

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 Mar'18 (US\$ 2.00 per share) [#]
Previous Dividend Date	29 Dec'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

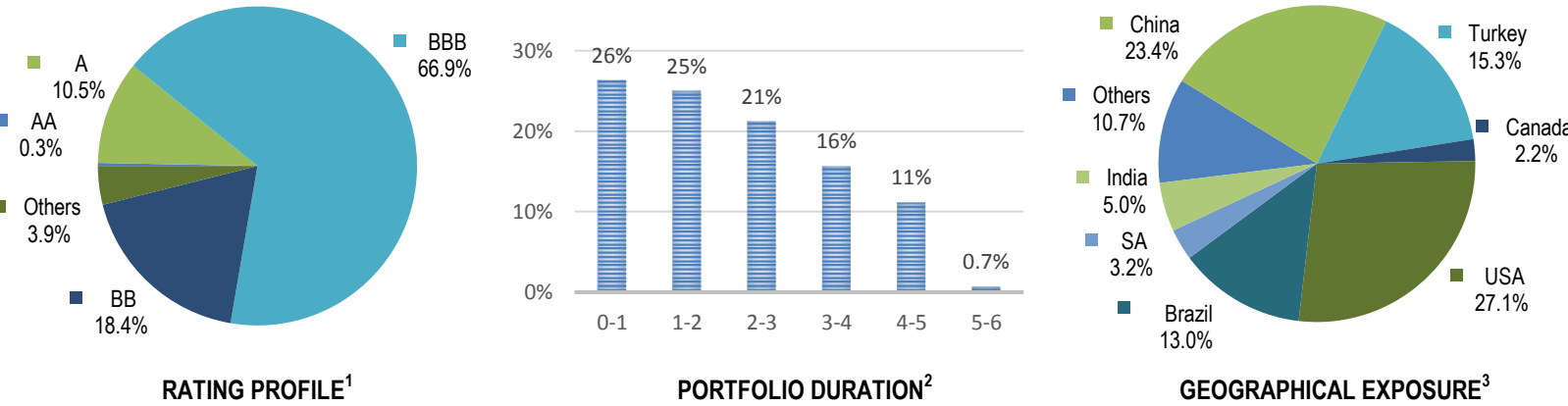
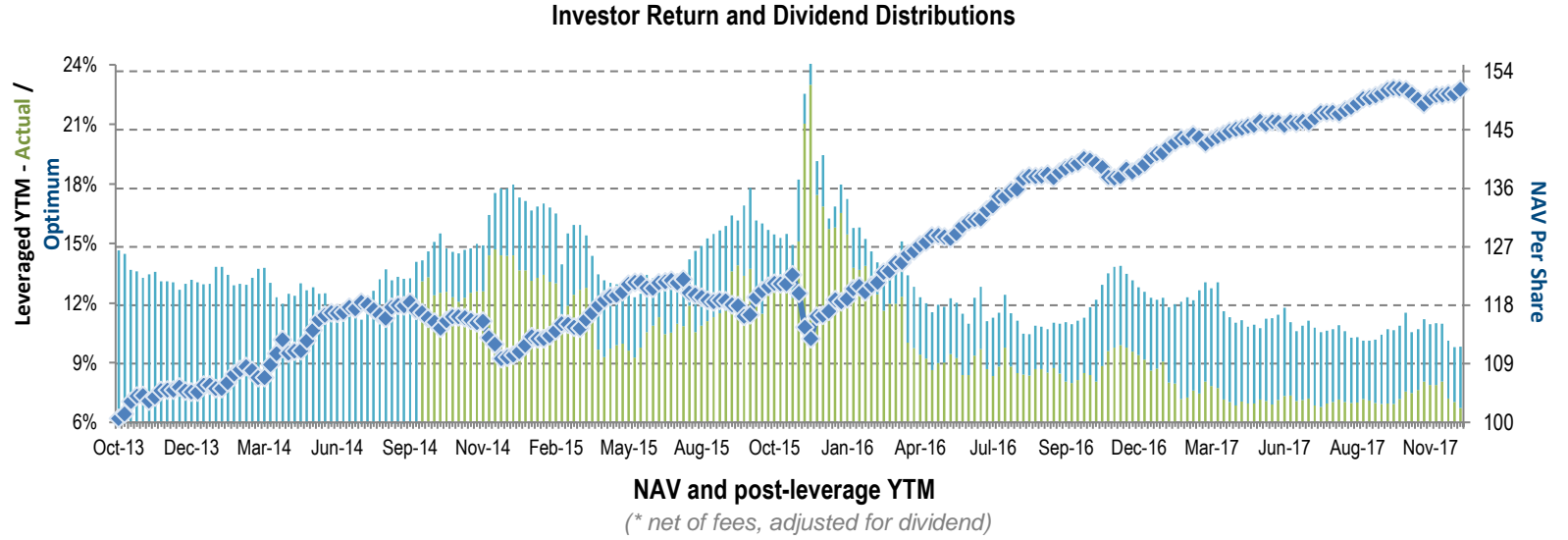
CLASS DETAILS	CLASS 1A	CLASS 1B
ISIN	KYG8135U1076	KYG8135U1159
CUSIP	G8135U 107	G8135U 115
Swiss Valor No.	28213010	TBC
Bloomberg Code	SILV01AKY Equity	SILV01B KY Equity
Morningstar SecID	F00000WLJR	F00000WLJW
Initial Sales Charge	1.00%	0.00%
Exit Load	0.25%	1.00%
Contingent Load	N.A.	3% / 2% / 1%

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. The Fund has declared quarterly dividend amounting to US\$ 2.00 per share; the Ex Dividend NAV of the Fund was US\$ 131.68 as compared to previous year NAV of US\$ 127.94 (Cum Dividend). The actual portfolio yield (post-leverage) of 6.72% per annum (previous year: 9.17% p.a.), and average duration of 2.14 years (previous year: 2.00 years).

PORTFOLIO DASHBOARD		Growth NAV US\$		151.2553	Ex-Dividend NAV US\$		131.6822
PERFORMANCE*		FUND STATISTICS			TOP HOLDINGS		% age
Year to Date	9.0186 %	Portfolio Yield to Maturity	3.95 %		Tewoo Group Fin 2019	3.06 %	
Trailing 1 month	0.7289 %	Leveraged YTM - Actual	6.72 %		Yapi Ve Kredi 2019	2.60 %	
Trailing 3 months	0.4718 %	Leveraged YTM - Optimum	9.80 %		Turkiye Garanti 2019	2.58 %	
Trailing 6 months	3.7746 %	Average Coupon	4.88 %		Chang Development 2020	2.50 %	
Trailing 12 months	9.0186 %	Average Duration	2.14	years	Seagate Hdd 2022	2.36 %	
Trailing 3 years	11.08% p.a.	Total Dividend Paid	US\$ 19.57		Macys Retail 2020	2.22 %	
(*) after all fees, grossing up for dividends		Sharpe Ratio (1 Year) ^{††}	3.22		Petrobras 2021	2.20 %	

Period	Oct'13-Dec'13	2014	2015	2016	2017	Jan'17-Mar'17	Apr'17-Jun'17	Jul'17-Sep'17	Oct'17-Dec'17
Dividend	-	-	4.4731	7.3000	7.8000	1.9000	1.9000	2.0000	2.0000
Ex-Dividend Price	104.6428	110.3573	112.6058	127.9435	131.6822	130.6596	130.7470	133.0544	131.6822
Return to Investor	4.06%	5.46%	6.09%	20.10%	9.02%	3.61%	1.52%	3.29%	0.47%



PORTFOLIO UPDATE

During the week ended 29th December 2017, Silverdale Bond Fund maintained conservative position.

The Fund continues to invest and book profit opportunistically for its target duration adjusted returns, details of which shall be shared in the communiques of ensuing weeks.

During the year 2017, Silverdale Bond Fund gave returns of 9.01% to the investors; contributed primarily by coupon interest earned, which was marginally offset by drop in prices.

There was no change in fund strategy: we continue to maintain our conservative positioning with about 77.7% of our investments in Investment Grade US dollar bonds (2016: 76.4%) with weighted average duration of 2.14 years (2016: 2.00 years).

During the year, our high conviction purchases in resources industry did well, resulting in Brazilian and Luxembourg credits becoming the key contributors to our performance; while US and Chinese credits were key drags. The diversification of the investments across 19 countries (2016: 15 countries) helped us to manage the market gyrations. We also invested circa 8% of our investments into floating rate notes, which help us to benefit from interest rate hike(s).

We expect the term premium and quality premium to emerge late 2018, and we are well positioned to capitalize on it with higher quality credits and short portfolio duration.

May we take this occasion to thank you for your support, and wish you health, happiness and good fortune in 2018 and years to come!

DIVIDEND PAID

The Fund paid Eleventh Quarterly Dividend for December 2017 quarter amounting to US\$ 2.00 per share taking the total dividend paid during the calendar year 2017 to US\$ 7.80 per share.



Investors' Choice Award

2016 ALTERNATIVE INVESTMENTS AWARDS

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

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

DISCLAIMER

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