

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 [†]	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)*
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

Visra (Mauritius) Limited

Regulated by Financial Services Commission

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CLASS DETAILS	CLASS 1A	CLASS 1B
ISIN	KYG8135U1076	KYG8135U1159
CUSIP	G8135U 107	G8135U 115
Swiss Valor No.	28213010	TBC
Bloomberg Code	SILV01AKY 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%

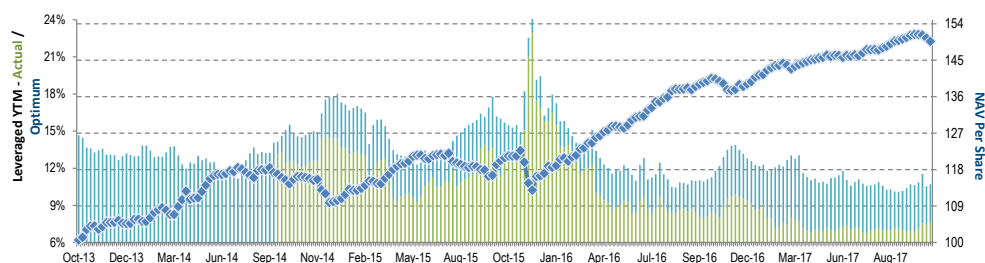
CLASS DETAILS	CLASS 1C	CLASS 1D
ISIN	KYG8135U2066	KYG8135U2306
CUSIP	G8135U 206	G8135U 230
Swiss Valor No.	TBC	TBC
Bloomberg Code	SILV01C KY Equity	SILV01D KY Equity
Morningstar SecID	TBC	TBC
Initial Sales Charge	Upto 5%	0.00%
Exit Load	0.25%	1.00%
Contingent Load	N.A.	5% / 4% / 3% / 2% / 1%

Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 9th November 2017, the Fund NAV declined by 0.61% to US\$ 132.09 (previous week: US\$ 132.89), with actual portfolio yield (post-leverage) of 7.63% per annum (previous week: 7.47% p.a.), and average duration of 2.21 years (previous week: 2.23 years).

PORTFOLIO DASHBOARD		Growth NAV US\$	149.6604	Ex-Dividend NAV US\$	132.0873
PERFORMANCE*		FUND STATISTICS		TOP HOLDINGS	
Year to Date	7.7720 %	Portfolio Yield to Maturity	3.85 %	Yapi Ve Kredi 2019	2.81 %
Trailing 1 month	-1.2854 %	Leveraged YTM - Actual	7.63 %	Chang Development 2020	2.74 %
Trailing 3 months	1.6336 %	Leveraged YTM - Optimum	10.70 %	Tewoo Group Fin 2019	2.55 %
Trailing 6 months	2.5343 %	Average Coupon	4.59 %	Petrobras 2021	2.48 %
Trailing 12 months	8.0793 %	Average Duration	2.21 years	Turkiye Garanti Bankasi 2011	2.46 %
Trailing 3 years	8.95% p.a.	Total Dividend Paid	US\$ 17.57	Pitney Bowes 2020	2.31 %
(*) after all fees, grossing up for dividends		Sharpe Ratio (1 Year)**	2.69	Seagate Hdd 2022	2.23 %

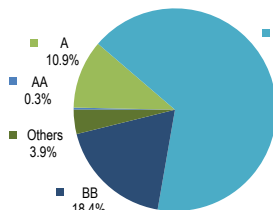
Period	Oct'13-Dec'13	2014	2015	2016	Oct'16-Dec'16	Jan'17-Mar'17	Apr'17-Jun'17	Jul'17-Sep'17
Dividend	-	-	4.4731	7.3000	1.9000	1.9000	1.9000	2.0000
Ex-Dividend Price	104.6428	110.3573	112.6058	127.9435	127.9435	130.6596	130.7470	133.0544
Return to Investor	4.06%	5.46%	6.09%	20.10%	0.50%	3.61%	1.52%	3.29%

Investor Return and Dividend Distributions

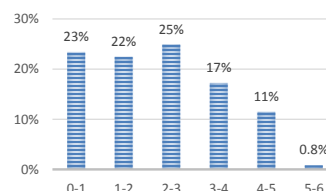


NAV and post-leverage YTM

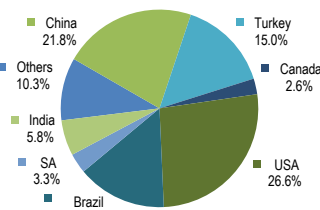
(* net of fees, adjusted for dividend)



RATING PROFILE¹



PORTFOLIO DURATION²



GEOGRAPHICAL EXPOSURE³

PORTFOLIO UPDATE

During the week ended 9th November 2017, we sold Chugoku 2020 (-/A3/-), CNOOC 2020 (A/A1/-), and Transalta 2022 (BBB-/Ba1/BBB-) bonds while we purchased Dell 2018 & 2020 (BB-/Ba2/BB), Garanti 2019 (-/Ba1/BBB-), Prospect 2019 (BBB-/A/-), AngloGold 2022 (BB+/Baa3/-), and Macys 2023 (BBB-/Baa3/BBB) bonds.

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.

Turkiye Garanti Bankasi (Mkt Cap: US\$ 11.1bn) 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.

Prospect Capital (Mkt Cap: US\$ 2.2bn) is an investment management firm that provides loans to middle-market companies. As at 30 June 2017, it reported total assets of US\$ 6.1bn, net debt of ~US\$ 2.3bn and unused line of credit of ~US\$ 885mn. Prospect has a diversified portfolio of investments in 120 companies with fair value of investment of ~US\$ 5.7bn.

AngloGold Ashanti (Mkt Cap: US\$ 4.1bn) 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 September 2017, it reported net debt of ~US\$ 2.1bn and unutilised line of credit of ~US\$ 1.5bn. It reported TTM EBITDA of ~US\$ 1.4bn with Net Debt/EBITDA of ~1.5x and interest coverage ratio of ~8x.

Macy's Inc (Mkt Cap: US\$ 5.9bn) 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 28th Oct 2017, it reported net debt of ~US\$ 5.8bn, EBITDA of ~US\$ 3.1bn with Net Debt/EBITDA of ~1.9x and interest coverage ratio of ~9.2x.

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

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 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/Moody's/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. (††) Sharpe Ratio: Source Bloomberg, as at 3 Nov 2017.



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