

**ABOUT OAKTREE**

Founded in 1995, Oaktree is a leading global investment management firm focused on alternative markets. Oaktree manages \$148 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**  
EUR

**Total Net Assets (in millions)**  
267.66

**SICAV Strategy Inception Date**  
6 April 2009

**Domicile**  
Luxembourg

**Legal Structure**  
SICAV

**Morningstar Category**  
EAA Fund Other Bond

**Benchmark Name**  
CS WE Leveraged Loan Index

**FUND MANAGERS**

**Madelaine Jones**  
23 Years of Experience

**SHARE CLASS FACTS**

**Unit Class**  
H GBP EA

**Unit Class Currency**  
GBP

**Share Class Inception Date**  
31 July 2017

**ISIN Number**  
LU1283954664

**Bloomberg Ticker**  
OAESEAG LX

**Valor Number**  
28898061

**WKN Number**  
A2DWKT

**Net Asset Value**  
9.94

**Minimum Investment**  
1,000,000

**Subscriptions**  
Monthly

**Redemptions**  
Monthly

**Notice Period - Subscriptions**  
T-0

**Notice Period - Redemptions**  
T-30 Calendar Days

**Base Management Fee p.a.**  
0.60%

**INVESTMENT OBJECTIVE**

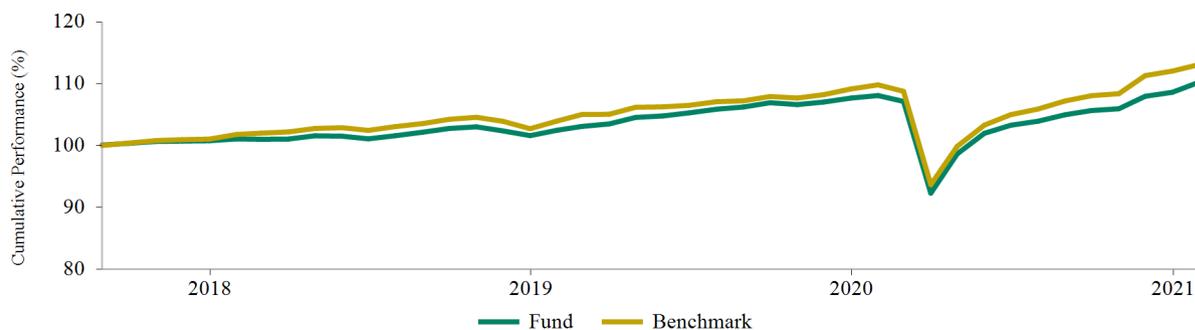
The fund aims to deliver an attractive total return while bearing less-than-commensurate market risk by investing in a diversified portfolio of senior secured floating-rate debt of European corporations. With a belief that avoidance of defaults is a key source of superior performance, we deploy a rigorous asset selection process and tend to underweight the bottom tier of credit quality.

**PORTFOLIO COMMENTARY<sup>1</sup>**

Following a bumper final quarter of 2020, inspired by promising covid-19 vaccine rollout, the European senior loan market started the new year strong, returning 0.9% in January. By sector, Retail led the pack, returning over 2%, as vaccination campaigns finally brought the prospect of returning consumers to this struggling sector. CCC-rated loans raced ahead, returning 2.4%.

In a strong month for the universe's lowest-priced loans, our bias to higher quality led to some negative attribution against the benchmark. By industry, Healthcare was the greatest contributor to Fund performance, while all rating buckets had a positive return within the portfolio.

There were no defaults in the market in January, with the default rate remaining very low at 1.1%. After sluggish issuance volumes in 2020, the European senior loan market saw €10.9bn of issuance in January. We are seeing attractive new issuance, split across a diverse range of sectors and with a bias to higher-quality names. The market is currently seeing positive investor interest and sizable inflows, as investors are being drawn to the floating rate component and the attractive yield offered by this asset class. Going into 2021, our portfolio is positioned conservatively, overweighting solid sectors such as Healthcare, but positioned to capture market upside.

**HISTORICAL PERFORMANCE (NET)**

**CUMULATIVE AND ANNUALISED PERFORMANCE (%)**

	1 Month	3 Months	YTD	1 Year	3 Years (p.a)	5 Years (p.a)	Since Inception (p.a)
Fund (Gross) <sup>2</sup>	0.70	3.68	0.70	1.83	3.46	n/a	3.41
Fund (Net) <sup>3</sup>	1.54	4.10	1.54	2.04	2.95	n/a	2.84
Benchmark	0.95	4.36	0.95	3.00	3.57	n/a	3.58

**ANNUAL PERFORMANCE (%)**

	2021	2020	2019	2018	2017	2016
Fund (Gross) <sup>2</sup>	0.70	1.58	6.86	1.71	1.18	n/a
Fund (Net) <sup>3</sup>	1.54	0.88	5.97	0.83	0.80	n/a
Benchmark	0.95	2.65	6.25	1.66	1.07	n/a

**PORTFOLIO CHARACTERISTICS**

		Portfolio	Benchmark
Fund Characteristics	Number of Holdings	183	518
	Number of Issuers	159	378
	Average Price	99.11	97.98
	Average Coupon	4.04%	3.74%
	Average Maturity (years)	4.84	4.66
	Average Credit Rating (Moody's/S&P)	B2/B	B2/B
Yields and Spreads	Current Yield	4.12%	3.86%
	Yield to Maturity (YTM)	4.42%	4.12%
	Yield <sup>4</sup>	4.48%	4.43%
	Spread <sup>5</sup>	481 bps	436 bps
Risk Analysis	Annualized Volatility (1 year/3 year)	16.12%/9.39%	16.16%/9.45%
	Information Ratio (1 year/3 year)	(0.86)/(0.72)	n/a
	Tracking Error (ex post) (1 year/3 year)	1.12/0.86	n/a

**TOP 10 INDUSTRY DIVERSIFICATION**

	% of Fund
Software	10.40
Health Care Providers & Services	8.64
Diversified Consumer Services	7.59
Hotels, Restaurants & Leisure	7.49
Diversified Telecommunication Services	6.26
Chemicals	6.17
Pharmaceuticals	5.68
Media	4.07
Specialty Retail	3.84

**GEOGRAPHIC DIVERSIFICATION**

	% of Fund	Fund vs Benchmark (%)
United Kingdom	18.81	(4.28)
Germany	16.24	6.21
United States	14.11	3.78
France	14.10	(2.19)
Spain	7.71	2.80
Netherlands	7.62	(6.44)
Luxembourg	5.40	(3.57)
Italy	4.50	4.42
Denmark	3.26	1.64
Other	8.25	0.48

**CREDIT QUALITY**

	% of Fund	Fund vs Benchmark (%)
Baa/BBB	1.20	0.07
Ba/BB	6.73	(7.93)
B/B	84.50	24.44
Less Than B/B	6.20	(0.72)
Not Rated	1.37	(15.65)
Defaulted	0.00	(0.22)

**TOP 10 ISSUERS**

	Industry	% of Fund
Altice France SA/France	Diversified Telecommunication Services	2.17
Sigma Holdco BV	Food Products	1.73
Virgin Media Inc	Media	1.67
Sivantos / Widex (Auris Luxembourg I SA)	Health Care Equipment & Supplies	1.63
EG Finco Ltd	Specialty Retail	1.57
ION Trading Technologies Sarl	Software	1.53
Thyssenkrupp Elevators	Machinery	1.43
Nidda Healthcare Holding GmbH	Health Care Providers & Services	1.42
Finastra Group Holdings Ltd	Software	1.40
Verisure Midholding AB	Diversified Consumer Services	1.35
		15.90

**TOP 10 OVERWEIGHTS BY ISSUER**

	% of Fund	% of Index	% of Relative
TeamSystem Holding SpA/Urbino	1.11	0.00	1.11
Ceva Sante Animale SA	1.05	0.00	1.05
Ethypharm SAS	1.05	0.15	0.90
Virgin Media Inc	1.67	0.79	0.88
Knowlton Development Corp Inc	0.73	0.00	0.73
Cerba HealthCare SAS	0.71	0.00	0.71
Sivantos / Widex (Auris Luxembourg I SA)	1.63	0.92	0.71
Veritas Holdings Ltd	0.86	0.18	0.68
Tele Columbus AG	0.67	0.00	0.67
Nidda Healthcare Holding GmbH	1.42	0.76	0.67

**TOP 10 UNDERWEIGHTS BY ISSUER**

	% of Fund	% of Index	% of Relative
Jacobs Douwe Egberts International BV	0.00	1.80	(1.80)
Nouryon USA LLC	0.00	1.08	(1.08)
Grifols SA	0.00	1.08	(1.08)
Telenet Group Holding NV	0.00	0.94	(0.94)
Ineos AG	0.26	1.17	(0.91)
Paysafe Group Ltd	0.00	0.85	(0.85)
Refresco Group NV	0.00	0.83	(0.83)
Micro Focus International PLC	0.29	1.07	(0.78)
Vertical US Newco Inc	0.00	0.75	(0.75)
Refinitiv US Holdings Inc	0.00	0.75	(0.75)

## END NOTES

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

- <sup>1</sup> *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. References to the European senior loan market are based on the Credit Suisse Western European Leveraged Loan Index (GBP Hedged).*
- <sup>2</sup> *Gross performance figures do not reflect the impact from swing pricing.*
- <sup>3</sup> *In order to protect existing investors and mitigate the dilution effect of redemptions and subscriptions, the NAV was adjusted to reflect the actual cost of net flows. For further information on the application of swing pricing, please refer to the Prospectus.*
- <sup>4</sup> *Yield represents the yield to 3-year for performing and liquid floating rate securities, yield to maturity for stressed floating rate securities, and yield to worst for fixed rate securities.*
- <sup>5</sup> *Spread represents the 3-year discount margin for performing and liquid floating rate securities, discount margin to maturity for stressed floating rate securities, and option adjusted spread (OAS) for fixed rate securities.*

## PERFORMANCE DISCLOSURES

**Oaktree makes no representation, and it should not be assumed, that past investment performance is an indication of future results. Moreover, wherever there is the potential for profit, there is also the possibility of loss.**

The performance results displayed herein represent the investment performance record for the Oaktree European Senior Loan Fund (the “Fund”), a Sub-fund of the Oaktree Capital Management Fund (Europe), which is predominantly invested in European senior loans. Oaktree values the Fund in euros, and on a trade date basis. Performance results reflect currency gains and losses associated with converting local currencies to euros and gains and losses from euro currency hedging activities.

The NAV is calculated by the fund administrator on the first business day of the month. In order to mitigate the dilution effect of redemptions and subscriptions, the NAV may be adjusted upwards or downwards on any valuation date to reflect the actual cost of net flows.

The Credit Suisse Western European Leverage Loan Index represents the European Senior Loan Fund’s benchmark. It is designed to mirror the universe of the Western European leveraged loan market. The index includes loans denominated in U.S. dollars and Western European currencies. Loans must have a minimum initial spread of Libor + 125 bps, and be a funded loan. The index includes distressed and defaulted loans. The index returns presented are computed on a hedged basis to euro and converted to a base currency of euro. Returns for the index are before fees and expenses. Sources of foreign exchange rates may be different between the Fund and the index.

New issue leverage loan volume is sourced from S&P Capital IQ.

## LEGAL INFORMATION

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This communication does not constitute and should not be construed as investment, legal or tax advice, or a recommendation or opinion regarding the merits of investing in the Fund or the Sub-fund. Any investment should only be made after consultation with independent qualified sources of investment and tax advice.

None of Oaktree, the Fund or its management company or alternative investment fund manager, as applicable, (together the “**Oaktree Parties**”) makes any representation, and it should not be assumed, that past investment performance is an indication of future results or performance. Any performance information contained herein should be read in conjunction with the footnotes which provide important information related to the calculation of the returns and benchmark information, as applicable.

In addition, there can be no assurance that the Fund or the Sub-fund, as applicable, will achieve any stated investment objective. An investment in the Fund is speculative and involves a high degree of risk. There can be no assurance that the securities and obligations purchased by the Fund or the Sub-fund will in fact increase in value, or that the Fund or the Sub-fund will not incur significant losses.

A potential investor considering an investment in the Fund should read the relevant Prospectus which contains a more complete description of the Fund’s and the Sub-fund’s investment practices, restrictions, terms and conditions, risks and other factors relevant to a decision to invest. All information contained herein is subject to and qualified in its entirety by the relevant Prospectus. No person has been authorized to make any statement concerning the Fund or the Sub-fund other than as set forth in the relevant Prospectus, and any such statements, if made, may not be relied upon.

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The Prospectuses, the Articles 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 *Oaktree Capital Management (Lux.) S.à r.l., 26A Boulevard Royal, L-2449 Luxembourg*

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.