Silverdale Fund Management

Silverdale Fixed Income Fund

Communique as at 17th November 2017

FUND DESCRIPTION

Silverdale Fixed Income Fund is a diversified portfolio of primarily 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 Dec 2017 *(3% pro rata)*[2]
Last Dividend Date	29 Sep 2017 *(3% pro rata)*
Last Dividend Paid	US$ 0.7957

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
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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 17th November 2017, the Fund NAV declined by 0.27% to US$ 105.49 (previous week: US$ 105.77), with portfolio yield of 4.06% per annum (previous week: 3.90% p.a.), and average duration of 2.48 years (previous week: 2.52 years).

PORTFOLIO DASHBOARD

Growth NAV US$** 118.2041 **Ex-Dividend NAV US$ 105.4862

Performance*

Year to Date	4.3490 %
Trailing 1 month	-0.2279 %
Trailing 3 months	0.8497 %
Trailing 6 months	1.8871 %
Trailing 12 months	5.1483 %
Trailing 3 Years	3.20% p.a.

(*) after all fees, before dividends

Fund Statistics

Yield to Maturity	4.06 %
Effective Duration	2.48 years
Average Maturity	2.79 years
Average Coupon	5.33 %
Sharpe Ratio (1 Year)†	4.02
Total Dividend Paid**	US$ 12.7179

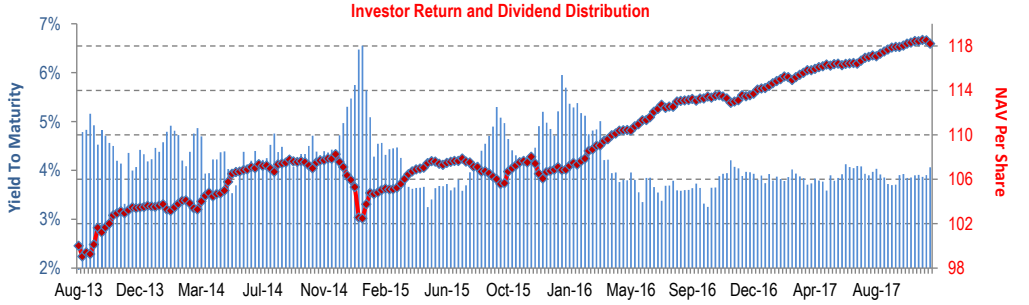
(**) Since Inception

Top Holdings

Credit Suisse 2023	5.54 %
Hsbc Holdings 2021	5.40 %
Braskem Finance 2020	5.30 %
Dnb Bank Asa 2020	5.17 %
Anglogold Holdings 2022	5.15 %
Tewoo Group 2019	5.00 %
Huarong Finance 2022	4.98 %

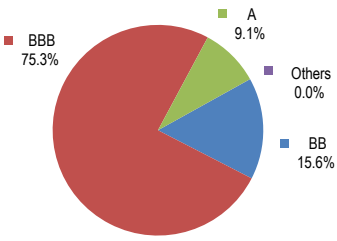
Period	Aug'13-Dec'13	2014	2015	2016	Oct'16-Dec'16	Jan'17-Mar'17	Apr'17-Jun'17	Jul'17-Sep'17
Dividend	1.0908	3.1171	3.0302	3.1050	0.7810	0.7892	0.7899	0.7957
Ex-Dividend Price	102.4604	101.0974	99.6221	103.3656	103.3656	104.4499	104.5364	105.3060
Investor Return	3.55%	1.71%	1.54%	6.87%	0.41%	1.81%	0.84%	1.50%

Investor Return and Dividend Distribution

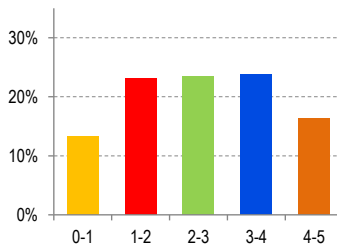


NAV and YTM Trend

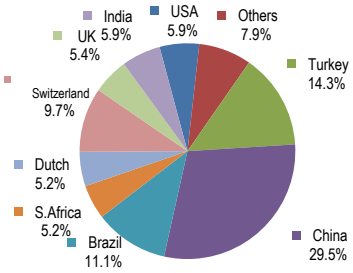
(after all fees, before dividends)*



RATING PROFILE[3]



PORTFOLIO DURATION



GEOGRAPHICAL EXPOSURE[4]

PORTFOLIO UPDATE

During the week ended 17th November 2017, Silverdale Fixed Income Fund sold Lukoil 2020 (BBB/Ba1/BBB+) bonds while it purchased Yapi ve Kredi Bankasi 2018 (-/Ba1/BBB-) bonds.

Yapi ve Kredi Bankasi (Mkt Cap: US$ 4.9bn) 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%.

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

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