



Oaktree Non-U.S. Convertible Bond Fund

Class H GBP IB

a subfund of Oaktree (Lux.) Funds

INVESTMENT POLICY

Using our extensive experience and expertise in the convertible securities markets, we attempt to accomplish the following objectives. Capture most of the performance of equities in rising markets and outperform equities in flat or down markets. By so doing, we attempt to capture the vast majority of the performance of equities over full market cycles with reduced volatility and/or to substantially outperform straight bonds with similar levels of volatility.

Our investment process is driven by a bottom-up research approach which focuses first on the terms and pricing of each convertible security. It attaches a high priority to protection against losses and has a primary emphasis on the value underlying each convertible holding. This dictates a fully invested position that searches for value in diverse market sectors.

FUND FACTS

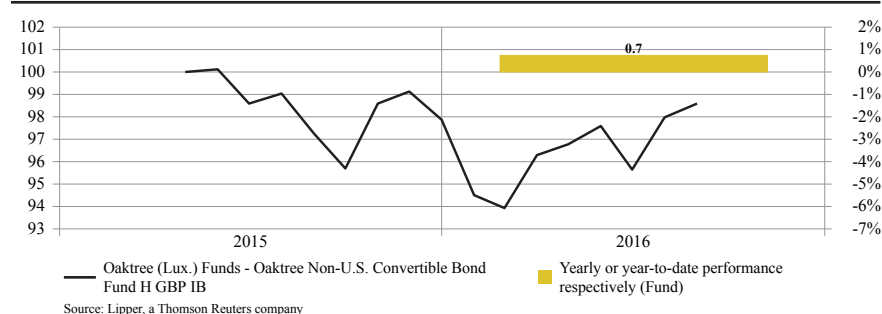
Fund manager	
Oaktree Capital Management, L.P./ Jean-Paul Nedelec, Abe Ofer, Jean-Pierre Latrille (Assistant), Petar Raketic (Assistant)	
Fund manager since	01 Apr. 2015
Location	Los Angeles
Fund domicile	Luxembourg
Fund currency	EUR
Close of financial year	30. Sep
Total net assets (in mil.)	211.08
Inception date	01 Apr. 2015
SICAV Strategy Inception Date	01 Dec. 2003
Management fee in % p.a.	0.50
Benchmark (BM)	
Thomson Reuters CV Gl. ex US (TR) (GBP-Hgd)	
Unit Class	Category H GBP IB (capital growth)
Unit class currency	GBP
ISIN	LU0931241201
Bloomberg ticker	OCBHGB LX
Valor no.	21372257
WKN number	A14QSR
SEDOL	BYP4SZ5
Net asset value (NAV)	99.41
Min. Init. Investm. Amount (in mill.)	2
Redemptions	Daily
EU taxation	In scope - tax

FUND STATISTICS

	1 year	3 years
Annualized volatility in %	6.86	-
Information ratio	1.30	-
Tracking Error (Ex post)	1.33	-
Maximum drawdown in %	-5.24	-

Maximum drawdown is the most negative cumulative return over a given time period.

NET PERFORMANCE IN GBP (REBASED TO 100) AND YEARLY PERFORMANCE ¹



NET PERFORMANCE IN GBP ¹

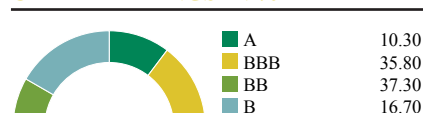
	1 month	3 months	YTD	1 year	3 years	5 years
Fund	0.63	1.03	0.74	1.38	-	-

¹ Historical performance indications and financial market scenarios are no guarantee for current or future performance. Performance indications do not consider commissions levied at subscription and/or redemption.

SECTORS IN %

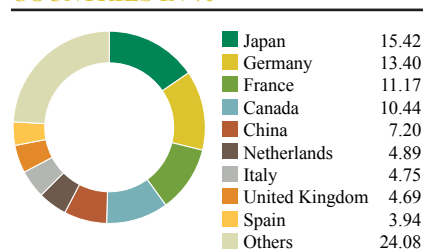
	Fund
Industrials	20.57
Consumer Discretionary	17.14
Financials	17.00
Information Technology	14.42
Materials	7.37
Health Care	3.26
Utilities	3.06
Real estate	2.80
Cash/Cash Equivalents	5.77
Others	8.61

CREDIT RATINGS IN %



Average = BB+

COUNTRIES IN %



DURATION AND YIELD

Delta in %	45.30
Gross portfolio yield in %	1.52
Average remaining term to maturity in years	4.35
Modified duration in years	4.29

TOP 10 HOLDINGS IN %

Position	as % of assets
Element Financial	4.06
Aroundtown Property	3.78
Cemex SAB de CV	2.89
Capitaland LTD	2.82
Semiconductor	2.48
Brenntag	2.18
Azimut Holding	2.17
Nexity	2.14
DH Corp	2.06
Qiagen	2.03
Total	26.61

NUMBER OF HOLDINGS

Fund	84
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Contact

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London SW1X 7LY, United Kingdom
Email: OaktreeLuxFunds@oaktreecapital.com

MARKET COMMENTARY

- Equity markets rebounded 4.7% in July, recovering all of the losses from June following the UK's Brexit vote. Behind the sharp reversal were 1) the commitment and readiness of major central banks to provide further monetary easing in the event of weakness caused by Brexit, and 2) falling sovereign yields globally. Credit spreads, using the European crossover market of liquid sub-investment grade credits as a proxy, fell materially by 50-60 basis points (0.50-0.60%) and are now at levels seen prior to Brexit.
- Investments in the Industrials and Steel/Metals sectors helped performance on a relative basis while issuers in Property and Food & Drink detracted on a relative basis.
- Issuance was a reasonable \$1.7 billion from seven issuers. Nearly 60% of the issuance was from EMEA, while most of the rest was from Asia ex-Japan. In a notable departure from prior months, five of the seven issuers were non-investment grade and they represented half of the volume. Pricing on non-investment grade issues tends to be better than investment grade issues and the deals in July proved to be no different. Though, given the higher credit risks in such deals, we continue to be selective in our participation.
- We continue to believe that convertibles should provide the investor with equity-type returns with about 50% of the stock market's volatility. The portfolio currently has the following characteristics: a current yield of 1.5%, a positive yield to maturity, a delta of 43.5%, a duration of 3.76 years and an average credit rating of BB+. The combination should enable the portfolio to capture 40-45% of the equity market's advance while limiting the potential loss to 30-35% of its decline.

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The source of market data is BofA Merrill Lynch.

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Investment principal on bonds can be eroded depending on sale price or market price. In addition, there are bonds on which investment principal can be eroded due to changes in redemption amounts. Care is required when investing in such instruments.

Oaktree (Lux.) Funds - Oaktree Non-U.S. Convertible Bond Fund is domiciled in Luxembourg. The representative in Switzerland is ACOLIN Fund Services, Affolternstrasse 56, CH-8050 Zürich. The paying agent in Switzerland is Credit Suisse AG, 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 Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg, from Credit Suisse Funds AG, Zurich or from any branch of Credit Suisse AG in Switzerland as well as from the representative in Switzerland.

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