

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.

FUND MANAGER'S COMMENTS

It's all about the FED!

November was paced by Thanksgiving and Black Friday, an assessment of the US consumers mood. Black Friday results were great and encouraging with, for instance, online spending hitting a record high at over \$9 billion. This, coupled with 3rd quarter results that were better than feared, made the stock market more confident in the economic and corporate earnings outlook. Nevertheless, this disconnects with the bond market as the yield curve (difference from short to long term yields) was at the deepest inverted level since the 80s, signalling an expected recession.

At the convertible bond level, a starving primary market awakened. Still, the pricing of the new green convertible bond in, for instance, Iberdrola 2027 was too rich with high premium, credit at the tight end and expensive volatility. This convertible will be more concave (decrease more than rise for the same underlying move) than convex. Concave structures are not interesting as the case for convertible bond stays in either having a better yield than the vanilla bond or an asymmetric return compared to equity. In these two cases, only the convertible bond investment is worth it giving an advantage compared to other asset classes. In the end, the convertible bond selection approach allows us to avoid such investments while benchmarked investors must take it anyway.

To illustrate the difference, in our portfolio we are exposed to the reopening of China through an investment into Poseidon Finance 2025, exchangeable into shares of Postal Savings Bank in China. While Postal Savings Bank equity will continue to come under pressure, the credit quality of China Shipbuilding Investment Corporation, as a wholly-owned central government enterprise, is that of a quasi-sovereign. The yield on the bonds reflected the challenging outlook for the underlying equity, but compensates well for the minimal default risk. This investment, compared to Iberdrola 27, looks ridiculously cheap in the model at 98.5% for a theoretical price of 104%, only 1% premium, over 60% delta and 4% yield to maturity. Also, we could compare it to Anta Sport 2025, the "Chinese Adidas", with Anta stock momentum building from the end of October lows, and being up 30% from these levels, as COVID restrictions ease and re-opening in China feels possible. A raft of positive headlines from the ground in China regarding easing lockdowns, testing and general measures to help a move to re-opening have boosted consumer stocks. The convertible bond has an appealing profile here to take advantage of this consumer recovery as we head into 2023 and a gradual re-opening in China. Anta convertible offers 60% equity participation, with 16% premium and a 34.5% intrinsic volatility compared to a 45% realized volatility. It is also cheap being valued at 113.96% while priced by the market at 111.14% at the end of November.

NAV PER SHARE (CLASS A)



SUMMARY

	HARD CLOSED			
	A	B	C	H
HEDGED	/	/	Devises	Devises & Delta
NAV/SHARE	159,65	153	114,63	99,58
YTD	-14,14%	-13,59%	-19,64%	-0,19%
MONTH	0,40%	0,45%	1,24%	-4,37%
DELTA	44,31%	44,31%	44,31%	0,00%
VOLATILITY	9,04%	9,03%	9,02%	12,93%
MATURITY/DURATION	1,68			
AVERAGE DELTA	44%			
CURRENT YIELD	1,27%			
AVERAGE SPREAD	178			
CASH	10,79%			

Performance History

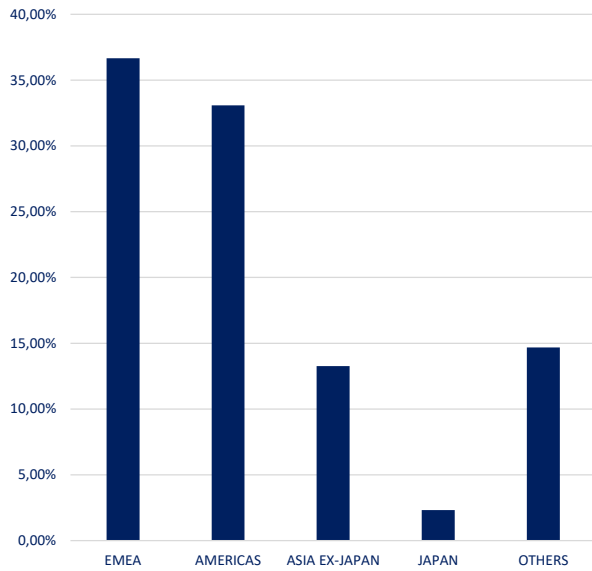
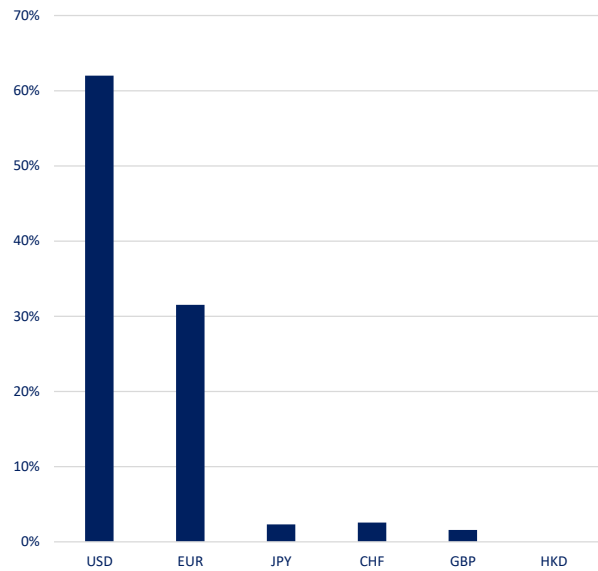
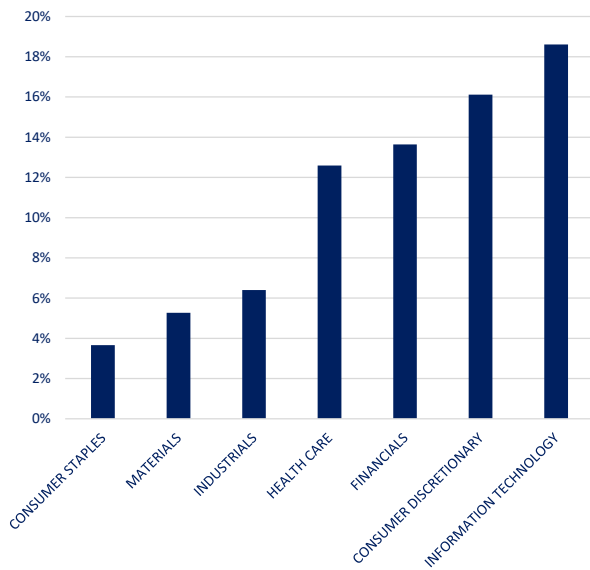
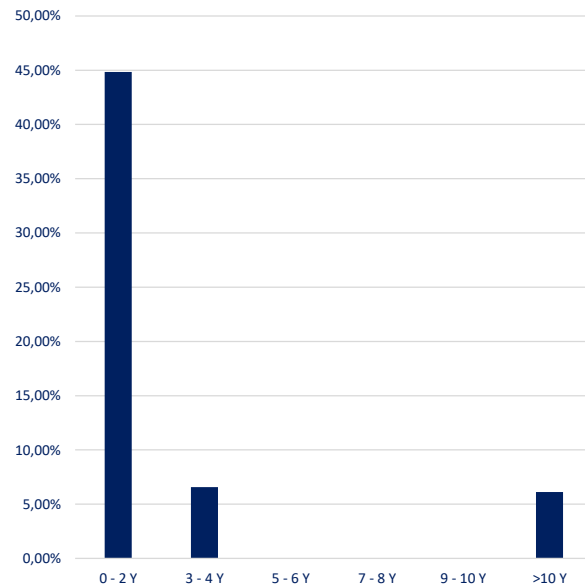
	2014	2015	2016	2017	2018	2019	2020	2021	YTD
A	14,17%	4,69%	0,50%	4,90%	-1,27%	12,13%	10,33%	5,17%	-14,14%
B	14,85%	5,37%	1,20%	5,33%	-0,65%	12,72%	10,99%	5,80%	-13,59%
C	5,59%	-1,58%	-2,11%	10,40%	-5,32%	10,73%	13,94%	1,55%	-19,64%
H	9,85%	0,95%	-5,97%	-0,19%	-0,66%	-0,59%	6,56%	-9,03%	-0,19%

TOP 5 / BOTTOM 5 (ATTRIBUTION)

ON SEMICONDUCTOR 1.625% 2023	0,95%	MITHRA PHARMACEUTICALS 4.25% 2025	-0,15%
ARTEMIS/KERING 0% 2023	0,43%	LIVE NATION 2.25% 2023	-0,14%
QIAGEN 1% 2024	0,29%	ZYNGA 0.25% 2024	-0,09%
ANLLIAN CAPITAL/ANTA SPORTS 0% 2025	0,29%	PURE STORAGE 0.125% 2023	-0,06%
POSEIDON/POSTAL SAVINGS 0% 2025	0,21%	DISH 3.375% 2026	-0,05%

MAIN HOLDINGS

TOP 10	CCY	MATURITY	PUT	%	DELTA	CURRENT YIELD
PALO ALTO 0.75% 2023	USD	01/07/2023		4,91%	99,63%	0,38%
ON SEMICONDUCTOR 1.625% 2023	USD	15/10/2023		4,47%	100,00%	0,46%
ENDEAVOUR MINING 3% 2023	USD	15/02/2023		3,78%	47,01%	2,95%
FORTIS CASHES Float 2049	EUR			3,10%	4,00%	4,61%
BANK OF AMERICA 7.25% PERP	USD			3,01%	0,00%	5,94%
QIAGEN 1% 2024	USD	13/11/2024		2,96%	78,81%	0,83%
ANLLIAN CAPITAL/ANTA SPORTS 0% 2025	EUR	05/02/2025	05/02/2023	2,91%	70,20%	0,00%
SAFRAN 0.875% 2027	EUR	15/05/2027		2,74%	83,27%	0,71%
ARTEMIS/KERING 0% 2023	EUR	31/03/2023		2,54%	99,97%	0,00%
MITHRA PHARMACEUTICALS 4.25% 2025	EUR	17/12/2025		2,54%	36,56%	6,41%

GEOGRAPHICAL ALLOCATION

CURRENCY ALLOCATION

SECTOR ALLOCATION

MATURITY ALLOCATION

INFORMATIONS GENERALES

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)	€ 1,000	CAPITALISATION	EUR 38 MILLIONS	JOURNALIER 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 AND CCY HEDGE)	LU0944844058	01/07/2013	1,85%		€ 1,000			

DEPOSITARY BANK	VP Bank (Luxembourg) SA	MANAGEMENT COMPANY	Bellatrix Asset Management S.A. 31, bd Prince Henri L-1724 (+352) 26 25 66 20 info@bellatrix.lu
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FUND	HARVEST INVESTMENT FUND 2 Rue Edward Steichen L-2540 Luxembourg	ADVISOR	Harvest Advisory S.A.
		AUDITOR	KPMG Luxembourg Société
		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.