

INVESTMENT POLICY

The fund’s objective is to generate long-term capital appreciation by investing in a global portfolio composed principally of convertible bonds without any geographical or currency limitation. Convertible bonds are sensitive to movements in equities, credit, interest rates and volatility. Thus, according to the manager’s macroeconomic assumptions, the portfolio parameters are set, with a bond or an equity bias. Thereafter, a selection process picks and weights around 50 to 60 investments to structure the portfolio. The fund is not benchmarked.

FUND MANAGER’S COMMENTS

Harvest Investment Global Convertible turned 15 years old on 3rd August. This is a great anniversary and achievement. There are very few global convertible bond fund with such a long track record. And for that, we would like to thank all people who made it possible.

In July, market participants focused on first semester results and forecasts announcements having in mind that AI rhetoric stocks are richly valued and have to start bringing in profits. This may add single name volatility.

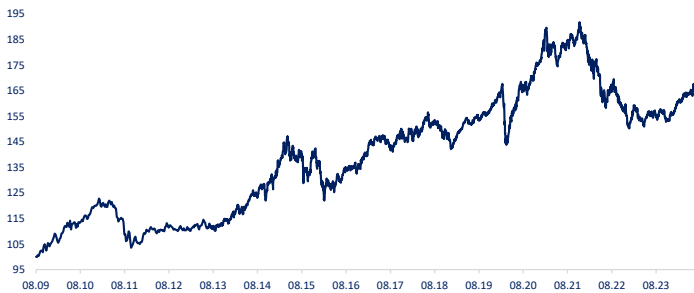
Bank of America’s survey of 31 convertible bond portfolio managers in early July showed that they expect global volumes for new convertible bonds issue to reach \$132 billion this year — roughly 67% higher than last year and above the estimate range of \$100 billion to \$110 billion that comes from the bank’s strategists. This flow impacts the whole asset class valuation on the downside. By way of example, we have had USD20bn primary issue in 3 months in Asia/Japan, when USD15bn used to be a “good” year. Still, we consider it to be a positive as new issue pricing got the job done and refreshes, renews and regenerates the convertible bond universe for years to come. For us, it will pave the way to a good return with Asia ex-Japan being discounted on average by 2%, Europe and US by 1% so that this cheapened asset class will turn into extra return on maturities.

To us it means that this is a very good time to invest into convertible bonds which are cheap and may give an extra cushion compared to equities if the market turn south.

At the portfolio level, this translated into the participation into our first primary issue for a long time : we invested in the Ping An 0.875% 2029 new issue which has been priced at best and came after some other huge cb issues in the Chinese market. We have followed Ping An for years and estimated it was a good point of entry after the stock had declined year to date. This is effectively a very big deal and the largest in pure Asia ex Japan. Stock has all buys and Jefferies price target is of HKD53, around upside 47% potential.

On actual investments, we have followed the July results announcements to look, confirm and adjust our investment objectives. And the analyst community’s reaction to them. Thus, Blayne, the Jefferies analyst covering On Semiconductors, one of our top ten investments, still thinks it is cheap given the long-term margin and earnings potential on a recovery. ON reiterated expectations for an L-shaped recovery, messaging Auto/Industrial stabilization with an eventual recovery as inventory works down further, consistent with peers. ON is still shipping below end-demand with the duration of the digestion variable depending on the timing of a recovery in end-demand. He assigned a Buy rating and a USD100 target price. We keep our position into this balanced, undervalued convertible bond (On Semiconductor 0.5% 2029).

NAV PER SHARE (CLASS A)



SUMMARY

	A	B
HEDGED	/	/
NAV/SHARE	165.98	160.91
YTD	6.35%	6.78%
MONTH	-1.01%	-0.95%
DELTA	34.80%	34.80%
VOLATILITY	5.39%	5.39%
MATURITY/DURATION		1.99
AVERAGE DELTA		35%
CURRENT YIELD		1.07%
AVERAGE SPREAD		102
CASH		7.44%

Performance History

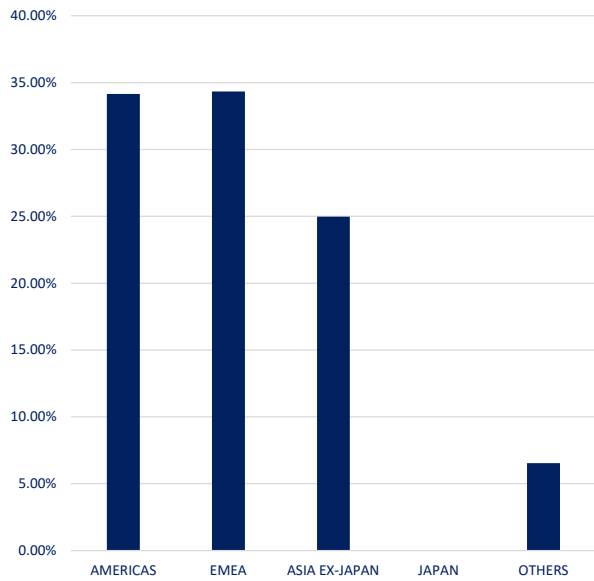
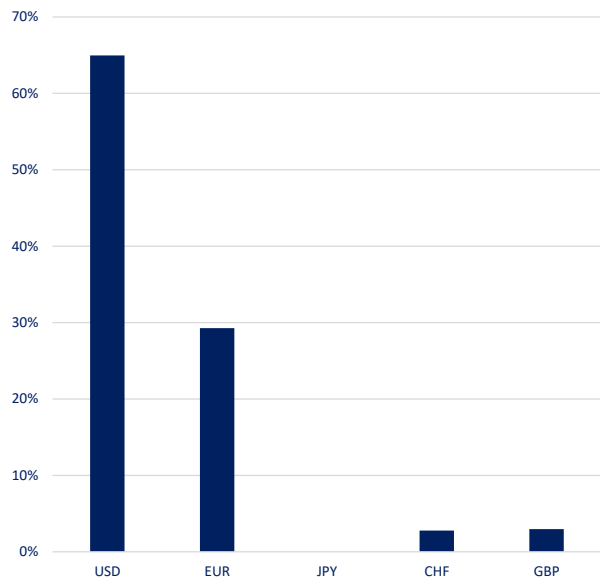
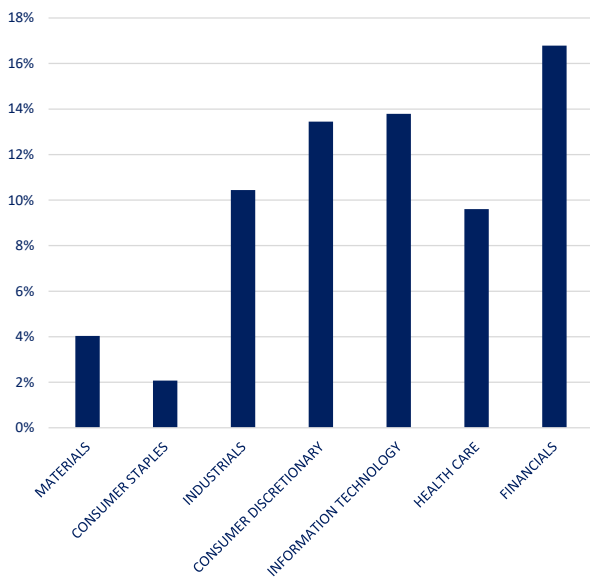
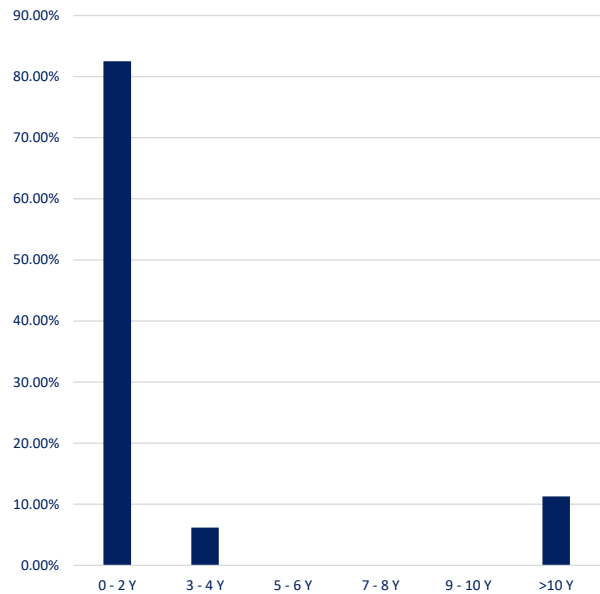
	2016	2017	2018	2019	2020	2021	2022	2023	YTD
A	0.50%	4.90%	-1.27%	12.13%	10.33%	5.17%	-19.24%	3.94%	6.35%
B	1.20%	5.33%	-0.65%	12.72%	10.99%	5.80%	-18.68%	4.66%	6.78%

TOP 5 / BOTTOM 5 (ATTRIBUTION)

ON SEMICONDUCTOR 0.50% 01/03/29	0.28%	BOSIDENG 1% 2024	-0.36%
BHARTI AIRTEL 1.50% 2025	0.15%	BARCLAYS 0% 2025	-0.30%
BANK OF AMERICA 7.25% PERP	0.14%	GLENCORE 0% 2025	-0.21%
QIAGEN 1% 2024	0.10%	CYBERARK 0% 11/15/24	-0.16%
RHEINMETALL 1.875% 07/02/28	0.06%	WYNN MACAU 4.5% 03/07/29	-0.06%

MAIN HOLDINGS

TOP 10	CCY	MATURITY	PUT	%	DELTA	CURRENT YIELD
FORTIS CASHES Float 2049	EUR			5.93%	4.16%	4.48%
BHARTI AIRTEL 1.50% 2025	USD	17/02/2025		4.91%	99.70%	0.60%
BANK OF AMERICA 7.25% PERP	USD			4.79%	0.00%	6.01%
BARCLAYS 0% 2025	USD	04/02/2025		4.27%	100.00%	0.00%
LEG IMMO 0.875% 2025	EUR	01/09/2025		4.20%	16.79%	0.89%
ANLLIAN CAPITAL/ANTA SPORTS 0% 2025	EUR	05/02/2025		4.19%	12.32%	0.00%
POSEIDON/POSTAL SAVINGS 0% 2025	USD	01/02/2025		4.13%	14.46%	0.00%
LIVE NATION 2% 2025	USD	15/02/2025		4.13%	44.67%	1.92%
UBER 0% 15/12/2025	USD	15/12/2025		4.11%	41.87%	0.00%
ON SEMICONDUCTOR 0.50% 01/03/29	USD	01/03/2029		4.06%	66.95%	0.49%

GEOGRAPHICAL ALLOCATION

CURRENCY ALLOCATION

SECTOR ALLOCATION

MATURITY ALLOCATION

GENERAL INFORMATION

SHARE CLASS	ISIN	LAUNCH DATE	MAN. FEE	PERF. FEE	MIN. INVEST	CLASS SHARES	ASSETS	CUT-OFF
A	LU0442197868	03/08/2009	1.85%	15% ABOVE 3-MONTHS LIBOR EUR (HIGH WATER MARK)	€ 10,000.00	CAPITALISATION	EUR 23.03 MILLIONS	DAILY 12:00 AM
B (INSTITUTIONAL)	LU0518233621	12/07/2010	1.20%		€ 500,000.00			

DEPOSITARY BANK	VP Bank (Luxembourg) SA	MANAGEMENT COMPANY	Bellatrix Asset Management S.A.
SUBSCRIPTIONS / REDEMPTIONS CENTRAL ADMIN / TRANSFERT AGENT	VP Fund Solutions (Luxembourg) SA FAX +352 404 770 283 TEL +352 404 770 260 FundClients-LUX@vpbank.com		31, bd Prince Henri L-1724 Luxembourg (+352) 26 25 66 20 info@bellatrix.lu
FUND	HARVEST INVESTMENT FUND 2 Rue Edward Steichen L-2540 Luxembourg	ADVISOR	Harvest Advisory S.A.
		AUDITOR	KPMG Luxembourg
		LEGAL ADVISOR	Elvinger Hoss Prussen

Investment Manager's comments are expressed by Bellatrix Asset Management S.A.. Periodic reports, the prospectus of the Fund, and key information document of the subfund are available on request from Bellatrix Asset Management S.A. or at the registered office of the Fund. The present information note should not be considered as an offer to buy or sell shares. In order to constitute an offer, this document should be accompanied by the prospectus of the Fund, the simplified prospectus of the sub-fund and the latest periodic report. Although they are based on the best possible sources, the figures in this document have not been audited. Past performance is no guarantee of future performance as the net asset value of the portfolio of the sub-fund depends on market developments. Returns are net of management and performance fees.