

PARVEST EQUITY BEST SELECTION ASIA EX-JAPAN - (Classic EUR)

RISK AND REWARD INDICATOR

lower risk ← → higher risk
typically lower reward typically higher reward

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

The higher the risk, the longer the recommended investment horizon.

The investments in the funds are subject to market fluctuations and the risks inherent in investments in securities. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial outlay, the fund described being at risk of capital loss.

CODES

| | Capi. code | Distri. code |
|------------------|--------------|--------------|
| ISIN | LU0823397368 | LU0823397525 |
| BLOOMBERG | FORBSAA LX | FOBASIA LX |
| WKN | A1T8UD | A1T8UE |

KEY FIGURES - EUR

| | |
|--------------------------------------|---------------|
| NAV (Capi.) | 657.03 |
| NAV (Distrib.) | 434.29 |
| 12M NAV max. Capi. (23/01/18) | 713.93 |
| 12M NAV min. Capi. (11/08/17) | 610.54 |
| Total net assets (mln) | 487.22 |
| Last dividend (19/04/17) | 9.78 |
| Initial NAV | 270.00 |

CHARACTERISTICS

| | |
|---|---|
| Benchmark | MSCI AC Asia ex-Japan (NR) |
| Nationality | Luxembourg |
| Legal form | Sub-fund of SICAV with European passport |
| Launch date | 17 May 2013 |
| Base currency (of share class) | Euro |
| Fund Manager | Arthur Lok Tin KWONG |
| Management Company | BNP PARIBAS ASSET MANAGEMENT Luxembourg |
| Delegated Investment Manager | BNP PARIBAS ASSET MANAGEMENT UK Limited |
| External financial administrator | BNP PARIBAS ASSET MANAGEMENT Luxembourg |
| Custodian | BNP PARIBAS SECURITIES SERVICES-LUXEMBOURG BRANCH |
| Max. Entrance Fees | 3% |
| Exit fees | 0% |
| Max. Switch Commission | 1.50% |
| Ongoing Charges at 30/11/2017 | 1.97% |
| Maximum Management fees (annual) | 1.50% |
| Periodicity of NAV Calculation | Daily |
| Dealing deadline | Day D before 4 pm (Luxembourg time) |
| Settlement and delivery | Account credited/debited D+3 |
| Execution/Subscription type | Unknown NAV |
| For further information | www.bnpparibas-am.com |

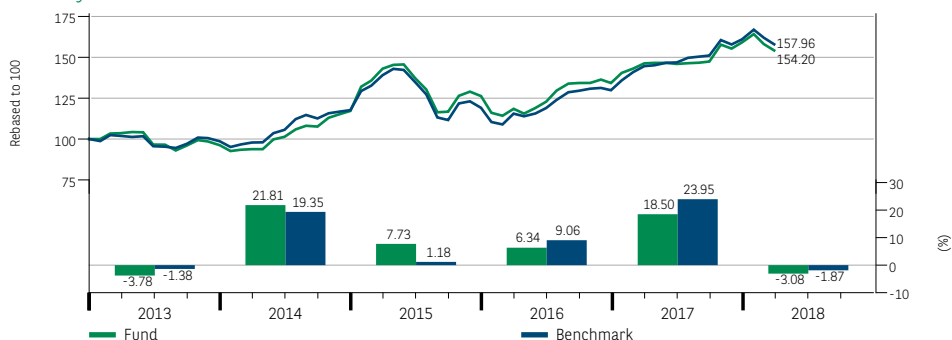


INVESTMENT OBJECTIVE

The Fund seeks to increase the value of its assets over the medium term by investing in shares issued by Asian companies, and/or companies operating in Asia (excluding Japan), with a solid financial structure and/or potential for earnings growth. It may be invested in Mainland China shares restricted to foreign investors such as China A shares which can be listed on a Stock Connect or through a use of a specific license granted by the Chinese authorities. It is actively managed and as such may invest in securities that are not included in the index which is MSCI AC Asia ex-Japan (NR).

CUMULATIVE AND ANNUAL PERFORMANCE (EUR) (Net)

Over 5 years



Past performance or achievement is not indicative of current or future performance. Source of Performance Calculation: BNP Paribas Securities Services.

PERFORMANCE AS OF 29/03/2018 (EUR) (Net)

| Cumulative (%) | Fund | Benchmark |
|---------------------------------------|---------|-----------|
| 1 month | - 2.47 | - 2.49 |
| 3 months | - 3.08 | - 1.87 |
| Year to date | - 3.08 | - 1.87 |
| March 2017 - March 2018 | 5.40 | 9.24 |
| March 2016 - March 2017 | 23.47 | 25.15 |
| March 2015 - March 2016 | - 17.17 | - 16.92 |
| March 2014 - March 2015 | 52.49 | 42.10 |
| March 2013 - March 2014 | - 9.42 | - 3.99 |
| Annualised (%) (base 365 days) | | |
| 1 year | 5.43 | 9.29 |
| 3 years | 2.54 | 4.34 |
| 5 years | 8.28 | 9.15 |
| Since First NAV (06/04/1999) | 7.40 | 7.69 |

Past performance or achievement is not indicative of current or future performance. Source of Performance Calculation: BNP Paribas Securities Services.

On May 17, 2013, the BNP PARIBAS L1 EQUITY BEST SELECTION ASIA EX-JAPAN was merged into a new sub-fund of the PARVEST Luxembourg SICAV creating the PARVEST EQUITY BEST SELECTION ASIA EX-JAPAN. The fund is managed following exactly the same process, investment strategy and fees. All performance and risk indicators numbers presented in this document prior to May 17, 2013 are those of the former BNP PARIBAS L1 EQUITY BEST SELECTION ASIA EX-JAPAN. Past performance or achievement is not indicative of current or future performance.

*All data and performance are as of that date, unless otherwise stated.



BNP PARIBAS
ASSET MANAGEMENT

The asset manager for a changing world

MANAGEMENT COMMENT as of 31/03/2018

Asian equities had a volatile start to Q1 2018, mainly on investor concerns over increasing global trade friction after US President Trump announced import tariffs. The MSCI AC Asia ex-Japan index returned -1.5% (in USD terms) over the quarter, outperforming the US, Europe and World indices. The fund underperformed its benchmark, the MSCI AC Asia ex-Japan NR. Picks in China and Taiwan detracted from excess return, while stock selection in Indonesia, Malaysia and India brought gains.

We expect Asia's sweet spot of solid growth, tame inflation and low interest rates to stretch into 2018, underpinned by a prolonged global tech upcycle and still-loose regional macroeconomic policies. The earnings outlook for Asian equities is positive for 2018. Fiscal stimulus and spending on infrastructure are edging up, adding another source of growth in Asia. Most Asian currencies were relatively resilient despite interest-rate rises by the US Federal Reserve. On top of current account surpluses and generally large currency reserves, this reinforces our view that Asian economies can now resist external shocks better. Valuations generally reflect a discount relative to developed markets.

RISK ANALYSIS

| | Fund | Bench. |
|-------------------------------------|-------|--------|
| Volatility (%) | 13.19 | 13.40 |
| Tracking error (%) | 3.17 | - |
| Information ratio | -0.57 | - |
| Sharpe ratio | 0.21 | 0.34 |
| Alpha (%) | -1.53 | - |
| Beta | 0.95 | - |
| R ² | 0.94 | - |
| Period: 3 years. Frequency: monthly | | |

PORTFOLIO'S MAIN HOLDINGS

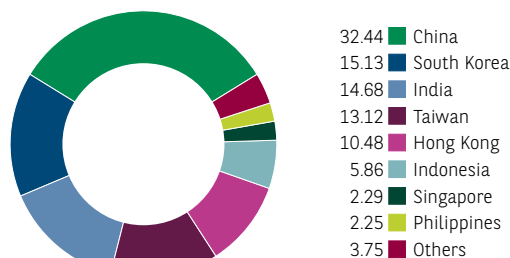
| Asset name | % |
|---|------|
| TENCENT HOLDINGS LTD | 9.04 |
| SAMSUNG ELECTRONICS | 7.58 |
| TAIWAN SEMICOND.MANU. CO LTD | 5.31 |
| PING AN INS GRP OF CHINA LTD. | 4.52 |
| HONG KONG EXCHANGES AND CLEARING | 3.11 |
| CHINA CONSTRUCTION BANK | 2.96 |
| BANK CENTRAL ASIA TBK PT | 2.74 |
| HYNIX SEMICONDUCTOR | 2.73 |
| HON HAI PRECISION INDUSTRY | 2.62 |
| INDUSTRIAL AND COMMERCIAL BANK OF CHINA | 2.48 |

Number of holdings in the portfolio: 50

Source of data: BNP Paribas Securities Services

BREAKDOWN BY COUNTRY (%)

Equities

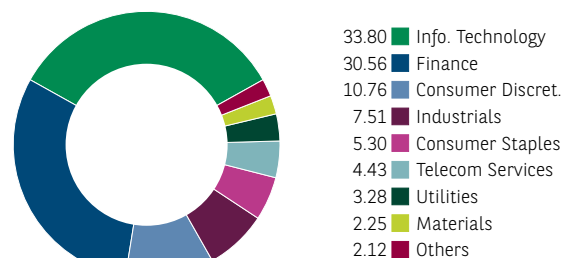


Total exposure: 97.10 %

Source of data: BNP Paribas Securities Services

BREAKDOWN BY SECTOR (%)

Equities



Total exposure: 97.10 %

Source of data: BNP Paribas Securities Services

SECTOR EXPOSURE (%)

| | of the portfolio | compared with the index |
|-------------------|------------------|-------------------------|
| Info. Technology | 33.80 | 1.68 |
| Finance | 30.56 | 7.05 |
| Consumer Discret. | 10.76 | 1.82 |
| Industrials | 7.51 | 0.85 |
| Consumer Staples | 5.30 | 0.67 |
| Telecom Services | 4.43 | 0.57 |
| Utilities | 3.28 | 0.47 |
| Materials | 2.25 | -2.29 |
| Health Care | 1.16 | -1.61 |
| Real Estate | 0.95 | -4.84 |

Source of data: BNP Paribas Securities Services

MAIN ACTIVE POSITIONS COMPARED TO BENCHMARK

| Stocks | Overweighted | Stocks | Underweighted |
|-------------------------------|--------------|-------------------------|---------------|
| Ping An Ins Grp Of China Ltd. | 3.54% | Alibaba Group Holding | -4.46% |
| Samsung Electronics | 3.10% | Aia Grp Usd1 | -2.15% |
| Tencent Holdings Ltd | 3.05% | Baidu Inc/china | -1.29% |
| Bank Central Asia Tbk Pt | 2.47% | China Mobile | -1.19% |
| Kotak Mahindra Bank Ltd | 2.41% | Bank Of China | -0.90% |
| Hong Kong Exchanges & Clear | 2.40% | Housing Dv Inr10 | -0.89% |
| Singapore Exchange | 2.20% | Reliance Industries | -0.81% |
| Asian Paints Inr | 2.15% | Dbs Bank | -0.79% |
| Maruti Udyog Ltd | 2.03% | Samsung Electronics Pfd | -0.70% |
| Fubon Financial Holding | 2.00% | Oversea Chinese Banking | -0.65% |

Source of data: BNP Paribas Securities Services



MAIN RISKS

- **Operational and Custody Risk:** Some markets are less regulated than most of the international markets; hence, the services related to custody and liquidation for the subfund on such markets could be more risky.
- **Liquidity Risk:** This risk arises from the difficulty of selling an asset at a fair market price and at a desired time due to lack of buyers.
- **Risks related to Shanghai – Hong Kong Stock Connect:** This risk relates to securities trading and clearing through the Stock Connect. Stock Connect is subject to quota limitation which may restrict the fund's ability to invest in China A-Shares on a timely basis. In addition, the Stock Connect is novel in nature, the regulations are untested and there is no certainty as to how they will be applied, which may affect the fund's ability to enforce its rights and interests in the China A-Shares.

GLOSSARY

Alpha

Alpha is an indicator used to measure the value added by an active portfolio manager relative to a passive exposure to a benchmark. A positive alpha expresses an outperformance whereas a negative alpha indicates an underperformance. A simple way to calculate alpha is to subtract a portfolio's expected return (based on the benchmark's performance adjusted with the beta of the portfolio, see Beta definition for further details). For instance, an alpha of 0.50 means that the portfolio outperformed the market-based return (benchmark's performance adjusted from the Beta exposure of the portfolio) by 0.50%.

Beta

Beta is a measure of portfolio market risk, the market being represented by financial indices (such as MSCI World) that are consistent with the portfolio's guidelines. It measures the sensitivity of portfolio performance to the performance of the market. For example a beta of 1.5 means the portfolio will move by 1.5% for a market performance of 1%. Mathematically, it is the correlation between the portfolio and the market multiplied by their ratio of volatilities.

Conversion premium

Amount by which the price of a convertible security exceeds the current market value of the common stock into which it may be converted.

Convexity

Convexity measures the sensitivity of the price to interest rate fluctuations. Generally, bonds exhibit positive convexity.

Coupon

A certificate attached to a bearer security (share or bond) that entitles the holder to payment of dividend or interest. A bond will have one coupon for each interest payment.

Equity risk

Equity risk is "the financial risk involved in holding equity in a particular investment." Equity risk often refers to equity in companies through the purchase of stocks, and does not commonly refer to the risk in paying into real estate or building equity in properties.

Information ratio

The information ratio is a risk-adjusted return that measures the relationship between the portfolio's tracking error and its relative return compared with the benchmark index (called active return).

Investment grade

Investment grade is a high consideration of credit quality (low probability of default) assigned by a rating agency. For instance, to be classified investment grade according to Standard and Poor's, a bond or an issuer must have a rating greater than BBB-. Investment grade is opposed to high yield.

Maturity

Residual duration before the redemption of the principal amount of a bond.

Modified duration

A measure of a bond's sensitivity to changes in interest rates. The longer the remaining term to maturity, the more bond prices react to a change in interest rates, and the higher the duration. The rule is that if the yield rises or falls by 1%, the value of the bond will fluctuate by 1% x duration.

R²

The Correlation Coefficient indicates the strength and direction of a linear relationship between fund performance and benchmark. The coefficient is an element of [-1,1], where 1 equals a perfectly correlated increasing linear relationship, -1 equals a perfectly correlated decreasing linear relationship, and 0 means that there is no linear correlation.

Rating

An evaluation of a corporate or municipal bond's relative safety from an investment standpoint. Basically, it scrutinizes the issuer's ability to repay principal and make interest payments.

Sharpe ratio

A measure for calculating risk-adjusted return. It indicates the return earned in excess of the risk-free rate per unit of risk. It is calculated by dividing the difference between the return and the risk-free rate by the standard deviation of the return on the investment. The Sharpe ratio indicates whether the excess return was obtained thanks to good investment management or by taking additional risk. The higher the ratio, the better the risk-adjusted return.

Tracking error

The tracking error measures the volatility of a portfolio's relative return in relation to its benchmark index.

Volatility

An asset's volatility is the standard deviation of its return. As a measure of dispersion, it evaluates the uncertainty of asset prices, which is often equated to their risk. Volatility can be calculated ex post (retrospectively) or estimated ex ante (anticipatively).

YTM (Yield To Maturity)

A yield calculation that takes into account the relationship between a security's maturity value, time to maturity, current price, and coupon yield.

YTP / YTM

Yield to maturity has a few common variations that are important to know. One such variation is Yield to put (YTP) that is the interest rate that investors would receive if they held the bond until its put date.

A glossary of financial terms appearing on this document can be found at <http://www.bnpparibas-am.com>

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