

Convergence Lux

Société d'Investissement à Capital Variable (SICAV)

Unaudited semi-annual report as at 30/06/23

R.C.S. Luxembourg B233606

Convergence Lux

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No subscription can be received on the basis of this annual report including audited financial statements. Subscriptions are only valid if made on the basis of the current prospectus supplemented by the latest annual report including audited financial statements and the most recent unaudited semi-annual report, if published thereafter.

Convergence Lux

Organisation and administration

Registered Office	106, route d'Arlon L-8210 Mamer, Grand Duchy of Luxembourg
Board of Directors	Géraldine Bosshart Brodard (Director) Legal counsel, Banque Bonhôte & Cie S.A. Steve Métrallet (Director) Independent director Olivia Tournier-Demal (Director) Independent director
Management Company	Lemanik Asset Management S.A. 106, route d'Arlon L-8210 Mamer, Grand Duchy of Luxembourg
Investment Managers	Banque Bonhôte & Cie S.A. 2, quai Ostervald 2000 Neuchâtel, Switzerland
Sub-Investment Managers	Zhong Ou Asset Management International Limited 9/F, 80 Gloucester Road, Wan Chai, Hong Kong
Depositary and Paying Agent	CACEIS Bank, Luxembourg Branch 5, allée Scheffer L-2520 Luxembourg, Grand Duchy of Luxembourg
Administrator	CACEIS Bank, Luxembourg Branch 5, allée Scheffer L-2520 Luxembourg, Grand Duchy of Luxembourg
Auditor	PricewaterhouseCoopers, Société coopérative 2, rue Gerhard Mercator L-2182 Luxembourg, Grand Duchy of Luxembourg
Legal adviser as to matters of Luxembourg law	Arendt & Medernach S.A. 41A, avenue J.F. Kennedy L-2082 Luxembourg, Grand Duchy of Luxembourg

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Combined financial statements

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Combined statement of net assets as at 30/06/23

	Note	Expressed in EUR
Assets		69,477,932.83
Securities portfolio at market value	2.2	67,573,519.54
<i>Cost price</i>		73,195,472.85
Cash at banks and liquidities		1,842,653.63
Dividends receivable, net		33,942.80
Formation expenses, net	2.8	27,816.86
Liabilities		294,191.37
Bank overdrafts		90,152.14
Net unrealised depreciation on forward foreign exchange contracts	2.6	20,574.67
Investment Manager fee payable	4	119,060.84
Management Company fees payable	3	9,583.33
Depositary and sub-depositary fees payable	6	2,316.91
Audit fees payable		31,023.67
Subscription tax payable ("Taxe d'abonnement")	8	1,824.49
Other liabilities		19,655.32
Net asset value		69,183,741.46

Convergence Lux

Combined statement of operations and changes in net assets for the period ended 30/06/23

	Note	Expressed in EUR
Income		225,394.95
Dividends on securities portfolio, net		198,781.45
Interests on money market instruments, net		3,187.42
Bank interests on cash accounts		23,426.08
Expenses		620,423.30
Investment Manager fee	4	257,081.50
Management Company fees	3	47,560.40
Depositary fees	6	14,812.88
Administration fees	7	60,213.78
Distribution fees		6,571.99
Amortisation of formation expenses	2.8	6,446.54
Audit fees		14,699.02
Legal fees		45,734.14
Transaction fees	2.9	78,275.42
Directors fees		23,517.68
Subscription tax ("Taxe d'abonnement")	8	2,451.80
Interests paid on bank overdraft		1,632.88
Other expenses		61,425.27
Net income / (loss) from investments		-395,028.35
Net realised profit / (loss) on:		
- sales of investment securities	2.3	900,607.86
- forward foreign exchange contracts	2.6	-53,008.38
- foreign exchange	2.4	-369,831.19
Net realised profit / (loss)		82,739.94
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	364,791.17
- forward foreign exchange contracts	2.6	22,931.09
Net increase / (decrease) in net assets as a result of operations		470,462.20
Subscriptions of capitalisation shares		3,113,219.05
Redemptions of capitalisation shares		-12,522,163.24
Net increase / (decrease) in net assets		-8,938,481.99
Revaluation of opening combined NAV		-123,315.68
Net assets at the beginning of the period		78,245,539.13
Net assets at the end of the period		69,183,741.46

Convergence Lux - Bonhôte Impact Fund

Convergence Lux - Bonhôte Impact Fund

Statement of net assets as at 30/06/23

	Note	Expressed in CHF
Assets		47,803,147.26
Securities portfolio at market value	2.2	46,527,691.21
<i>Cost price</i>		49,647,045.69
Cash at banks and liquidities		1,275,456.05
Liabilities		213,387.23
Bank overdrafts		87,993.00
Net unrealised depreciation on forward foreign exchange contracts	2.6	20,081.91
Investment Manager fee payable	4	71,701.93
Management Company fees payable	3	2,033.43
Depositary and sub-depositary fees payable	6	1,593.89
Audit fees payable		20,586.94
Subscription tax payable ("Taxe d'abonnement")	8	1,262.92
Other liabilities		8,133.21
Net asset value		47,589,760.03

Convergence Lux - Bonhôte Impact Fund

Statement of operations and changes in net assets from 01/01/23 to 30/06/23

	Note	Expressed in CHF
Income		7,388.70
Bank interests on cash accounts		7,388.70
Expenses		286,067.42
Investment Manager fee	4	143,191.78
Management Company fees	3	22,678.88
Depository fees	6	9,569.37
Administration fees	7	32,938.26
Distribution fees		3,224.23
Audit fees		9,484.74
Legal fees		28,237.96
Transaction fees	2.9	1,270.95
Directors fees		13,069.99
Subscription tax ("Taxe d'abonnement")	8	1,046.13
Interests paid on bank overdraft		1,593.77
Other expenses		19,761.36
Net income / (loss) from investments		-278,678.72
Net realised profit / (loss) on:		
- sales of investment securities	2.3	35,002.75
- forward foreign exchange contracts	2.6	-51,738.83
- foreign exchange	2.4	-46,616.10
Net realised profit / (loss)		-342,030.90
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	1,177,804.72
- forward foreign exchange contracts	2.6	22,381.89
Net increase / (decrease) in net assets as a result of operations		858,155.71
Subscriptions of capitalisation shares		2,524,937.23
Redemptions of capitalisation shares		-2,437,343.85
Net increase / (decrease) in net assets		945,749.09
Net assets at the beginning of the period		46,644,010.94
Net assets at the end of the period		47,589,760.03

Convergence Lux - Bonhôte Impact Fund

Statistics

		30/06/23	31/12/22	31/12/21
Total Net Assets	CHF	47,589,760.03	46,644,010.94	57,138,787.76
A-CHF				
Number of shares		7,518.446	7,518.446	8,960.689
Net asset value per share	CHF	97.16	95.71	114.63
I-EUR				
Number of shares		11,255.627	11,945.627	22,240.627
Net asset value per share	EUR	102.69	100.01	116.47
I-CHF				
Number of shares		464,139.537	462,492.537	465,001.537
Net asset value per share	CHF	98.53	96.75	114.90

Convergence Lux - Bonhôte Impact Fund

Changes in number of shares outstanding from 01/01/23 to 30/06/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 30/06/23
A-CHF	7,518.446	100.000	100.000	7,518.446
I-EUR	11,945.627	310.000	1,000.000	11,255.627
I-CHF	462,492.537	25,140.000	23,493.000	464,139.537

Convergence Lux - Bonhôte Impact Fund

Securities portfolio as at 30/06/23

Denomination	Currency	Quantity/ Notional	Market value (in CHF)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			4,643,048.79	9.76
Shares/Units in investment funds			4,643,048.79	9.76
Luxembourg			4,643,048.79	9.76
SISF BLUEORCHARG EMERG MKTS IMP BD C	USD	50,300	4,643,048.79	9.76
Undertakings for Collective Investment			41,884,642.42	88.01
Shares/Units in investment funds			41,884,642.42	88.01
France			3,506,061.40	7.37
SYCOM SELECT CR -I- 4 DEC	EUR	28,700	3,506,061.40	7.37
Ireland			5,945,565.81	12.49
LGT SUSTAINABLE EQU MARKET NEUTRAL B	USD	2,650	2,348,742.21	4.94
WHEB ASS CLASS C USD ACC USD	USD	42,100	3,596,823.60	7.56
Liechtenstein			2,221,730.00	4.67
BONAFIDE GLOBAL FISH FUND CHF	CHF	17,000	2,221,730.00	4.67
Luxembourg			26,670,461.41	56.04
ALQUITY FUTURE WORLD FUND Y USD	USD	48,900	3,971,862.36	8.35
CLARTAN ETHOS ESG EUROPE SMALL	EUR	1,900	2,086,325.42	4.38
DECALIA CIRCULAR ECONOMY IP USD P	USD	23,100	2,450,590.47	5.15
DPAM L BONDS EMG MKTS SUSTAINABLE F	EUR	27,665	3,921,291.90	8.24
GSF III GREEN BOND ICE	EUR	600	2,670,876.88	5.61
LOF GLOBAL CLIMATE BOND CHF I CAP SMH	CHF	274,900	2,405,347.51	5.05
MULTIFLEX SICAV CARNOT EFFICIENT CHF D	CHF	2,600	3,900,676.00	8.20
PARVEST AQUA PRIVILEGE CAP	EUR	7,800	2,428,379.21	5.10
THREADNEEDLE EUROPEAN SOCIAL BOND LE	EUR	314,400	2,835,111.66	5.96
Switzerland			3,540,823.80	7.44
UBS ETF (CH) MSCI SWIT IMI SOC RES CHF A	CHF	215,300	3,540,823.80	7.44
Total securities portfolio			46,527,691.21	97.77

Convergence Lux - ZO China Value Fund

Convergence Lux - ZO China Value Fund

Statement of net assets as at 30/06/23

	<i>Note</i>	<i>Expressed in USD</i>
Assets		22,367,471.83
Securities portfolio at market value	2.2	21,715,424.21
<i>Cost price</i>		24,362,252.53
Cash at banks and liquidities		584,667.83
Dividends receivable, net		37,031.60
Formation expenses, net	2.8	30,348.19
Liabilities		82,444.81
Investment Manager fee payable	4	49,749.07
Management Company fees payable	3	8,182.50
Depositary and sub-depositary fees payable	6	746.15
Audit fees payable		10,835.34
Subscription tax payable ("Taxe d'abonnement")	8	578.86
Other liabilities		12,352.89
Net asset value		22,285,027.02

Convergence Lux - ZO China Value Fund

Statement of operations and changes in net assets from 01/01/23 to 30/06/23

	Note	Expressed in USD
Income		237,647.01
Dividends on securities portfolio, net		216,870.56
Interests on money market instruments, net		3,477.47
Bank interests on cash accounts		17,298.98
Expenses		357,124.07
Investment Manager fee	4	120,420.36
Management Company fees	3	26,538.61
Depositary fees	6	5,464.49
Administration fees	7	28,875.81
Distribution fees		3,566.09
Amortisation of formation expenses	2.8	7,033.18
Audit fees		5,434.87
Legal fees		18,332.39
Transaction fees	2.9	83,977.85
Directors fees		11,048.54
Subscription tax ("Taxe d'abonnement")	8	1,505.58
Other expenses		44,926.30
Net income / (loss) from investments		-119,477.06
Net realised profit / (loss) on:		
- sales of investment securities	2.3	943,438.13
- foreign exchange	2.4	-351,379.72
Net realised profit / (loss)		472,581.35
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	-918,528.33
Net increase / (decrease) in net assets as a result of operations		-445,946.98
Subscriptions of capitalisation shares		574,221.36
Redemptions of capitalisation shares		-10,937,288.78
Net increase / (decrease) in net assets		-10,809,014.40
Net assets at the beginning of the period		33,094,041.42
Net assets at the end of the period		22,285,027.02

Convergence Lux - ZO China Value Fund

Statistics

		30/06/23	31/12/22	31/12/21
Total Net Assets	USD	22,285,027.02	33,094,041.42	88,323,213.49
A-EUR				
Number of shares		18,678.000	19,013.000	19,753.000
Net asset value per share	EUR	83.66	90.13	121.07
A-CHF				
Number of shares		162,057.000	171,478.000	196,919.000
Net asset value per share	CHF	75.03	81.77	115.27
A-USD				
Number of shares		63,595.816	64,070.816	88,681.816
Net asset value per share	USD	82.34	86.78	124.21
I-EUR				
Number of shares		1,350.000	13,903.256	44,588.880
Net asset value per share	EUR	83.08	89.68	120.95
I-CHF				
Number of shares		2,690.000	28,740.000	33,410.000
Net asset value per share	CHF	74.68	81.56	115.42
I-USD				
Number of shares		14,649.818	50,308.959	65,454.247
Net asset value per share	USD	81.18	85.72	123.20
R-EUR				
Number of shares		-	20,407.000	50,458.000
Net asset value per share	EUR	-	95.95	130.49
R-CHF				
Number of shares		477.000	907.000	5,893.000
Net asset value per share	CHF	81.85	89.75	128.09
R-USD				
Number of shares		1,931.000	2,060.000	166,871.937
Net asset value per share	USD	89.64	95.05	137.42

Convergence Lux - ZO China Value Fund

Changes in number of shares outstanding from 01/01/23 to 30/06/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 30/06/23
A-EUR	19,013.000	490.000	825.000	18,678.000
A-CHF	171,478.000	245.000	9,666.000	162,057.000
A-USD	64,070.816	0.000	475.000	63,595.816
I-EUR	13,903.256	0.000	12,553.256	1,350.000
I-CHF	28,740.000	0.000	26,050.000	2,690.000
I-USD	50,308.959	6,250.859	41,910.000	14,649.818
R-EUR	20,407.000	0.000	20,407.000	0.000
R-CHF	907.000	0.000	430.000	477.000
R-USD	2,060.000	0.000	129.000	1,931.000

Convergence Lux - ZO China Value Fund

Securities portfolio as at 30/06/23

Denomination	Currency	Quantity/ Notional	Market value (in USD)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			21,446,810.46	96.24
Shares			21,446,810.46	96.24
British Virgin Islands			156,764.97	0.70
C&D PROPERTY MANAGEMENT GROUP-SH	HKD	315,000	156,764.97	0.70
Cayman Islands			3,409,674.55	15.30
CHINA MEIDONG AUTO HOLDINGS LTD	HKD	564,000	651,330.71	2.92
CHINA OVERSEAS PROPERTY HOLDINGS LTD	HKD	700,000	704,772.45	3.16
CHINA STATE CONSTRUCTION DEVELOPMENT HOL TENCENT	HKD	2,500,000	864,536.18	3.88
	HKD	28,100	1,189,035.21	5.34
China			17,880,370.94	80.23
BEIJING URBAN & RURAL COMM-A	CNY	129,600	413,916.74	1.86
CHENGUANG BIOTECH - SHS -A-	CNY	278,300	685,782.25	3.08
CHINA MERCHANTS BANK CO LTD -A-	CNY	211,200	952,484.26	4.27
CN STATE SHIP-A-	CNY	290,342	1,315,399.72	5.90
CONTEMPORARY AMPEREX TECHN-A	CNY	45,720	1,440,002.55	6.46
FINANCIAL STREET PROPERTY CO	HKD	277,000	92,255.90	0.41
HUNAN NEW WELLFUL CO LTD-A	CNY	533,900	702,648.00	3.15
JIANGSU DINGSHENG NEW ENER-A	CNY	203,760	538,287.02	2.42
JIANGSU YANGHE BREWERY -A-	CNY	25,300	457,478.40	2.05
KWEICHOW MOUTAI CO LTD	CNY	1,100	256,068.58	1.15
LESHAN GIANTSTAR FARMING HUSBANDRY CORP	CNY	146,000	670,299.19	3.01
MILKYWAY CHEM - REG SHS -A-	CNY	72,100	884,268.64	3.97
MORIMATSU INTL - REG SHS REG S	HKD	506,000	415,178.99	1.86
SHANDONG HUALU HENGSHENG CHEMICAL	CNY	277,568	1,170,405.60	5.25
SHANGHAI BAOSIGHT -B-	USD	260,897	688,768.08	3.09
SHENZHEN H&T --- SHS-A-	CNY	195,100	456,052.62	2.05
SHENZHEN LUXSHARE PRECISION INDUSTRY -A-	CNY	279,600	1,249,027.12	5.60
SIYUAN ELECTRIC CO LTD	CNY	147,500	948,669.32	4.26
WANHUA POLYURETANE -A-	CNY	80,300	971,019.32	4.36
XIAMEN C & D -A-	CNY	610,300	916,617.45	4.11
XUGONG SC&TECH -A-	CNY	1,144,000	1,066,190.22	4.78
YTO EXPRESS A	CNY	243,200	487,466.69	2.19
ZIJIN MINING GROUP CO LTD	CNY	704,100	1,102,084.28	4.95
Undertakings for Collective Investment			268,613.75	1.21
Shares/Units in investment funds			268,613.75	1.21
Ireland			268,613.75	1.21
HSBC USD LIQUIDITY FUND SHARE	USD	268,614	268,613.75	1.21
Total securities portfolio			21,715,424.21	97.44

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Notes to the financial statements - Schedule of derivative instruments

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Notes to the financial statements - Schedule of derivative instruments

Forward foreign exchange contracts

As at June 30, 2023, the following forward foreign exchange contracts were outstanding:

Convergence Lux - Bonhôte Impact Fund

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Unrealised (in CHF)	Counterparty
CHF	935,760.00	USD	1,050,000.00	15/09/23	3,549.62 *	CACEIS Bank, Lux. Branch
CHF	17,824.00	USD	20,000.00	15/09/23	67.61 *	CACEIS Bank, Lux. Branch
CHF	164,866.00	EUR	170,000.00	15/09/23	-402.43 *	CACEIS Bank, Lux. Branch
CHF	10,667,800.00	EUR	11,000,000.00	15/09/23	-26,039.38 *	CACEIS Bank, Lux. Branch
CHF	87,642.00	EUR	90,000.00	15/09/23	148.39 *	CACEIS Bank, Lux. Branch
EUR	1,100,000.00	CHF	1,066,780.00	15/09/23	2,594.28 *	CACEIS Bank, Lux. Branch
					-20,081.91	

The contracts that followed by * relate specifically to foreign exchange risk hedging of shares.

As at June 30, 2023, there is no collateral for the forward foreign exchange contracts disclosed here above.

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Other notes to the financial statements

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Other notes to the financial statements

1 - General information

Convergence Lux (the "Fund") is a public limited company incorporated on 5 April 2019 under the laws of Luxembourg as an investment company with variable capital (*société d'investissement à capital variable*). The Fund is subject to Part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended. The Fund is established for an unlimited period of time and is registered with the Luxembourg Trade and Companies Register ("*Registre de Commerce et des Sociétés de Luxembourg*") under the number B233606.

As at 30 June 2023, the Fund has the following active sub-funds:

- Convergence Lux - Bonhôte Impact Fund in CHF
- Convergence Lux - ZO China Value Fund in USD

Information on environmental and/or social characteristics and/or sustainable investments is available in the relevant annexes under the (unaudited) Sustainable Finance Disclosure Regulation section.

2 - Principal accounting policies

2.1 - Presentation of the financial statements

The financial statements are prepared in accordance with legal and regulatory requirements relating to undertakings for collective investments and generally accepted accounting principles in Luxembourg. Some small discrepancies might appear in some totals or sub-totals in the financial statements due to rounding.

2.2 - Portfolio valuation

The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, prepaid expenses, cash dividends and interest accrued but not yet received shall be equal to the entire nominal or face amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof.

Transferable Securities and Money Market Instruments which are quoted, listed or traded on an exchange or regulated market will be valued at the last available market price or quotation on the exchange or regulated market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors will determine on which exchange or regulated market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Transferable Securities and Money Market Instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market, will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.

Where permitted under applicable laws and regulations, Money Market Instruments may be valued using an amortisation method whereby instruments are valued at their acquisition cost as adjusted for amortisation of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortisation method will only be used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated according to the amortisation method.

Financial derivative instruments which are quoted, listed or traded on an exchange or regulated market will be valued at the last available closing or settlement price or quotation, prior to the time of valuation, on the exchange or regulated market where the instruments are primarily quoted, listed or traded. Where instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors will determine on which exchange or regulated market the instruments are primarily quoted, listed or traded and the closing or settlement prices or quotations on such exchange or regulated market will be used for the purpose of their valuation.

Financial derivative instruments for which closing or settlement prices or quotations are not available or representative will be valued at their probable realisation value estimated with care and in good faith by the Board of Directors using any valuation method approved by the Board of Directors.

Financial derivative instruments which are traded "over-the-counter" (OTC) will be valued daily at their fair market value, on the basis of valuations provided by the counterparty which will be approved or verified on a regular basis independently from the counterparty. Alternatively, OTC financial derivative instruments may be valued on the basis of independent pricing services or valuation models approved by the Board of Directors which follow international best practice and valuation principles. Any such valuation will be reconciled to the counterparty valuation on a regular basis independently from the counterparty, and significant differences will be promptly investigated and explained.

Shares or units in target investment funds (including UCITS and UCI) will be valued at their latest available official net asset value, as reported or provided by or on behalf of the investment fund or at their latest available unofficial or estimated net asset value if more recent than the latest available official net asset value, provided that the Board of Directors is satisfied of the reliability of such unofficial net asset value. The Net Asset Value calculated on the basis of unofficial net asset values of the target investment fund may differ from the Net Asset Value which would have been calculated, on the same Valuation Day, on the basis of the official net asset value of the target investment fund.

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Other notes to the financial statements

2 - Principal accounting policies

2.3 - Net realised profits or losses on sales of investments

The net realised profit/(loss) on sales of securities are determined on the basis of the average cost of the securities sold.

2.4 - Foreign currency translation

The market value of the investments and other assets and liabilities expressed in currencies other than the reference currency of the related sub-fund, have been converted at the rates of exchange prevailing at the date of these financial statements. Transactions occurring during the period in currencies other than the reference currency of the related sub-fund have been converted at the rates of exchange prevailing at the date of purchase.

Exchange profits and losses resulting from the sale of investments are recognised in the statement of operations and changes in net assets in the account "Net realised profit/loss on foreign exchange".

The principal exchange rates used at period-end are:

1 EUR	=	0.97605	CHF	1 EUR	=	7.9251	CNY	1 EUR	=	8.5497	HKD
1 EUR	=	1.091	USD								

2.5 - Combined financial statements

The accounts of the Fund are expressed in EUR, the reference currency of the Fund and the accounts of the sub-funds are kept in the reference currency of each sub-fund. The combined statement of net assets and the combined statement of operations and changes in net assets are the sum of the statement of net assets, statement of operations and changes in net assets of each sub-fund converted into EUR using exchange rates prevailing at period-end.

2.6 - Valuation of forward foreign exchange contracts

A forward agreement is a customised, bilateral agreement to exchange an asset or cash flows at a specified future settlement date at a forward price agreed on the trade date. One party to the forward is the buyer (long), who agrees to pay the forward price on the settlement date; the other is the seller (short), who agrees to receive the forward price.

The movement in net unrealised profit or loss is disclosed in the statement of operations and changes in net assets. The unrealised appreciation or depreciation is disclosed in the statement of net assets in "Net unrealised appreciation on forward foreign exchange contracts" and "Net unrealised depreciation on forward foreign exchange contracts" respectively.

2.7 - Dividend and interest income

Dividends are accounted at the ex-date. Interest is accounted on a prorata temporis basis.

2.8 - Formation expenses

Expenses in connection with the incorporation of the Fund are amortised on a straight line basis over five years period.

2.9 - Transaction fees

Transaction fees include mainly brokerage fees and depositary fees linked to transactions (buy or sell) on portfolio securities and other derivative instruments. Such fees are disclosed separately in the statement of operations and changes in net assets under the heading "Transaction fees".

3 - Management Company fees

The Management Company is entitled to an annual fee equal to a percentage of the Net Asset Value of each sub-fund or Share Class and paid out of the assets of the Fund and allocated to each sub-fund and Share Class. The Management Fee is accrued on each Valuation Day and is payable monthly in arrears.

Convergence Lux

Other notes to the financial statements

3 - Management Company fees

- 0.05% of the average net assets per sub-fund p.a. up to EUR 100 million;
- 0.04% of the average net assets per sub-fund p.a. from EUR 100 million to EUR 250 million;
- 0.03% of the average net assets per sub-fund p.a. from EUR 250 million to EUR 500 million;
- 0.02% of the average net assets per sub-fund p.a. above EUR 500 million.

The Management Company fee will not exceed 30 bps with a minimum fee of EUR 2,500 per sub-fund per month. An additional fee of EUR 1,000 per sub-fund per month will be charged in case of Value at risk calculation.

4 - Investment Manager fee

The Investment Manager is entitled to an annual fee equal to a percentage of the average Net Asset Value of each sub-fund or Share Class consistent with market practice, subject to a minimum flat fee per sub-fund or Share Class and a maximum annual rate as set out in the latest prospectus of the Fund. The Investment Manager fee is accrued on each Valuation Day and will be payable monthly in arrears out of the assets of the Fund and allocated to each sub-fund and Share.

The rates applicable as at June 30, 2023 are as follows:

Sub-funds	Shares Classes	Currency	Investment Manager Fee
<u>Convergence Lux - Bonhôte Impact Fund</u>			
	A-CHF	CHF	1.20%
	I-CHF	CHF	0.60%
	I-EUR	EUR	0.60%
<u>Convergence Lux - ZO China Value Fund*</u>			
	A-EUR	EUR	0.80%
	A-CHF	CHF	0.80%
	A-USD	USD	0.80%
	I-EUR	EUR	1.20%
	I-CHF	CHF	1.20%
	I-USD	USD	1.20%
	R- EUR	EUR	2.00%
	R-CHF	CHF	2.00%
	R-USD	USD	2.00%

5 - Performance fees

The performance fees is calculated on the basis of the net asset value after deducting any costs, liabilities, dividends and management fees (excluding the performance fees) and is adjusted to take into account all subscriptions and redemptions. The Performance Fee is equal to the performance of the Net Asset Value of the Share Class multiplied by the number of Shares in circulation of the Share Class during the Calculation Period, as defined below.

Details of the performance calculation are included in the prospectus.

Sub-funds	Shares Classes	Currency	Performance fee	Performance fees apply	Amount of performance fees
<u>Convergence Lux - Bonhôte Impact Fund</u>					
	A-CHF	CHF	None	None	None
	I-CHF	CHF	None	None	None
	I-EUR	EUR	None	None	None
<u>Convergence Lux - ZO China Value Fund</u>					
	A-EUR	EUR	15% WITH hurdle rate*	None	None
	A-CHF	CHF	15% WITH hurdle rate*	None	None
	A-USD	USD	15% WITH hurdle rate*	None	None
	I-EUR	EUR	15% WITH hurdle rate*	None	None
	I-CHF	CHF	15% WITH hurdle rate*	None	None
	I-USD	USD	15% WITH hurdle rate*	None	None
	R- EUR	EUR	15% WITH hurdle rate*	None	None
	R-CHF	CHF	15% WITH hurdle rate*	None	None
	R-USD	USD	15% WITH hurdle rate*	None	None

*Hurdle: MSCI China A Net Return USD (Bloomberg Ticker NU718708 Index)

There is no performance fee as at June 30, 2023.

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Other notes to the financial statements

6 - Depositary fees

The Depositary will be entitled to an annual fee equal to a percentage of the average Net Asset Value of each Sub-Fund or Share Class consistent with market practice in Luxembourg, subject to a maximum rate of 0.04 percent (0.04%) per annum.

7 - Administration fees

The Administrator will be entitled to an annual fee equal to a percentage of the average Net Asset Value of each Sub-Fund or Share Class consistent with market practice in Luxembourg, subject to a minimum annual flat fee of €15,000 per Sub-Fund and a maximum annual rate of 0.06 percent (0.06%) per annum.

8 - Subscription tax ("*Taxe d'abonnement*")

Under current law and practice, the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax.

However, the Fund is liable to a subscription tax (taxe d'abonnement) of 0.05% per annum, such tax being payable quarterly and calculated on the aggregate net assets of the Fund valued at the end of the relevant calendar quarter, unless a reduced tax rate of 0.01% per annum is applicable.

9 - Changes in the composition of securities portfolio

The details of the changes in portfolio composition are held at the registered office of the Fund and are available upon request and free of charge to the shareholders.

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Additional information

Remuneration policy

Remuneration policy note:

Remuneration policies and practices

The Management Company has established and applies a remuneration policy and practices that are consistent with, and promote, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles, rules, the Prospectus or the Articles of Incorporation nor impair compliance with the Management Company's obligation to act in the best interest of the Fund ("the Remuneration Policy").

The Remuneration Policy includes fixed and variable components of salaries and applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the Management Company, the Fund or the Sub-Funds. Within the Management Company, these categories of staff represent 20 persons.

The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company, the Fund and the Shareholders and includes measures to avoid conflicts of interest. In particular, the Remuneration Policy will ensure that:

- a) the staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;
- b) the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;
- c) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks.

The following table shows the fixed and variable remuneration in 2022 for the Identified Staff (20 persons), who is fully or partly involved in the activities of all the funds managed by the Management Company. For the purposes of the below disclosures, where portfolio management activities have been formally delegated to another entity, the remuneration of the relevant identified staff of the delegate has been excluded, as it is not paid out by the Management Company or by the Fund.

Staff expenses split into fixed and variable remuneration

Wages and salaries

- a. Fixed
- b. Variable

Staff expenses broken down by categories of staff subject to UCITS V pay rules (in EUR)

Staff code	Fixed remuneration	Variable Remuneration	Total
S	1,885,745.44	346,000.00	2,231,745.44
R	1,057,838.33	96,500.00	1,154,338.33
C	247,140.83	37,000.00	284,140.83
O	0	0	0

S = Senior Management

R = Risk takers, which includes staff members whose professional activities can exert material influence on UCITS or AIFs managed by Lemanik Asset Management S.A. ("LAM").

C = Staff engaged in control functions (other than senior management) responsible for risk management, compliance, internal audit and similar functions.

O = Any other staff member receiving total remuneration that takes them into the same remuneration bracket as senior management and risk-takers, whose professional activities have a material impact on LAM's risk profile.

A paper copy of the summarised Remuneration Policy is available free of charge to the Shareholders upon request.

No material changes have been made to the Remuneration Policy.

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Additional information

Securities Financing Transactions Regulation (SFTR) Disclosures

The Fund does not use any instruments falling in the scope of SFTR.

Additional Information for Investors in Switzerland

The prospectus and the key information document for Switzerland, the articles of association, the annual and semi-annual reports, the list of the purchases and sales and further information can be obtained free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, 1204 Geneva.

The last shares prices can be found on www.swissfunddata.ch.

Each time performance data is published, it should be noted that the past performance is no indication of current or future performance, and that it does not take account of the commissions and costs incurred on the issue and redemption of shares.

Total expense ratio (TER) 30 June 2023

Convergence Lux – Zo China Value Fund

As of 30/06/2023:

Without transaction fees and performance fees:

Class A CHF:	1.62%
Class A EUR:	1.64%
Class A USD:	1.60%
Class I CHF:	1.70%
Class I USD:	1.74%
Class I EUR:	1.66%
Class R CHF:	2.49%
Class R EUR:	2.01%
Class R USD:	2.49%

Convergence Lux-Bonhote Impact Fund

As of 30/06/2023:

Without transaction fees and performance fees:

Class A CHF:	1.80%
Class I CHF:	1.17%
Class I EUR:	1.17%