeks, 9 months = 39 weeks, and 12 months = 52 weeks. NAV prior to 8 May 2015 is based on NAV of underlying fund (Class E of Sri Silverdale Opportunities Fund). (*) Assuming to be Business Day. (#) Indicative. (†) Initially launched as multi-assets fund with quarterly NAV. (1), (2), & (3) Based on gross investments into securities. (1) Credit Rating is based on best of the three ratings (S&P/Moodys/Fitch), with those rated below "BB" being clubbed as "Others". (3) Country exposure of less than 2.5% has been clubbed as "Others". (^/) Based on Gross Assets. Ranking source: Bloomberg's special report on Asia's Hedge Fund dated June 26, 2015; category: Multi Strategy.



Ex-Dividend Price

KYG8135U1076

SILV01A KY Equity

G8135U 107

F00000WLJR

KYG8135U1159

SILV01B KY Equity

G8135U 115

F00000WLJW

3% / 2% / 1%

KYG8135U2066

SILV01C KY Equity

G8135U 206

28213010

1.00%

0.25%

0.00%

1 00%

TBC

0.25%

Upto 5%

104.6428

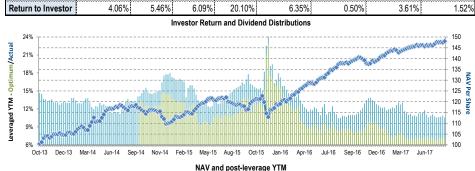
110.3573

112.6058

Silverdale Bond Fund Communique as at 18th August 2017

Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 18th August 2017, the Fund NAV appreciated by 0.43% to US\$ 132.50 (previous week: US\$ 131.93), with actual portfolio yield (post-leverage) of 7.03% per annum (previous week: 7.15% p.a.), and average duration of 2.09 years (previous week: 2.10 years).

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PORTFOLIO DASHI	BOARD		Growth	NAV US\$	148.0686		Ex-Divid	lend NAV US\$	132.49
PERFORMANCE*			FUND STAT	STICS			TOP HO	OLDINGS	% age
Previous 1 week	0.427	71 %	Portfolio Yield	d to Maturity	3.73	%	Yapi Ve	Kredi 2019	2.87
Trailing 1 month	0.331	4 %	Leveraged Y	TM - Actual	7.03	%	Tewoo	Group Fin 2019	2.76
Trailing 3 months	1.666	6 %	Leveraged Y	TM - Optimu	m 10.59	%	Petrobra	as 2021	2.51
Trailing 6 months	3.290	0 %	Average Cou	pon	4.86	%	Gerdau	Holdings Inc 20	2.43
Trailing 12 months	7.823	39 %	Average Dura	ation	2.09	years	Prospec	ct Capital 2019	2.40
Trailing 3 years	7.86	% p.a.	Total Dividen	d Paid	US\$ 15.57		Macys I	Retail 2021	2.17
(*) after all fees,	grossing up for divid	dends	Sharpe Ratio	(1 Year)	2.11		Tc Ziraa	at Bankasi As 20	019 2.15
Period	Oct'13-Dec'13	2014	1 2015	2016	Jul'16-Sep'1	6 Ocť	'16-Dec'16	Jan'17-Mar'17	Apr'17-Jun'1
Dividend	-	-	4.47	7.3000	1.900	0	1.9000	1.9000	1.900



127.9435

129.1991

127.9435

130.6596

130.7470



PORTFOLIO UPDATE

During the week ended 18th August 2017, Silverdale Bond Fund purchased eHi Car 2018 (BBB-/Baa2/-), Tewoo Group 2020 (BBB-/Baa2/-), Gerdau Trade 2020 (BBB-/-/BBB-) and AngloGold 2020 (BBB-/Baa2/-) bonds

eHi Car Services Ltd (Mkt Cap: US\$ 650mn) is one of the largest chauffeured car services provider and the 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\$ 2.9bn, TTM EBITDA of ~US\$ 1bn with Net Debt/EBITDA of ~3x and interest coverage ratio of ~4.4x.

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.

Gerdau SA (Market Cap: US\$ 6.1bn) is the second largest producer of long-steel in the world with aggregate capacity of ~25 MMTPA across 14 countries. It is one of the lowest cost producer with vertically integrated operations. As at 30th June 2017, it reported cash & equivalent of ~US\$ 1.6bn, against total debt of ~US\$ 6bn. It reported Net Debt/EBITDA at 3.1x and EBITDA to interest at 3.1x.

AngloGold Ashanti (Mkt Cap: US\$ 4.2bn) 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.



SUBSCRIPTION DETAILS



Subscription can be made only as per terms & conditions of the composite Private Placement Memorandum (including Class

2016 ALTERNATIVE **INVESTMENTS AWARDS**