

ABOUT OAKTREE

Founded in 1995, Oaktree is a leading global investment management firm focused on alternative markets. Oaktree manages \$156 billion of assets in contrarian, value-oriented, risk-controlled investment strategies. Oaktree's mission is to deliver superior investment results with risk under control and to conduct our business with the highest integrity.

FUND OVERVIEW

Fund Base Currency
USD

Total Net Assets (in millions)
22.45

SICAV Strategy Inception Date
15 August 2004

Domicile
Luxembourg

Legal Structure
SICAV

Morningstar Category
EAA Fund USD High Yield Bond

Benchmark Name
FTSE High-Yield Cash-Pay Capped Index

FUND MANAGERS

Sheldon Stone
43 Years of Experience

David Rosenberg
19 Years of Experience

SHARE CLASS FACTS

Unit Class
Category J USD acc (capital growth)

Unit Class Currency
USD

Share Class Inception Date
22 November 2016

ISIN Number
LU1484435059

Bloomberg Ticker
OKNAI2B LX

Valor Number
33774850

WKN Number
A2DFZ9

Net Asset Value
134.16

Minimum Investment
0

Redemptions
Daily

Base Management Fee p.a.
0.60%

INVESTMENT OBJECTIVE

The fund seeks to earn an attractive total return by investing in North American high yield bonds while managing risk. To this end, we employ a research-intensive long-only strategy.

PORTFOLIO COMMENTARY¹

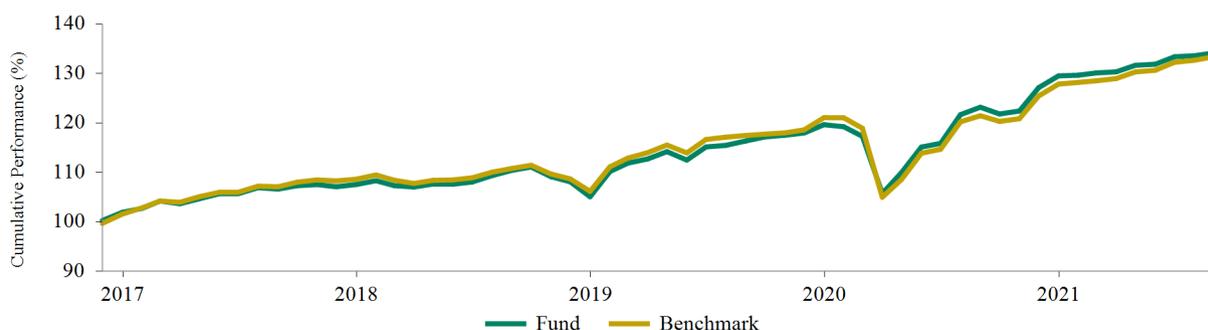
High yield bonds came under pressure early in the month before recovering to earn a coupon-like return in August. The FTSE High Yield Cash-Pay Capped Index was up 0.55%, as compared to U.S. investment grade corporate bonds (down 0.28%), the 10-year Treasury (down 0.28%) and the S&P 500 (up 3.04%).

CCC-rated and BB/B-rated bonds were roughly in line for the month, keeping pace with the overall market. Within the various industry groups, Secondary Oil & Gas was the best performing sector. Only one sector, ISP/Data, posted a loss for the month.

During the month, in the U.S., 47 deals came to market representing total proceeds of \$34.4 billion in U.S. high yield bonds.

At month end, the North American high yield bond portfolio remained broadly diversified by sector and issuer. In terms of industry exposure, oil, gas & consumable fuels (9.6%) and commercial services & supplies (7.7%) represented the two largest sectors in the portfolio.

Credit selection in the Energy – Other and Utilities – Electric, Power, Gas & Other sectors enhanced returns. At the same time, our holdings in the Technology sector detracted from relative results.

HISTORICAL PERFORMANCE (NET)²

CUMULATIVE AND ANNUALISED PERFORMANCE (%)²

	1 Month	3 Months	YTD	1 Year	3 Years (p.a)	5 Years (p.a)	Since Inception (p.a)
Fund (Net)	0.43	1.74	3.58	8.91	6.70	n/a	6.34
Benchmark	0.55	2.10	4.34	9.83	6.38	n/a	6.22

ANNUAL PERFORMANCE (%)²

	2021	2020	2019	2018	2017	2016
Fund (Net)	3.58	8.25	13.87	(2.31)	5.52	1.92
Benchmark	4.34	5.60	14.03	(2.25)	6.94	1.57

PORTFOLIO CHARACTERISTICS

		Portfolio	Benchmark
Fund Characteristics	Number of Holdings	339	1,809
	Number of Issuers	229	810
	Average Price	104.14	104.39
	Average Coupon	5.69%	5.78%
	Average Maturity (years)	6.81	6.30
	Effective Duration	3.40	3.86
	Average Credit Rating (Moody's/S&P)	B2/B+	B1/B+
Yields and Spreads	Current Yield	5.47%	5.54%
	Yield to Worst (YTW)	4.06%	4.07%
	Yield to Maturity (YTM)	4.87%	4.77%
	Option-Adjusted Spread (OAS)	347 bps	352 bps
Risk Analysis	Annualized Volatility (1 year/3 year)	4.04%/8.70%	3.87%/9.33%
	Information Ratio (1 year/3 year)	(2.89)/0.24	n/a
	Tracking Error (ex post) (1 year/3 year)	0.32/1.36	n/a

SECTOR DIVERSIFICATION

	% of Fund
Industrials	15.82
Materials	12.93
Communication Services	12.87
Energy	12.64
Consumer Discretionary	10.83
Health Care	9.61
Information Technology	8.14
Real Estate	5.08
Consumer Staples	4.79
Financials	4.71
Utilities	2.58

GEOGRAPHIC DIVERSIFICATION

	% of Fund	Fund vs Benchmark (%)
United States	88.72	(4.85)
Canada	6.04	(0.39)
United Kingdom	1.28	1.28
Australia	0.89	0.89
Netherlands	0.89	0.89
Ireland	0.64	0.64
France	0.58	0.58
Germany	0.54	0.54
Hong Kong	0.31	0.31
Other	0.11	0.11

CREDIT QUALITY

	% of Fund	Fund vs Benchmark (%)
Baa/BBB	0.48	0.48
Ba/BB	36.30	(17.32)
B/B	51.70	16.58
Less Than B/B	10.68	(0.58)
Not Rated	0.84	0.84

TOP 10 ISSUERS

	Industry	% of Fund
Community Health Systems Inc	Health Care Providers & Services	1.41
TransDigm Group Inc	Aerospace & Defense	1.37
Tenet Healthcare Corp	Health Care Providers & Services	1.25
CommScope Holding Co Inc	Communications Equipment	1.21
ADT Inc	Commercial Services & Supplies	1.17
NCR Corp	Technology Hardware, Storage & Peripherals	1.04
Frontier Communications Parent Inc	Diversified Telecommunication Services	1.02
Vivint Smart Home Inc	Electrical Equipment	1.01
Iron Mountain Inc	Commercial Services & Supplies	0.96
Albertsons Cos Inc	Food & Staples Retailing	0.96
		11.40

TOP 10 OVERWEIGHTS BY ISSUER

	% of Fund	% of Index	% of Relative
Vivint Smart Home Inc	1.01	0.14	0.87
Watco Cos LLC	0.89	0.05	0.84
Virgin Media Inc	0.81	0.00	0.81
NCR Corp	1.04	0.27	0.77
Ardagh Group SA	0.76	0.00	0.76
Covanta Holding Corp	0.83	0.10	0.74
Mauser Packaging Solutions Holding Co	0.95	0.22	0.73
CommScope Holding Co Inc	1.21	0.53	0.68
MEDNAX Inc	0.75	0.08	0.67
Frontier Communications Parent Inc	1.02	0.37	0.65

TOP 10 UNDERWEIGHTS BY ISSUER

	% of Fund	% of Index	% of Relative
Sprint Corp	0.00	1.44	(1.44)
T-Mobile US Inc	0.00	0.96	(0.96)
Altice USA Inc	0.26	1.15	(0.89)
Netflix Inc	0.00	0.83	(0.83)
Freeport-McMoRan Inc	0.00	0.74	(0.74)
Carnival Corp	0.21	0.93	(0.72)
Royal Caribbean Cruises Ltd	0.00	0.66	(0.66)
United Rentals Inc	0.00	0.57	(0.57)
Sirius XM Holdings Inc	0.15	0.70	(0.55)
Charter Communications Inc	0.68	1.22	(0.54)

ENDNOTES

Note: Historical performance indications and financial market scenarios are no guarantee for current or future performance.

- ¹ *References to fund and index performance are stated on a gross basis, before management fees and any expenses. Net performance of the Fund, after management fees and expenses are available on this factsheet.*
- ² *Performance indications do not consider commissions levied at subscription and/or redemption but do include the impact of swing pricing procedures implemented by the fund administrator. The fund administrator will implement swing pricing when contributions or redemptions exceed a defined threshold, and this may impact performance as reported at month end.*

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The Prospectuses, the Articles, the *Key Investor Information Document* and/or the annual and additional reports relating to the Fund and/or the Sub-fund, as applicable, may be obtained free of charge from *FundRock Management Company S.A.*, 33, rue de Gasperich, L-5826 Hesperange.

The Sub-fund is actively managed. While the Sub-fund has a reference benchmark, it is actively managed by implementing Oaktree’s investment philosophy and process. Oaktree is aware of the benchmark’s composition and characteristics but has an ample degree of freedom to deviate from it.

Investment principal on bonds can be eroded depending on sale price or market price. In addition, there are bonds in some sub-funds of the Oaktree (Lux.) Funds in which investment principal can be eroded due to changes in redemption amounts. Care is required when investing in such instruments. Oaktree (Lux.) Funds is domiciled in Luxembourg. The representative in Switzerland is ACOLIN Fund Services, Leutschenbachstrasse 50, CH-8050 Zürich. The paying agent in Switzerland is NPB Neue Privat Bank AG, Limmatquai 1 / am Bellevue, P.O. Box, CH-8024 Zurich. Subscriptions are only valid on the basis of the current sales prospectus, the bylaws and/or contractual terms and conditions and the most recent annual report (or semi-annual report, if more recent). The prospectus, the Key Investor Information Document (KIID), bylaws and/or the contractual terms and conditions and the annual and semi-annual reports are available free of charge from the representative in Switzerland. In respect of the units offered in or from Switzerland, the place of performance and jurisdiction is at the registered office of the representative. Copyright © 2020 Oaktree Capital Management, L.P.TM and/or its affiliates. All rights reserved.