

Silverdale Bond Fund

300th Weekly Factsheet as at 28th June 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	27 Sep 2019
Trailing 12 mth Dividend	US\$ 8.20 per share
Sales Registration	Singapore, Taiwan, United Kingdom and UAE

AT A GLANCE

Gross Investments	US\$ 434 million
Net Assets (AUM)	US\$ 178 million
Net Loan	US\$ 251 million
Gross Book ⁶	US\$ 685 million
Investment Grade Bonds	78.25 %
Number of Securities	109
Max Single Security Exposure	2.96 %
Number of Countries	20
Max Single Country Exposure	28.39 %

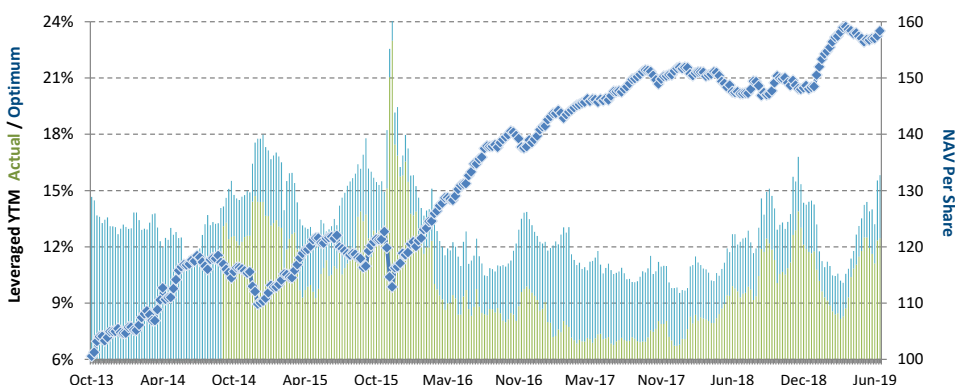
SHARE CLASS AVAILABLE

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 Fund SP1K	KYG8135U2975

Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 28th June 2019, the Fund NAV appreciated by 0.70% to Cum-Dividend NAV of 128.70 as compared to previous week NAV of US\$ 127.81 (Cum-Dividend). The Fund has declared quarterly dividend amounting to US\$ 2.10 per share resulting in the Ex-Dividend NAV of US\$ 126.60. The actual portfolio yield (post-leverage) of the Fund is 12.46% per annum (previous week: 12.34% p.a.), with average duration of 1.69 years (previous week: 1.60 years).

PORTFOLIO DASHBOARD

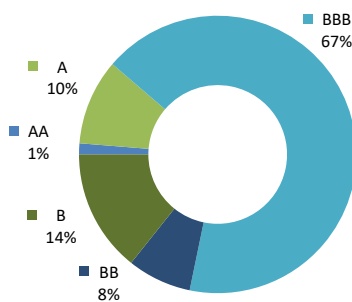
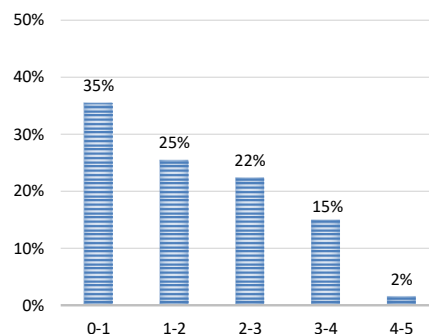
	Growth	NAV US\$ 158.3695	Ex-Dividend NAV US\$ 126.5964
PERFORMANCE (net of fees)			
Year to Date	8.29 %	FUND STATISTICS	
Trailing 1 month	1.29 %	Portfolio Yield to Maturity	7.03 %
Trailing 3 months	-0.58 %	Leveraged YTM - Actual	12.46 %
Trailing 12 months	9.01 %	Leveraged YTM - Optimum	15.82 %
Trailing 3 years	6.44 % p.a.	Average Coupon	5.37 %
Trailing 5 years	6.16 % p.a.	Average Duration	1.69 years
Since 4 Oct 2013	8.24 % p.a.	Total Dividend Paid	US\$ 31.77
		Sharpe Ratio (3 year) ^{††}	1.63



NAV and post-leverage YTM (net of fees)

Period	Oct'13-Dec'13	2014	2015	2016	2017	2018	Jul'18-Sep'18	Oct'18-Dec'18	Jan'19-Mar'19	Apr'19-Jun'19
Dividend	-	-	4.47	7.30	7.80	8.00	2.00	2.00	2.10	2.10
Ex-Dividend Price	104.6428	110.3573	112.6058	127.9435	131.6822	120.7821	124.7965	120.7821	129.4537	126.5964
Return to Investor	4.06%	5.46%	6.09%	20.10%	9.02%	-2.20%	2.54%	-1.61%	8.92%	-0.58%

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



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AWARDS 2018



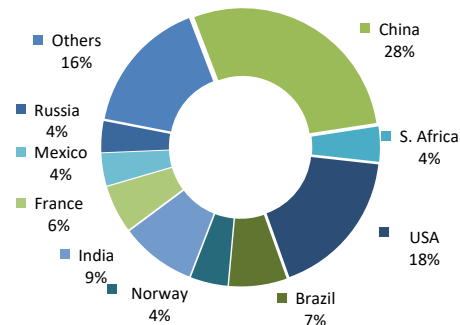
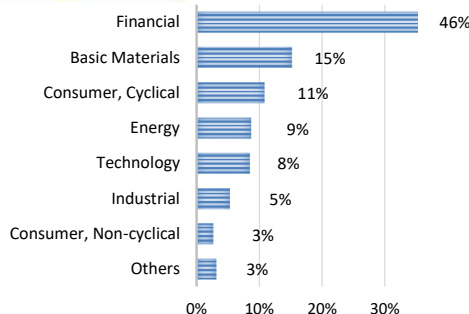
PLEASE REFER OVERLEAF FOR IMPORTANT DISCLOSURES & RISK FACTORS

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TOP 10 HOLDINGS³

	% age
Dnb Bank Asa 2020	2.96 %
Citadel Lp 2022	2.94 %
Petroleos Mexicano 2021	2.84 %
Seagate Hdd 2022	2.82 %
Country Garden 2020	2.80 %
Credit Agricole 2019	2.75 %
Braskem Finance 2022	2.57 %
Chang Development 2020	2.27 %
Turkiye Halk Bankasi 2020	2.24 %
Bnp Paribas 2024	2.21 %



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
Tel.: +230 260 7275
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.

PORTFOLIO UPDATE

During the week ended 28th June 2019, we sold Macys Inc (BBB-/Baa3/BBB), and Türkiye Is Bankasi (-/B3/B+) bonds while we purchased Aaroundtown SA (BBB-/-/-), BNP Paribas (BBB-/Ba1/BBB-), and Indiabulls Housing Finance (-/Ba1/-) bonds.

Aroundtown SA (Mkt Cap: US\$ 9.3bn) is the largest German listed Commercial Real Estate (CRE) company with diversified real estate portfolio worth EUR 14bn. It consists of offices (43%), hotels (24%), residential (17%) and other assets (16%). The portfolio generates EUR 614mn in net annual rent. As of 31 December 2018, it reported loan to value at 35% and net interest coverage ratio at 5.1x. Yakir Gabay is the largest shareholder with 34% equity stake and the remaining is free float.

BNP Paribas (Mkt Cap: US\$ 59bn) is the largest bank in France, with total assets of US\$ 2.6tn as of 31 Mar 2019. It offers corporate and investment banking, asset management, private banking and insurance services. The Group operates in 72 countries including four domestic markets (namely France, Belgium, Italy and Luxembourg) where in it employs over 202,000 employees, including approximately 154,000 in Europe. As of March 2019, it reported CET1 ratio at 11.7%. The Government of Belgium is the largest shareholder with 7.7% equity stake.

Indiabulls Housing Finance (Mkt Cap: US\$ 3.8bn) is the second largest housing finance company in India. As of March 2019, it had total assets of US\$ 19bn. It reported Net Interest Margin at 3.42% and Non-Performing Loans (NPL) at 0.88% with NPL coverage of 22%. It reported capital adequacy ratio at 26.3%. It has 24% of its total asset as cash and cash equivalents.

During the month of June 2019, the Fund NAV appreciated by 1.29%. The appreciation in NAV was led by increase in bond prices of US, Indian, and Brazilian credits while Mexican credits were the key laggard. Sectorially, Financial, Basic Material, and Technology sectors were the key positive contributors while Consumer Cyclical sector was the key laggard.

We continue to maintain conservative position with circa 78% of our investments in Investment Grade bonds with short duration of just 1.69 years.

DIVIDEND DETAILS

The Fund has paid Seventeenth Quarterly Dividend of US\$ 2.10 per share for the June 2019 quarter taking the total dividend paid in calendar year 2019 to US\$ 4.20 per share. All investors holding shares on Friday, 28th June 2019 (Dividend Record Date) have been paid dividend.

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

FUND MANAGER

Silverdale Capital Pte Ltd

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

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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

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 an indicator of 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 uses/invests 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, 12 months = 52 weeks, 3 years = 156 weeks and 5 years = 260 weeks. NAV prior to 8 May 2015 is based on NAV of underlying fund (Class E of Sri Silverdale Opportunities Fund). Payment of Dividend results in equivalent amount of drop in the NAV of the Fund. (*) Assuming to be Business Day. (#) Indicative. (†) Initially launched as multi-assets fund with quarterly NAV. (1), (2), (3), (4) & (5) Based on gross investments into securities. (1) Credit Rating is based on best of the three ratings (S&P/Moodys/Fitch). (4) Sector exposure of less than 5% has been clubbed as 'Others'. (5) Country exposure of less than 3.5% has been clubbed as 'Others'. (6) Gross Book is aggregation of Gross Investments and Loans (net of cash). (^^) 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.