

### 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

- Investment grade (Min 75%)
- Short duration (2-3 years)
- 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 <sup>†</sup>	9 Sep 2010
Weekly NAV Launch Date	1 Oct 2013
Cayman Launch Date	8 May 2015
NAV Computation	Weekly (Friday)*
Subscription / Redemption Management Fee	Weekly (Monday)* 0.50% p.a. <sup>^^</sup>
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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### DISCLAIMER

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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 31st August 2017, the Fund NAV appreciated by 0.46% to US\$ 133.48 (previous week: US\$ 132.87), with actual portfolio yield (post-leverage) of 6.99% per annum (previous week: 6.97% p.a.), and average duration of 2.05 years (previous week: 2.07 years).

### PORTFOLIO DASHBOARD

#### PERFORMANCE\*

Previous 1 week	0.4573 %
Trailing 1 month	1.0414 %
Trailing 3 months	2.1766 %
Trailing 6 months	3.9966 %
Trailing 12 months	8.6146 %
Trailing 3 years	7.96% p.a.

(\*) after all fees, grossing up for dividends

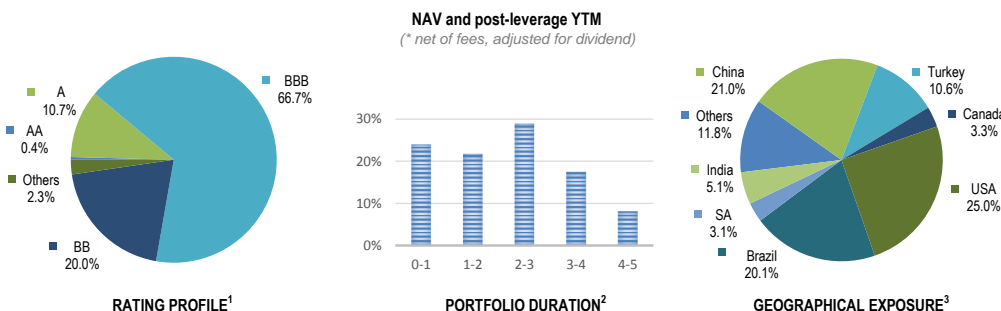
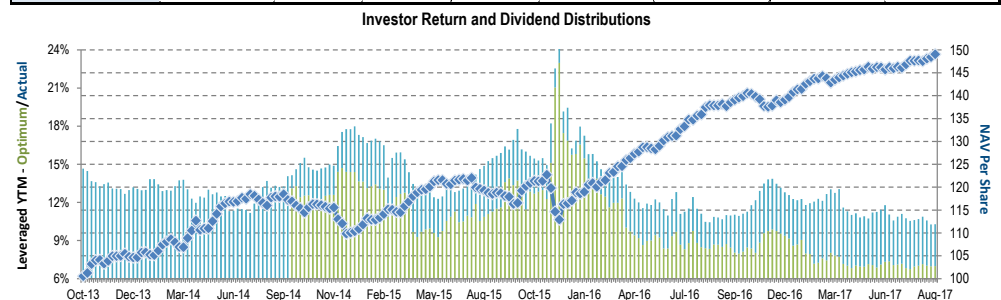
#### FUND STATISTICS

Portfolio Yield to Maturity	3.67 %
Leveraged YTM - Actual	6.99 %
Leveraged YTM - Optimum	10.29 %
Average Coupon	4.87 %
Average Duration	2.05 years
Total Dividend Paid	US\$ 15.57
Sharpe Ratio (1 Year)	1.86

#### TOP HOLDINGS

	% age
Tewoo Group Fin 2019	2.84 %
Yapi Ve Kredi 2019	2.73 %
Chang Development 2020	2.56 %
Petrobras 2021	2.50 %
Seagate Hdd 2022	2.45 %
Macys Retail 2020	2.43 %
Gerdau Holdings Inc 2020	2.31 %

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%



### PORTFOLIO UPDATE

During the week ended 31st August 2017, Silverdale Bond Fund purchased Yapi ve Kredi Bankasi 2018 (-/Ba1/BBB-), Tewoo Group 2019 (BBB-/Baa2/-), Macys 2021 (BBB-/Baa3/BBB), Seagate 2022 (BB+/Baa3/BBB-), and Prospect 2023 (BBB-/A-/-) bonds.

Yapi ve Kredi Bankasi (Mkt Cap: US\$ 6.2bn) is the fourth largest private bank in Turkey in terms of assets and loans, with ~850 branches. As of June 2017, it had total assets worth ~US\$ 81.5bn. It reported Net Interest Margin at ~3.4% and Non-Performing Loans (NPL) at ~4.3% with NPL coverage of ~113%. It reported capital adequacy ratio at ~14.8% with Tier-I ratio at ~11.2%.

Macy's Inc (Mkt Cap: US\$ 6.5bn) is the largest departmental store in US and one of the largest fashion goods retailers in the world with TTM sales at ~US\$ 25bn. As at 29th July 2017, it reported net debt of ~US\$ 5.5bn and available line of credit amounting to ~US\$ 1.5bn. It reported EBITDA of ~US\$ 2.7bn with Net Debt/EBITDA of ~2.1x and interest coverage ratio of ~7.9x.

Seagate (Mkt Cap: US\$ 9.2bn) is a worldwide leader in the design, manufacture and marketing of hard disk drive products in a duopolist market with over 40% market share. As at 30 June 2017, it reported total debt at ~US\$ 5bn, against cash of ~US\$ 2.5bn and unutilized credit line of ~US\$ 700mn. It reported EBITDA of ~US\$ 1.8bn, net debt/EBITDA at 1.4x with EBITDA to interest of ~8.1x.

Prospect Capital (Mkt Cap: US\$ 2.4bn) is an investment management firm that provides loans to middle-market companies. As at 30 June 2017, it reported total assets of US\$ 6.2bn, net debt of ~US\$ 2.4bn and unused line of credit of ~US\$ 885mn. Prospect has a diversified portfolio of investments in 121 companies with fair value of investment of ~US\$ 5.8bn.



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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