

Silverdale Fund SP-1

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 Launch Date	8 May 2015
NAV Computation	Weekly
Subscription	Weekly (Friday)*
Redemption	Weekly (Monday)*
Management Fee	0.50% p.a. ^{^^} (Monday)*
Next Dividend Date	31 Mar'17 (US\$ 1.90 per share) [#]
Previous 4 Dividend Dates	30 Dec'16 (US\$ 1.90 per share) 30 Sep'16 (US\$ 1.90 per share) 24 Jun'16 (US\$ 1.75 per share) 24 Mar'16 (US\$ 1.75 per share)

Class 1A Details

ISIN	KYG8135U1076
CUSIP	G8135U 107
Swiss Valor No.	28213010
Bloomberg Code	SILV01A KY Equity
Morningstar SecID	F00000WLJR
Initial Sales Charge	1.00%
Exit Load	0.25%

Class 1B Details

ISIN	KYG8135U1159
CUSIP	G8135U 115
Bloomberg Code	SILV01B KY Equity
Morningstar SecID	F00000WLJW
Initial Sales Charge	0.00%
Contingent Load	3% / 2% / 1%
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 mutual fund, registered with Cayman Islands Monetary Authority

FUND MANAGER

Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore
UEN# 200820921K

Fund Administrator

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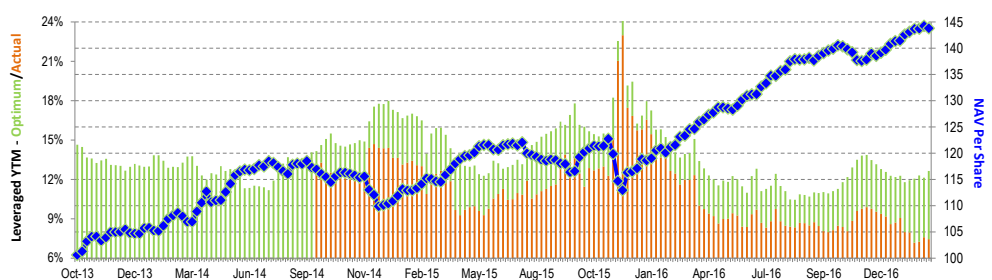
Silverdale Bond Fund (or Silverdale Fund SP-1) generates enhanced investor returns by clever use of asset-level leverage, while actively managing the portfolio duration. During the week ended 3rd March 2017, the Fund NAV declined by 0.37% to US\$ 132.01 (previous week: US\$ 132.49), with actual portfolio yield (post-leverage) of 7.45% per annum (previous week: 7.60% p.a.), and average duration of 2.27 years (previous week: 2.29 years).

Portfolio Dashboard

	Growth NAV US\$	143.7783	Ex-Dividend NAV US\$	132.0052	
Performance*	Fund Statistics		Top Holdings		
Previous 1 week	-0.3658 %	Portfolio Yield to Maturity	3.58 %	Block Financial Llc 2020	2.83 %
Trailing 1 month	0.4977 %	Leveraged YTM - Actual	7.45 %	Gap Inc/The 2021	2.81 %
Trailing 3 months	4.6768 %	Leveraged YTM - Optimum	12.66 %	Chang Development 2020	2.76 %
Trailing 6 months	4.5530 %	Average Coupon	4.43 %	Prospect Capital 2019	2.73 %
Trailing 12 months	17.4362 %	Average Duration [^]	2.27 years	Seagate Hdd 2023	2.70 %
Trailing 3 years	10.03% p.a.	Total Dividend Paid	US\$ 11.77	Mcc Holding Hk 2017	2.54 %
	(*) after all fees, grossing up for dividends	Sharpe Ratio	1.40	Seagate Hdd 2022	2.51 %

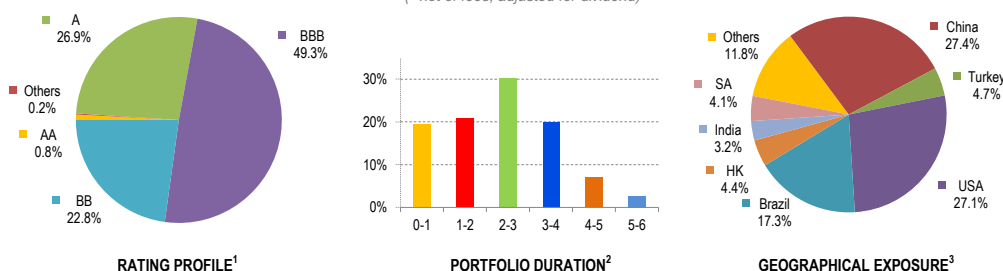
Period	Oct'13-Dec'13	2014	2015	Jan'16-Mar'16	Apr'16-Jun'16	Jul'16-Sep'16	Oct'16-Dec'16	2016
Dividend	-	-	4.4731	1.7500	1.7500	1.9000	1.9000	7.3000
Ex-Dividend Price	104.6428	110.3573	112.6058	118.3647	123.2694	129.1991	127.9435	127.9435
Return to Investor	4.06%	5.46%	6.09%	6.67%	5.62%	6.35%	0.50%	20.10%

Investor Return and Dividend Distribution



NAV and post-leverage YTM

(* net of fees, adjusted for dividend)



Portfolio Update

During the week ended 3rd March 2017, Silverdale Bond Fund purchased BTG Investments 2018 (-/-/BB-), Credit Linked Note on Republic of South Africa (BBB-/Baa2/BBB-), and Seagate 2022 (BBB-/Baa3/BBB-) bonds.

BTG Investments LP (BTGI) holds investments of BTG Pactual Group, including private equity funds and joint ventures. BTGI is majority owned (77.9%) by the BTG Pactual Group. As of 30 Dec 2016, it reported total assets of ~USD 3.4bn. The bonds are guaranteed by BTG Pactual Holding S.A., which is the majority owner of Banco BTG Pactual SA, which, in turn, is one of the largest investment bank in Latin America.

Republic of South Africa is the second largest economy in Africa with GDP of ~US\$ 700bn and foreign exchange reserves of ~US\$ 46bn. It is 25th largest country by area and 24th most populous nation. Foreign trade (imports plus exports) accounts for ~52% of its GDP with China, EU, US and Japan being its largest trading partners. The 3 year Credit Linked Note is issued by BNP Paribas (Mkt Cap: US\$ 77.7bn / Rated A/A1/A+).

Seagate Technology Plc (Mkt Cap: US\$ 14.5bn) is a worldwide leader in the design, manufacture and marketing of hard disk drive products in a duopolist market with over 40% market share. As at 30 Dec 2016, it reported debt at ~US\$ 4.1bn, against cash of ~US\$ 1.7bn and unutilized credit line of ~US\$ 700mn. It reported EBITDA of ~US\$ 1.3bn, net debt/EBITDA at 2.4x with EBITDA to interest of ~6.5x. The bonds are issued by its wholly owned subsidiary and guaranteed by it.



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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

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