

Silverdale Bond Fund

BEST FUND PROVIDER
INVESTMENT GRADE BOND

368th Weekly Factsheet as at 27th November 2020

FUND DESCRIPTION

Silverdale Bond Fund is a diversified portfolio of primarily investment grade short duration US dollar bonds, actively managed for enhanced returns.

FUND ADVANTAGES

- Quality Assets: Investment Grade
- Short duration (1-3 years)
- No forex risk (US dollars only)
- Enhanced returns, non-recourse leverage
- Quarterly dividend distribution

FUND INFORMATION

Fund	Silverdale Fund SP-1
Fund Type	Segregated Portfolio Co
Domicile	Cayman Islands
Fund Currency	US Dollar
Inception Date [†]	9 Sep 2010
Weekly NAV Launch Date	4 Oct 2013
Cayman Launch Date	8 May 2015
NAV Computation	Weekly (Friday)*
Subscription/Redemption	Weekly (Monday)*
Management Fee	0.50% p.a.^
Next Quarterly Dividend	US\$ 2.10 per share [#]
Next Dividend Date	24 December 2020
Trailing 12 mth Dividend	US\$ 8.40 per share
Sales Registration	Singapore, Taiwan, United Kingdom, UAE and Australia

AT A GLANCE

Net Assets (AUM)	US\$ 187 million
Net Loan	US\$ 317 million
Gross Investments	US\$ 505 million
Gross Book ⁶	US\$ 822 million
Investment Grade Bonds	78.95 %
Number of Securities	127
Max Single Security Exposure	2.57 %
Number of Countries	25
Max Single Country Exposure	30 %

SHARE CLASS AVAILABLE

SHARE CLASS	ISIN
Silverdale Fund SP1A	KYG8135U1076
Silverdale Fund SP1B	KYG8135U1159
Silverdale Fund SP1C	KYG8135U2066
Silverdale Fund SP1D	KYG8135U2306
Silverdale Fund SP1E	KYG8135U2488
Silverdale Fund SP1F	KYG8135U2553
Silverdale Fund SP1K	KYG8135U2975
Silverdale Fund SP1H	KYG8135U2892
Silverdale Fund SP1L	KYG8135U3213

Silverdale Bond Fund generates enhanced investor returns with low volatility, while actively managing the portfolio duration. During the week ended 27th November 2020 the Fund NAV appreciated by 1.11% to US\$ 115.56 (previous week: US\$ 114.29), with actual portfolio yield (post-leverage) to 11.04% per annum (previous week: 11.32% p.a.), and average duration of 1.83 years (previous week: 1.82 years).

PORTFOLIO DASHBOARD

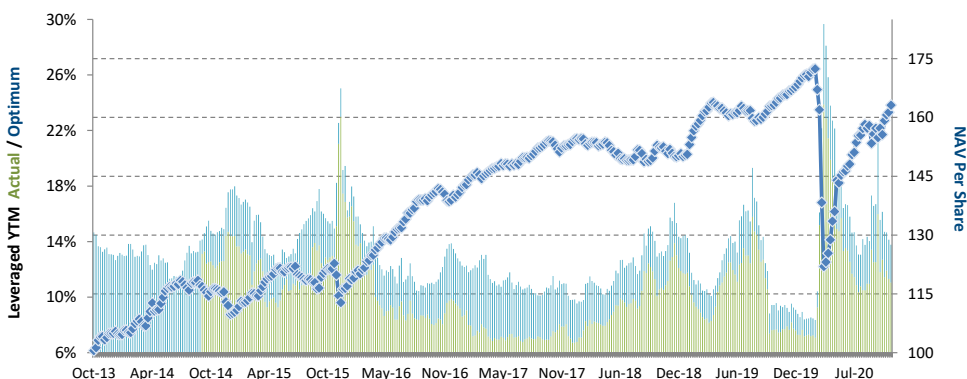
Accumulating NAV US\$ **163.1423** Distributing NAV US\$ **115.5553**

PERFORMANCE (net of fees)

Year to Date	-3.15 %
Trailing 4 weeks	4.80 %
Trailing 3 months	3.76 %
Trailing 12 months	-2.20 % p.a.
Trailing 3 years	2.21 % p.a.
Trailing 5 years	7.32 % p.a.
Since 4 Oct 2013	7.00 % p.a.

FUND STATISTICS

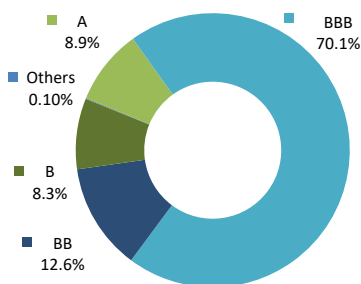
Portfolio Yield to Maturity	4.69 %
Leveraged YTM - Actual	11.04 %
Leveraged YTM - Optimum	13.78 %
Average Coupon	5.12 %
Average Duration	1.83 years
Total Dividend Paid	US\$ 42.27



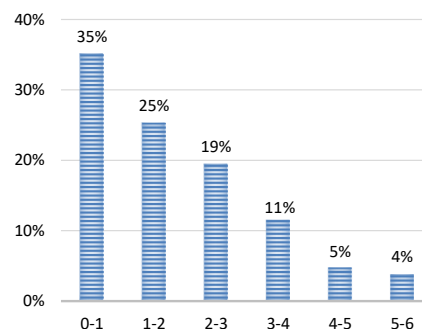
NAV and post-leverage YTM (net of fees)

Period	2013 ^A	2014	2015	2016	2017	2018	2019	Oct'19-Dec'19	Jan'20-Mar'20 ^B	Apr'20-Jun'20 ^C	Jul'20-Sep'20
Dividend	-	-	4.47	7.30	7.80	8.00	8.40	2.10	2.10	2.10	2.10
Return to Investor	4.06%	5.46%	6.08%	20.42%	9.16%	-2.24%	11.97%	3.41%	-17.88%	5.64%	4.98%

Investor Return and Dividend Distributions



RATING PROFILE¹



PORTFOLIO DURATION²

FUND MANAGER

Silverdale Capital Pte Ltd

Regulated by Monetary Authority of Singapore (UEN# 200820921K)

8 Temasek Boulevard, #35-02 Suntec Tower-3, Singapore: 038988 ■ Tel: +65 6835 7130 ■ Email: ir@silverdalegroup.com



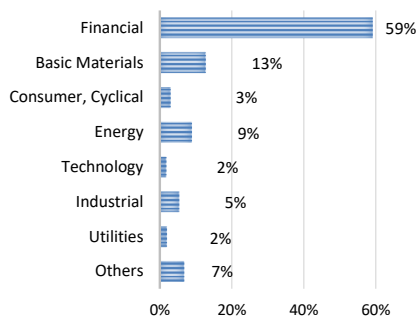
PLEASE REFER OVERLEAF FOR IMPORTANT DISCLOSURES & RISK FACTORS

Silverdale Bond Fund

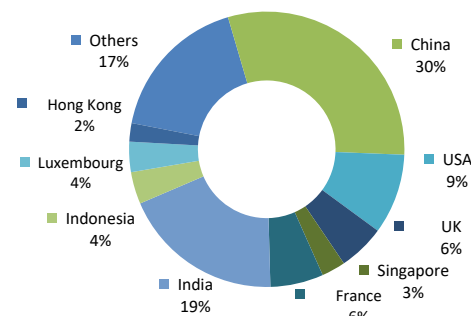
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TOP 10 HOLDINGS³

	% age
Citadel Lp 2022	2.57 %
Halcyon Agri 2025	2.28 %
Bnp Paribas 2024	2.23 %
Indusind Bank 2022	2.13 %
Far East Horizon 2021	2.03 %
Upl Corp Ltd 2021	1.99 %
Prospect Capital 2023	1.96 %
Chang Development 2022	1.91 %
Elect Global Inv 2023	1.90 %
Adani Ports 2024	1.90 %



SECTORAL EXPOSURE⁴



GEOGRAPHICAL EXPOSURE⁵

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 ADMINISTRATOR

Vistra (Mauritius) Limited
Regulated by Financial Services Commission
3rd Floor, 355 NEX, Rue du Savoir, Cybercity Ebene, Mauritius
Tel.: +230 260 7275
Fax: +230 260 7001
Email: spc@silverdalegroup.com

RISK PROFILE

NAV Per Share can go up as well as down and any capital invested in the fund may be at risk. The Fund uses leverage and derivatives for hedging or as part of its investment strategy which involve additional costs and risks. For further details, please refer to the Composite PPM.

PORTFOLIO UPDATE

During the week ended 27th November 2020, we sold Indusind bank bonds while we purchased China National Chemical (BBB+/-A-), Petroleos Mexicanos (BBB/Ba2/BB-), and Scentre Group (BBB+/-/BBB+) bonds.

China National Chemical Corporation is the largest chemical company in China and the third largest globally. It is the only central state-owned enterprise focusing on the chemical industry. It has four major business segments Material Science, Life Science, Advanced Manufacturing, and Chemicals & Intermediates. Geographically, Asia contributes 55% of its revenue, Europe 26% and Americas 17%. As of Dec 2019, it reported LTM revenue of US\$ 65bn, EBITDA of US\$ 7.2bn resulting in EBITDA margin of 11.1%. It also reported net debt of US\$ 53.3bn resulting in net leverage of 7.4x and interest coverage ratio of 2.5x. It is 100% owned by Government of China.

Petroleos Mexicanos (PEMEX) is Mexico's state-owned integrated oil company with operations in oil & gas exploration and production, refining, distribution, marketing, and petrochemicals. PEMEX also exports crude oil to US. As of Sept 2020, company reported revenue of US\$49bn, EBITDA of US\$ 8.3bn and net debt/EBITDA of 12.8x.

Scentre Group (Mkt Cap: \$10.7bn) owns and operates shopping center portfolio in Australia and New Zealand with total real estate Assets under Management of around US\$ 41bn. The portfolio comprises of 42 shopping centers operating under the Westfield brand. The value of Scentre ownership of AUM is circa US\$ 25bn. As of June 2020, it reported Operating Earnings of US\$ 361mn, Gearing at 38.4%, Interest coverage at 3.6x and Liquidity of US\$ 4.4bn.

During the month of November 2020, the Fund NAV appreciated by 4.80%. The appreciation in NAV was led by positive contribution from Indian, British, and US credits which was marginally offset by negative contribution from Singaporean credits. Sectorially, Financial, Energy, and Basic Materials sectors were the key positive contributors which was marginally offset by negative contribution from Industrial sector.

We continue to maintain conservative position with circa 79% of our investments in Investment Grade bonds with short duration of 1.83 years, while the actual leveraged YTM remains elevated at 11.04%.

HOW TO INVEST

Please ask your private bank/distributor to subscribe to Silverdale Bond Fund as per terms of the Composite PPM (quoting the relevant ISIN). Should you seek any support, please: Call Fund Administrator at +230 2607 275, or Fund Management Company at +65 6835 7130 or Email: spc@silverdalegroup.com

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RISK FACTORS

Interest Rate Risk: The increase (fall) in value of fixed income securities with fall (increase) in interest rate. **Credit Risk:** The ability of the issuer to redeem the bonds (or other securities) on maturity. **Liquidity Risk:** The ability to sell a bond before its redemption. **Counterparty Risk:** The risk due to failure of the counterparty dealt with. **Country Risk:** The investment strategy is subject to the risks relating to the geographical, political, economic and social issues of the country of the issuer, and to a lesser extent that of United States. **Leverage/Derivatives Risk:** Disproportionately large change in value of securities due to relatively small change in determinant.

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 (or Silverdale Fund SP-1), or any other segregated portfolio or Class of Silverdale Fund SPC or any of the funds managed or advised by Silverdale Capital Pte Ltd., and is strictly for information only. Any subscription 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 Composite PPM"). Past performance is not an indicator of 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 uses/invests in financial derivative instruments. Please refer to the Composite PPM for Risk Factors. This document is written for the benefit of and being communicated only to Accredited Investors or Institutional Investors as defined under the Securities and Futures Act (Cap. 289) of Singapore or any similarly defined investor in any other securities legislation. 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, 6 months = 26 weeks, 9 months = 39 weeks, 12 months = 52 weeks, 3 years = 156 weeks and 5 years = 260 weeks. NAV prior to 8 May 2015 is based on NAV of underlying fund (Class E of Sri Silverdale Opportunities Fund). Payment of Dividend results in equivalent amount of drop in the NAV of the Fund. (*) Assuming to be Business Day. (#) Indicative. (†) Initially launched as multi-assets fund with quarterly NAV. (1), (2), (3), (4) & (5) Based on gross investments into securities. (1) Credit Rating is based on best of the three ratings (S&P/Moodys/Fitch); Rating exposure of less than 4% has been clubbed as "Others". (4) Sector exposure of less than 5% has been clubbed as 'Others'. (5) Country exposure of less than 3.5% has been clubbed as 'Others'. (6) Gross Book is aggregation of Gross Investments and Loans (net of cash). (^^) Based on Gross Assets. Ranking source: Bloomberg's special report on Asia's Hedge Fund dated June 26, 2015; category: Multi Strategy. (††) Sharpe Ratio: Source Bloomberg. (A) For the period 4 Oct 2013 to 27 Dec 2013. (B) For the period 27 Dec 2019 to 13 March 2020; Special dividend of USD 2.10 was paid on 29 May 2020. (C) For the period 13 March 2020 to 26 June 2020.