

# Oaktree North American High Yield Bond Fund - Class G USD Acc

A Sub-Fund of Oaktree (LUX.) Funds | February 28, 2025 | Monthly Factsheet



## 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.

### Fund Overview

|                           |                              |
|---------------------------|------------------------------|
| Sub-Fund Base Currency    | USD                          |
| Sub-Fund Inception        | 15 August 2004               |
| Domicile                  | Luxembourg                   |
| Legal Structure           | SICAV                        |
| Morningstar Category      | EAA Fund USD High Yield Bond |
| Total Net Assets (USD mm) | 151.86                       |

### Share Class Facts

|                            |               |
|----------------------------|---------------|
| Unit Class                 | G USD Acc     |
| Share Class Inception Date | 29 March 2023 |
| ISIN                       | LU2580727589  |
| Bloomberg Ticker           | OAKHBGU LX    |
| Valor Number               | 124597622     |
| WKN Number                 | A3D530        |
| Minimum Investment         | 25,000,000    |
| Redemptions                | Daily         |
| Base Management Fee p.a.   | 0.36%         |
| Performance Fee p.a.       | None          |
| Net Asset Value            | 122.44        |
| Calculation of the NAV     | Daily         |

### Fund Managers

Sheldon Stone  
David Rosenberg  
Alap Shah

THIS IS A MARKETING COMMUNICATION. PLEASE REFER TO THE PROSPECTUS OF THE FUND BEFORE MAKING ANY FINAL INVESTMENT DECISIONS. Important Sub-Fund information, including the relevant Prospectus/KIID/KID may be found on the oaktreesicav.com website.

### Principal Risks of the Sub-Fund

An investment in the fund entails a degree of risk. Principal risks of the Sub-Fund include (a) risk linked to the illiquidity of the shares, (b) valuation risks, (c) currency and market risks, (d) illiquidity and credit risks of derivatives instruments, and (e) leverage and financing risks. This is not an exhaustive list of the costs and risks. Other costs and risks apply. Before making any investment decision, please read the Prospectus, in particular the Appendix titled "Risk Factors". There can be no assurances or guarantees that the Sub-Fund's investment objectives will be realized, that the Sub-Fund's investment strategy will prove successful or that investors will not lose all or a portion of their investment in the fund. What you will get will vary depending on how the market performs and how long you keep the investment/product. Future performance is subject to taxation which depends on the personal situation of each investor and which may change in the future. Investment may lead to a financial loss if no guarantee of the capital is in place. Past performance does not predict future returns.

### Cumulative and Annualized Performance (%)<sup>1</sup>

|                        | Cumulative (%) |      |      | Annualized (% p.a.) |      |      |       |
|------------------------|----------------|------|------|---------------------|------|------|-------|
|                        | 1 M            | 3 M  | YTD  | 1 Yr                | 3 Yr | 5 Yr | ITD   |
| Sub-Fund (Net)         | 0.65           | 1.52 | 1.98 | 10.33               |      |      | 11.10 |
| Benchmark <sup>2</sup> | 0.65           | 1.60 | 2.04 | 10.06               |      |      | 11.18 |

### Annual Performance (%)<sup>1</sup>

|                        | 2025 | 2024 | 2023  |
|------------------------|------|------|-------|
| Sub-Fund (Net)         | 1.98 | 8.47 | 10.69 |
| Benchmark <sup>2</sup> | 2.04 | 8.20 | 11.04 |

Past performance is not a guarantee or indicator of future results. See Performance and Appendix Disclosures.

## Portfolio Characteristics

|                        | Portfolio | Index   |
|------------------------|-----------|---------|
| Number of Holdings     | 298       | 1,897   |
| Number of Issuers      | 195       | 880     |
| Average Price          | 97.90     | 96.52   |
| Average Coupon         | 6.82%     | 6.42%   |
| Average Maturity(Yrs)  | 5.02      | 4.81    |
| Effective Duration     | 3.09      | 3.08    |
| Average Credit Rating  | B         | B+      |
| Current Yield          | 6.71%     | 6.66%   |
| Yield To Worst         | 6.89%     | 7.13%   |
| Yield To Maturity      | 7.14%     | 7.38%   |
| Option-Adjusted Spread | 291 bps   | 301 bps |

## Portfolio Commentary

The ICE BofA US High Yield Constrained Index was up 0.7% for the month, as compared to U.S. investment grade corporate bonds (up 1.9%), the 10-year Treasury (up 3.0%) and the S&P 500 (down 1.3%).

CCC-rated bonds performed the best during the month, outperforming BB and B-rated bonds by roughly 60 bps.

During the month, 26 deals came to market representing total proceeds of \$18.7 billion in 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, Telecom – Integrated/Services (8.1%) and Gas Distribution (6.4%) represented the two largest sectors in the portfolio.

Credit selection in the Gas Distribution sector enhanced returns for the month, while our holdings in the Chemicals sector detracted.

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## Sector Diversification

|                        | % of Fund |
|------------------------|-----------|
| Communication Services | 16.59     |
| Energy                 | 13.51     |
| Industrials            | 12.65     |
| Consumer Discretionary | 12.25     |
| Materials              | 10.62     |
| Financials             | 8.90      |
| Health Care            | 6.62      |
| Real Estate            | 6.58      |
| Information Technology | 5.84      |
| Utilities              | 3.45      |
| Consumer Staples       | 2.98      |

## Credit Quality

|               | % of Fund | Fund vs Benchmark (%) |
|---------------|-----------|-----------------------|
| BBB and Above | 0.92      | 0.55                  |
| BB            | 27.91     | -23.25                |
| B             | 58.15     | 23.10                 |
| CCC & Below   | 12.91     | -0.52                 |
| NR            | 0.10      | 0.10                  |

## Top 10 Overweights by Issuer

|                             | % of Fund | % of Index | % of Relative |
|-----------------------------|-----------|------------|---------------|
| athenahealth Inc            | 1.27      | 0.17       | 1.10          |
| Kennedy-Wilson Holdings Inc | 1.19      | 0.12       | 1.07          |
| Endo International PLC      | 1.05      | 0.08       | 0.97          |
| Garrett Motion Inc          | 1.02      | 0.06       | 0.96          |
| AssuredPartners Inc         | 1.03      | 0.08       | 0.95          |
| Howden Group Holdings Ltd   | 1.03      | 0.11       | 0.92          |
| Global Net Lease Inc        | 0.97      | 0.07       | 0.90          |
| EquipmentShare.com Inc      | 1.06      | 0.17       | 0.89          |
| Northern Oil & Gas Inc      | 0.97      | 0.09       | 0.88          |
| Cleveland-Cliffs Inc        | 1.31      | 0.45       | 0.86          |

## Geographic Diversification

|                          | % of Fund | Fund vs Benchmark (%) |
|--------------------------|-----------|-----------------------|
| United States of America | 85.66     | -0.39                 |
| Canada                   | 5.23      | 0.85                  |
| United Kingdom           | 1.99      | -0.31                 |
| France                   | 1.92      | 0.88                  |
| Australia                | 1.31      | 0.70                  |
| Luxembourg               | 1.00      | 0.26                  |
| Italy                    | 0.85      | 0.03                  |
| Germany                  | 0.54      | -0.09                 |
| Netherlands              | 0.48      | -0.07                 |
| Others                   | 0.98      | -1.88                 |

## Top 10 Issuers

|                              | Industry                             | % of Fund |
|------------------------------|--------------------------------------|-----------|
| Charter Communications Inc   | Media                                | 2.11      |
| Venture Global Inc           | Oil, Gas & Consumable Fuels          | 1.90      |
| Cloud Software Group Inc     | Software                             | 1.56      |
| Cleveland-Cliffs Inc         | Metals & Mining                      | 1.31      |
| Allied Universal Holdco LLC  | Commercial Services & Supplies       | 1.28      |
| athenahealth Inc             | Health Care Technology               | 1.27      |
| Bausch Health Cos Inc        | Pharmaceuticals                      | 1.26      |
| Kennedy-Wilson Holdings Inc  | Real Estate Management & Development | 1.19      |
| OneMain Holdings Inc         | Consumer Finance                     | 1.13      |
| Six Flags Entertainment Corp | Hotels, Restaurants & Leisure        | 1.11      |

## Top 10 Underweights by Issuer

|                                     | % of Fund | % of Index | % of Relative |
|-------------------------------------|-----------|------------|---------------|
| TransDigm Group Inc                 | 0.00      | 1.15       | -1.15         |
| Tenet Healthcare Corp               | 0.00      | 0.92       | -0.92         |
| DISH Network Corp                   | 0.00      | 0.89       | -0.89         |
| Royal Caribbean Cruises Ltd         | 0.00      | 0.72       | -0.72         |
| EchoStar Corp                       | 0.00      | 0.68       | -0.68         |
| Nissan Motor Co Ltd                 | 0.00      | 0.68       | -0.68         |
| Carnival Corp                       | 0.00      | 0.66       | -0.66         |
| Celanese Corp                       | 0.00      | 0.54       | -0.54         |
| Restaurant Brands International Inc | 0.00      | 0.54       | -0.54         |
| Hilton Worldwide Holdings Inc       | 0.00      | 0.53       | -0.53         |

## 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.
3. Represents the FTSE High Yield Cash-Pay Index through 30 June 2002, the FTSE High Yield Cash-Pay Capped Index through 22 August 2023, and the ICE BofA US High Yield Constrained Index thereafter.

## Legal Information

This marketing communication is related to Oaktree (Lux.) Funds, an open-ended investment company with variable capital (SICAV), qualifying as an undertaking for collective investment in transferable securities with multiple compartments pursuant to Part I of the Luxembourg law of 17 December 2010 on undertakings for collective investment ("UCI Law") and Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 ("UCITS Directive"). This marketing communication is intended only for investors in the EU/EEA countries where the Sub-Fund is registered for distribution and is not intended for U.S. Persons as defined under Regulation S of the United States Securities Act of 1933, as amended.

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Before making any investment decision, investors must read the Prospectus and its SFDR Appendix. The Prospectus and its SFDR Appendix are available in English, as well as the annual and semi-annual reports at [www.oaktreesicav.com](http://www.oaktreesicav.com) or upon request free of charge to FundRock Management Company S.A. A summary of the SFDR Product Disclosures in English is available at [www.oaktreesicav.com](http://www.oaktreesicav.com). A summary of your investor rights is available at [www.oaktreesicav.com](http://www.oaktreesicav.com).

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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.

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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 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.<sup>TM</sup> and/or its affiliates. All rights reserved.