



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

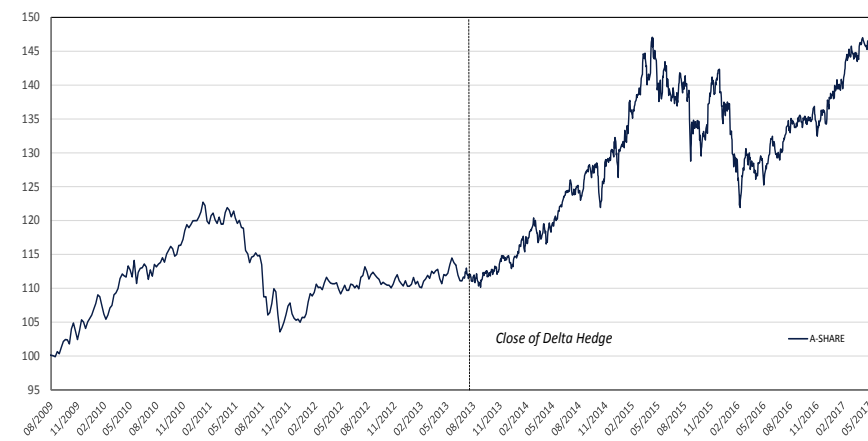
We started the second semester with more good news on one of our only high yield investments: Premier Oil has lifted the last hurdle to its debt restructuring effective as of 28th July. The convertible bond now has a 2022 maturity and enjoys an excellent yield/delta combination. We feel confident that from high yield we go to an equity investment, which obviously remains highly geared to the oil price outlook but we also have a company undergoing transformation after the confirmation of the discovery of a mega new Mexico offshore oil field of 1 billion-plus barrels.

On the headlines too, TakeTwoInteractive, an illustration of convertible bond picking and long-term investment, posted impressive first-quarter results and increased guidance boosted by games like NBA 2K17, Grand Theft Auto V, and Grand Theft Auto Online. The stock increased 9 fold since our first investment in 2010. TTWO management, headed by Strauss Zelnick, is exceptional and applies to video games the Cinema studios strategy. Another highlight, Beijing Enterprises Water, a Hong-Kong based company engaged in water businesses (sewage, reclaimed water treatment and construction services). The stock is up 30% year to date (and the CB nearly 10% since its primary issue) at around HKD6.5 and we target HKD10. CEO Zhou exposed his ambition to sign new Private Public Partnership projects

under its water fund model which should amount to CNY300bn total project consideration by 2020, mainly in financially sound cities, excluding northeast and low-tier inland cities. This strong PPP project pipeline should fuel growth under an asset-light water fund model.

On the new investment front, we had been looking for a good bond floor with nice possible return on the underlying. We think that we have found this unicorn with Rag/Evonik 0ù 2021. We like the credit: Rag is a rock solid German foundation created by German Federal Government to guarantee state obligations with regard to coal exploitation. We also like the underlying, Evonik, a German industrial and feed chemicals producer. Due to Evonik's "performance", which is down since its IPO in 2013 at EUR32.3 versus EUR28 actually, the market has more or less given up on the name. But with Evonik's new EBITDA margin target of 18-20% (versus 16% in 2016 and achievable through low margin business divestments) and the stabilization of methionine price (an animal feed additive produced by the company), we estimate that there is value. To summarise, we have a convertible with good credit, some convexity (+7%/-5% return on +/-20% on the underlying), a balanced delta of 40% and an unloved underlying, which may also be a target for an acquisition (BASF?).

NAV PER SHARE SINCE INCEPTION (CLASS A)



PERFORMANCE

	A	B	C	H
HEDGED	NO	NO	CURRENCIES	CURRENCIES & DELTA
DELTA	50%	50%	50%	8%
VOLATILITY	6.58%	6.55%	4.49%	2.98%
NAV/SHARE	143.40	133.08	116.05	105.42
MONTH	-0.59%	-0.52%	0.83%	-0.59%
2017	4.02%	4.21%	8.93%	0.69%
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% *
2012	4.66%	5.47%	1.40%	

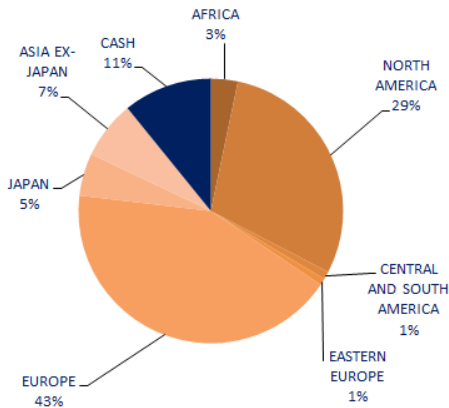
* Since 01/07/2013

MAIN HOLDINGS

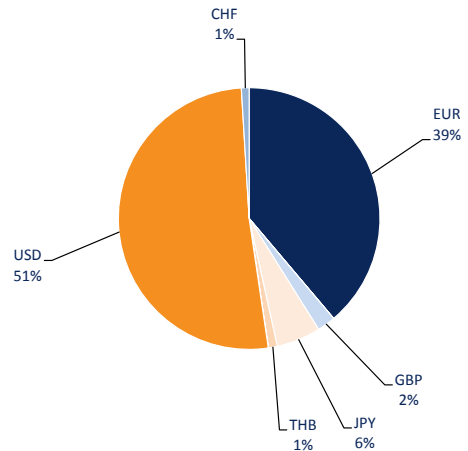
TOP 10	CCY	MATURITY / DURATION	PUT	%	DELTA	YTM/YTP	TOP 5 / BOTTOM 5 (ATTRIBUTION)
TAKE-TWO INTERACTIVE 1% 2018	USD	01/07/2018		2.85%	100%	0.00%	TAKE-TWO INTERACTIVE 1% 2018 0.60%
ALLERGAN PLC 5.5% 2018	USD	01/03/2018		2.77%	78%	6.23%	MAND. EXCH TRUST (BABA US) 5.75% 2019 0.13%
SONY CORPORATION 0% 2022	JPY	30/09/2022		2.46%	39%	0.00%	MARINE HARVEST 0.125% 2020 0.12%
MARINE HARVEST 0.125% 2020	EUR	05/11/2020		2.20%	70%	0.00%	PRICELINE.COM 1% 2018 0.12%
FORTIS CASHES 2.305% 2049	EUR	29/12/2049		2.14%	2%	2.15%	CTRIIP.COM INTL LTD 1.25% 2018 0.10%
SPANSION 2% 2020	USD	01/09/2020		2.15%	94%	0.00%	
BANK OF AMERICA CORP 7.25% 2049	USD			2.01%	16%	5.57%	PACIRA PHARMACEUTICALS 3.25% 2019 -0.20%
MICRON TECHNOLOGY 1.625% 2033	USD	15/02/2033	15/02/2018	2.07%	98%	0.00%	MICRON TECHNOLOGY 1.625% 2033 -0.14%
RAG-STIFTUNG 0% 2021	EUR	18/02/2021		1.95%	29%	0.00%	SIEMENS FINANCIERINGSMAT 1.65% 2019 -0.10%
FORTIS FRESH 1.686% 2049	EUR	29/08/2049		1.91%	8%	1.78%	FRESENIUS MEDICAL CARE 1.125% 2020 -0.04%
							PIERRE & VACANCES SA 3.5% 2019 -0.04%
NAV		4.51		100%	50%	2.00%	



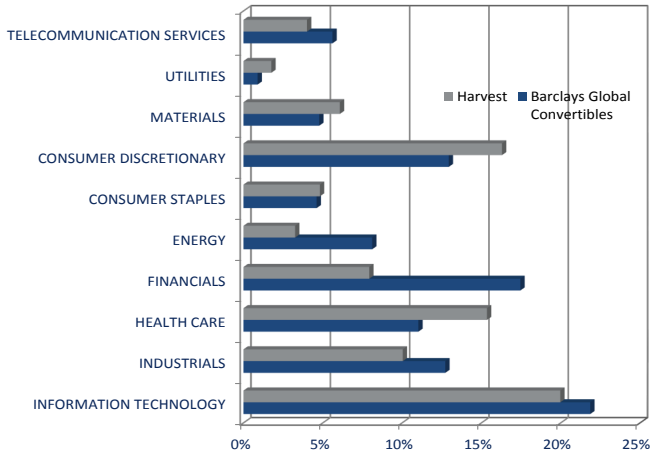
GEOGRAPHIC ALLOCATION



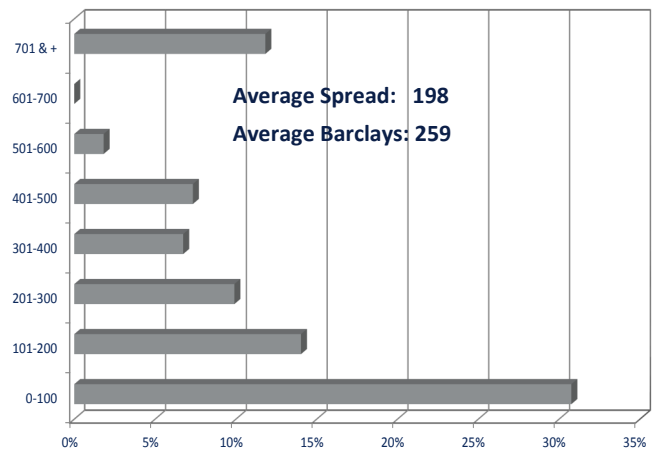
CURRENCY ALLOCATION



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 54 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.
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FUND	HARVEST INVESTMENT FUND 26, Av. de la Liberté L-1930 Luxembourg	ADVISOR	Harvest Advisory S.A.
		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 subfund 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 subfund depends on market developments. Returns are net of management and performance fees.