LOMBARD ODIER
INVESTMENT MANAGERS

LO Funds – Global Convertible Bond Defensive Delta

Syst. NAV Hdg, Seed, (GBP) M

Fact Sheet

High Conviction • Convertibles

31 July 2019

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	8 December 2014
Currency of Fund	EUR
Currency of share class	GBP Hedged
Fund manager	N. Barazal, A. Gernath
Net assets (all classes)	GBP 52.41 million
Liquidity (sub./red.)	Daily, 15:00
Min. investment	EUR 3'000 or equivalent
Management fee	0.3575%
Distribution fee	0.00%
FROC	0.35%
TER max (31 March 2019)	0.71%

RISK AND REWARD PROFILE

1	2	**3**	4	5	6	7

Low — High

CODES

Class A

ISIN	LU1140676286
Bloomberg	LDDSSMA LX
NAV	GBP 11.17

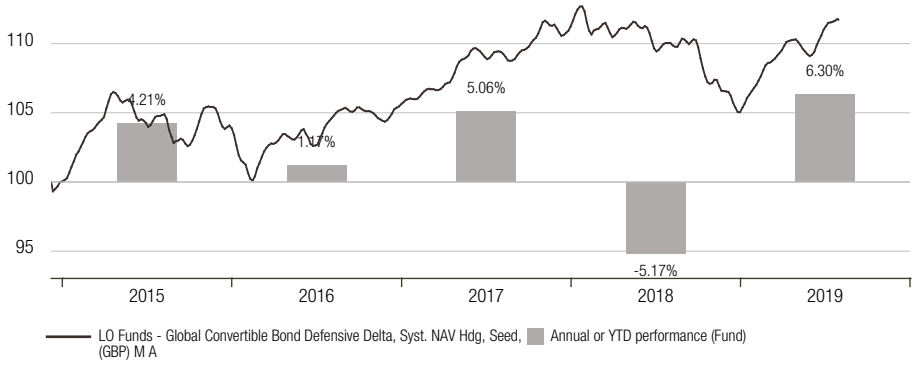
RATINGS

Morningstar Rating	★★★★★
Morningstar Sustainability	Average

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 PERFORMANCE AND ANNUAL PERFORMANCE IN GBP Dec 8, 2014 - Jul 31, 2019



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

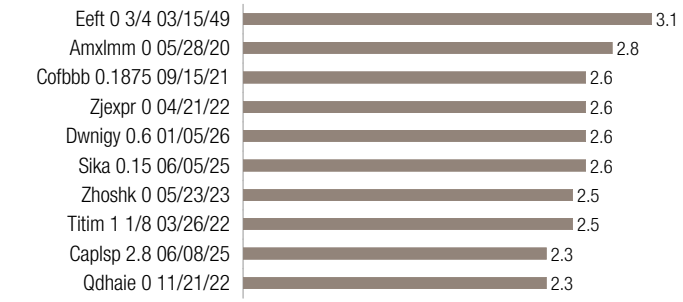
NET PERFORMANCE IN GBP	Cumulative Fund	Annualized Fund
YTD	6.30%	-
1 month	0.83%	-
3 months	1.19%	-
1 year	1.67%	-
3 years	6.82%	2.21%
Total return (since 08.12.2014)	11.72%	2.40%

STATISTICS 08.12.2014 - 31.07.2019	Fund
Annualised volatility	4.12%
Sharpe ratio	0.44
Max. drawdown	-6.54%

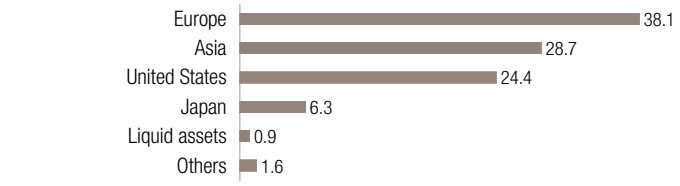
	Fund
Average rating	BBB-
Credit Spread Duration	171.65
Rho (interest rate sensitivity)	-2.66%
Yield to maturity	0.44%
Number of positions	75
Delta	36.28%
Prime	53.55%
Bond Floor	91.67%

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.

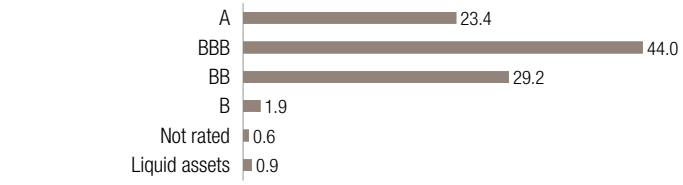
TOP 10 (IN %)



COUNTRIES (IN %)



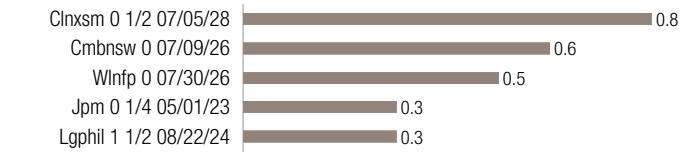
CREDIT RATINGS (IN %)



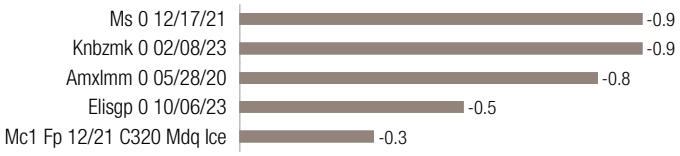
CURRENCIES (IN %)



INCREASED (SECURITIES)



REDUCED (SECURITIES)



MONTHLY RETURNS IN %	2014 Fund	2015 Fund	2016 Fund	2017 Fund	2018 Fund	2019 Fund
January		1.7	-2.5	0.2	1.5	1.8
February		2.0	-0.6	0.9	-1.2	1.6
March		0.7	1.9	0.3	-0.5	0.5
April		1.5	0.4	1.3	0.4	1.1
May		-0.3	0.6	0.9	-0.3	-1.4
June		-1.6	-1.1	-0.5	-1.1	1.8
July		0.8	1.7	0.4	0.4	0.8
August		-1.6	0.6	-0.4	0.8	
September		-0.8	0.2	0.6	-0.4	
October		2.8	-0.3	1.8	-2.8	
November		0.1	-0.6	0.0	-0.3	
December	0.1	-1.0	0.9	-0.6	-1.7	
Year	**0.1**	**4.2**	**1.2**	**5.1**	**-5.2**	**6.3**

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").

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The fund mentioned in this document (hereinafter the "Fund") is a Luxembourg investment company with variable capital (SICAV). The Fund is authorised and regulated by the Luxembourg Supervisory Authority of the Financial Sector (CSSF) as a UCITS within the meaning of EU Directive 2009/65/EC, as amended. The management company of the Fund is Lombard Odier Funds (Europe) S.A. (hereinafter the "Management Company"), a Luxembourg based public limited company (SA), having its registered office at 5, Allée Scheffer, L-2520 Luxembourg, authorized and regulated by the CSSF as a Management Company within the meaning of EU Directive 2009/65/EC, as amended. The Fund is only registered for public offering in certain jurisdictions. Consequently, the offering of the Fund's shares may be restricted in certain jurisdictions. Prospective investors must inform themselves of, and observe, such restrictions, including legal, tax, foreign exchange or other restrictions in their relevant jurisdictions. Neither this document nor any part of it shall form the basis of, or be relied on in connection with, any contract to purchase or subscription for the Fund's shares. **Any such acquisition may only be made on the basis of the official documents of the Fund each in their final form.** The articles of association, the prospectus, the Key Investor Information Document, the subscription form and the most recent annual and semi-annual reports are the only official offering documents of the Fund's shares (the "Offering Documents"). They are available in English and in French, free of charge, and in hardcopy at the registered office of the Fund or of the Management Company, from the distributors of the Fund or from the local representatives as mentioned below.

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

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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