

Silverdale Bond Fund

346th Weekly Factsheet as at 26th June 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 (2-3 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 Management Fee	Weekly (Monday)* 0.50% p.a.^^
Next Quarterly Dividend	US\$ 2.10 per share#
Next Dividend Date	25 September 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\$ 179 million
Net Loan	US\$ 249 million
Gross Investments	US\$ 433 million
Gross Book ⁶	US\$ 682 million
Investment Grade Bonds	72.34 %
Number of Securities	126
Max Single Security Exposure	2.95 %
Number of Countries	26
Max Single Country Exposure	27 %

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 Bond Fund generates enhanced investor returns with low volatility, while actively managing the portfolio duration. During the week ended 26th June 2020 the Fund NAV appreciated by 0.58% with Cum-Dividend NAV of US\$ 107.61 as compared to previous week NAV of US\$ 106.99. The Fund has declared quarterly dividend of US\$ 2.10 per share resulting in the Ex-Dividend NAV of US\$ 105.51. The actual portfolio yield (post-leverage) was 13.32% per annum (previous week: 15.69% p.a.) with average duration of 1.85 years (previous week: 1.82 years).

PORTFOLIO DASHBOARD

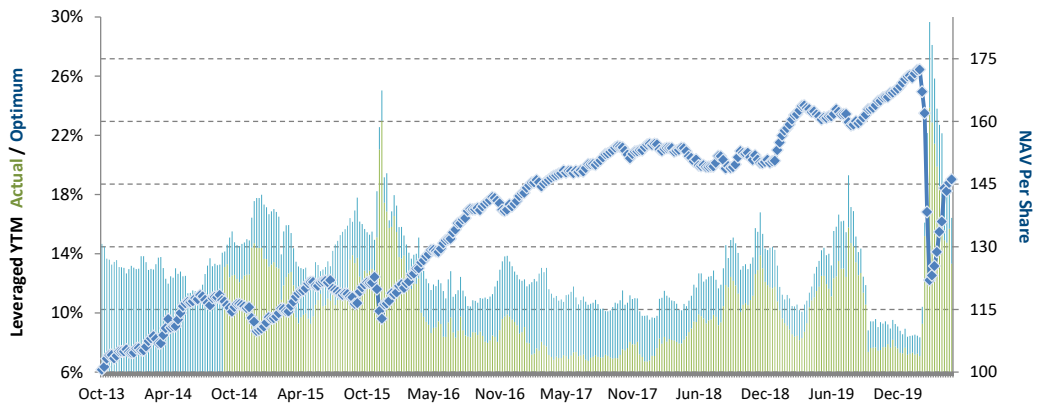
Accumulating NAV US\$ **146.1352** Distributing NAV US\$ **105.5094**

PERFORMANCE (net of fees)

Year to Date	-13.24 %
Previous Week	0.58 %
Trailing 1 month	7.44 %
Trailing 12 months	-10.29 % p.a.
Trailing 3 years	-0.48 % p.a.
Trailing 5 years	3.71 % p.a.
Since 4 Oct 2013	5.71 % p.a.

FUND STATISTICS

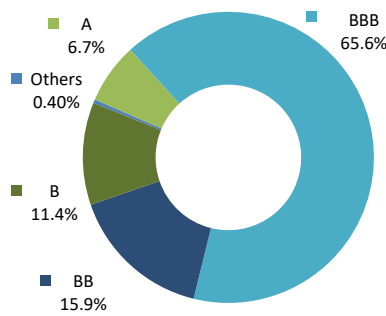
Portfolio Yield to Maturity	6.19 %
Leveraged YTM - Actual	13.32 %
Leveraged YTM - Optimum	16.42 %
Average Coupon	5.31 %
Average Duration	1.85 years
Total Dividend Paid	US\$ 40.17



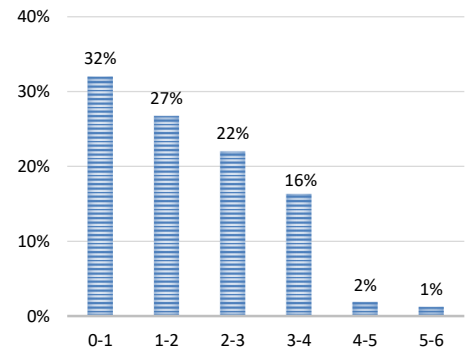
NAV and post-leverage YTM (net of fees)

Period	2013 ^a	2014	2015	2016	2017	2018	2019	Jul'19-Sep'19	Oct'19-Dec'19	Jan'20-Mar'20 ^b	Apr'20-Jun'20 ^c
Dividend	-	-	4.47	7.30	7.80	8.00	8.40	2.10	2.10	-	4.20
Return to Investor	4.06%	5.46%	6.08%	20.42%	9.16%	-2.24%	11.97%	-0.01%	3.41%	-17.88%	5.64%

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



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TOP 10 HOLDINGS³

	% age
Citadel Lp 2022	2.95 %
Samvardhana 2021	2.91 %
Braskem Finance 2022	2.54 %
Indusind Bank 2022	2.50 %
Bnp Paribas 2024	2.45 %
Upl Corp Ltd 2021	2.30 %
Chang Development 2022	2.19 %
Bluestar Fin Holdings 2023	2.19 %
At Securities Bv 2023	2.18 %
Dnb Bank Asa 2022	1.94 %

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

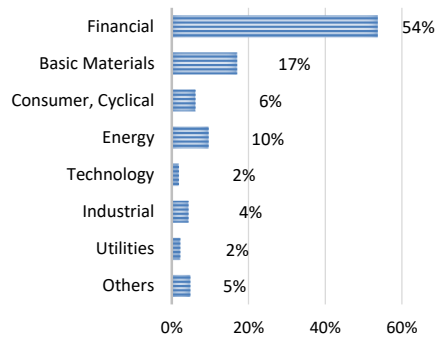
Tel.: +230 260 7275

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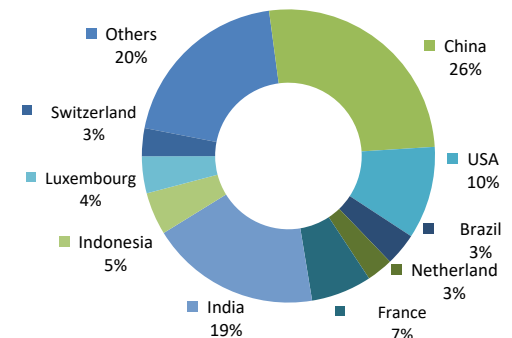
Email: spc@silverdalegroup.com

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.



SECTORAL EXPOSURE⁴



GEOGRAPHICAL EXPOSURE⁵

PORTFOLIO UPDATE

During the week ended 26th June 2020, we reduced our exposure to Vedanta Resources bonds while we purchased Phoenix Group (-/-/BBB-) bonds.

Phoenix Group (Mkt Cap: US\$ 5.7bn) is the largest life and pension consolidator in Europe. It has 10mn policyholders and US\$ 303bn of assets under administration with operations in the United Kingdom, Ireland and Germany. In 2019 it reported operating profits at US\$ 989mn. It also reported a Solvency II ratio of 161% which is a surplus of US\$ 3.8bn above Solvency Capital Requirement

During the month of June 2020, the Fund NAV appreciated by 7.44%. The increase in NAV was led by positive contribution from Indian, Chinese, and Indonesian credits offset by marginally negative contribution of French credits. Sectorially, Basic Materials, Financial, and Energy sectors were the key positive contributors.

We continue to maintain conservative position with circa 72.3% of our investments in Investment Grade bonds with short duration of just 1.85 years, while the actual leveraged YTM still remains elevated at 13.32%.

DIVIDEND DETAILS

The Fund has paid Twenty-First Quarterly Dividend of US\$ 2.10 per share on Distributing Share Class. All investors holding shares on Friday, 26th June 2020 (Dividend Record Date) have been paid dividend.

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

FUND MANAGER

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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 investment to 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.