

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.

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, or Silverdale Fund SP-1
Fund Type	Segregated Portfolio Company
Domicile	Cayman Islands
Inception Date [†]	9 Sep 2010
Weekly NAV Launch Date	1 Oct 2013
Cayman Feeder Launch Dt	8 May 2015
Previous Dividend Date	25 Sep'15 (US\$ 1.75 per share)
Next Dividend Date	24 Dec'15 (US\$ 1.75 per share) [‡]
NAV Computation	Weekly (Friday) [*]
Subscription	Weekly (Monday) [*]
Redemption	Weekly (Monday) [*]
Management Fee	0.50% p.a.

Class 1A Details

ISIN	KYG8135U1076
CUSIP	G8135U 107
Swiss Valor No.	28213010
Bloomberg Code	SILV01A KY Equity
Initial Sales Charge	1.00%
Exit Load	0.25%

Class 1B Details

ISIN	KYG8135U1159
CUSIP	G8135U 115
Swiss Valor No.	TBC
Bloomberg Code	SILV01B KY Equity
Initial Sales Charge	0.00%
Contingent Load	3.00% - 0.25%
Exit Load	1.00%

Fund Management Details
THE FUND

Silverdale Bond Fund or Silverdale Fund SP-1 is a segregated portfolio of Silverdale Fund SPC, a Cayman Islands domiciled segregated portfolio company, registered with Cayman Islands Monetary Authority

FUND MANAGER
Silverdale Capital Pte Ltd

Monetary Authority of Singapore Registered Fund Manager

Fund Administrator

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DISCLAIMER

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Silverdale Fund SP-1

Silverdale Bond Fund (or Silverdale Fund SP-1) generates enhanced investor returns by clever use of asset-level segregated leverage, while actively managing its portfolio duration. During the week ended 30th October 2015, the Fund NAV appreciated by 0.39% to US\$ 118.65 (previous week: US\$ 118.18), with optimum portfolio yield (post-leverage) of 15.46% per annum (previous week: 15.68% p.a.), and average duration of 1.92 years (previous week: 1.94 years).

Portfolio Dashboard

Performance (Not annualised)*	
Previous 1 week	0.3839 %
Trailing 1 month	4.1280 %
Trailing 3 months	1.4475 %
Trailing 6 months	1.5192 %
Trailing 9 months	7.5485 %
Trailing 12 months	4.3917 %

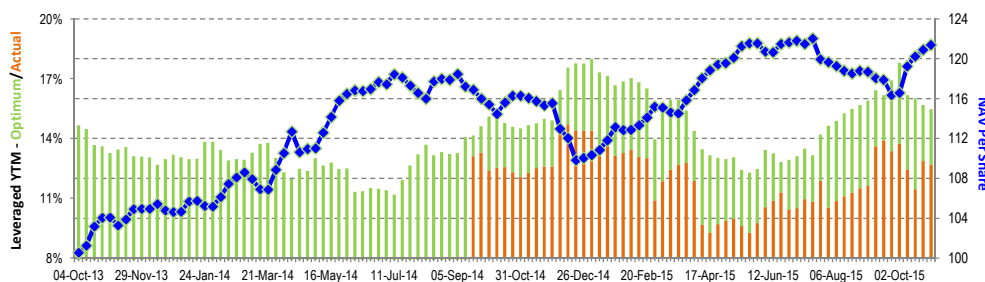
(* net of fees, adjusted for dividends)

Growth NAV US\$

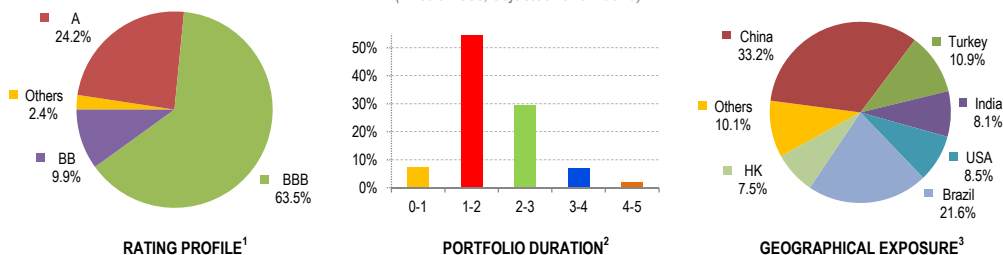
Fund Statistics	
Portfolio Yield to Maturity	3.83 %
Leveraged YTM - Actual	12.69 %
Leveraged YTM - Optimum	15.46 %
Average Coupon	4.41 %
Average Duration ^{AA}	1.92 years
Last Dividend Paid	US\$ 1.75
Total Dividend Paid	US\$ 2.72

Ex-Dividend NAV US\$

Top Holdings	% age
Mcc Holding Hk Corp Ltd	5.09 %
Ae Rotor Holding Bv	4.34 %
Banco Btg Pactual/Cayman	3.90 %
Israel Electric Corp Ltd	3.82 %
Far East Horizon Ltd	3.76 %
Hebei Iron & Steel	3.70 %
Yuexiu Reit Mtn Co	3.64 %


NAV and post-leverage YTM

(* net of fees, adjusted for dividend)


Portfolio Update

During the week, Silverdale Bond Fund sold Yuexiu Property 2018 bonds, while it purchased Vale 2017, Raizen 2017, Shenzhen 2017, and Ares Capital 2018 bonds.

Vale SA (Mkt Cap ~US\$ 21.6bn) is one of the largest mining enterprises globally, being the world's largest producer of iron ore and nickel. Vale's principal mining operations are located in Brazil, Canada, Australia, Indonesia, and Mozambique. In addition, the company is active in exploration activities in nine countries. As at 30th Sep 2015, it reported debt at ~US\$ 28.7bn (~67% of which matures after 2018), against cash of ~US\$ 4.4bn and unutilized credit line of ~US\$ 6.4bn. It reported EBITDA of ~US\$ 8bn, net debt/EBITDA at 3.05x with EBITDA to interest of ~5.3x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.

Raizen Energia S.A. is the largest manufacturer in the sugar and ethanol sector in Brazil with crushing capacity of 65.8mn tons and 24 sugar-ethanol mills. It is part of Raizen, a 50:50 joint-venture between Cosan Group and Royal Dutch Shell. As of June'15 it reported debt of ~US\$ 3.2bn against which it had cash & equivalents of ~US\$ 1bn and SBLC from promoters of US\$ 500mn.

Shenzhen International (Mkt Cap: US\$ 2.9bn) is a leading logistic operator with a portfolio of logistic parks, toll roads, port and airline. It operates six logistics park with aggregate area of 300,000 sqm. Average occupancy rate for the logistic parks is over 90% in past five years. Further, it operates 17 toll roads (across Shenzhen, Guangdong and other provinces in China) covering more than 500km, with a core asset portfolio of seven toll roads in Shenzhen. The concession periods of these toll roads last till 2022 to 2034 (7-19 years remaining) which would generate steady cash flow in the long term. It also holds a 49% stake in Shenzhen Airlines (fifth-largest airline in China) with the balance 51% being held by Air China. Shenzhen Investment Holdings Co Ltd (SIHCL) is the controlling shareholder (~48%) which is wholly-owned by Shenzhen SASAC.

Ares Capital Corp (Mkt Cap: US\$ 4.8bn) is an investment management firm that provides loans to middle-market companies. As of Mar 2015, it reported total assets of US\$ 8.9bn, and net debt of ~US\$ 3.3bn against unused line of credit of ~US\$ 2.2bn. Ares has a diversified portfolio of investments in 201 companies with fair value of investment of ~US\$ 8.5bn.

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 spc@silverdalegroup.com