

# Silverdale FUNDS

## Fund Description

Silverdale Bond Fund is a diversified portfolio of primarily investment grade short duration US dollar bonds, actively managed for superior absolute returns, using ring-fenced leverage.

## Investor Benefits

Active management with real time response, capitalizing on opportunistic investments and employing prudent risk management systems. Embedded leverage for higher return without hassles of loan management.

## Fund Information

|                         |                      |
|-------------------------|----------------------|
| Fund                    | Silverdale Bond Fund |
| ISIN Code               | MU0308S00009         |
| Bloomberg Code          | SILV007 MP Equity    |
| Monthly NAV Launch Date | 2 July 2012          |
| Weekly NAV Launch Date  | 1 Oct 2013           |

## Subscription Details

|                    |              |
|--------------------|--------------|
| Minimum Investment | US\$ 100,000 |
| NAV Computation    | Weekly       |
| Subscription       | Weekly       |
| Redemption         | Weekly       |
| Management Fee     | 1% p.a.      |

## Fund Management Details

### THE FUND

Share Class-E of Sri Silverdale Opportunities Fund, a Mauritius based umbrella fund, authorised and regulated by Financial Services Commission

### FUND MANAGER

**Silverdale Capital Pte Ltd**

Monetary Authority of Singapore Registered Fund Manager

## Bankers / Custodians

Standard Chartered Bank  
Bank Julius Baer  
Barclays Bank  
ABN Amro Bank

## Fund Administrator

**Orangefield Trust (Mauritius) Ltd.**

355 NeXTeracom Tower 1, Cybercity,

Ebène, Mauritius

Tel.: +230 464 7275

Fax: +230 464 3290

Email: mauritius@silverdalegroup.com

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

## 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, Silverdale Fixed Income Fund or Silverdale Equity Fund or any other Class of Sri Silverdale Opportunities Fund or any of the funds managed or advised 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. The Fund may use or invest in financial derivative instruments. 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, and 6 months = 26 weeks. (\*) At optimum leverage. (\*\*) Average duration excludes favourable impact of interest rate hedges. (1) & (2) Based on gross total assets.

# Silverdale Bond Fund

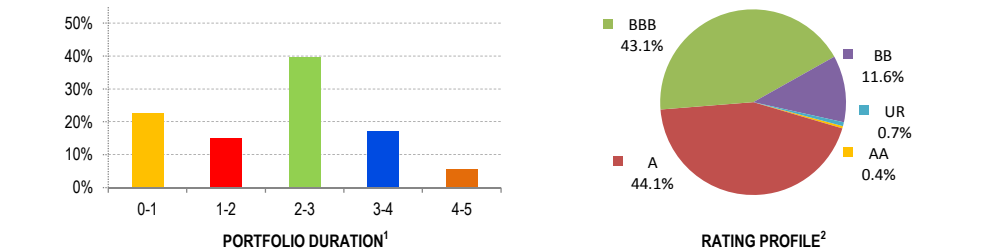
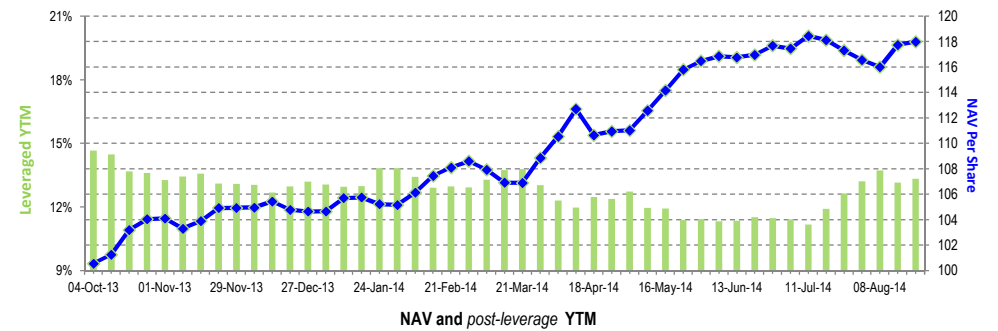
Communique as at 22nd August 2014

## OVERVIEW

Silverdale Bond Fund generates enhanced investor returns by clever use of asset-level ring-fenced leverage, while actively managing its portfolio duration. During the week ended 22nd August 2014, the Fund NAV appreciated by ~0.21% to US\$ 117.99 (previous week US\$ 117.74) with optimum portfolio yield (post-leverage) at 13.32% per annum (previous week 13.15% p.a.), and average duration of 2.19 years (previous week 2.21 years).

## Portfolio Dashboard

| Performance       | Fund Statistics                          | NAV US\$                 | 117.9889     |
|-------------------|--|--------------------------|--------------|
| Previous 1 week   | Leveraged Yield to Maturity <sup>A</sup> |                          |              |
| Trailing 1 month  | Portfolio Yield to Maturity              |                          |              |
| Trailing 3 months | Average Duration <sup>AA</sup>           |                          |              |
| Trailing 6 months | Average Maturity                         |                          |              |
|                   |  | <b>Top Holdings</b>      | <b>% age</b> |
|                   |  | Agricultural Bk China Hk | 10.95 %      |
|                   |  | China Construct Bk Asia  | 7.73 %       |
|                   |  | Cssc Capital 2013 Ltd    | 6.17 %       |
|                   |  | Mcc Holding Hk Corp Ltd  | 5.74 %       |
|                   |  | Zijin Intl Finance Co Lt | 5.57 %       |



## Portfolio Update

During the week ended 22nd August 2014, the Fund booked profits in Union Bank of India 2017 bond. It purchased Petrobras Argentina 2017 and AngloGold 2020 bonds.

Petrobras Argentina (Mkt Cap: US\$ 1.8bn) is a subsidiary of Petroleo Brasileiro S.A. (Petrobras, Mkt Cap US\$ 118.5bn), which is owned ~50.3% by Brazilian Government. Petrobras is the largest Brazilian company by revenue. It generates annual EBITDA and operating cash flow of ~US\$ 25bn with Net Debt/EBITDA of ~3.6x and interest coverage ratio of ~5.2x. The said bonds are supported by standby purchase agreement from Petrobras.

AngloGold Ashanti Limited (Mkt Cap: US\$ 7bn) is a global gold mining and exploration company and world's third largest gold producer. It produced ~4.105Moz of gold in 2013. It has ore reserves of ~233.02Moz and resources of ~67.9 Moz. It has 21 mining operations in 11 countries. It has cash & equivalents of US\$ ~526mn against total debt at US\$ 3.6bn. It has Net Debt/EBITDA of ~1.95x and EBITDA to Interest coverage of ~4.5x. The said bonds are callable.

## 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

