

Silverdale Fixed Income Fund

Communique as at 21st December 2018

FUND DESCRIPTION

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

- ☐ Investment grade (Min 80%)
- ☐ Short duration (2-3 years)
- ☐ Low Volatility
- ☐ 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 | 28 Dec 2018 (3.50% pro rata) ² |
| Last Dividend Date | 28 Sep 2018 (3.50% pro rata) |
| Last Dividend Paid | US\$ 0.9019 |

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

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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 21st December 2018, the Fund NAV increased by 0.07% to US\$ 101.66 (previous week: US\$ 101.59), with portfolio yield of 6.61% per annum (previous week: 6.55% p.a.) and average duration of 2.00 years (previous week: 1.97 years).

PORTFOLIO DASHBOARD

Growth NAV US\$

117.8848

Ex-Dividend NAV US\$

101.6567

Performance (net of fees)

| | |
|--------------------|------------|
| Year to Date | -0.5755 % |
| Trailing 1 month | 0.0628 % |
| Trailing 3 months | -0.2601 % |
| Trailing 6 months | 0.5811 % |
| Trailing 12 months | -0.4625 % |
| Trailing 3 Years | 3.60% p.a. |
| Since Inception | 3.13% p.a. |

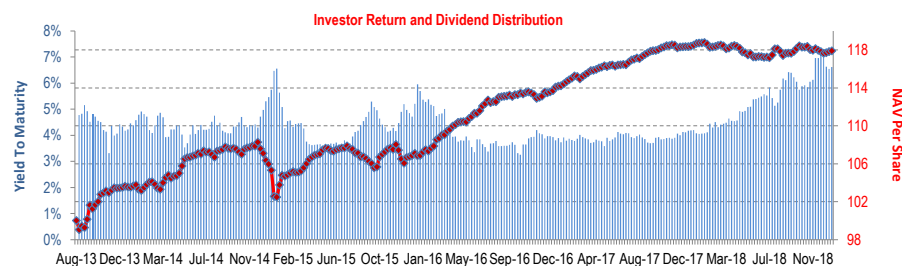
Fund Statistics

| | |
|------------------------------------|--------------|
| Yield to Maturity | 6.61 % |
| Effective Duration | 2.00 years |
| Average Maturity | 2.22 years |
| Average Coupon | 5.36 % |
| Sharpe Ratio (3 Year) [†] | 2.15 |
| Total Dividend Paid** | US\$ 16.2281 |
| (**) Since Inception | |

Top Holdings

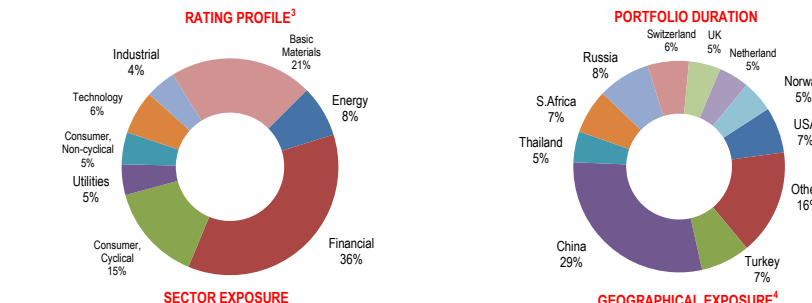
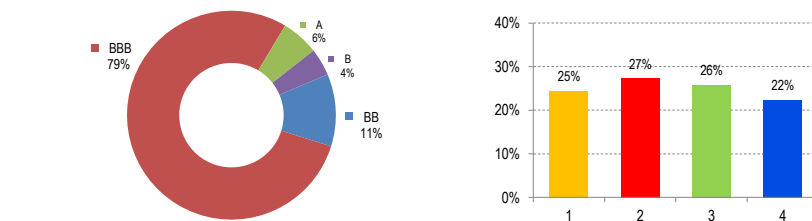
| | |
|-----------------------|--------|
| Credit Suisse Ag 2023 | 5.07 % |
| Alosa Finance 2020 | 5.05 % |
| Anglogold 2022 | 4.88 % |
| Hsbc Holdings 2021 | 4.87 % |
| Dnb Bank Asa 2020 | 4.83 % |
| Pttet Treasury 2019 | 4.72 % |
| Yapi Ve Kredi 2019 | 4.72 % |

| Period | Aug'13-Dec'13 | 2014 | 2015 | 2016 | 2017 | Oct'17-Dec'17 | Jan'18-Mar'18 | Apr'18-Jun'18 | Jul'18-Sep'18 |
|-------------------|---------------|----------|---------|----------|----------|---------------|---------------|---------------|---------------|
| Dividend | 1.0908 | 3.1171 | 3.0302 | 3.1050 | 3.1680 | 0.7932 | 0.9159 | 0.8992 | 0.9019 |
| Ex-Dividend Price | 102.4604 | 101.0974 | 99.6221 | 103.3656 | 104.9778 | 104.9778 | 103.7589 | 101.8767 | 102.1827 |
| Investor Return | 3.55% | 1.71% | 1.54% | 6.87% | 4.62% | 0.44% | -0.29% | -0.95% | 1.19% |



NAV and YTM Trend

(* after all fees, before dividends)



PORTFOLIO UPDATE

During the week ended 21st December 2018, we purchased Citadel (-/BBB/-) bonds.

Citadel founded by Kenneth Griffin in 1990, is a global hedge fund manager which manages US\$ 30.1bn of investments for Citadel Funds. It employs over 1,600 personnel, including over 825 investment professionals. For trailing 12 months ending June 2018 it reported hedge fund net income (HFNI is similar to EBITDA) of US\$ 887mn (2017: US\$ 745mn, 2016: US\$ 250mn, & 2015: US\$ 669mn) and net debt to HFNI of 0.5x.

DIVIDEND

The Fund is likely to declare Twenty Second Quarterly Dividend of 3.50% per annum pro rata on the shares held on Friday, December 28th, 2018 (Dividend Record Date). All subscriptions received on or before 21st December 2018 shall be eligible for dividend distribution.



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For subscription & information, please

Email: mauritius@silverdalegroup.com

Or, Call: +65 6835 7130

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). (4) Country exposure of less than 5% has been clubbed into 'Others'. (†) Sharpe Ratio: Source Bloomberg.

