LOMBARD ODIER
INVESTMENT MANAGERS

LO Funds – TerreNeuve
Syst. NAV Hdg, (CHF) N
Fact Sheet

Alternatives • Equities

31 August 2019

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	4 September 2018
Currency of Fund	USD
Currency of share class	CHF Hedged
Fund manager	A. Langlois, C.-M Azarmgin, A. Gowen
Net assets (all classes)	CHF 89.70 million
Liquidity (sub./red.)	Weekly (Wednesday)
Min. investment	CHF 1 million
Management fee	1.50%
Distribution fee	0.00%
FROC	0.35%
Performance fee	20% of the outperformance / High watermark
TER max (31 March 2019)	1.85%

RISK AND REWARD PROFILE

1	2	3	**4**	5	6	7

Low — High

CODES

	Class A
ISIN	LU1858043562
Bloomberg	LTSHCNA LX
Telekurs	42786506
NAV	CHF 8.56

FISCAL INFORMATION

UKRFS	No
DE InvStG	Other Fund

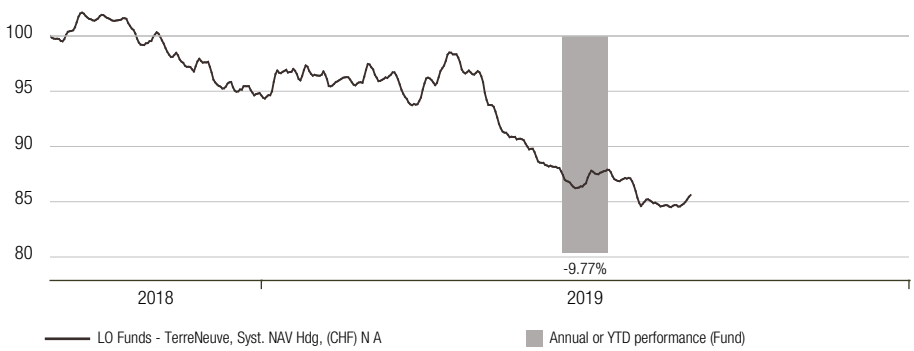
RATINGS

Morningstar Category	EAA Fund Alt - Market Neutral - Equity

HIGHLIGHTS

LO Funds – TerreNeuve is a fundamental, market neutral, global equity long/short strategy with a sustainability focus that launched in September 2018.The Fund operates with an absolute return approach that aims to deliver uncorrelated, high single digit net returns p.a. with a relatively low volatility target. The strategy will be run with the same established and consistent investment strategy implemented by the Portfolio Manager over the past nine years. The Portfolio Manager is supported by two Senior Analysts, one of which he has worked with for ten years and the other has over twenty years of investment experience.
The investment team employ a sector specialist approach, focusing on Consumer Staples, Consumer Discretionary, Materials and Medtech. The team carry out deep, fundamental, bottom up analysis which looks at gauging all significant long-term drivers of company valuation, including less tangible environmental, social and/or governance factors. The team has also developed a proprietary sustainability rating system which forms an integral part of idea generation/investment process. In covering their sectors for decades the team have developed a strong network, with company management interaction a key element of the their decision making process.

NET PERFORMANCE AND ANNUAL PERFORMANCE IN CHF Sep 4, 2018 - Aug 31, 2019



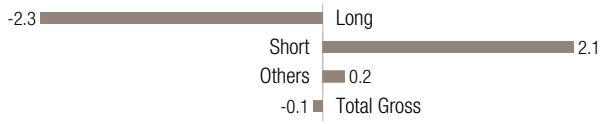
Value of investments is variable and can go down as well as up.

NET PERFORMANCE IN CHF	Cumulative Fund
YTD	-9.77%
1 month	-0.47%
3 months	-4.61%
Total return (since 04.09.2018)	-14.40%

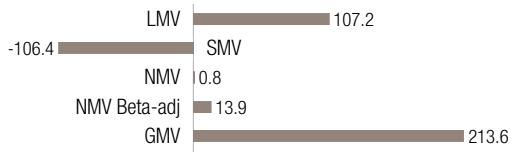
STATISTICS 04.09.2018 - 31.08.2019	Fund
Max. drawdown	-15.57%

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.

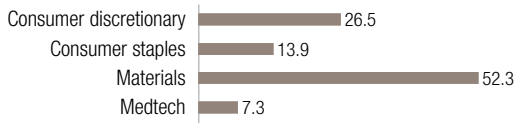
MONTHLY GROSS PERFORMANCE CONTRIBUTION (%)



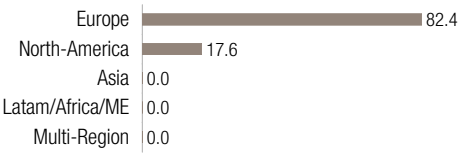
PORTFOLIO EXPOSURE (IN % NAV)



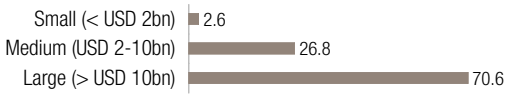
EXPOSURE BY STRATEGY (IN % GMV)



EXPOSURE BY REGION (IN % GMV)



EXPOSURE BY MARKET CAP (IN % GMV)



EQUITY LIQUIDITY (IN % GMV)

MONTHLY RETURNS IN %	2018 Fund	2019 Fund
January		1.7
February		-0.6
March		-2.1
April		2.6
May		-6.8
June		-3.9
July		-0.3
August		-0.5
September	1.4	
October	-1.7	
November	-2.1	
December	-2.8	
Year	**-5.1**	**-9.8**

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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:
- Counterparty risk: When a fund is backed by a guarantee from a third party, or where its investment exposure is obtained to a material degree through one or more contracts with a counterparty, there could be a material risk that the counterparty to the transactions will fail to honor its contractual obligations. This may result in a financial loss to the Fund.
- 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.
- Active management risk: Active management relies on anticipating various market developments and/or security selection. There is a risk at any given time that the fund may not be invested in the highest-performing markets or securities. The fund's net asset value may also decline.

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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trust that is subject to United States Federal income tax regardless of the source of its income.

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

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