



Silverdale Bond Fund

Communique as at 11th May 2018

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.

KEY FEATURES

- Investment grade (Min 75%)
- Short duration (2-3 years)
- No forex risk (US dollars only)
- Enhanced returns, using ring-fenced leverage
- Quarterly dividend distribution

FUND INFORMATION

Fund: Silverdale Bond Fund
 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 (Friday)*
 Subscription / Redemption: Weekly (Monday)*
 Management Fee: 0.50% p.a.^
 Next Dividend Date: 29 Jun'18 (US\$ 2.00 per share)#
 Previous Dividend Date: 29 Mar'18 (US\$ 2.00 per share)

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 MANAGER

Silverdale Capital Pte Ltd
 Regulated by Monetary Authority of Singapore
 UEN# 200820921K

FUND ADMINISTRATOR

Vistra (Mauritius) Limited
 Regulated by Financial Services Commission
 355 NeXteracom Tower 1, Cybercity
 Ebene, Mauritius
 Tel.: +230 464 7275 Fax: +230 464 3290
 Email: spc@silverdalegroup.com

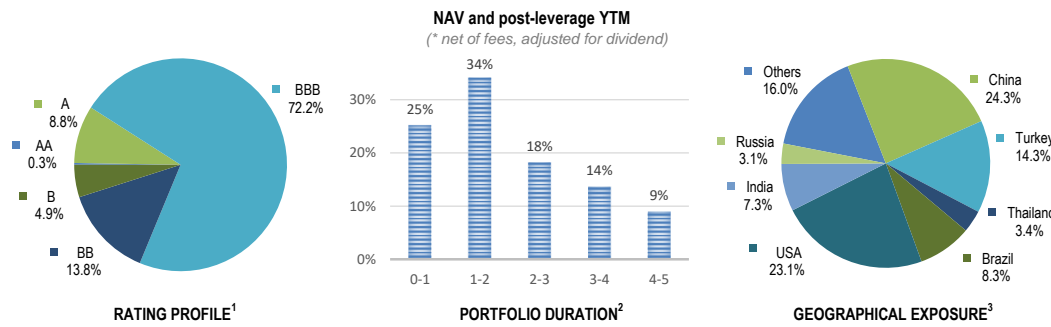
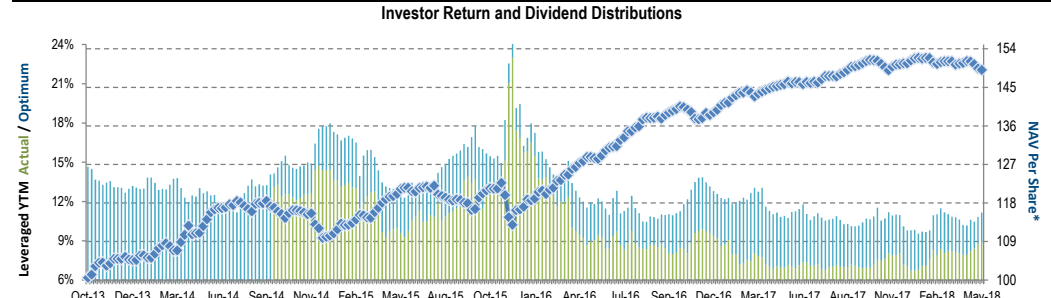
CLASS DETAILS	CLASS 1A	CLASS 1B
ISIN	KYG8135U1076	KYG8135U1159
CUSIP	G8135U 107	G8135U 115
Swiss Valor No.	28213010	TBC
Bloomberg Code	SILV01A KY Equity	SILV01B KY Equity
Morningstar SeclD	F00000WLJR	F00000WLJW
Initial Sales Charge	1.00%	0.00%
Exit Load	0.25%	1.00%
Contingent Load	Nil	3% / 2% / 1%

CLASS DETAILS	CLASS 1C	CLASS 1D
ISIN	KYG8135U2066	KYG8135U2306
CUSIP	G8135U 206	G8135U 230
Swiss Valor No.	TBC	TBC
Bloomberg Code	SILV01C KY Equity	SILV01D KY Equity
Morningstar SeclD	TBC	TBC
Initial Sales Charge	Upto 5%	0.00%
Exit Load	0.25%	1.00%
Contingent Load	Nil	5% / 4% / 3% / 2% / 1%

PORTFOLIO DASHBOARD

PERFORMANCE*	Growth NAV US\$	149.0529	Ex-Dividend NAV US\$	127.4798
Year to Date	-1.6725 %			
Trailing 1 month	-1.5644 %			
Trailing 3 months	-1.2946 %			
Trailing 6 months	-0.4599 %			
Trailing 12 months	2.0763 %			
Trailing 3 years	7.12% p.a.			
(*) after all fees, before dividend payout				
		Sharpe Ratio (1 Year)††	0.60	

Period	Oct'13-Dec'13	2014	2015	2016	2017	Apr'17-Jun'17	Jul'17-Sep'17	Oct'17-Dec'17	Jan'18-Mar'18
Dividend	-	-	4.4731	7.3000	7.8000	1.9000	2.0000	2.0000	2.0000
Ex-Dividend Price	104.6428	110.3573	112.6058	127.9435	131.6822	130.7470	133.0544	131.6822	128.9304
Return to Investor	4.06%	5.46%	6.09%	20.10%	9.02%	1.52%	3.29%	0.47%	-0.57%



PORTFOLIO UPDATE

During the week ended 11th May 2018, we sold Caixa Economica 2018 (BB-/Ba2/BB-) bonds while we purchased Lukoil 2019 (BBB/Baa3/BBB+) bonds. We also purchased 5 year floating rate Credit Linked Notes on Lukoil PJSC (BBB/Baa3/BBB+) and Reliance Industries (BBB+/Baa2/BBB-). We also received proceeds from maturity of Binhai 2018 (-/Ba1/BBB-) bonds

Lukoil (Market Cap: US\$ 60.4bn) is one of the world's largest publicly traded vertically integrated energy company with proven reserves of 16bn BOE which translates to ~20 years of reserve life. It produces 2.3mn BOE per day with production facilities mainly in Siberia, Ural and Volga. It own and operate four refineries in Russia and three outside Russia. It markets refined products in Russia, Europe, South-East Asia, Central and North America. As at Dec 2017, it reported gross debt of ~US\$ 10.7bn as against cash of ~US\$ 6.1bn and TTM EBITDA of ~US\$ 14.3bn. It reported net debt to EBITDA at 0.3x and interest coverage ratio at 36x.

Reliance Industries (Mkt Cap ~US\$ 93bn) is a Fortune 500 and India's largest petrochemicals firm, spanning across exploration and production of oil and gas, petroleum refining and marketing, petrochemicals (including the production of polyester, fiber intermediates, plastics and chemicals), as well as retailing, telecommunications, etc. It's Jamnagar complex houses one of the world's largest single-site refineries with a refining capacity of 1.2 million bbl/day. As at 31 Mar 2018, it reported debt at ~US\$ 27.9bn, against cash & equivalents of ~US\$ 9.5bn. It reported TTM EBITDA of ~US\$ 9.8bn, net debt/EBITDA at 1.9x with EBITDA to interest ratio of 7.8x.



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2016 ALTERNATIVE INVESTMENTS AWARDS

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

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

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