



## Fund summary

The Fund offers access to AAA and AA rated notes of European and US Collateralised Loan Obligations ("CLOs"), on a long-only basis and with no leverage used at fund level.

CLOs are structured products backed by diversified portfolios of senior secured bank loans and managed by specialist managers. CLO debt securities (including AAA and AA rated notes) benefit from incremental protection from the loss-absorbing equity and junior-ranking debt.

Fair Oaks believes that AAA and AA rated CLOs offer significant relative value compared to corporate bonds and other asset-backed securities. According to Standard & Poor's, in the period 1997 to 2020, the cumulative default rate for AAA and AA rated global CLOs were 0.0% and 0.1%, respectively<sup>1</sup>.

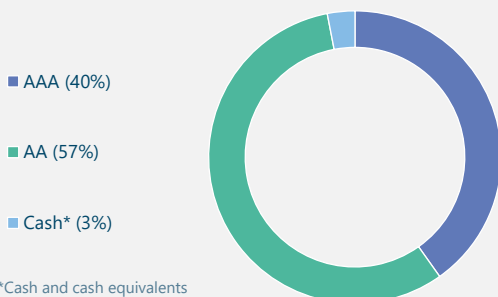
## Investment strategy

Fair Oaks' strategy is to identify attractive risk-adjusted investment opportunities in AAA and AA rated CLOs via a combination of detailed credit analysis, in-depth structural and documentation review and rigorous manager due diligence. Fair Oaks seeks to optimise returns through active security selection and asset allocation across geographies and rating categories.

## Top 5 positions<sup>3</sup>

Deal name	Rating (M/S/F)	CLO manager	% of NAV
BECLO 5X B	Aa2/NR/AA	BlackRock	3.3%
CGSME 2018-1X A2A	Aa2/AA/NR	Carlyle Group	3.1%
BOPHO 5X A1	Aa2/AA/NR	Commerzbank	2.7%
OCPE 2017-1X ARE	Aa2/NR/AA	Onex Credit Partners	2.7%
CADOG 10X B1	Aa2/AA/NR	Credit Suisse AM	2.6%

## Rating breakdown<sup>3</sup>



## Fund facts

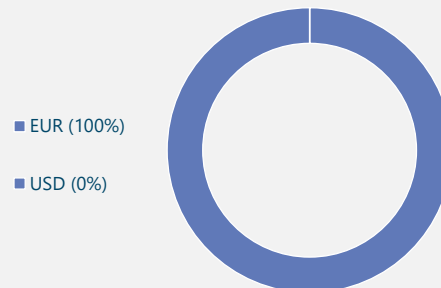
Data as of 31-May-22

Legal structure	Luxembourg SICAV-Alpha UCITS SICAV
Domicile	Luxembourg
Launch date	16-Sep-19
Fund size	€184.7m
Dealing	Daily
Valuations	Daily dealing NAVs
Target gross return <sup>2</sup>	Euribor + 1.7% p.a. (see share class KIIDS for TER details <sup>2</sup> )
Base currency	EUR
Investment manager	Fair Oaks Capital Limited ("Fair Oaks")
Management company	Waystone Management Company S.A.
Administrator / custodian	RBC Investor Services Bank S.A.
Auditor	Deloitte Audit Sàrl

## Portfolio metrics

Number of positions:	65
Yield to maturity <sup>4</sup> : (based on expected average life of 3.9 years)	3.6%
Yield to expected call <sup>4</sup> : (based on expected average life of 2.3 years)	3.9%
Floating rate:	100%
CLOs with ESG Investment Criteria <sup>5</sup> :	25%

## Currency breakdown<sup>3</sup>



## CONTACT INFORMATION:



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Signatory of:





## Monthly performance<sup>6</sup>

								Sep-19	Oct-19	Nov-19	Dec-19	2019	ITD	
								-0.10%	-0.28%	+0.02%	-0.13%	-0.50%	-0.50%	
Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	2020	ITD	
+0.51%	+0.16%	-9.46%	+5.82%	+2.93%	+0.64%	+0.04%	+0.69%	+0.06%	+0.17%	+0.71%	+0.09%	+1.69%	+1.18%	
Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	2021	ITD	
+0.13%	-0.18%	+0.12%	-0.00%	+0.16%	+0.05%	+0.22%	+0.04%	-0.13%	-0.10%	+0.14%	-0.04%	+0.41%	+1.59%	
Jan-22	Feb-22	Mar-22	Apr-22	May-22									2022	ITD
+0.07%	-0.52%	-0.17%	-0.14%	-1.53%									-2.27%	-0.71%

## Share class performance<sup>7</sup>

	LAUNCH DATE	ISIN	BLOOMBERG TICKER	NAV (29-Apr-22)	TOTAL RETURN MONTHLY	TOTAL RETURN 2022 YTD	ANNUALISED RETURN (SINCE CLASS LAUNCH)
Class C EUR	Sep-19	LU2009875514	FOHGCCE	997.40	-1.52%	-2.22%	-0.10%
Class E EUR	Sep-19	LU2009875944	FOHGCEE	992.85	-1.53%	-2.27%	-0.26%
Class E2 EUR	Jan-20	LU2009876322	FOHGE2E	981.33	-1.53%	-2.44%	+0.43%
Class M EUR	Sep-19	LU2009877999	FOHGCME	994.71	-1.53%	-2.24%	-0.20%
Class M2 EUR	Sep-19	LU2017805941	FOHGM2E	979.10	-1.53%	-2.44%	+0.39%
Class E GBP	Jun-20	LU2009876165	FOHGCEG	1,008.80	-1.39%	-1.87%	+0.46%
Class M GBP	Sep-19	LU2009878294	FOHGCMB	1,010.15	-1.38%	-1.84%	+0.37%
Class M SEK	Sep-19	LU2017805867	FOHGCS	9,980.32	-1.50%	-2.12%	-0.07%
Class M USD	Sep-19	LU2009878021	FOHGCUM	1,026.79	-1.42%	-1.88%	+0.98%

## Footnotes

- (1) Standard & Poor: 2020 Annual Global Leveraged Loan CLO Default And Rating Transition Study.
- (2) Target gross return is before Fund expenses and management fees. Share class KIIDs including TERs are available on Management Company's Waystone website (<https://www.waystone.com/our-funds/waystone-management-company-lux-s-a/>).
- (3) Based on the current valuation of the assets in the Fund's base currency at month-end. Due to rounding errors, the percentages in rating breakdown and geographic breakdown may not sum to 100%. Geographic breakdown of CLO investments excludes cash balance.
- (4) Weighted average yield of investments, before Fund fees and expenses. Note the expected call timing might be unrealistic for some shorter-dated notes in the current market environment.
- (5) The proportion of the fund's investments which include ESG-focused investment criteria is being reported as per Article 8 of EU Regulation 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR").
- (6) Fair Oaks' data. Performance is from the launch of E EUR and is net of fees. The E Euro Share Class is the earliest Euro share class with the longest track record (M EUR shares also launched on the same day) and is no longer available for new investment.
- (7) NAVs calculated net of fees. Performance information is not available for some share classes as they do not have a full 12-month track record.

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