LOMBARD ODIER
INVESTMENT MANAGERS

# LO Funds – Global Convertible Bond Defensive Delta Seed, (EUR) P

## Fact Sheet (marketing document)

High Conviction • Convertibles

30 April 2022

### FUND FACTS

| | |
|---|---|
| Domicile/Legal structure | Luxembourg/SICAV |
| Legal Status | UCITS |
| Fund inception date | 8 December 2014 |
| SFDR Classification | Article 8 |
| Currency of Fund | EUR |
| Currency of share class | EUR |
| Fund manager | A. Gernath, N. Bucci |
| Net assets (all classes) | EUR 51.59 million |
| Liquidity (sub./red.) | Daily, 15:00 |
| Swinging Single Pricing | Yes |
| Min. investment | EUR 3'000 |
| Entry/Exit fees | 0.00% / 0.00% |
| Management fee | 0.325% |
| Distribution fee | 0.65% |
| FROC | 0.35% |
| Ongoing charge (29 April 2022) | 1.39% |
| TER max (30 September 2021) | 1.33% |

### RISK AND REWARD PROFILE

| 1 | 2 | 3 | **4** | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

Low — High

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.

### CODES

| | Class A |
|---|---|
| ISIN | LU1140671998 |
| Bloomberg | LDDSDPA LX |
| NAV | EUR 10.75 |

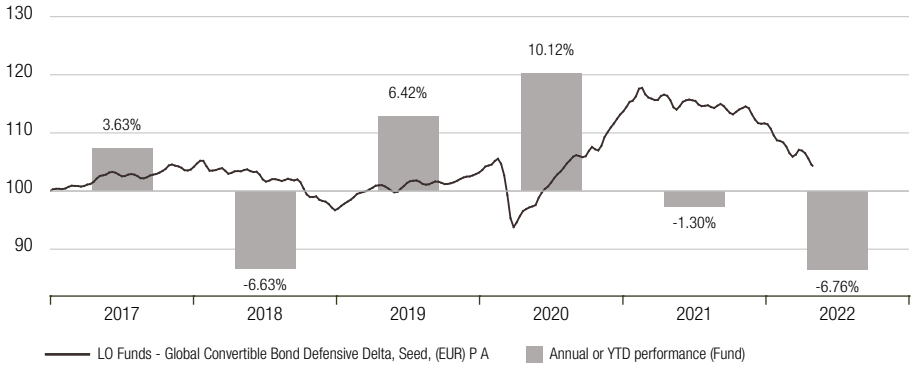
### RATINGS

| | |
|---|---|
| Morningstar Rating | ★★★★★ |

### HIGHLIGHTS

LO Funds - Global Convertible Bond Defensive Delta is an actively managed long-only global convertible bond strategy launched in December 2014. It invests primarily in global convertible bonds with a balanced profile. The weighted average delta equity sensitivity of the sub-fund is capped at 40%. It seeks to deliver asymmetrical performance over the medium to long-term, profiting from equity market upturns while benefiting from the downside protection of a fixed income structure with a fraction of the volatility of equities. The investment approach is based on fundamental and technical research and combines 'top-down' economic analysis with 'bottom-up' stock selection. Two final hurdles include a minimum issue size of USD 150mn (for liquidity purposes) and a minimum credit rating of B- (reflecting the search for an investment grade quality for the portfolio). Currency risk is restricted to 10%, with at least 90% of the portfolio hedged.

### NET CUMULATIVE PERFORMANCE AND ANNUAL PERFORMANCE IN EUR Dec 31, 2016 - Apr 30, 2022




Past performance does not predict future returns. Performances are displayed net of all costs except any entry and exit fees. Please refer to the cost section. Performance is subject to taxation which depends on the personal situation of each investor and may change in the future. Returns may increase or decrease as a result of currency fluctuations.

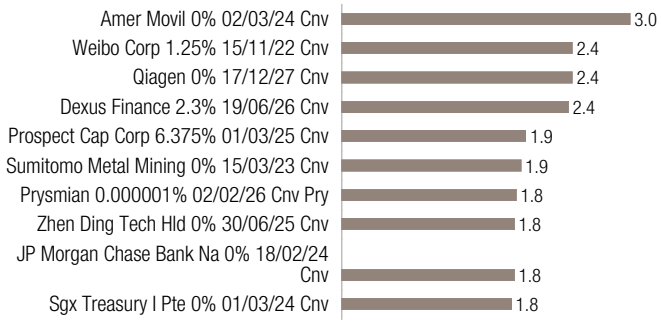
| NET PERFORMANCE IN EUR | Cumulative Fund | Annualized Fund |
|---|---|---|
| YTD | -6.76% | - |
| 1 month | -2.66% | - |
| 3 months | -4.19% | - |
| 1 year | -10.02% | - |
| 3 years | 3.23% | 1.06% |
| 5 years | 2.06% | 0.41% |
| Total return (since 08.12.2014) | 7.48% | 0.98% |

| STATISTICS 30.04.2017 - 30.04.2022 | Fund |
|---|---|
| Annualised volatility | 6.19% |
| Sharpe ratio | 0.14 |
| Max. drawdown | -10.50% |

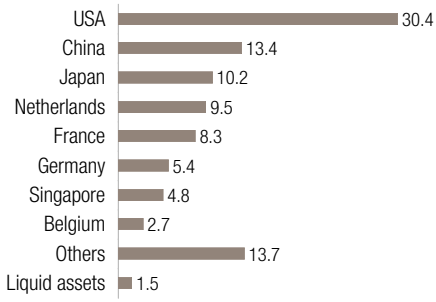
| | Fund |
|---|---|
| Average rating | BBB- |
| Credit Spread Duration | 193.46 |
| Rho (interest rate sensitivity) | -0.02% |
| Yield to maturity | 0.16% |
| Number of positions | 101 |
| Delta | 40.76% |
| Prime | 68.47% |
| Bond Floor | 90.47% |

This is a marketing communication. Please refer to the prospectus of the Sub-Fund and to the KIID before making any final investment decisions. Past performance is not a guide to future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units, performance is presented net of fees. The NAV of fund units and official prices of benchmarks are used for performance comparison purposes. Source of the figures: Lombard Odier. Please see important information at the end of this document.

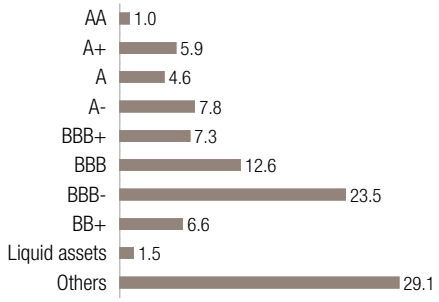
## TOP 10 (IN %)




## COUNTRIES (IN %)



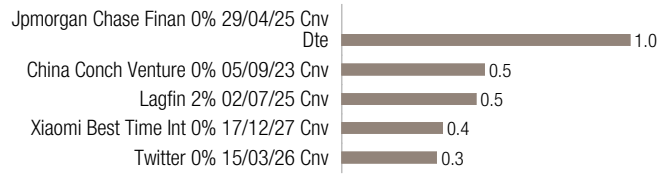

## CREDIT RATINGS (IN %)



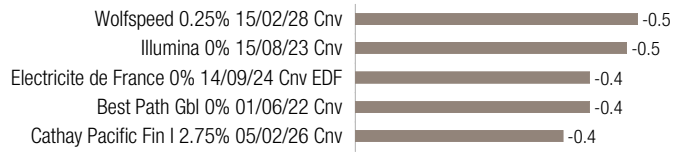

## CURRENCIES (IN %)




## INCREASED (SECURITIES)




## REDUCED (SECURITIES)




| MONTHLY RETURNS IN % | 2017 Fund | 2018 Fund | 2019 Fund | 2020 Fund | 2021 Fund | 2022 Fund |
|---|---|---|---|---|---|---|
| January | 0.1 | 1.3 | 1.6 | 1.0 | 1.1 | -2.7 |
| February | 0.8 | -1.3 | 1.4 | -1.0 | 1.7 | -1.4 |
| March | 0.2 | -0.6 | 0.3 | -7.9 | -1.1 | -0.1 |
| April | 1.2 | 0.3 | 1.0 | 2.2 | 0.6 | -2.7 |
| May | 0.8 | -0.4 | -1.6 | 1.5 | -0.7 | |
| June | -0.6 | -1.2 | 1.7 | 3.1 | 0.4 | |
| July | 0.3 | 0.2 | 0.7 | 2.0 | -0.9 | |
| August | -0.5 | 0.6 | -0.4 | 2.7 | 0.3 | |
| September | 0.5 | -0.5 | -0.1 | -0.4 | -1.3 | |
| October | 1.6 | -3.0 | 0.3 | -0.4 | 0.8 | |
| November | -0.1 | -0.4 | 1.0 | 5.1 | -1.6 | |
| December | -0.8 | -1.8 | 0.3 | 2.3 | -0.3 | |
| **Year** | **3.6** | **-6.6** | **6.4** | **10.1** | **-1.3** | **-6.8** |

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## 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:
- Credit risk: A significant level of investment in debt securities or risky securities implies that the risk of, or actual, default may have a material impact on performance. The likelihood of this depends on the credit-worthiness of the issuers.
- 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.
- Risks linked to the use of derivatives and financial techniques: Derivatives and other financial techniques used substantially to obtain, increase or reduce exposure to assets may be difficult to value, may generate leverage, and may not yield the anticipated results. All of this could be detrimental to fund performance.

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

## 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 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").
**Swinging Single Pricing (SSP):** SSP is an adjustment to the NAV per share in consideration of subscription and redemption activity on a dealing day. For more information, please refer to Section 15.1 "Net Asset Value Determination" of the Sub-Fund Prospectus, which can be found at www.loim.com.

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Source of the figures: Unless otherwise stated, figures are prepared by LOIM.

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