

Silverdale

Fund Management

FUND DESCRIPTION

Silverdale Fixed Income Fund is a diversified portfolio of primarily Asian investment grade US dollar bonds that is actively managed for consistent returns.

KEY FEATURES

- ☐ Investment grade (Min 80%)
- ☐ Short duration (2-3 years)
- ☐ No forex risk (US dollars only)
- ☐ Quarterly dividend distribution

FUND INFORMATION

Fund	Silverdale Fixed Income Fund
ISIN	MU0308S00058
Swiss Valor No.	22123988
Bloomberg Code	SILV009 MP Equity
Inception Date ¹	9 Sep 2010
Launch Date	19 Aug 2013
Next Dividend Date	29 Sep 2017 (3% pro rata) ²
Last Dividend Date	30 June 2017 (3% pro rata)
Last Dividend Paid	US\$ 0.7899

SUBSCRIPTION DETAILS

Minimum Subscription	US\$ 100,000
NAV Computation	Weekly
Subscription	Weekly
Redemption	Weekly
Management Fee	0.75% p.a.

FUND MANAGEMENT DETAILS

THE FUND

Share Class-J of Sri Silverdale Opportunities Fund, a Mauritius based mutual fund, authorised and regulated by Financial Services Commission.

INVESTMENT MANAGER

Sri Silverdale Capital Partners
Regulated by Financial Services Commission

INVESTMENT ADVISOR

Silverdale Capital Pte Ltd
Regulated by Monetary Authority of Singapore
UEN# 200820921K

BANKER

Standard Chartered Bank

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: mauritius@silverdalegroup.com



Investors' Choice Award

DIVIDEND

The Fund is likely to declare Seventeenth Quarterly Dividend of 3% per annum pro rata for September 2017 quarter. All subscriptions received on or before 22nd September 2017 shall be eligible for dividend distribution.

For subscription & information, please

Email: mauritius@silverdalegroup.com

Or, Call: +65 6835 7130

DISCLAIMER

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 Fixed Income Fund or Silverdale Bond Fund or Silverdale India Equity Fund or any other Class of Sri Silverdale Opportunities Fund or any of the funds managed or advised by Sri Silverdale Capital Partners or by Silverdale Capital Pte Ltd., and is strictly for information only. Any application 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 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. Please refer to the PPM for Risk Factors. This document is written for the benefit of and being communicated only to expert investors as defined in Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008, issued under the Securities Act 2005 of Mauritius. 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. (1) Initially the portfolio was launched as part of multi-assets fund with quarterly NAV. (2) Indicative. (3) Credit Rating is based on best of the three ratings (S&P/Moodys/Fitch). Rating exposure of less than 5% and cash-on-hand has been clubbed into 'Others'. (4) Country exposure of less than 5% and cash-on-hand has been clubbed into 'Others'.

Silverdale Fixed Income Fund

Communique as at 8th September 2017

OVERVIEW

Silverdale Fixed Income Fund is actively managed for stable returns and quarterly distributions; the portfolio duration is kept low to manage interest rate risks and credit risks. During the week ended 8th September, the Fund NAV appreciated by 0.17% to US\$ 105.93 (previous week: US\$ 105.76), with portfolio yield of 3.70% per annum (previous week: 3.72% p.a.) and average duration of 2.48 years (previous week: 2.41 years).

PORTFOLIO DASHBOARD

Growth NAV US\$ 117.8552 Ex-Dividend NAV US\$ 105.9330

Performance*

Previous 1 week	0.1660 %
Trailing 1 month	0.7543 %
Trailing 3 months	1.5187 %
Trailing 6 months	2.7987 %
Trailing 12 months	4.4311 %
Trailing 3 Years	3.15% p.a.

(*) after all fees, before dividends

Fund Statistics

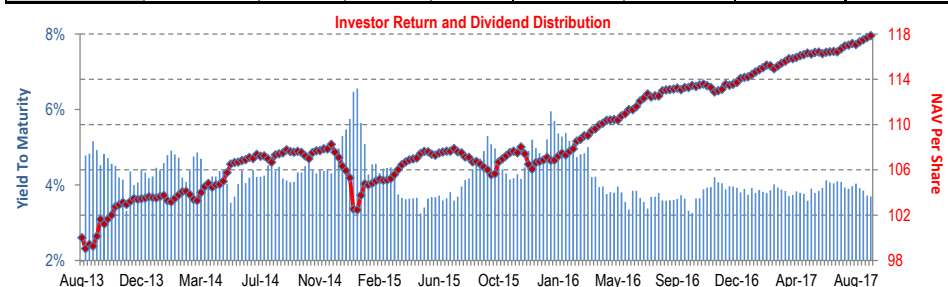
Yield to Maturity	3.70 %
Effective Duration	2.48 years
Average Maturity	2.77 years
Average Coupon	5.57 %
Sharpe Ratio (1 Year)	2.28
Total Dividend Paid ^Δ	US\$ 11.9222

(^Δ) Since Inception

Top Holdings

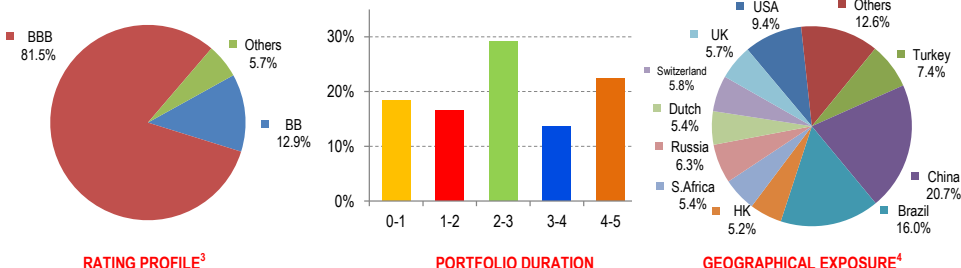
Credit Suisse 2023	5.81 %
Braskem Finance 2020	5.67 %
Hsbc Holdings PI 2021	5.66 %
Anglogold Holdings 2022	5.43 %
Dnb Bank Asa 2020	5.40 %
Yapi Ve Kredi 2019	5.33 %
Tewoo Group 2019	5.24 %

Period	Aug'13-Dec'13	2014	2015	2016	Jul'16-Sep'16	Oct'16-Dec'16	Jan'17-Mar'17	Apr'17-Jun'17
Dividend	1.0908	3.1171	3.0302	3.1050	0.7837	0.7810	0.7892	0.7899
Ex-Dividend Price	102.4604	101.0974	99.6221	103.3656	103.7177	103.3656	104.4499	104.5364
Investor Return	3.55%	1.71%	1.54%	6.87%	1.64%	0.41%	1.81%	0.84%



NAV and YTM Trend

(* after all fees, before dividends)



PORTFOLIO UPDATE

During the week ended 8th September, Silverdale Fixed Income Fund purchased Seagate 2022 (BB+/Baa3/BBB-), Credit Suisse 2023 (BBB-/BBB), and HSBC Perpetual (-/Baa3/BBB, First Call 2021) bonds.

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.

Credit Suisse Group AG (Mkt Cap: US\$ 36.9bn) is the second largest Swiss bank with a global presence in over 50 countries with over 47,000 employees. As of 30 June 2017, it reported total assets worth ~US\$ 817bn and book value of equity of ~US\$ 45.4bn. It reported Non-Performing Loans (NPL) at ~0.8%, and liquidity coverage ratio at 165%. It reported common equity Tier-1 ratio at 13.3%.

HSBC Holdings Plc (Mkt Cap: US\$ 193.7bn) is one of the world's largest banking and financial services organisations serving clients in 67 countries. It provides retail banking and wealth management, commercial banking, and investment banking services. As of 30 June 2017, it reported total assets worth ~US\$ 2.5tn and book value of equity of ~US\$ 188.4bn. It reported Net Interest Margin at 1.64% and Loan Impairment Charges at 0.19%. It reported common equity Tier-1 ratio of 14.7% and a leverage ratio of 5.7%.

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 mauritius@silverdalegroup.com

