

Silverdale

Fund Management



PROUDLY FROM SINGAPORE

BEST FUND PROVIDER
INVESTMENT GRADE BOND

Silverdale Bond Fund

INVESTMENT GRADE | SHORT DURATION | ASIA TILT

503rd Factsheet as at 30th June 2023

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
- Quarterly dividend distribution

FUND INFORMATION

Fund	Silverdale Bond Fund
ACRA Regn. No.	T20VC0123D-SF002
MAS SRS No.	21CF0V10013
Umbrella Fund	Silverdale Fund VCC
Domicile	Singapore
Fund Currency	US Dollar
Strategy Launch Date ⁷	9 Sep 2010
Weekly NAV Launch Dt	4 Oct 2013
Sub Fund Launch Date	1 Feb 2021
NAV Frequency	Weekly (Friday) ⁸
Subscription/Redemption	Weekly (Monday) ⁸
Management Fee	0.50% p.a. ⁹
Previous Quarterly Dividend	US\$ 2.10 per share
Next Quarterly Dividend	US\$ 2.10 per share ¹⁰
Next Dividend Record Date	29 September 2023 ¹⁰
Trailing 12 mth Dividend	US\$ 8.40 per share

AT A GLANCE

Net Assets (AUM)	US\$ 87 million
Net Loan	US\$ 126 million
Gross Investments ⁶	US\$ 205 million
Investment Grade Bonds	79 %
Number of Securities	137
Max Single Security Exposure	2.61 %
Number of Countries	26
Max Single Country Exposure	23 %

SHARE CLASS AVAILABLE

SHARE CLASS	ISIN
Accumulation	SGXZ66077579
Distribution	SGXZ84696368
Institutional (Acc)	SGXZ79922928
Institutional (Dist)	SGXZ76188929
Accumulation III	SGXZ95348165
Distribution III	SGXZ10242964
Accumulation V	SGXZ65114738
Distribution V	SGXZ56141039
Distribution K	SGXZ52285178

Silverdale Bond Fund targets enhanced investor returns with relatively lower volatility. During the month ended 30th June 2023, the Fund NAV increased by 2.03% to Cum-Dividend NAV at US\$ 74.17 (previous month: US\$ 72.70), as against Bloomberg EM Asia USD Credit Corporate Index which increased by 1.61% and Bloomberg EM USD Corp and Quasi 1-3Yr Index which increased by 0.88%. The Fund has paid 33rd Quarterly Dividend of US\$ 2.10 per share resulting in the Ex-Dividend NAV of US\$ 72.07. The Fund reported portfolio yield (post-leverage) of 12.75% per annum (previous month: 13.26% p.a.), with average duration of 1.86 years (previous month: 1.75 years).

PORTFOLIO DASHBOARD Accumulation NAV US\$ 130.5129 Distribution NAV US\$ 72.0682

PERFORMANCE (net of fees and expense)

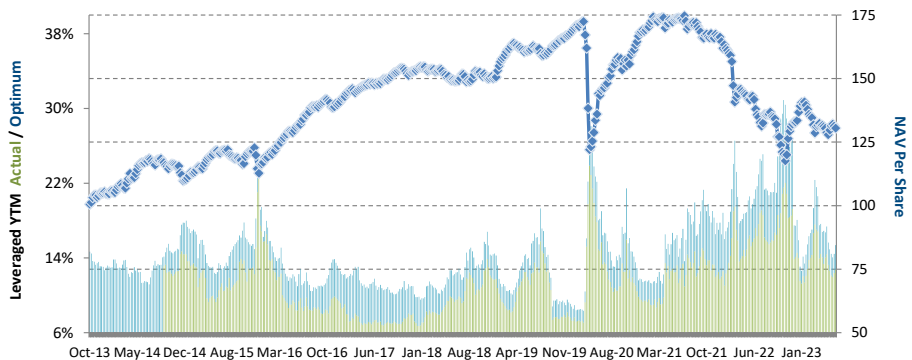
Year to Date	-2.26 %
Trailing 4 weeks	0.65 %
Trailing 3 months (13 weeks)	-0.46 %
Trailing 12 months (52 weeks)	-3.21 %
Trailing 3 years	-3.75 % p.a.
Trailing 5 years	-2.64 % p.a.
Trailing 7 years	-0.39 % p.a.
Since 4 Oct 2013	2.71 % p.a.

FUND STATISTICS

Portfolio Yield to Maturity ¹²	8.74 %
Leveraged Yield to Maturity	12.75 %
Average Coupon	5.24 %
Average Duration	1.86 years

DIVIDEND

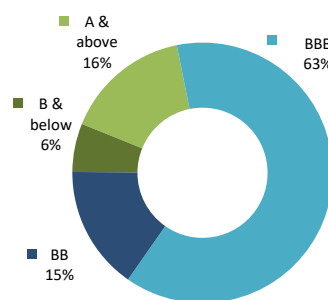
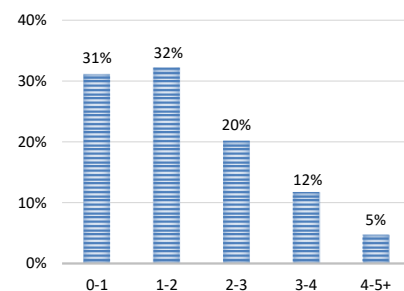
Last quarter	US\$ 2.10
Trailing 12 months	US\$ 8.40
Since 4 Oct 2013	US\$ 65.37



NAV and POST-LEVERAGED YTM

Period	2013 ¹¹	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Q1	2023 Q2
Dividend	-	-	4.47	7.30	7.80	8.00	8.40	8.40	8.40	8.40	2.10	2.10
Return to Investor	4.06%	5.46%	6.08%	20.42%	9.16%	-2.24%	11.97%	0.00%	-1.26%	-19.72%	-1.81%	-0.46%

INVESTOR RETURN and DIVIDEND DISTRIBUTIONS

RATING PROFILE¹PORTFOLIO DURATION²

FUND MANAGER

Silverdale Capital Pte Ltd

Licensed and 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



TOP 10 HOLDINGS³

	% age
Pt Adaro Indones 2024	2.61 %
Esic Sukuk Ltd 2024	2.51 %
Shriram Finance 2024	2.42 %
Elect Global Inv 2023	2.16 %
Citadel Lp 2027	2.07 %
Gold Fields Orog 2024	2.05 %
Bnp Paribas 2024	2.01 %
Rec Limited 2024	1.92 %
Aust & Nz Bankin 2025	1.81 %
Petroleos Mexica 2027	1.79 %

FUND MANAGEMENT DETAILS

THE FUND

Silverdale Bond Fund

is the Sub-Fund of Silverdale Fund VCC, (UEN # T20VC0123D) which is established as an umbrella fund under the Variable Capital Companies Act of Singapore.

CUSTODIAN

Standard Chartered Bank (Singapore) Ltd
DBS Bank Ltd, Singapore
Credit Suisse AG, Singapore Branch
Bank Julius Baer, Singapore Branch

FUND ADMINISTRATOR

NAV Fund Services (Singapore)

Private Limited

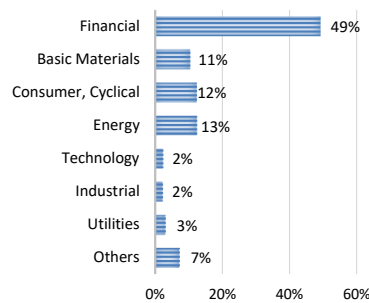
80 Robinson Road, #02-00, Singapore 068898

Tel.: +65 6856 7605

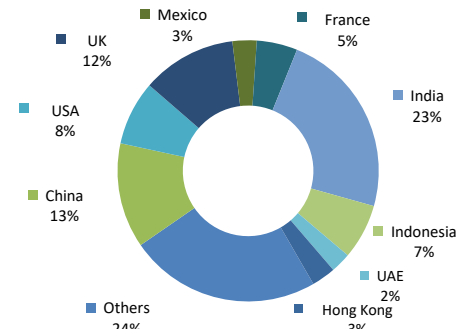
Email: VCC@SilverdaleGroup.com

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 and as part of its investment strategy which involve additional costs and risks. For further details, please refer to the Offering Documents.



SECTORAL EXPOSURE⁴



GEOGRAPHICAL EXPOSURE⁵

PORTFOLIO UPDATE

During the week ended 30th June 2023, Silverdale Bond Fund bought Clean Renewable Power, Ecopetrol, Hyundai, JSW Steel and Rec Limited bonds, while it sold Phoenix bonds. The fund also received maturity proceeds from China National Bluestar and Reliance CLN, and tender proceeds from Seagate.

Ecopetrol S.A. (Mkt Cap: US\$ 21bn) is a Colombian state-owned integrated oil & gas company which produces 65% of domestic oil & gas and markets 100% of the transportation fuels in Colombia. It also has assets in Gulf of Mexico and other Latin American countries. As of March 2023, it reported LTM revenue of US\$ 35.8bn, EBITDA of US\$ 16.2bn, and net leverage of 1.3x. The Colombian Government owns 88.5% stake in Ecopetrol.

JSW Steel (Mkt cap: US\$ 21.0bn) is the largest Indian steelmaker with 26.5 million tons per annum capacity as of the end of FY22. It manufactures primarily flat products and exports circa 30% of its production. As of March 2023, it reported revenue of US\$ 20.0bn, EBITDA of US\$ 2.3bn and gross debt of US\$ 9.8bn resulting in gross debt to EBITDA of 4.4x and EBITDA interest coverage ratio of 2.7x. It is 45% owned by the Sajjan Jindal family.

REC (Mkt Cap: US\$ 23bn) is 53% owned by Power Finance is a quasi-sovereign entity providing funding to the power sector. Power Finance (parent of REC) is 56.1% owned by the Government of India. REC along with its parent is one of two policy NBFCs that provides funding for power generation and Transmission & Distribution (T&D) projects, lending largely to state Government utilities (90% of advances). 39% of REC advances are to conventional power generation, 6% for renewables, and 54% for T&D assets. REC reported net income of US\$1.4 bn for FY23 with gross NPA and net NPA ratios at 3.4% and 1.0% respectively. Its Tier 1 ratio and Capital Adequacy Ratio (CAR) were at 22.8% and 25.8% respectively.

The increase in NAV was primarily led by Chinese, Indian and German credits, while it was partly offset by Russia credits. Sectorially, Financial, Consumer Cyclical and Basic Material sectors were the key contributors, while it was partly offset by Energy Sector.

Silverdale Bond Fund continues to be positioned defensively, with 79% of its portfolio being high quality Investment Grade bonds with a short duration of 1.86 years, yet has leveraged YTM of 12.75%, pointing towards potential higher returns, in the coming months.

DIVIDEND DETAILS

The Fund declared its Thirty-Third Quarterly Dividend of US\$ 2.10 per share on Distributing Class shares. All investors holding Distribution Class shares on Friday, 30th June 2023 (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 Offering Documents (quoting the relevant ISIN). Should you seek any support, please: email Fund Administrator at VCC@SilverdaleGroup.com, or Fund Manager at IR@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 securities on maturity. **Liquidity Risk:** The ability to sell a bond before its redemption. **Counterparty Risk:** The risk due to failure of the counterparty deal 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 USA. **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 any other fund 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 Silverdale Bond Fund's Offering Documents (that is, the Constitution, Private Placement Memorandum, and Subscription Forms of Silverdale Fund VCC, and Sub-Fund Supplement of Silverdale Bond Fund). 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 Offering Documents 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. 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; where attributable NAV is not available, the latest available NAV is taken for computation. NAV prior to 8 May 2015 is based on NAV of Sri Silverdale Opportunities Fund (Class-E); and NAV for the period 8 May 2015 to 23 April 2021 is that of Silverdale Fund SPC SP-1 managed by the same fund management team without change in strategy. Payment of Dividend results in equivalent amount of drop in the NAV of the Fund. (1), (2), (3), (4) & (5) are based on gross investments into securities. (1) Credit Rating is based on best of the three ratings (S&P/Moody's/Fitch); Rating exposure of less than 3% has been clubbed as "Others"; unless otherwise specified. (4) Sector exposure of less than 3% has been clubbed as "Others"; unless otherwise specified. (5) Country exposure of less than 3% has been clubbed as "Others"; unless otherwise specified. (6) Gross Investments is aggregation of AUM and Net Loans and cash on hand. (7) Initially launched as multi-assets fund with quarterly NAV. (8) Assuming to be a Business Day. (9) Based on net AUM. (10) Indicative. (11) For the period 4 Oct 2013 to 27 Dec 2013. (12) Yield to Maturity excludes bonds trading less than 20 cents to a dollar while it reflects the current yield of the bond for bonds trading between 20-50 cents to a dollar and for bonds maturing in 1 month and trading higher than 98 cents to a dollar. Ranking source: Bloomberg's special report on Asia's Hedge Fund dated June 26, 2015; category: Multi Strategy. (††) Sharpe Ratio: Source Bloomberg.