

## 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   | Weekly (Monday)*                             |
| Management Fee              | 0.50% p.a.^                                  |
| Next Dividend Date          | 29 Dec'17 (US\$ 2.00 per share) <sup>#</sup> |
| Previous Dividend Date      | 29 Sep'17 (US\$ 2.00 per share)              |

## FUND MANAGEMENT DETAILS

### THE FUND

#### Silverdale Bond Fund

is 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

| CLASS DETAILS        | CLASS 1A          | CLASS 1B          |
|----------------------|-------------------|-------------------|
| ISIN                 | KYG8135U1076      | KYG8135U1159      |
| CUSIP                | G8135U 107        | G8135U 115        |
| Swiss Valor No.      | 28213010          | TBC               |
| Bloomberg Code       | SILV01A KY Equity | SILV01B KY Equity |
| Morningstar SecID    | F00000WLJR        | F00000WLJW        |
| Initial Sales Charge | 1.00%             | 0.00%             |
| Exit Load            | 0.25%             | 1.00%             |
| Contingent Load      | N.A.              | 3% / 2% / 1%      |

| CLASS DETAILS        | CLASS 1C          | CLASS 1D               |
|----------------------|-------------------|------------------------|
| ISIN                 | KYG8135U2066      | KYG8135U2306           |
| CUSIP                | G8135U 206        | G8135U 230             |
| Swiss Valor No.      | TBC               | TBC                    |
| Bloomberg Code       | SILV01C KY Equity | SILV01D KY Equity      |
| Morningstar SecID    | TBC               | TBC                    |
| Initial Sales Charge | Upto 5%           | 0.00%                  |
| Exit Load            | 0.25%             | 1.00%                  |
| Contingent Load      | N.A.              | 5% / 4% / 3% / 2% / 1% |



Investors' Choice Award

## 2016 ALTERNATIVE INVESTMENTS AWARDS

For subscription & information, please  
Email: spc@silverdalegroup.com  
Or, Call: +65 6835 7130

## PORTFOLIO DASHBOARD

### PERFORMANCE\*

|                    |            |
|--------------------|------------|
| Year to Date       | 8.4024 %   |
| Trailing 1 month   | -0.4903 %  |
| Trailing 3 months  | 2.1110 %   |
| Trailing 6 months  | 3.6011 %   |
| Trailing 12 months | 8.2378 %   |
| Trailing 3 years   | 9.04% p.a. |

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

### FUND STATISTICS

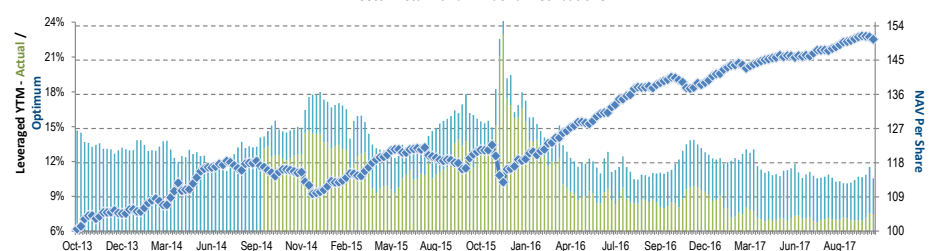
|                                     |            |
|-------------------------------------|------------|
| Portfolio Yield to Maturity         | 3.79 %     |
| Leveraged YTM - Actual              | 7.47 %     |
| Leveraged YTM - Optimum             | 10.55 %    |
| Average Coupon                      | 4.58 %     |
| Average Duration                    | 2.23 years |
| Total Dividend Paid                 | US\$ 17.57 |
| Sharpe Ratio (1 Year) <sup>††</sup> | 2.74       |

### TOP HOLDINGS

| % age  |                        |
|--------|------------------------|
| 2.80 % | Yapi Ve Kredi 2019     |
| 2.73 % | Chang Development 2020 |
| 2.54 % | Tewoo Group Fin 2019   |
| 2.48 % | Petrobras 2021         |
| 2.29 % | Pitney Bowes 2020      |
| 2.23 % | Macys Retail 2020      |
| 2.23 % | Seagate Hdd 2022       |

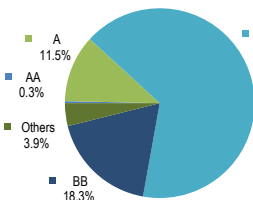
| Period             | Oct'13-Dec'13 | 2014     | 2015     | 2016     | Oct'16-Dec'16 | Jan'17-Mar'17 | Apr'17-Jun'17 | Jul'17-Sep'17 |
|--------------------|---------------|----------|----------|----------|---------------|---------------|---------------|---------------|
| Dividend           | -             | -        | 4.4731   | 7.3000   | 1.9000        | 1.9000        | 1.9000        | 2.0000        |
| Ex-Dividend Price  | 104.6428      | 110.3573 | 112.6058 | 127.9435 | 127.9435      | 130.6596      | 130.7470      | 133.0544      |
| Return to Investor | 4.06%         | 5.46%    | 6.09%    | 20.10%   | 0.50%         | 3.61%         | 1.52%         | 3.29%         |

## Investor Return and Dividend Distributions

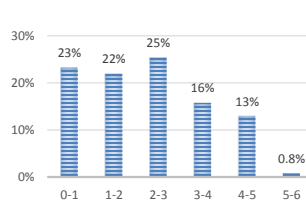


## NAV and post-leverage YTM

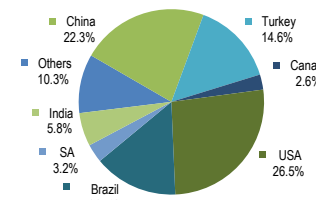
(\* net of fees, adjusted for dividend)



## RATING PROFILE<sup>1</sup>



## PORTFOLIO DURATION<sup>2</sup>



## GEOGRAPHICAL EXPOSURE<sup>3</sup>

## PORTFOLIO UPDATE

During the week ended 3rd November 2017, we sold HP 2021 (BBB/Baa2/BBB+), and AT&T 2022 (BBB+/-/A-) bonds while we purchased Coca Cola Icecek 2018 (-/Baa3/BBB), Dell 2018 & 2020 (BB-/Ba2/BB), Yapi 2018 & 2019 (-/Ba1/BBB-), Garanti 2019 (-/Ba1/BBB-), Pitney Bowes 2019 & 2020 (BBB-/Ba1/BBB-), Chang 2020 (-/BBB-), Nordstrom 2020 (BBB+/Baa1/BBB+), Macys 2021 (BBB-/Baa3/BBB), Gap 2021 (BB+/Baa2/BB+), Petrobras 2021 & 2024 (BB-/Ba3/BB), AngloGold 2022 (BBB-/Baa3/BBB-), Anadolu 2022 (BBB-/Baa3/BBB-), and Huarong Perps (-/Baa1/A-, First Call 2021 & 2022) bonds. We also received proceeds from call/maturity of TV Azteca 2020 (-/B+) bonds and structured note on spread between 10 year and 2 year swaps.

Coca-Cola Icecek A.S. (Mkt Cap: US\$ 2.5bn) is the fifth-largest independent bottler by volume (excluding North America) in the Coca-Cola system. It produces and distributes soft beverages in Turkey, Central Asia, Pakistan and the Middle East. As at 30th Sep 2017, it reported TTM EBITDA of ~US\$ 370mn with Net Debt/EBITDA of ~1.5x and interest coverage ratio of ~8.4x.

Dell is world's leading provider of personal computers, servers, network security and storage services. It operates in 180 countries serving 98% of Fortune 500 companies. As at 4th Aug 2017, it reported debt at ~US\$ 49.9bn, against cash & equivalents of ~US\$ 9.2bn and TTM Adjusted EBITDA of ~US\$ 7.9bn.

Yapi ve Kredi Bankasi (Mkt Cap: US\$ 5.2bn) is the fourth largest private bank in Turkey in terms of assets and loans, with ~850 branches. As of Sep 2017, it had total assets worth ~US\$ 82.5bn. It reported Net Interest Margin at ~3.4% and Non-Performing Loans (NPL) at ~4.3% with NPL coverage of ~115%. It reported capital adequacy ratio at ~13.8% with Tier-I ratio at ~10.3%.

Turkiye Garanti Bankasi (Mkt Cap: US\$ 11.4bn) is the third largest bank in Turkey with assets of ~US\$ 95.4bn. It reported Net Interest Margin at ~4.5% and Non-Performing Loans (NPL) at ~2.8% with NPL coverage of ~147%. It reported capital adequacy ratio at ~17.1% with Tier-I ratio at ~15%. It is 49.85% owned by BBVA (BBB+/Baa1/A-) which is a ~US\$ 800bn diversified Spanish banking group.

Nordstrom, Inc. (Mkt Cap: US\$ 6.4bn) is a fashion specialty retailer based in the U.S. operating 349 stores in 40 states, including 123 full-line stores in the United States, Canada and Puerto Rico; 215 Nordstrom Rack stores; two Jeffrey boutiques and two clearance stores. As at 29th July 2017, it reported TTM EBITDA of ~US\$ 1.5bn with Net Debt/EBITDA of ~1.2x and interest coverage ratio of ~10.8x.

Pitney Bowes (Market Cap: US\$ 2.1bn) is a leading global provider of integrated mail, messaging and document management solutions that include postage meters, mailing equipment, document messaging services, and digital commerce solutions. As at 30th Sep 2017, it reported TTM EBITDA of ~US\$ 520mn with Net Debt/EBITDA of ~4.7x and interest coverage ratio of ~2.1x.

AngloGold Ashanti (Mkt Cap: US\$ 3.8bn) with production of circa 3.60mn ounces is the world's third largest gold producer, operating in 20 locations in 10 countries. As at 30th June 2017, it reported net debt of ~US\$ 2.2bn and utilised line of credit of ~US\$ 1.4bn. It reported TTM EBITDA of ~US\$ 1.5bn with Net Debt/EBITDA of ~1.6x and interest coverage ratio of ~9.1x.

China Huarong Asset Management (Mkt Cap: US\$ 18.4bn) is the largest financial asset management company in China with total assets of US\$ 245bn across (i) Distressed Assets Management (~47%), (ii) Financial Services (~33%), and (iii) Asset Management & Investments (~20%). Chinese Government through Ministry of Finance is the largest shareholder with 63.36% stake.

## 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

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