

Silverdale Bond Fund

289th Weekly Factsheet as at 12th April 2019

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.

FUND ADVANTAGES

- Quality Assets: Investment Grade (min 75%)
- Short duration (2-3 years)
- No forex risk (US dollars only)
- Enhanced returns, non-recourse leverage
- Quarterly dividend distribution

FUND INFORMATION

Fund	Silverdale Fund SP-1
Fund Type	Segregated Portfolio Co
Domicile	Cayman Islands
Fund Currency	US Dollar
Inception Date [†]	9 Sep 2010
Weekly NAV Launch Date	4 Oct 2013
Cayman Launch Date	8 May 2015
NAV Computation	Weekly (Friday)
Subscription/Redemption	Weekly (Monday)
Management Fee	0.50% p.a. ^{^^}
Next Quarterly Dividend	US\$ 2.10 per share [#]
Next Dividend Date	28 June 2019
Trailing 12 mth Dividend	US\$ 8.10 per share
Sales Registration	Singapore, Taiwan, United Kingdom and UAE

AT A GLANCE

Gross Book ⁶	US\$ 781 million
Gross Investments	US\$ 478 million
Net Assets	US\$ 173 million
Investment Grade Bonds	75 %
Number of Securities	114
Max Single Security Exposure	3.26 %
Number of Countries	21
Max Single Country Exposure	26.30 %

SHARE CLASS AVAILABLE

SHARE CLASS	ISIN
Silverdale Fund SP1A	KYG8135U1076
Silverdale Fund SP1B	KYG8135U1159
Silverdale Fund SP1C	KYG8135U2066
Silverdale Fund SP1D	KYG8135U2306
Silverdale Fund SP1E	KYG8135U2488
Silverdale Fund SP1F	KYG8135U2553

Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 12th April 2019 the Fund NAV declined by 0.17% to US\$ 128.74 (previous week: US\$ 128.95), with actual portfolio yield (post-leverage) of 10.39% per annum (previous week: 9.30% p.a.), and average duration of 1.54 years (previous week: 1.49 years).

PORTFOLIO DASHBOARD

PERFORMANCE (net of fees)

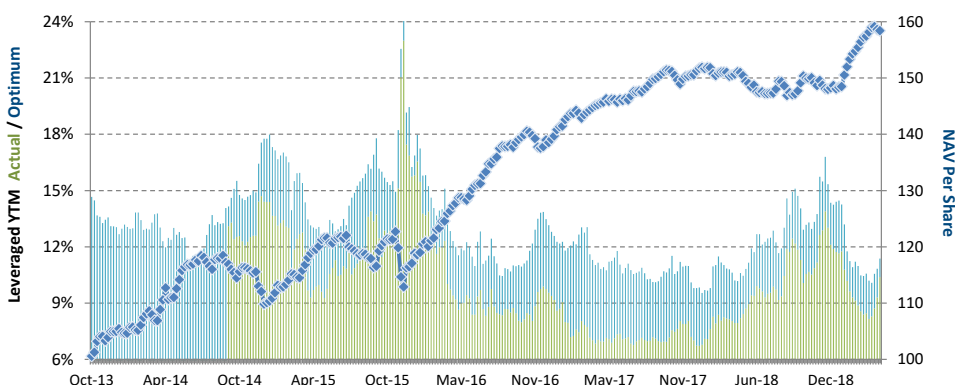
Year to Date	8.32 %
Trailing 1 month	0.18 %
Trailing 3 months	6.42 %
Trailing 12 months	5.66 %
Trailing 3 years	7.92 % p.a.
Trailing 5 years	7.44 % p.a.
Since 4 Oct 2013	8.58 % p.a.

Growth NAV US\$ 158.4091

Ex-Dividend NAV US\$ 128.7360

FUND STATISTICS

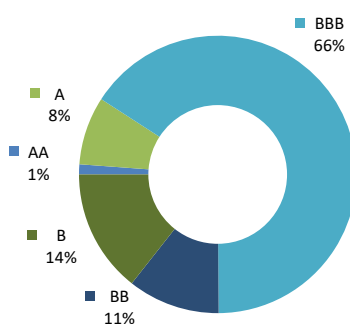
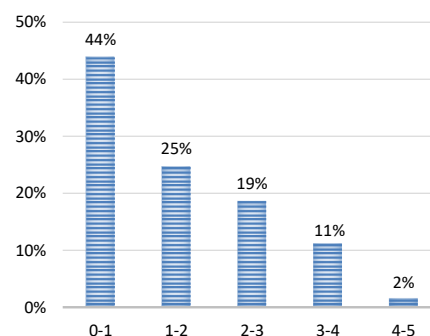
Portfolio Yield to Maturity	5.75 %
Leveraged YTM - Actual	10.39 %
Leveraged YTM - Optimum	11.37 %
Average Coupon	5.28 %
Average Duration	1.54 years
Total Dividend Paid	US\$ 29.67
Sharpe Ratio (3 year) ^{††}	2.18



NAV and post-leverage YTM (net of fees)

Period	Oct'13-Dec'13	2014	2015	2016	2017	2018	Apr'18-Jun'18	Jul'18-Sep'18	Oct'18-Dec'18	Jan'19-Mar'19
Dividend	-	-	4.47	7.30	7.80	8.00	2.00	2.00	2.00	2.10
Ex-Dividend Price	104.6428	110.3573	112.6058	127.9435	131.6822	120.7821	123.6521	124.7965	120.7821	129.4537
Return to Investor	4.06%	5.46%	6.09%	20.10%	9.02%	-2.20%	-2.54%	2.54%	-1.61%	8.92%

Investor Return and Dividend Distributions

RATING PROFILE¹PORTFOLIO DURATION²

FUND MANAGER

Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore (UEN# 200820921K)

8 Temasek Boulevard, #35-02 Suntec Tower-3, Singapore: 038988, Tel: +65 6835 7130 Email: ir@silverdalegroup.com



AWARDS 2018



HEDGE fund



PLEASE REFER OVERLEAF FOR IMPORTANT DISCLOSURES & RISK FACTORS

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TOP 10 HOLDINGS³

	% age
Pttep Treasury 2019	3.26 %
Credit Agricole 2019	2.95 %
Dnb Bank Asa 2020	2.64 %
Citadel Lp 2022	2.57 %
Seagate Hdd 2022	2.52 %
Tc Ziraat Bankasi 2019	2.52 %
Braskem Finance 2022	2.34 %
Chang Development 2020	2.03 %
Vedanta Resources 2021	2.01 %
Turkiye Halk Bankasi 2020	1.96 %

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 ADMINISTRATOR

Vistra (Mauritius) Limited

Regulated by Financial Services Commission
3rd Floor, 355 NEX, Rue du Savoir, Cybercity
Ebene, Mauritius

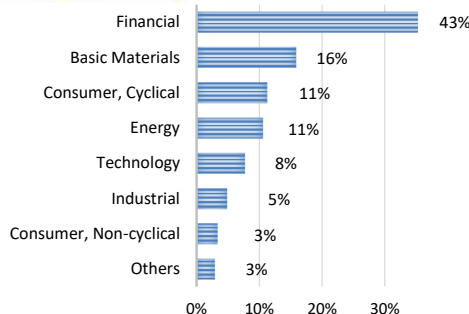
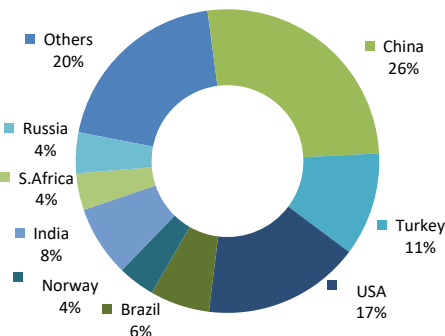
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Fax: +230 464 3290

Email: spc@silverdalegroup.com

RISK PROFILE

NAV Per Share can go up as well as down and any capital invested in the fund may be at risk. The Fund uses leverage and derivatives for hedging or as part of its investment strategy which involve additional costs and risks. For further details, please refer to the Composite PPM.

SECTORAL EXPOSURE⁴GEOGRAPHICAL EXPOSURE⁵

PORTFOLIO UPDATE

During the week ended 12th April 2019, we sold Macys (BBB-/Baa3/BBB), Pitney Bowes (BB+/Ba1/BB+), Shandong Energy (BBB-/Baa3/BBB), and Yes Bank (-/Ba1/-) bonds while we purchased China Evergrande (B/B2/-), Country Garden (BB/Ba2/BBB-), DNB Bank (BBB/Baa3/-), Indusind Bank (-/Naa3/-), Petroleos Mexicanos (BBB+/Baa3/BBB-), Samvardhana (BB+/B2/BBB-), Tianqi Lithium (-/Baa3/-), Türkiye Halk Bankasi (-/B2/B+), and UBS (BB/Ba1/BBB-) bonds.

China Evergrande (Mkt Cap: US\$ 43.2bn) is one of the largest Chinese developer with total assets of US\$ 270bn. As of Dec 2018, it had gross land bank of 312 mn sqm, contracted sales of US\$ 83bn and gross debt at US\$ 90bn. It reported net debt to EBITDA at 4.0x and interest coverage ratio at 2.4x.

Indusind Bank (Mkt Cap: US\$ 15.2bn) is an Indian private sector bank with total assets of US\$ 34bn. They provide consumer banking and corporate banking services through its 1,558 branches. As of September 2018, it reported Net Interest Margin at 3.8% and Net Non-Performing Loans (NPL) at 0.59%. It reported capital adequacy ratio at 14.2% with Tier-I ratio at 12.8%.

Petroleos Mexicanos is Mexico's state-owned integrated oil company with operations in oil & gas exploration, production, distribution, as well as petrochemicals. It produces 2.6mn barrels equivalent per day, and have a reserve life of 7.7 years. As of December 2018, it reported LTM Revenue of US\$ 85bn, EBITDA of US\$ 28bn, net debt of US\$ 101bn resulting in net leverage of 3.6x and interest coverage of 4.9x.

Samvardhana Moterson Automotive (SMRPBV) is a Netherlands-based Tier-1 supplier of interior and rear-view vision systems and interior & exterior plastic modules including door trims, cockpits and bumpers. It has production facilities in 23 countries and employs over 30,000 personnel. As of June 2018, it reported TTM EBITDA of US\$ 440mn, net debt of US\$ 890mn, net leverage of 2x and interest coverage ratio of 7x. SMRPBV is a joint venture between Moterson Sumi (NSE:MOTHERSUMI, Mkt Cap US\$ 8.7bn) and Samvardhana Moterson owned by Sehgal family.

Tianqi Lithium (Mkt Cap: US\$ 5.8bn) is a leading lithium chemicals producer that mines, makes and sells lithium minerals and lithium chemicals. The company owns a 51% stake in the Greenbushes lithium mine in Western Australia. Furthermore, it owns a 25.9% stake in SQM Chile. As of December 2018, it reported Net Debt to EBITDA at 7.7x with EBITDA to interest coverage of 9x.

UBS (Mkt Cap: US\$ 50bn) is the largest Wealth Manager in the world with invested assets of US\$ 2.3tn. As of December 2018, it reported total assets at US\$ 958bn, Common Equity Tier-1 Capital ratio at 13.1% and Total Capital Ratio at 17.7%.

HOW TO INVEST

Please ask your private bank/distributor to subscribe to Silverdale Bond Fund as per terms of the Composite PPM (quoting the relevant ISIN).

Should you seek any support, please: Call Fund Administrator at +230 2607 275, or Fund Management Company at +65 6835 7130

or Email: spc@silverdalegroup.com

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RISK FACTORS

Interest Rate Risk: The increase (fall) in value of fixed income securities with fall (increase) in interest rate. **Credit Risk:** The ability of the issuer to redeem the bonds (or other securities) on maturity. **Liquidity Risk:** The ability to sell a bond before its redemption. **Counterparty Risk:** The risk due to failure of the counterparty dealt with. **Country Risk:** The investment strategy is subject to the risks relating to the geographical, political, economic and social issues of the country of the Issuer, and to a lesser extent that of United States. **Leverage/Derivatives Risk:** Disproportionately large change in value of securities due to relatively small change in determinant.

DISCLAIMER

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