

LO Funds – Alpha Japan

Syst. NAV Hdg, (EUR) R

Fact Sheet

High Conviction • Equities

31 July 2019

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	22 July 2008
Currency of Fund	JPY
Currency of share class	EUR Hedged
Fund manager	Alpha Japan Asset Advisors Ltd
Net assets (all classes)	EUR 116.69 million
Liquidity (sub./red.)	Daily, 15:00
Min. investment	EUR 1'000
Management fee	0.75%
Distribution fee	1.55%
FROC	0.35%
Performance fee	20% of the outperformance / High watermark
TER max (31 March 2019)	2.69%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

CODES

	Class A
ISIN	LU0498928026
Bloomberg	LOAJPRE LX
NAV	EUR 12.45

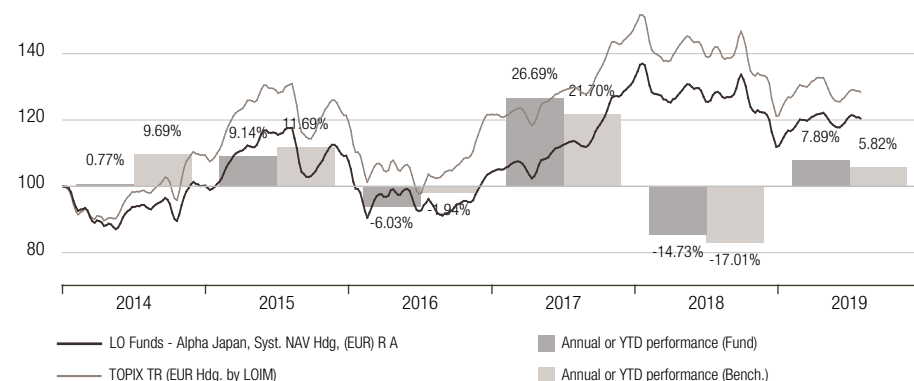
RATINGS

Morningstar Sustainability	Average
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HIGHLIGHTS

LO Funds - Alpha Japan is an actively managed UCITS portfolio. Its long-only Japanese equity strategy has been in place since July 2008. It is managed by Alpha Japan Asset Advisors and seeks to outperform the Topix index over the long term. Stocks are selected for their fundamental merits over the medium to long-term, and actively managed to benefit from sector rotations and flow reversals, a feature of the Japanese equity market. The strategy is opportunistic and emphasises a bottom-up approach to research in seeking investment opportunity across the capitalisation spectrum. It employs a broad market mandate that allows flexibility in security selection, sector and style exposures. The portfolio invests in around 55-80 high conviction stocks with the top 10 positions representing 30-40% of assets. Risk management is performed by the fund managers at a portfolio level, while independent teams manage investment risks and monitor operational risks.

NET PERFORMANCE AND ANNUAL PERFORMANCE IN EUR Dec 31, 2013 - Jul 31, 2019

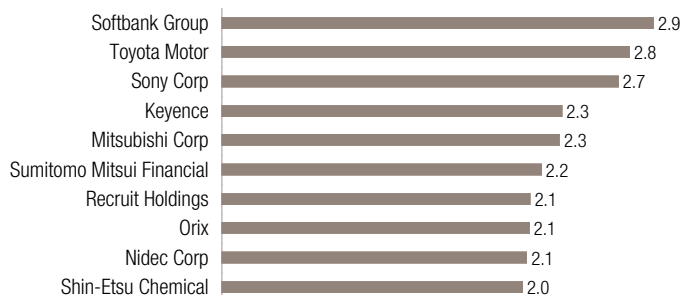
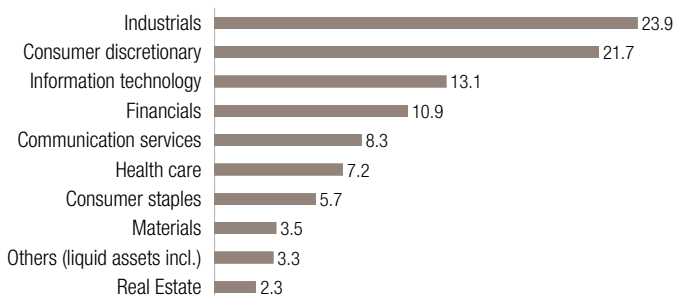


Value of investments is variable and can go down as well as up.

NET PERFORMANCE IN EUR	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	7.89%	5.82%	-	-
1 month	0.43%	0.92%	-	-
3 months	-1.73%	-3.33%	-	-
1 year	-6.12%	-9.65%	-	-
3 years	24.94%	23.47%	7.66%	7.24%
5 years	25.76%	28.48%	4.67%	5.12%
Total return (since 02.04.2012)	71.50%	93.23%	7.61%	9.37%

STATISTICS 31.07.2014 - 31.07.2019	Fund	Bench.
Annualised volatility	14.44%	15.61%
Sharpe ratio	0.34	0.35
Max. drawdown	-22.15%	-25.40%
Correlation		0.961
Tracking error		4.34%

	Fund
Number of positions	82

TOP 10 (IN %)**SECTORS (IN %)****COUNTRIES (IN %)****CURRENCIES (IN %)****INCREASED (SECURITIES)****REDUCED (SECURITIES)****MONTHLY RETURNS**

IN %	2014		2015		2016		2017		2018		2019	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January	-4.8	-6.6	0.3	0.6	-7.8	-7.4	1.5	0.2	2.2	1.0	5.1	4.9
February	-2.3	-0.7	6.2	7.6	-9.2	-10.0	0.9	1.0	-2.8	-3.9	2.3	2.5
March	-1.6	0.2	2.0	2.2	7.3	4.6	-0.5	-0.6	-2.7	-2.1	0.4	0.1
April	-4.0	-3.4	1.9	3.1	-0.9	-0.5	1.2	1.2	2.2	3.5	1.8	1.6
May	1.4	3.4	5.5	5.0	3.4	2.9	2.2	2.3	-1.2	-1.8	-4.8	-6.7
June	4.6	5.3	-2.0	-2.4	-8.0	-10.4	3.2	2.9	-0.9	-0.8	2.8	2.7
July	2.7	2.2	1.6	1.8	3.6	6.2	0.5	0.4	1.2	1.3	0.4	0.9
August	-1.5	-0.9	-7.3	-7.4	-4.9	0.5	0.2	-0.1	0.1	-1.0		
September	2.7	4.5	-6.8	-7.7	2.1	0.3	4.5	4.3	5.2	5.4		
October	-0.9	0.5	8.3	10.4	3.7	5.2	6.2	5.5	-9.0	-9.7		
November	5.1	5.5	2.0	1.4	2.7	5.2	2.6	1.4	0.9	1.3		
December	-0.1	-0.1	-1.7	-1.9	3.7	3.4	1.7	1.5	-10.0	-10.5		
Year	0.8	9.7	9.1	11.7	-6.0	-1.9	26.7	21.7	-14.7	-17.0	7.9	5.8

PARTICULAR RISKS

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:

- Operational risk and risks related to asset safekeeping: In specific circumstances, there may be a material risk of loss resulting from human error, inadequate or failed internal systems, processes or controls, or from external events.
- Concentration risk: To the extent that the fund's investments are concentrated in a particular country, market, industry, sector or asset class, the fund may be susceptible to loss due to adverse occurrences affecting that country, market, industry, sector or asset

GLOSSARY

Credit Ratings: The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.

Risk and Reward Profile: This indicator (SRRI) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

Total Expense Ratio (TER): The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports). The Total Expense Ratio (TER) is calculated twice per year and is subject to change between calculation dates.

Volatility: A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.

Sharpe Ratio: A measure of risk-adjusted performance. The higher the ratio, the better riskadjusted performance has been.

Drawdown: A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.

Correlation: Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market conditions, providing investors with diversification benefits. Correlation is measured

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Spain. Supervisory Authority: Comisión Nacional del Mercado de Valores (CNMV). Representative: Allfunds Bank S.A. C/Nuria, 57 Madrid.

class.

- Financial, economic, regulatory and political risks: Financial instruments are impacted by various factors, including, without being exhaustive, the development of the financial market, the economic development of issuers who are themselves affected by the general world economic situation, and economic, regulatory and political conditions prevailing in the relevant country.

For more details about risk, see appendix B "Risk Factors" of the prospectus.

between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation coefficient of 0 suggests there is no correlation.

Tracking Error: A measure of how closely an investment portfolio follows the index against which it is benchmarked.

Bond Floor: The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.

Delta: The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.

Premium: If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.

Yield to Maturity: The rate of return anticipated on a bond if it is held until the maturity date.

Coupon: The interest rate stated on a bond when it's issued.

Modified Duration: This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.

Average Duration: The average modified duration of the portfolio expressed in years.

Expected Loss: Annual average expected loss to the portfolio expressed in percent.

Attachment Point: The modelled probability of a negative portfolio return in any given year.

FROC (Fixed Rate of Operational Costs): The Operational Costs cover expenses directly incurred by the Company ("Direct Costs") and those resulting from the activities carried out by the Management Company on behalf of the Company ("Fund Servicing Costs").

Important information on benchmarks: Any benchmarks or indices included in the factsheets are for information purposes and any past performance is not a guarantee of future performance. No benchmark/index is directly comparable to a fund's investment strategy and investors should not assume there is any direct correlation between an index/benchmark's performance and that of a fund. Investors should note that for hedged share classes, the performance index hedging methodology will replicate that of the relevant share class and may include benchmark performance simulated by the Investment Manager in order to replicate the relevant share class mechanism.

Important information on target performance/risk: Target performance/risk represents a portfolio construction goal. It does not represent past performance/risk and may not be representative of actual future performance/risk.

Important information on portfolio composition: The portfolio information provided in this document is for illustrative purposes only and does not purport to be recommendation of an investment in, or a comprehensive statement of all of the factors or considerations which may be relevant to an investment in, the referenced securities. They illustrate the investment process undertaken by the manager in respect of a certain type of investment, but may not be representative of the Fund's past or future portfolio of investments as a whole and it should be understood that they will not of themselves be sufficient to give a clear and balanced view of the investment process undertaken by the manager or of the composition of the investment portfolio of the Fund. As the case may be, further information regarding the calculation methodology and the contribution of each holding in the representative account to the overall account's performance can be obtained by the Fund or the Management Company.

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