

**BELLATRIX**

ASSET MANAGEMENT

HARVEST INVESTMENT FUND Global Convertible

JULY 2019

SUBFUND OVERVIEW

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.

INVESTMENT MANAGER'S COMMENTS

Harvest Investment Fund Global Convertible just turned 10 years old! On this very special date, we would like to thank first and foremost all the people who made it possible to launch this project, in a very difficult period, back in August 2009. We were a global convertible bond fund concentrated on a portfolio of around 50 companies, believing in the asset class's superior risk/return compared to bonds and equities. We used active management in a constrained and complex universe, diversification and, all that, in a vehicle for the investment of our co-investors financial wealth. The DNA hasn't changed, but it is polished, strengthened and improved. Ultimately, we dream of being your trusted partner for the decade to come and once again: thank you.

After more than 380 S&P500 companies have reported second-quarter earnings, July revealed that about 75% of companies have beaten Wall Street estimates. Another interesting figure may help us understand the actual stress of the dominant economy: China has more companies on Fortune Global 500 list than the US, of which 80% are state-owned enterprises...

On the portfolio side, we have again increased our position in **Ubisoft**, one of the global video game leaders. It gained as Sony, in an interview with Nikkei, said they were mulling over M&A of game makers and that Sony Interactive Entertainment will strengthen its game titles, seeing content as more important than ever with the entry of companies like Google into the games space. Ubisoft short interest was over 11% of free float at end June.

We have also initiated a position in **Shop Apotheke Europe 4.5% 2023**. The company, founded in 2001, aims to create the leading pan-European online

pharmacy in a total addressable market of EUR180 billion (bigger than electronics or apparel) with no significant current leader. It provides non-prescription medications, over-the-counter medications, and pharmacy-related beauty and personal care products and has over 3.5 million active customers. The online pharmacy penetration in Europe is around 3% while it is already 25% in the US. The introduction of e-scripts (electronic prescriptions) in Germany in 2020 may be another catalyst for the company, making online ordering easier and more appealing.

Finally, we bought **Singha Estate 2% 2022**. The convertible bond is undervalued, with a positive annual yield of nearly 2%, a 2020 put and a small 16% premium for a company which has strong potential to surprise on the upside. This is typically what we like in a convertible bond: asymmetry, and if we are wrong, we have yield return of over 2% to 2020 or 2022, not bad. On the upside, the stock should have a nice run and we envision a 50% return to maturity on our investment. As of H2 2019, Singha Estate, a Thai company which develops and invests in real estate, will start to harvest its investments of the past 3 years with the delivery of 2 large condominiums on the real estate business side and the opening of 2 hotels on the hotel side. This, along with the IPO of the hotel business, should unlock value

NAV PER SHARE SINCE INCEPTION (CLASS A)**PERFORMANCE**

	A	B	Hard closed	
			C *	H *
	NO	NO	CURRENCIES	CURRENCIES & DELTA
HEDGED	NO	NO	CURRENCIES	CURRENCIES & DELTA
DELTA	36%	36%	36%	0%
VOLATILITY	6.03%	6.02%	6.40%	3.34%
NAV/SHARE	154.99	145.65	118.57	103.51
MONTH	1.54%	1.59%	1.12%	0.76%
2019	8.45%	8.88%	6.50%	-0.02%
2018	-1.27%	-0.65%	-5.32%	-0.66%
2017	4.90%	5.33%	10.40%	-0.19%
2016	0.50%	1.20%	-2.11%	-5.97%
2015	4.69%	5.37%	-1.58%	0.95%
2014	14.17%	14.85%	5.59%	9.85%
2013	3.88%	4.53%	7.63%	0.15% **

**Since 01/07/2013

MAIN HOLDINGS

TOP 10	CCY	MATURITY / DURATION	PUT	%	DELTA	YTM/YTP
BANK OF AMERICA 7.25% PERP	USD			2.75%	0%	5.14%
RED HAT 0.25% 2019	USD	01/10/2019		2.52%	100%	0.00%
SONY CORPORATION 0% 2022	JPY	30/09/2022		2.42%	70%	0.00%
FORTIS CASHES Float 2049	EUR	29/12/2049		2.30%	0%	2.28%
BOOKING HOLDINGS 0.9% 2021	USD	15/09/2021		2.25%	69%	0.00%
RAG STIFTUNG 0% 2021	EUR	18/02/2021		2.19%	21%	0.00%
TULLOW OIL 6.625% 2021	USD	12/07/2021		2.19%	40%	0.00%
AMERICA MOVIL 0% 2020	EUR	28/05/2020		2.15%	2%	0.12%
MICHELIN 0% 2022	USD	10/01/2022		1.97%	34%	0.00%
SINGHA ESTATE 2% 2022	USD	20/07/2022	20/07/2020	1.94%	40%	1.96%
NAV		5.40		100%	36%	1.59%

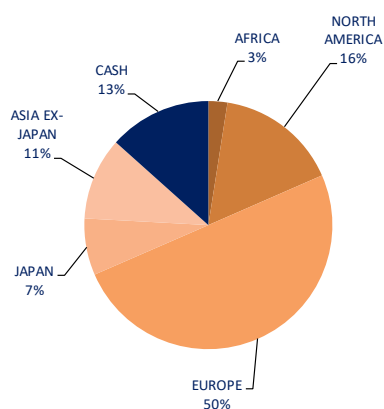
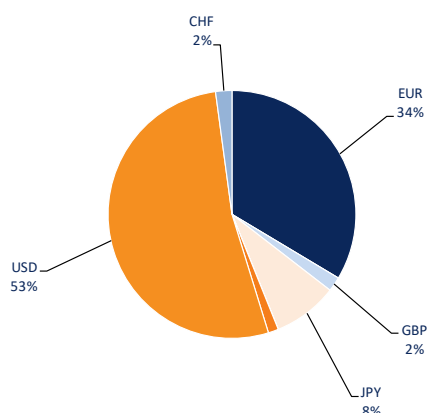
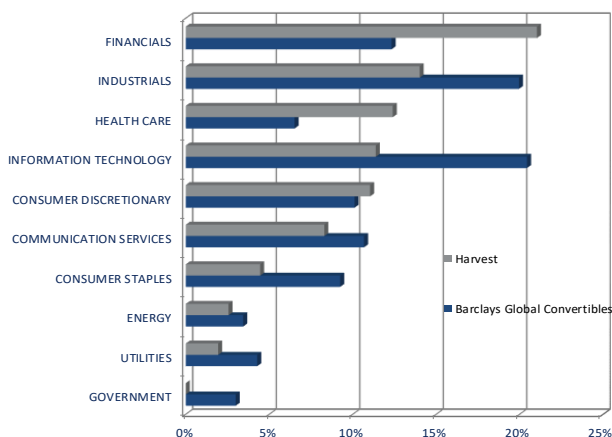
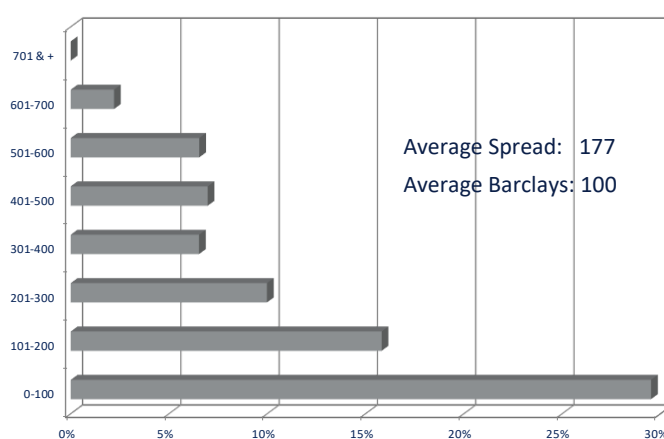
TOP 5 / BOTTOM 5 (ATTRIBUTION)	
SONY CORPORATION 0% 2022	0.12%
BANK OF AMERICA 7.25% PERP	0.07%
LIBERTY MEDIA 1.375% 2023	0.06%
ADLER 2.5% 2021	0.05%
KORIAN 2.5% PERP	0.05%
SAF-HOLLAND 1% 2020	-0.07%
DISH NETWORK 3.375% 2026	-0.06%
BAM GROEP 3.5% 2021	-0.06%
AGEASFINLUX SA 1.022% PERP	-0.05%
FORTIS CASHES Float 2049	-0.04%

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GEOGRAPHIC ALLOCATION**CURRENCY ALLOCATION****SECTOR ALLOCATION****CREDIT SPREAD**

Source: Deutsche Bank

GENERAL INFORMATION

SHARE CLASS	ISIN	LAUNCH DATE	MAN. FEE	PERF. FEE	MIN. INVEST.	CLASS SHARES	SUBFUND ASSETS	CUT-OFF
A	LU0442197868	03/08/2009	1.85%	15% ABOVE 3-MONTHS LIBOR EUR (HIGH WATER MARK)	€ 1.000	CAPITALISATION	EUR 46 MILLIONS	DAILY 12:00 AM
B (INSTITUTIONAL)	LU0518233621	12/07/2010	1.20%		€ 1.000.000			
C (CURRENCY HEDGE)	LU0662027985	16/08/2011	1.85%		€ 1.000			
H (DELTA & CCY HEDGE)	LU0944844058	01/07/2013	1.85%		€ 1.000			

DEPOSITARY BANK	VP Bank (Luxembourg) SA	MANAGEMENT COMPANY	Bellatrix Asset Management S.A.
SUBSCRIPTIONS / REDEMPTIONS	VP Fund Solutions (Luxembourg) SA	ADVISOR	Harvest Advisory S.A.
CENTRAL ADMIN / TRANSFER AGENT	FAX +352 404 770 283 TEL +352 404 770 260 FundClients-LUX@vpbank.com		
FUND	HARVEST INVESTMENT FUND 2 Rue Edward Steichen L-2540 Luxembourg	AUDITOR	KPMG Luxembourg Société Coopérative
		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 the simplified prospectus 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.