



FAIR OAKS
DYNAMIC CREDIT

FUND SUMMARY

The Fair Oaks Dynamic Credit Fund (the "Fund") offers global access to senior secured corporate loans through investments in Collateralised Loan Obligations ("CLOs"). The Fund is actively managed with a strong emphasis on bottom-up fundamental credit analysis. The Fund primarily seeks exposure to investment-grade rated CLO securities on a long-only basis and with no leverage used at fund level.

COMMENTARY

The Fund generated a positive performance of +4.3% in June¹ compared with +2.3% for the JP Morgan CLOIE BBB Index. The CLO secondary market continued to be very active, with the volume of "bids wanted in competition" in June exceeding \$8 billion, the second largest volume on record since 2014. Market participants estimate that overall volumes represented an annualised turnover rate of c.35% of CLOs outstanding.

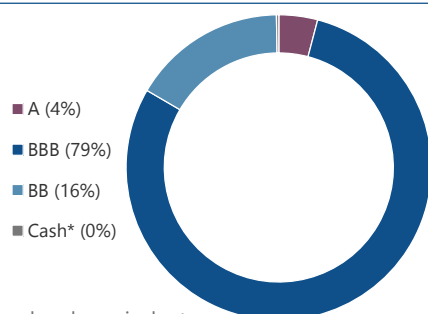
European loan defaults have increased to 2.1% (compared to 3.2% in the US)². The European loan market distressed ratio has fallen from 35.6% in March to 7.6% in June³. CLOs behaved as expected, diverting cash-flows from the subordinated notes to protect rated tranches (adding collateral or prepaying them) if suffering from excessive defaults or exposure to CCC loans. By the end of June, 3% of European CLOs were failing their OC tests compared to 22% in the US (down from 25% in May, as a result of improving loan prices and CLO managers actively trading out of CCC assets in the US)⁴. As at the end of June, only one investment in the portfolio (US BB note), representing 0.5% of the Fund's NAV, had failed an OC test (the Fund's investment continues to pay interest).

The portfolio continues to be positioned defensively, with low exposure to non-investment grade CLOs and primarily invested in European CLOs.

TOP 5 POSITIONS⁸

Deal Name	Rating (M/S/F)	CLO Manager	% of NAV
ARESE 9X D	Baa2/BBB/NR	Ares Management	2.5%
EGLXY 2018-6X D	Baa2/BBB/NR	PineBridge Investments	2.3%
HOLPK 1X CRR	Baa3/BBB/NR	GSO Capital Partners	2.0%
BABSE 2018-3X D	Baa3/NR/BBB-	Babson Capital Management	2.0%
ARMDA 3X D	Baa3/NR/BBB-	Brigade Capital Management	2.0%

RATING BREAKDOWN^{8,9}



*Cash and cash equivalents

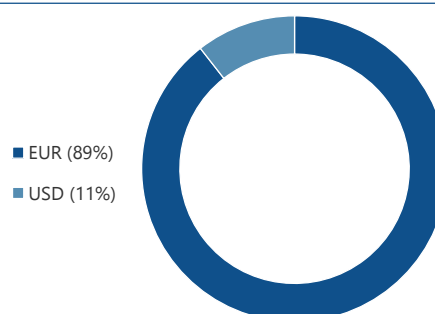
FUND FACTS

Legal structure	Luxembourg SICAV-Alpha UCITS SICAV
Domicile	Luxembourg
Launch date	13/09/2016
Fund size	€491.7m
Dealing	Weekly (Wednesdays)
Valuations	Daily non-dealing and weekly dealing NAVs
Target gross return ⁷	Euribor +5% p.a. (see share class KIIDs for TER details ⁷)
Base currency	EUR
Investment manager	Fair Oaks Capital Limited ("Fair Oaks")
Management company	MDO Management Company S.A.
Administrator / custodian	RBC Investor Services Bank S.A.
Auditor	Deloitte Audit Sàrl

PORTFOLIO METRICS

Number of positions:	104
Yield to maturity ⁵ : (based on expected average life of 6.4 years)	Euribor+4.9%
Yield to expected maturity ⁵ : (based on expected average life of 3.2 years)	Euribor+6.1%
Floating rate (%):	100%
Fixed rate (%):	0%

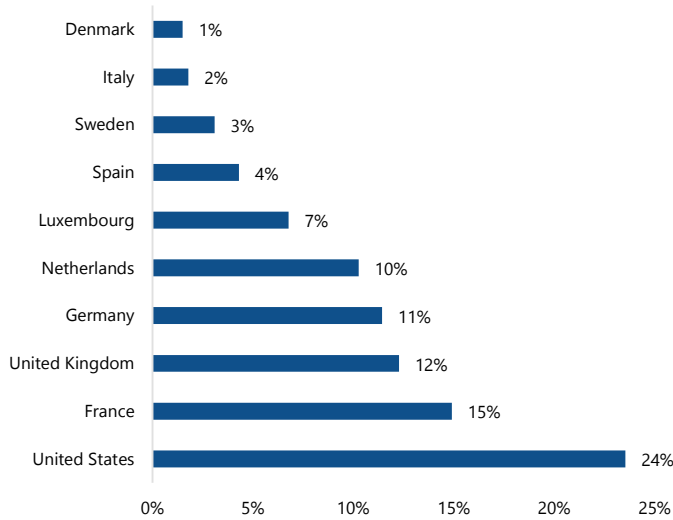
GEOGRAPHIC BREAKDOWN^{8,9}





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LOOK-THROUGH GEOGRAPHIC BREAKDOWN (TOP 10)⁶



LOOK-THROUGH INDUSTRY DIVERSIFICATION (TOP 10)^{6,10}



MONTHLY PERFORMANCE (M EUR CLASS)¹¹

NB. Class M shares are currently closed for investment, see footnote for details

									Oct-16	Nov-16	Dec-16	2016	ITD
									-0.45%	-0.03%	+0.73%	+0.25%	+0.25%
Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	2017	ITD
+1.06%	+0.31%	+1.28%	+0.03%	+0.34%	+0.26%	+0.36%	+0.54%	+0.35%	+0.55%	+0.52%	+0.15%	+5.89%	+6.15%
Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	2018	ITD
+0.38%	+0.25%	+0.16%	-0.24%	+0.24%	-0.13%	+0.06%	+0.31%	0.00%	+0.12%	-0.51%	-3.07%	-2.46%	+3.54%
Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	2019	ITD
+1.55%	-0.07%	+1.29%	+0.93%	+0.74%	-0.32%	0.45%	-0.06%	+0.17%	-0.80%	+0.47%	+0.72%	+5.17%	+8.89%
Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20						2020	ITD	
+1.92%	-1.13%	-27.19%	+6.44%	+16.06%	+4.29%						-5.48%	+2.92%	

Maximum weekly return: +9.51%
Largest weekly drawdown: -15.16%

% Positive or unchanged weeks: +70.11%
Average weekly return (positive or unchanged weeks): +0.34%
Average weekly return (negative weeks): -0.88%



SHARE CLASS PERFORMANCE¹²

	LAUNCH DATE	ISIN	BLOOMBERG TICKER	NAV (30-Jun-20)	TOTAL RETURN MONTHLY	TOTAL RETURN 2020 YTD	ANNUALISED RETURN (SINCE CLASS LAUNCH)	ANNUALISED DAILY VOLATILITY (SINCE CLASS LAUNCH)
Class M EUR	Oct-16	LU1344623373	FODCFME	1,029.18	+4.29%	-5.48%	+0.77%	10.87%
Class E EUR	Sep-16	LU1344621674	FODCFEE	1,016.77	+4.26%	-5.63%	+0.44%	10.81%
Class L EUR	Nov-18	LU1344622219	FODCFLE	954.32	+4.24%	-5.75%	-2.90%	16.71%
Class A EUR	Aug-17	LU1344614893	FODCFAE	970.45	+4.24%	-5.75%	-1.03%	12.33%
Class N EUR	Dec-16	LU1539542248	FODCFNE	900.45	+4.26%	-5.63%	+0.46%	11.20%
Class O EUR	Mar-17	LU1570265261	FODCFOE	939.68	+4.24%	-5.76%	-1.85%	11.53%
Class R EUR	Dec-19	LU1892529196	FODCFRE	943.47	-	-	-	-
Class R2 EUR	-	LU1892529519	-	-	-	-	-	-
Class S EUR	Sep-19	LU1892528388	FODCFSE	944.84	-	-	-	-
Class S2 EUR	-	LU1892528628	-	-	-	-	-	-
Class E GBP	Sep-16	LU1344621831	FODCFEG	1,039.97	+4.19%	-5.95%	+1.04%	10.92%
Class E2 GBP	Jun-17	LU1628743905	FODCE2G	918.07	+4.20%	-6.02%	+0.14%	12.17%
Class L GBP	Nov-19	LU1344622482	FODCF LG	949.99	-	-	-	-
Class L2 GBP	Sep-17	LU1683328667	FODCL2G	915.70	+4.18%	-6.21%	-0.49%	12.69%
Class A GBP	Dec-17	LU1344615270	FODCFAG	965.33	+4.19%	-6.00%	-1.38%	13.34%
Class P GBP	Apr-17	LU1590456338	FODCFPG	910.52	+4.18%	-6.10%	+0.19%	11.88%
Class E USD	Sep-16	LU1344621757	FODCFEU	1,111.51	+4.32%	-4.35%	+2.84%	10.84%
Class L USD	Feb-20	LU1344622300	FODCF LU	933.86	-	-	-	-
Class A USD	Aug-19	LU1344622219	FODCF AU	968.25	-	-	-	-
Class R USD	Dec-19	LU1892529279	FODCF RU	957.15	-	-	-	-
Class R2 USD	-	LU1892529600	-	-	-	-	-	-
Class S USD	Dec-19	LU1892528461	FODCF SU	962.58	-	-	-	-
Class S2 USD	-	LU1892528891	-	-	-	-	-	-
Class E CHF	Sep-16	LU1344621914	FODCF EC	992.93	+4.28%	-5.97%	-0.19%	10.83%
Class A CHF	Feb-20	LU1344615353	-	920.81	-	-	-	-
Class R CHF	Dec-19	LU1892529436	FODCF RC	940.32	-	-	-	-
Class R2 CHF	-	LU1892529782	-	-	-	-	-	-
Class S CHF	Dec-19	LU1892528545	FODCF SC	945.31	-	-	-	-
Class S2 CHF	-	LU1892528974	-	-	-	-	-	-
Class D ILS	May-17	LU1577731786	FODCF DS	4,910.72	+4.23%	-5.23%	-0.58%	12.0%
Class Q SEK	Oct-18	LU1886619987	FODCF QS	9,469.51	+4.24%	-5.92%	-3.22%	16.45%

FOOTNOTES:

- (1) Average performance of the EUR share classes, weighted by closing number of shares as of 30-Jun-20. This excludes share classes with less than one year performance.
- (2) Euro vs. US loan index lagging 12-month loan default rate based on Principal Amount. Source: S&P Global Market Intelligence
- (3) Source: S&P Global Market Intelligence based on number of ELLI issuers.
- (4) Source: Creditflux and Bloomberg.
- (5) Weighted average yield of portfolio, before Fund fees and expenses. Call is assumed one year after the end of each CLO's reinvestment period. Note the expected call timing might be unrealistic for some shorter-dated notes in the current market environment.
- (6) Based on the number of issuers in the underlying bank loan portfolios. This analysis excludes recent purchases that have not settled in the reporting month. Source: Intex. Data as of 30-Jun-20.
- (7) Target gross return is before Fund expenses and management fees. Share class KIIDs including TERs are available on Management Company's MDO website (<http://www.mdo-manco.com/en/fund-documents>).
- (8) Based on the current valuation of the assets in the Fund's base currency at month-end.
- (9) Due to rounding errors, the percentages may not sum to 100%. NB. Geographic breakdown of CLO investments excludes cash balance.
- (10) Based on Moody's classification of the loan issuers. This analysis excludes recent purchases that have not settled in the reporting month. Data as of 30-Jun-20.
- (11) Fair Oaks' data. Performance is from the launch of M EUR and is net of fees. The M Share Class is the earliest share class with the longest track record (M GBP shares launched Sep-16 and M EUR shares launched in Oct-16) and is no longer available for new investment.
- (12) NAVs calculated net of fees. Performance information is not yet available for some of the share classes (Class A USD, R EUR, R USD, R CHF, S EUR, S USD and S CHF) as they do not have a full 12-month track record. Share classes R2 and S2 have not launched as of the reporting month.



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DISCLAIMER:

CLASS S AND CLASS R SHARES ARE AVAILABLE TO RETAIL INVESTORS. ALL OTHER SHARE CLASSES AVAILABLE TO INSTITUTIONAL AND WELL-INFORMED INVESTORS. NO OTHER PERSONS SHOULD RELY ON THE INFORMATION CONTAINED WITHIN THIS REPORT.

This report relates to the Fair Oaks Dynamic Credit Fund (the "Sub-Fund"), a sub-fund of Alpha UCITS SICAV. In making any investment in the Sub-Fund, investors should rely solely on the Prospectus and the Key Investor Information Document (available from the Investment Manager, Fair Oaks Capital Limited) and not any information set out in this report. The distribution of this report in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this report may come should inform themselves about and observe any such restrictions. In particular this report is not for distribution in or into the United States or Canada.

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This report has been communicated by Fair Oaks Capital Limited, 1 Albemarle Street, London W1S 4HA, authorised and regulated in the UK by the Financial Conduct Authority, FRN No. 604090.

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