

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
SEDOL No.	B6SKGT4
Swiss Valor No.	21462609
Bloomberg Code	SILV007 MP Equity
Inception Date [†]	9 Sep 2010
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

Fund Administrator

Orangefield (Mauritius) Limited

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Silverdale Bond Fund

Communique as at 6th February 2015

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 6th February 2015, the Fund NAV marginally appreciated by ~0.02% to US\$ 112.87 (previous week: US\$ 112.85), with optimum portfolio yield (post-leverage) of 17.02% per annum (previous week: 16.87% p.a.), and average duration of 1.86 years (previous week: 1.92 years).

Portfolio Dashboard

Performance

Previous 1 week	0.0175 %
Trailing 1 month	1.8153 %
Trailing 3 months	-2.7531 %
Trailing 6 months	-2.6913 %
Trailing 9 months	0.2655 %
Trailing 12 months	6.3566 %

(not annualised, net of fees)

Fund Statistics

Leveraged Yield to Maturity [^]	17.02 %
Portfolio Yield to Maturity	3.99 %
Average Coupon	4.97 %
Average Duration ^{**}	1.86 years
Average Maturity	2.04 years

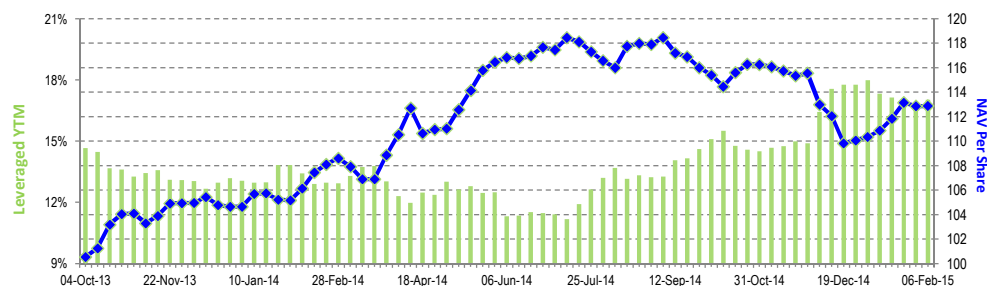
NAV US\$

112.8719

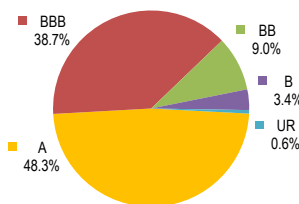
Top Holdings

Agricultural Bk China Hk	11.02 %
China Construct Bk Asia	7.78 %
Mcc Holding Hk Corp Ltd	5.78 %
Anglogold Holdings Plc	4.88 %
Banco Btg Pactual/Cayman	4.66 %
Far East Horizon Ltd	4.12 %
Hebei Iron & Steel	3.62 %

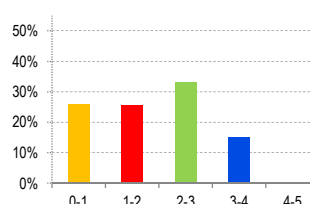
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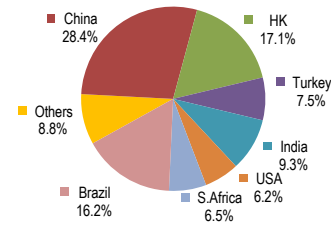
NAV and post-leverage YTM



RATING PROFILE¹



PORTFOLIO DURATION²



GEPGRAPHICAL EXPOSURE³

Portfolio Update

During the week ended 6th February 2015, Silverdale Bond Fund sold VTB 2017, VTB 2018, Macquarie 2019, and AngloGold 2020 bonds, while it purchased Electrobras 2015, and Vale Overseas 2016 bonds.

Centrais Elétricas Brasileiras S.A. - Eletrobrás (Mkt Cap: US\$ 2.6bn) is the largest power generator in Latin America, with installed capacity of ~44 GW (~34% of Brazil's total capacity). It operates ~58,000 Km of transmission lines (~49% of Brazil's total high voltage transmission lines). As at 30 Sep 2014, it had total debt of ~US\$ 16bn, of which less than ~US\$ 1bn is due in 2015. It had cash & equivalents of ~US\$ 4.2bn. Its majority shareholder is Government of Brazil (~77.9% of voting capital).

Vale S.A. (Mkt Cap: US\$ 36.6bn) is the largest global supplier of iron ore (TTM Sep 2014 production ~330mn metric tons), and the second largest global producer of nickel (TTM Sep 2014 production ~269,000 metric tons). Headquartered in Rio de Janeiro, Brazil, it is one of the largest mining companies in the world. The company's principal mining operations are located in Brazil, Canada, Australia, Indonesia, and Mozambique. It also generates hydroenergy in Brazil, Canada, and Indonesia, and produces steel. Vale generated net operating revenues of US\$ 41.6bn (TTM Sep 14). It had ~US\$ 8.3bn in cash with ~US\$ 5bn in unused revolving credit facilities against which debt due in 2015 is ~US\$ 800mn. It reported Debt/EBITDA at 2.4x with EBIT to interest coverage of 6.3x.

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



SILVERDALE BOND FUND