

LO Funds – Convertible Bond

Syst. NAV Hdg, (GBP) N

Fact Sheet (marketing document)

Global Convertible Bonds • Convertibles

30 September 2024

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	4 December 2002
SFDR Classification	Article 8
Currency of Fund	EUR
Currency of share class	GBP Hedged
Fund manager	A. Gernath
Net assets (all classes)	GBP 901.78 million
Liquidity (sub./red.)	daily, 15:00
Swinging Single Pricing	Yes
Min. investment	CHF 1'000'000 or eq
Entry/Exit fees	0.00% / 0.00%
Management fee	0.65%
Distribution fee	0.00%
FROC	0.22%
Ongoing charge (30 August 2024)	0.88%
TER max (30 September 2023)	0.87%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
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Low High

This summary risk indicator (SRI) is a guide to the level of risk of this product compared to other products. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRI 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	Class D
ISIN	LU0757726533	LU0757726707
Bloomberg	LOCBGIA LX	LOSHGND LX
Telekurs	18127784	18127787
NAV	GBP 11.72	GBP 11.72

FISCAL INFORMATION

UK - Reporting Status	Yes
DE - Investment-steuergesetz (InvStG)	Other Funds
Last dividend paid (27.11.2023)	GBP 0.00

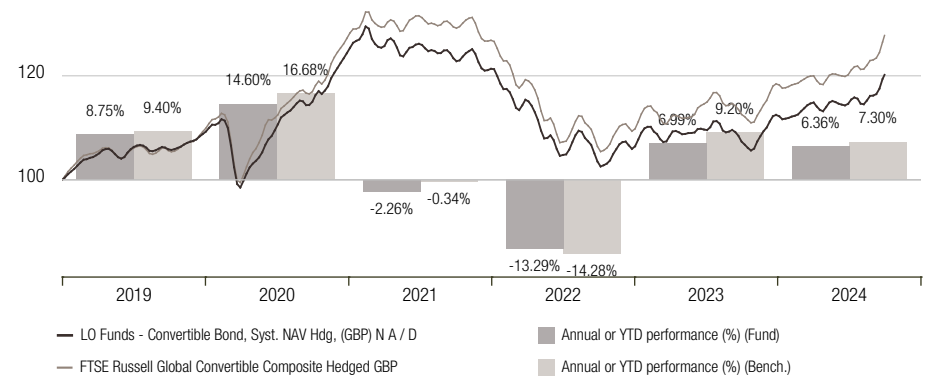
RATINGS

Morningstar Rating	★★★★★
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HIGHLIGHTS

LO Funds - Convertible Bond is an actively managed long-only global convertible bond strategy launched in December 2002. It invests mainly in global convertible bonds with a balanced profile. 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 in-depth 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 150 mn (for liquidity purposes) and a minimum credit rating of B- (reflecting the search for an investment grade quality for the portfolio).

NET CUMULATIVE PERFORMANCE AND ANNUAL PERFORMANCE IN GBP Dec 31, 2018 - Sep 30, 2024



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. Benchmark composite (calculated by LOIM) of 2 Thomson Reuters Convertible Indices: 2/3 Thomson Reuters Global Focus hedged and 1/3 Thomson Reuters Global Focus IG hedged, previously known as UBS.

NET PERFORMANCE IN GBP

	Cumulative	
	Fund	Bench.
YTD	6.36%	7.30%
YTD	6.36%	7.30%
1 month	3.37%	3.35%
3 months	5.06%	6.49%
1 year	11.74%	13.16%
3 years	-1.75%	-0.73%
5 years	13.62%	21.04%
Total return (since 03.11.2015)	17.16%	26.13%

STATISTICS 30.09.2019 - 30.09.2024

	Fund	Bench.
Annualised volatility	8.90%	9.44%
Sharpe ratio	0.05	0.18
Max. drawdown	-19.59%	-20.20%
Correlation		0.980
Tracking error		1.90%

	Annualized	
	Fund	Bench.
YTD	-	-
YTD	-	-
1 month	-	-
3 months	-	-
1 year	-	-
3 years	-0.59%	-0.24%
5 years	2.58%	3.88%
Total return (since 03.11.2015)	1.79%	2.63%

	Fund
Yield to maturity	-1.94%
Credit Spread Duration	175.88
Rho (interest rate sensitivity)	-0.02%
Number of positions	134
Average rating	BBB-
Delta	56.43%
Prime	67.41%
Bond Floor	83.11%

MONTHLY RETURNS

IN %	2019		2020		2021		2022		2023		2024	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January	2.3	3.0	0.8	1.3	0.5	-0.2	-3.3	-3.3	4.1	4.4	-1.1	-1.0
February	1.6	1.8	-1.4	-1.2	1.5	2.6	-1.8	-2.5	-1.6	-1.3	0.9	0.7
March	0.3	-0.0	-8.1	-8.6	-1.7	-1.4	0.1	-0.4	1.0	0.4	2.3	1.7
April	1.9	1.4	4.0	5.3	1.2	1.3	-3.6	-3.2	-0.5	-0.9	-1.9	-1.9
May	-2.5	-2.6	2.9	4.1	-1.0	-0.2	-2.4	-3.0	-0.4	-0.2	1.1	1.4
June	2.3	2.2	3.1	1.8	0.7	0.8	-4.2	-5.0	1.4	3.2	-0.1	-0.0
July	0.7	0.6	2.9	2.6	-1.3	-1.3	4.0	4.0	2.5	2.6	0.9	1.7
August	-0.9	-1.2	2.8	2.7	0.5	0.7	-0.9	-0.5	-2.3	-2.5	0.7	1.3
September	-0.1	0.2	-1.0	-0.9	-2.1	-1.4	-4.9	-4.9	-2.2	-1.9	3.4	3.4
October	0.5	0.6	0.3	0.3	1.4	1.3	2.0	2.4	-2.6	-2.6		
November	1.2	1.2	5.5	6.2	-2.0	-2.2	3.2	3.3	4.7	4.3		
December	1.1	1.8	2.8	2.9	0.2	-0.3	-1.8	-1.6	3.0	3.8		
Year	8.8	9.4	14.6	16.7	-2.3	-0.3	-13.3	-14.3	7.0	9.2	6.4	7.3

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.

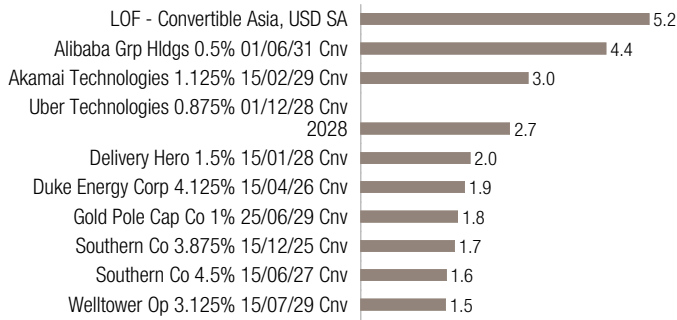
Risks linked to the use of derivatives and financial techniques: Derivatives and other financial techniques used substantially to obtain, increase or reduce exposure to assets may be difficult to value, may generate leverage, and may not yield the anticipated results. All of this could be detrimental to fund performance.

Before taking any investment decision, please read the latest version of the prospectus, the articles of incorporation, the Key Information Documents (KIDs) and the latest annual report and semi-annual report. Please pay attention to the Appendix B "Risk Factors Annex" of the prospectus.

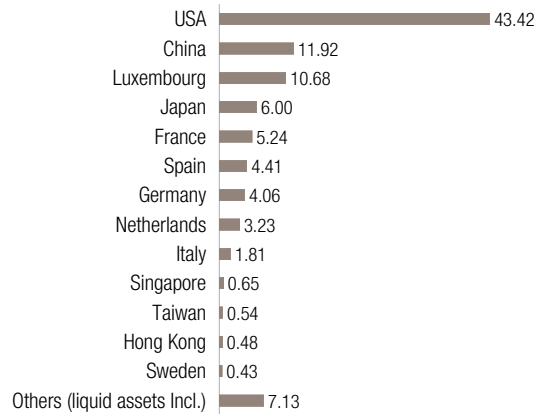
Incorporation of extra-financial risks into the investment decision process may result in underweighting of profitable investments from the sub-fund's investment universe and may also lead the management of the sub-fund to underweight investments that will continue to perform. Sustainability risks may lead to a significant deterioration in the financial profile, profitability or reputation of an underlying investment and may therefore have a significant impact on its market price or liquidity.

The Fund has been classified as a financial product subject to Article 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector (the "SFDR"). The Fund promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

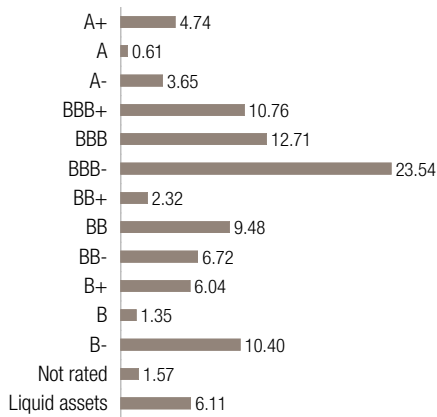
TOP 10 (IN %)



COUNTRIES (IN %)



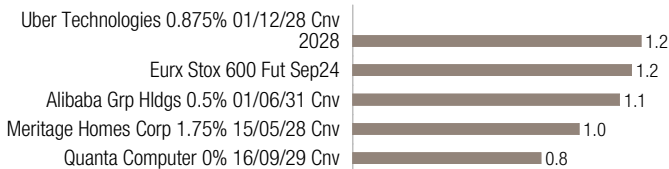
CREDIT RATING (IN %)



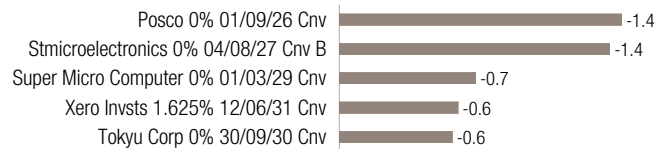
CURRENCIES (IN %)



INCREASED (SECURITIES)



REDUCED (SECURITIES)



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 summary risk indicator (SRI) is a guide to the level of risk of this product compared to other products. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRI 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 risk-adjusted 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): It covers the Operational Costs 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.

DISCLAIMER

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The Source of the data has been mentioned wherever it was available. Unless otherwise stated, the data is prepared by LOIM.

An investment in the Fund is not suitable for all investors. The ownership of any investment decision(s) shall exclusively vest with the investor. Investment must be done after analysing all possible risk factors and by exercising of independent discretion. The investor must particularly ensure the suitability of an investment as regards with his/her financial situation, risk profile and investment objectives investing. **There can be no assurance that the Fund's investment objective will be achieved or that there will be a return on capital. Past or estimated performance is not necessarily indicative of future results and no assurance can be made that profits will be achieved, or that substantial losses will not be incurred.** The investor bears the risk of losses in connection with any investment. The information contained in this document does not constitute any form of advice on any investment or related consequences of making any particular investment decision in any particular investment decision in any Fund. Each investor shall make his/her own appraisal of risk, goals, liquidity, taxes and other financial merit of his/her investment decisions. Views, opinions and estimates may change without notice and are based on a number of assumptions which may or may not eventuate or prove to be accurate. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and/or current market conditions and are not an exact indicator. What you will get will vary depending on how the market performs and how long you keep the investment/product.

Investments are subject to a variety of risks: The investments mentioned in this document may carry risks that are difficult to quantify and integrate into an investment assessment. In general, products such as equities, bonds, forex, or money market instruments bear risks, which are higher in the case of derivative, structured, and private equity products; these are aimed solely at investors who are able to understand their nature and characteristics and to bear their associated risks. On request, LOIM will be pleased to provide investors with more detailed information concerning risks associated with given instruments. The liquidity of an investment is subject to supply and demand. Some products may not have a well-established secondary market or in extreme market conditions may be difficult to value, resulting in price volatility and making it difficult to obtain a price to dispose of the asset.

Where the Fund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income. All performance figures reflect the reinvestment of interest and dividends and do not take account the commissions and costs incurred on the issue and redemption of shares/units; performance figures are estimated and unaudited. Net performance shows the performance net of fees and expenses for the relevant fund/share class over the reference period. This document does not contain personalised recommendations or advice and is not intended to substitute any professional advice on investment in financial products. Neither this marketing communication nor 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 to the Fund. Not all costs are listed in this document and the investor is recommended to refer to the Offering documents for more information.

The articles of association, the prospectus, the Key Information Document ("PRIIPS/KIDs"), and the subscription form are the only official Offering Documents of the Fund's shares (the "Offering Documents"). No party is authorised to provide information or make assurances that are not contained in the Offering Documents.

Access to documents in country of registrations:

The PRIIPS/KIDs are available in one of the official languages of your country and a Prospectus is available in English, French, German and Italian. The PRIIPS/KIDs and the Prospectus together with the Articles of Incorporation and the last annual and semi-annual financial report are available on www.loim.com or can be requested free of charge 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. These Offering Documents are provided for information and illustration and is not a contractually binding document or an information required by any legislative provisions and is not sufficient to take an investment decision.

Please refer to the prospectus and the PRIIPS/KIDs before making any final investment decisions. Before making an investment in the Fund, an investor should read the entire Offering Documents, and in particular the risk factors pertaining to an investment in the Fund, consider carefully the suitability of such investment to his/her particular circumstances and, where necessary, obtain independent professional advice in respect of **risks**, as well as any **legal, regulatory, credit, tax, and accounting consequences**.

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A summary of investor's rights relating to regarding complaints and litigation is available in English on <https://am.lombardodier.com/home/asset-management-regulatory-disc.html>.

This Fund is classified as Article 8 under the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on Sustainability-Related Disclosures in the Financial Services Sector ("SFDR"). A Summary of the sustainable website product disclosure is available in English in the "Sustainability-related Disclosure" section of the website fund page on www.loim.com. Methodological limits: Assessment of sustainability risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

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The Fund is currently notified for marketing into a number of jurisdictions. The Management Company may decide to terminate the arrangements made for the marketing of the Fund at any time using the process contained in Article 93a of the UCITS Directive.

When the Fund is registered in the following jurisdictions, it is represented by the following Representatives:

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https://www.morningstar.com/content/dam/marketing/shared/research/methodology/771945_Morningstar_Rating_for_Funds_Methodology.pdf and <http://www.morningstar.com>

Morningstar stars: The star rating is based on risk-adjusted performance. A fund must have a record of more than three years. Star ratings are graded on a curve: the top 10% of funds receive five stars, the next 22.5% receive four stars, the middle 35% receive three stars, the next 22.5% receive two stars and the bottom 10% get one star. A rating alone is an insufficient basis for an investment decision. A rating is drawn for illustration purposes only and is subject to change. It is not a recommendation to invest in the Fund. It does not predict future performance of the Fund. There is no guarantee that the investment objective of the Fund will be reached.

For details regarding the star rating method:

https://www.morningstar.com/content/dam/marketing/shared/research/methodology/771945_Morningstar_Rating_for_Funds_Methodology.pdf and www.morningstar.com. Morningstar is not responsible for any damages or losses arising from any use of this information.

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