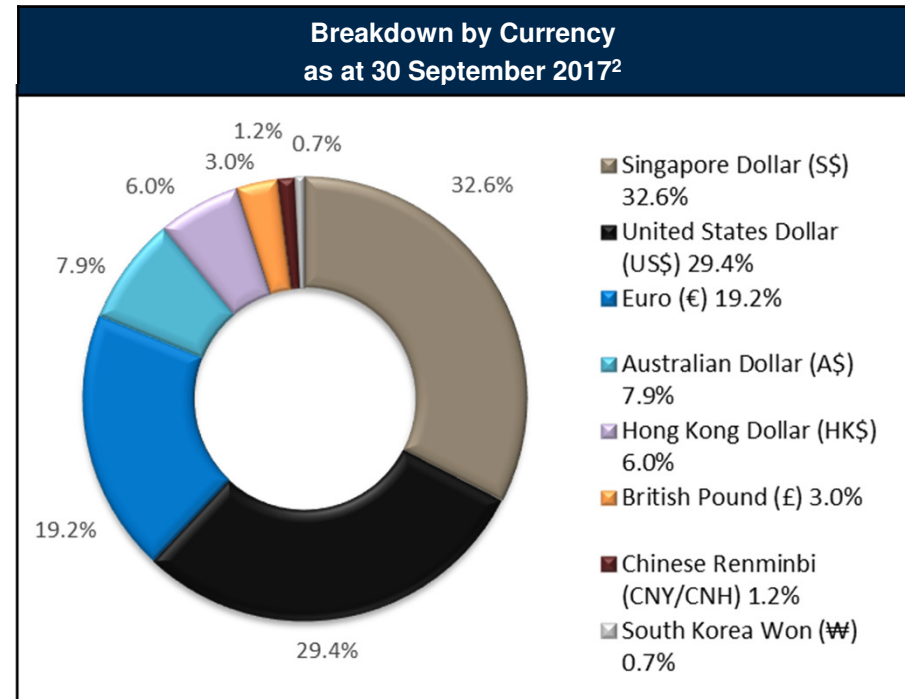
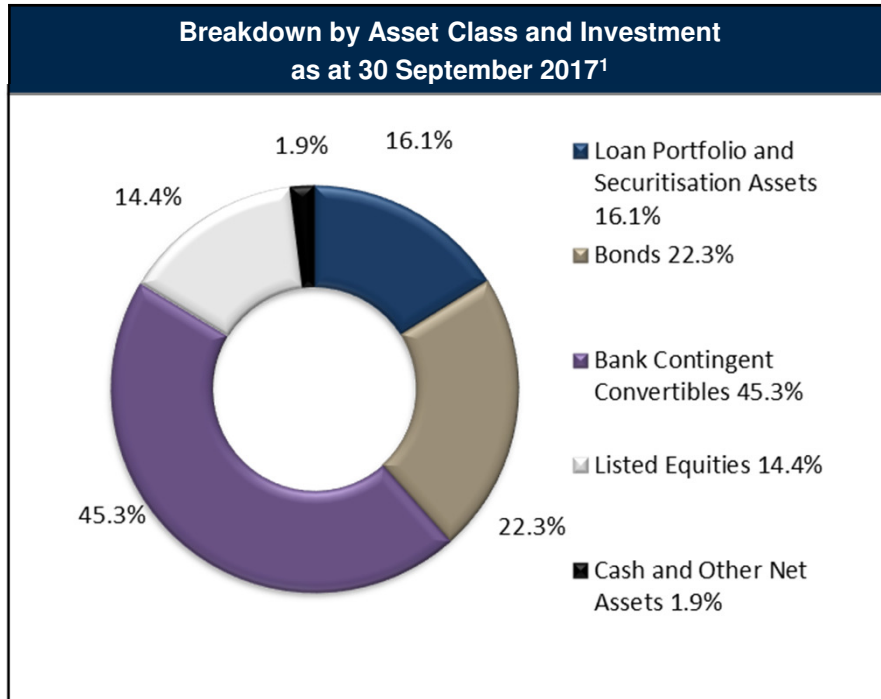




# Current Asset Review

Period ended 30 September 2017

# NET ASSET VALUE



<sup>1</sup> Net Asset Value as at 30 September 2017 is S\$314.84 million

<sup>2</sup> Currency positions are net of hedging

# LOAN PORTFOLIO AND SECURITISATION ASSETS

- GIL is invested in a portfolio of USD and EUR denominated Collateralised Loan Obligation securities (“CLO”). The CLO investments are in mezzanine and subordinated notes which are issued by securitization vehicles that hold collateral consisting of mainly senior secured corporate debt.

## **USD Portfolio**

- Under the USD CLO portfolio, total investment amounted to US\$19.76 million as at 30 September 2017 with total current face amount of US\$21.00 million.
- In 3Q 2017, total interest collected from the USD portfolio amounted to approximately US\$0.36 million.
- Corporate default rates are expected to climb as the credit cycle begins to turn. Weaker credit fundamentals may cause over-collateralisation levels to decline.

## **USD Denominated CLO Portfolio**

Security	Current Rating (Moody's/S&P/Fitch)	Current Face	Coupon	Credit Support
Symphony CLO Ltd 2014-15A Class E	Ba2/NR/NR	5,000,000	3mL + 505bp	7.79%
CGMS CLO Ltd 2015-1X Class E2 #	Ba3/NR/NR	4,000,000	3mL + 575bp	7.86%
Voya CLO Ltd 2015-1X Class D	Ba3/NR/NR	4,000,000	3mL + 560bp	7.81%
Dryden Senior Loan Fund 2015-38X Class E	Ba3/NR/NR	4,000,000	3mL + 605bp	8.43%
LCM Ltd Partnership 19X Class E2	NR/BB-/NR	4,000,000	3mL + 570bp	7.88%
<b>Total</b>		<b>21,000,000</b>		

# Carlyle Global Market Strategies

# LOAN PORTFOLIO AND SECURITISATION ASSETS (cont.)

## EUR Portfolio

- Under the EUR CLO portfolio, total investment amounted to € 26.72 million as at 30 September 2017 with total current face amount of € 27.00 million.
- In 3Q 2017, total interest collected from EUR denominated CLO securities amounted to approximately € 0.11 million.
- During the quarter, Avoca CLO VI PLC was called. GIL is pending payments for its Class M security.
- There is a high risk that coupons to the Avoca VII Class G security may be suspended in the short to mid term due to ratings downgrades and possible defaults in the underlying portfolios.

## EUR Denominated CLO Portfolio

Security	Current Rating (Moody's/S&P/ Fitch)	Current Face	Coupon	Credit Support
Avoca CLO VI PLC Class M	NR/NR/NR	4,000,000	N.A.	N.A.
Avoca CLO VII PLC Class F	NR/CCC-/CCC	7,000,000	6mE <sup>1</sup> + 495bp	4.44%
Avoca CLO VII PLC Class G	NR/NR/NR	8,000,000	N.A.	N.A.
Richmond Park CLO Ltd 1X Class D	Ba2/NR/BB	5,000,000	3mE <sup>1</sup> + 525bp	10.25%
Laurelin 2016-1X DAC Class E	Ba2/BB/NR	3,000,000	3mE <sup>1</sup> + 630bp	11.35%
<b>Total</b>		<b>27,000,000</b>		

<sup>1</sup> 3mE and 6mE refer to 3-month Euribor and 6-month Euribor respectively

N.A.: Not Applicable

# LOAN PORTFOLIO AND SECURITISATION ASSETS (cont.)

## Other Assets

- GIL is invested in a portfolio of Asset Backed Securities (“ABS”) comprising Australian Residential Mortgage Backed Securities (“RMBS”) and Australian Credit Card ABS. RMBS are securitisation vehicles that hold Australian residential mortgage loans, while Credit Card ABS hold collaterals consisting of credit card receivables.
- Resimac Bastille Trust Series 2013-1NC holds Australian non-conforming and prime residential property mortgage loans, whilst Latitude Series 2017-1 is backed by a portfolio of prime sales finance credit card and credit card accounts.

Security	Current Rating (Fitch/S&P/D)	Current Face	Coupon	Credit Support
RESIMAC BASTILLE TRUST SERIES 2013- 1NC D	NR/AA/NR	309,719	BBSW + 4.50%	8.67%
RESIMAC BASTILLE TRUST SERIES 2013- 1NC E	NR/A/NR	281,563	BBSW + 6.50%	5.91%
LATITUDE SERIES 2017-1 CLASS E	BB/NR/BB	1,500,000	BBSW + 5.25%	6.93%
<b>Total</b>		<b>2,091,282</b>		

KEY INFORMATION			
As at 30 September 17	USD CLOs	EUR CLOs	AUD ABS
<b>Carrying Value <sup>2</sup></b>	US\$ 20.03 m	€ 13.33 m	A\$ 2.11 m
<b>Cumulative Impairment (less reversals) <sup>3</sup>:</b>	Nil	€ 10.84 m	Nil
<b>Cumulative Fair Value Gain :</b>	Nil	€ 0.08 m	Nil

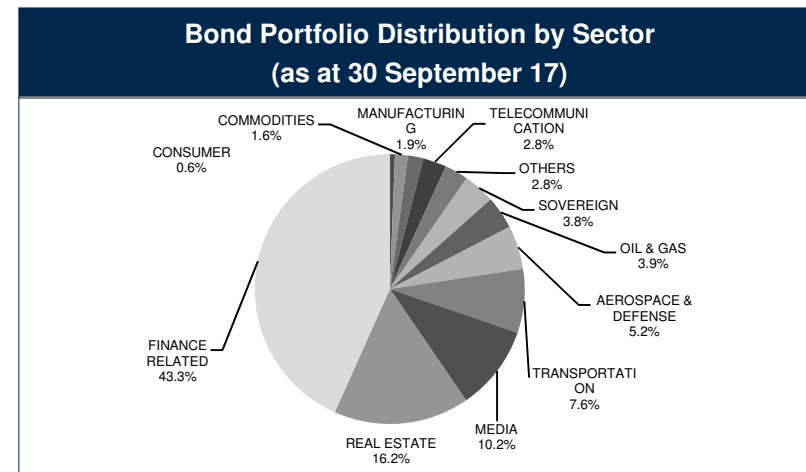
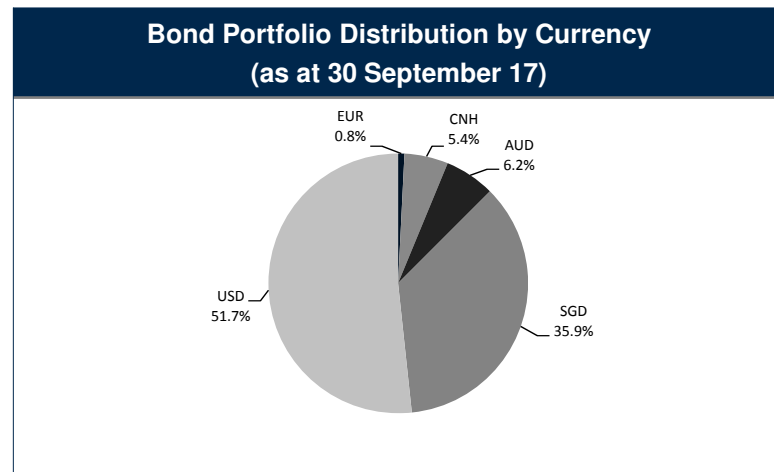
<sup>2</sup> The carrying value is determined in accordance with the requirements of IFRS and is not reflective of the current realisable value in the event of immediate disposal.

<sup>3</sup> The cumulative impairment is in respect of investments in Avoca VI PLC Class M, and Avoca VII PLC Class F and Class G.

# BONDS

KEY INFORMATION	
As at 30 September 17	
<b>Carrying Value <sup>1</sup>:</b>	<b>S\$ 70.26 m</b>
<b>Cumulative Impairment :</b>	<b>S\$ 5.03 m</b>
<b>Cumulative Fair Value Gain :</b>	<b>S\$ 4.09 m</b>
Portfolio as at 30 September 17	
<b>No. of Securities</b>	<b>24</b>

- The carrying value as at 30 September 2017 was S\$70.26 million.
- Approximately 27.8% of the portfolio is unrated while the rated issues have a weighted average rating of B2.
- As at 30 September 2017, the approximate weighted average coupon was 5.86%.
- The approximate weighted average maturity of the bond portfolio was 5.54 years <sup>2</sup>.



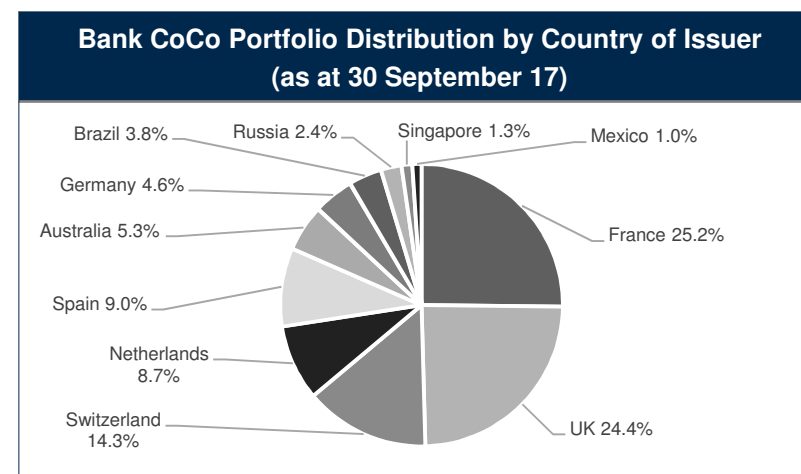
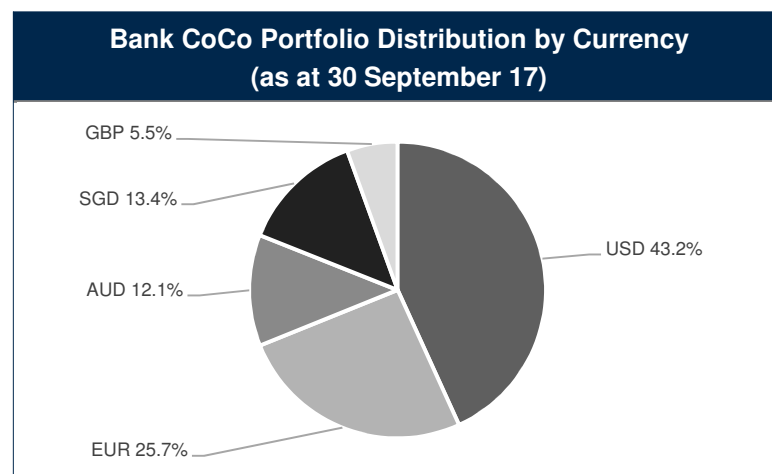
<sup>1</sup> The carrying value is determined in accordance with the requirements of IFRS and is not reflective of the current realisable value in the event of immediate disposal.

<sup>2</sup> Calculation of weighted average maturity assumes maturity at the first call date for perpetual securities, if available.

# BANK CONTINGENT CONVERTIBLES (Bank CoCo)

KEY INFORMATION	
As at 30 September 17	
<b>Carrying Value <sup>1</sup>:</b>	<b>S\$ 142.66 m</b>
<b>Cumulative Impairment :</b>	<b>S\$ 1.86 m</b>
<b>Cumulative Fair Value Gain :</b>	<b>S\$ 11.69 m</b>
Portfolio as at 30 September 17	
<b>No. of Securities</b>	<b>34</b>

- The carrying value as at 30 September 2017 was S\$142.66 million. During the quarter, net divestments of Bank CoCos amounted to S\$8.676 million.
- The issues have a weighted average rating of Ba2.
- As at 30 September 17, the approximate weighted average coupon was 6.60%.
- The approximate weighted average maturity of the Bank CoCo portfolio was 6.32 years <sup>2</sup>.



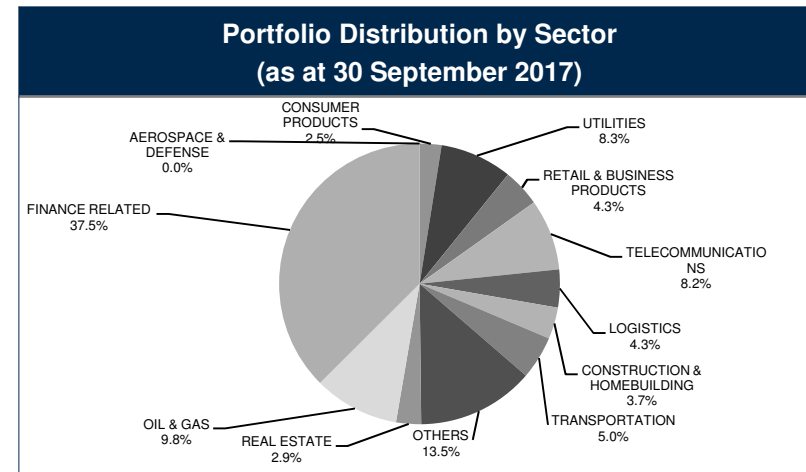
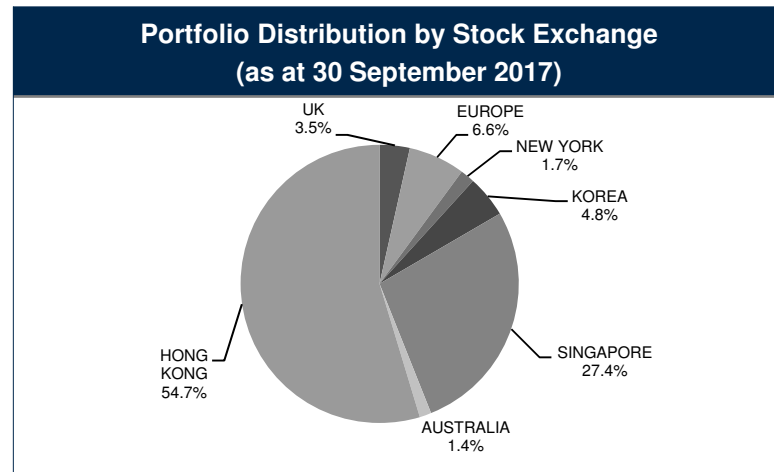
<sup>1</sup> The carrying value is determined in accordance with the requirements of IFRS and is not reflective of the current realisable value in the event of immediate disposal.

<sup>2</sup> Calculation of weighted average maturity assumes maturity at the first call date, if available.

# LISTED EQUITY PORTFOLIO

KEY INFORMATION	
As at 30 September 17	
<b>Carrying Value <sup>1</sup>:</b>	<b>S\$ 45.42 m</b>
<b>Cumulative Impairment :</b>	<b>S\$ 13.63 m</b>
<b>Cumulative Fair Value Gain :</b>	<b>S\$ 6.87 m</b>
Portfolio as at 30 September 17	
<b>No. of Securities</b>	<b>51</b>

- As at 30 September 2017, the total carrying value of the listed equity portfolio was S\$45.42 million, while the cumulative fair value gain was S\$6.87 million.
- As at 30 September 2017, the equity portfolio comprised S\$24.82 million in Hong Kong, followed by S\$12.44 million in Singapore, S\$2.9 million in Europe, S\$2.20 million in South Korea, S\$1.58 million in UK, S\$0.63 million in Australia and \$0.76 million in the US. In terms of sector distribution, the highest weighting was in finance related (S\$17.0 million), followed by oil & gas (S\$4.47 million) and Utilities (S\$3.78 million).



<sup>1</sup> The carrying value is determined in accordance with the requirements of IFRS and is not reflective of the current realisable value in the event of immediate disposal.