LOMBARD ODIER
INVESTMENT MANAGERS

LO Funds – CAT Bonds

Syst. NAV Hdg, (EUR) S

Fact Sheet (marketing document)

Liquid Alternatives Strategies • Alternatives

31 December 2020

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	16 February 2016
Currency of Fund	USD
Currency of share class	EUR Hedged
Fund manager	G. Gawron, M. Brogli
Net assets (all classes)	EUR 70.53 million
Liquidity (sub./red.)	Weekly (Friday)
Min. investment	To be defined
Management fee	0.00%
Distribution fee	0.00%
FROC	0.08%
TER max (31 March 2020)	0.08%

RISK AND REWARD PROFILE

1	2	**3**	4	5	6	7

Low — High

CODES

Class A

ISIN	LU1349275690
Bloomberg	LCATESA LX
NAV	EUR 10.74

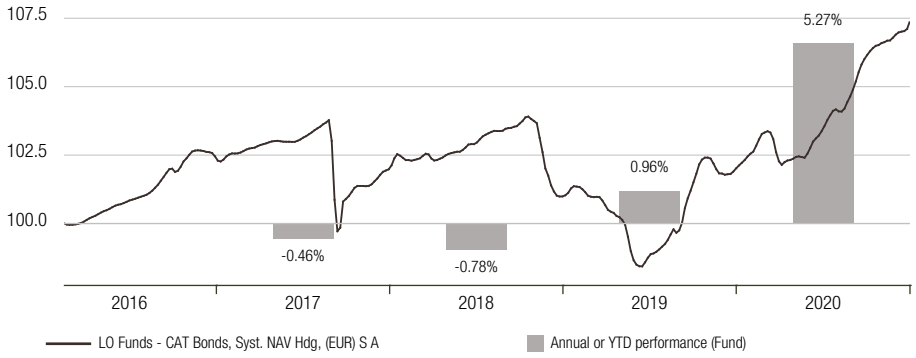
RATINGS

Morningstar Category	EAA Fund Other Bond

HIGHLIGHTS

LO Funds - CAT Bonds is an actively managed UCITS fund that invests in a diversified portfolio of catastrophe bonds ("CAT Bonds"). CAT Bonds are financial securities that transfer insurance risk to the capital markets. The investor in such securities receives a coupon made up of a floating money market component and an insurance premium. The premium compensates the investor for bearing the risk of a partial or total capital loss resulting from the occurrence of extraordinary predefined events such as an earthquake or a hurricane. Risk management is performed by fund managers at the portfolio level, alongside independent teams who monitor and manage investment as well as operational risk. The fund's long-only strategy has been in place since February 2016. Financial derivative instruments are used for hedging purposes only. The fund does not invest in instruments linked to life settlements.

NET PERFORMANCE AND ANNUAL PERFORMANCE IN EUR Feb 16, 2016 - Dec 31, 2020



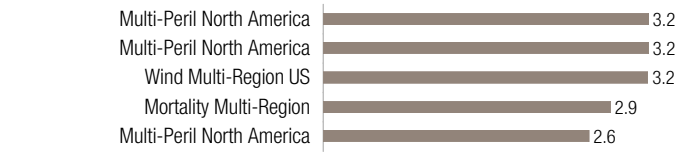
Value of investments is variable and can go down as well as up.

NET PERFORMANCE IN EUR	Cumulative Fund	Annualized Fund
YTD	5.27%	-
1 month	0.41%	-
3 months	1.27%	-
1 year	5.27%	-
3 years	5.45%	1.77%
Total return (since 16.02.2016)	7.35%	1.46%

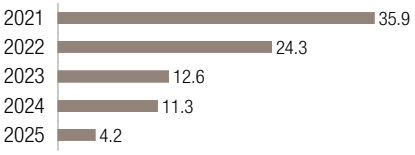
STATISTICS 16.02.2016 - 31.12.2020	Fund		Fund
Annualised volatility	2.46%	Yield to maturity	6.62%
Sharpe ratio	0.77	Number of positions	89
Max. drawdown	-5.13%	Largest position	3.24%
		Attachment point	9.16%
		95% VaR	5.01%
		99% VaR	47.64%
		Average duration	0.42

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.

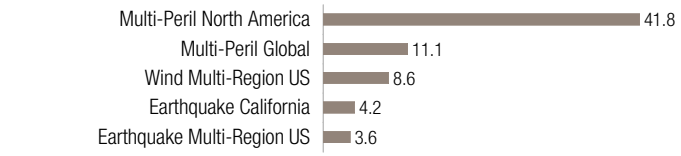
TOP POSITIONS



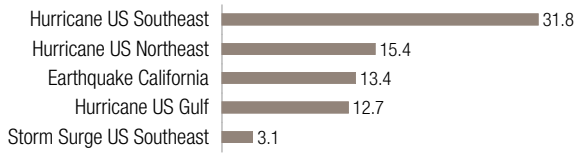
MATURITIES



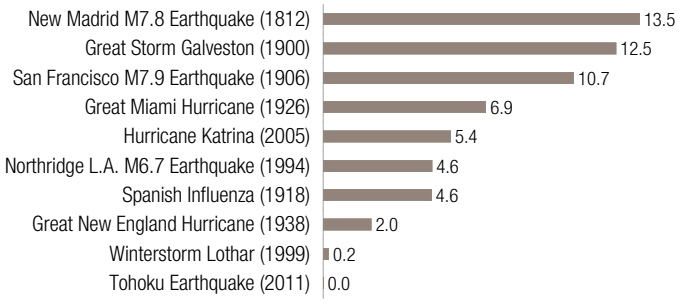
TOP NOMINAL EXPOSURES



EXPECTED LOSS CONTRIBUTION BY PERIL



MODELLED IMPACT OF HISTORICAL EVENTS (LOSS)



MONTHLY RETURNS IN %	2016 Fund	2017 Fund	2018 Fund	2019 Fund	2020 Fund
January		0.3	0.4	0.4	0.6
February	-0.0	0.1	0.2	-0.5	0.7
March	0.2	0.2	-0.3	-0.4	-1.4
April	0.3	0.1	0.4	-0.6	0.3
May	0.3	0.0	0.2	-1.3	0.2
June	0.2	0.1	0.1	0.4	0.8
July	0.2	0.3	0.5	0.2	0.9
August	0.5	0.4	0.1	0.1	0.5
September	0.6	-2.9	0.0	2.0	1.3
October	0.2	0.5	0.0	1.0	0.5
November	0.4	0.2	-2.0	-0.5	0.4
December	-0.5	0.2	-0.4	0.2	0.4
Year	**2.3**	**-0.5**	**-0.8**	**1.0**	**5.3**

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:
- If a predefined loss event occurs, the investment amount is not repaid in full at maturity. An event can lead to delayed payments, a partial or even total default of the investment amount. The strategy is subject to the risk of insured events, which are in each case based on the probability of occurrence and claim amounts of insured events.
- Model risk arises if the probabilities of occurrence and claim amounts of the covered event are not properly reflected in the model. The event probability of CAT Bonds is based on risk models. These are constantly being revised and developed, but they only represent an approximation of reality. These models may be subject to uncertainty and errors. Consequently, event risks can be significantly under- or overestimated. Price risk is related to model risk to the extent that the value of CAT Bonds relies on the assessment of fundamentally unpredictable events whose probability the models seek to approximate.
- The proceeds of CAT Bond transactions are typically invested in money market funds or similar instruments backed by a government, governmental and/or supranational entity. Investors are exposed to the counterparty risk of these entities and, upon their potential default, to the market risk of the assets held as collateral.

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

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

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