

**Annual report including audited financial statements  
as at 31st December 2022**

# **Probus Opportunities**

Investment company with variable capital - specialised investment fund in the  
form of a public limited liability company

R.C.S. Luxembourg B189099



**Probus Opportunities**

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# Probus Opportunities

## Organisation

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<b>Registered office</b>	106, route d'Arlon L-8210 Mamer Grand Duchy of Luxembourg
<b>Board of Directors</b>	Philippe Toussaint Chairman Luxembourg Grand Duchy of Luxembourg  Usman Basharat Director Dubai United Arab Emirates  Kim Müller Director Geneva Switzerland
<b>Management Company / Alternative Investment Fund Manager ("AIFM") and Domiciliary Agent</b>	Lemanik Asset Management S.A. 106, route d'Arlon L-8210 Mamer Grand Duchy of Luxembourg
<b>Board of Directors of the Management Company/AIFM</b>	
<b>Chairman</b>	Gianluigi Sagramoso Lemanik Invest S.A. 5, Via Bagutti CH-6900 Lugano Switzerland
<b>Directors</b>	Philippe Meloni Lemanik Asset Management S.A. 106, Route d'Arlon L-8210 Mamer Grand Duchy of Luxembourg  Carlo Sagramoso Lemanik Invest S.A. 5, Via Bagutti CH-6900 Lugano Switzerland
<b>Depository</b>	Quintet Private Bank (Europe) S.A. 43, Boulevard Royal L-2955 Luxembourg Grand Duchy of Luxembourg
<b>Administrative Agent and Registrar and Transfer Agent</b>	UI efa S.A. (formerly European Fund Administration S.A.) 2, Rue d'Alsace L-1122 Luxembourg Grand Duchy of Luxembourg

**Probus Opportunities**  
**Organisation (continued)**

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**Investment Manager**

Probus Middle East Limited  
Emirates Financial Tower  
South Tower, Office 1101  
DIFC, Dubai  
United Arab Emirates

**Cabinet de révision agréé**

Mazars Luxembourg  
5, Rue Guillaume J. Kroll  
L-1882 Luxembourg  
Grand Duchy of Luxembourg

**Legal adviser as to Luxembourg Law**

Dechert (Luxembourg) LLP  
1, Allée Scheffer  
L-2017 Luxembourg  
Grand Duchy of Luxembourg

**Legal adviser as to U.S. Law**

Dechert LLP  
160 Victoria street  
EC4V 4QQ, London  
United Kingdom

## Probus Opportunities

### Report on activities of the Board of Directors

#### PROBUS OPPORTUNITIES - MEKONG FUND

Class A shares fell by some 25% in the year. While the result for 2022 is disappointing (though in line or better than regional peers) and while we have given up some of the extraordinary gains from 2020 and 2021, the fund has increased by 40% over the last 3 years and 53% since March 2020.

We mention March 2020 as this was the last time we saw valuations this low in Vietnam. After falling by 35% in 2022 in dollar terms, the Ho Chi Minh Index (VNI) traded at 9.5 times earnings and 1.7 times tangible book at the end of the year, around 2 standard deviations below the ten year mean. We would not be surprised to see a significant re-rate in 2023.

During the year, as is usually the case, the portfolio did not turn over much. We did, however, actively trade around core positions, taking advantage of volatility.

#### Retained Positions

Kingsgate Consolidated (KCN) continued to progress towards first gold pour (expected in 1Q22). Despite this progress, the stock price declined by 12% during 2022. The stock is more than three times on our average cost in local currency terms. Despite this, the stock does not trade like an operating gold mine and remains significantly undervalued relative to peers (see Emerald Resources for example), reserves, and potential production. We expect stock price progress from (1) production ramp-up, (2) further resource and reserve definition, (3) the potential sale of its South American assets, (4) confirmation of further settlement details with the Government of Thailand, and (5) resolution on long-term funding and a long-mooted potential Thai listing.

Digiworld (DGW), our largest holding, fell by 45% during 2022 as the Vietnamese market collapsed. Despite this fall, the stock is still up by around 5x from our original cost. When we first invested in the stock, we noted the true value of the business was in its growing distribution pipeline in a fractured retail market and associated operating leverage with increased throughput. We believe that the value of this asset has grown markedly over the year, with both an increased reach and the introduction of more value added services. Indeed, the business doubled its earnings YoY to the September quarter. While there is some concern over slowing consumer demand and technology supply chain issues, a 7 times earnings multiple is unreasonable for such a high return (more than 40% incremental returns on invested capital) and low capital intensity business in our view.

Software and broadband firm FPT Group (FPT) continued to grow earnings and book value. Since our first investment in 2013, earnings have grown by more than three times and the price has responded (up by more than 8 times on our average). We expect such growth to continue based on: (1) increasing demand for software driven cost efficiencies globally, but especially in core markets of the US and Japan, (2) increasing demand from the SME segment (following bolt-on acquisition to service this space), (3) continued growth in education segment, (4) leverage of broadband network for more OTT services and pay tv, and (5) retail business growth (especially pharmacies).

Blackstone Minerals (BSX) fell some three quarters in 2022 on primarily retail selling during the year as the company pushed out its timelines for development of the integrated mining and downstream processing business in Northern Vietnam. The company has cash and listed investments arguably worth more than the current market price per share. Very little credit is being given for Nickel resources or existing plant and equipment. We expect stock price progress from (1) partnership and funding announcements and (2) definitive feasibility study completion. Given cheapness, we would not be surprised (though we would likely be disappointed to give away future value) to see an opportunistic takeover. Indeed, if we had the cash and were that kind of fund, we might consider a break-up transaction ourselves.

Stationery firm Thien Long (TLG) delivered exceptional results coming out of the "covid period" (which depressed earnings due in particular to school closures), with earnings growing by 74% in the first 11 months of the year. The stock ended the year at just 8.7 times 2023 earnings, after rising by just 13.5% in 2022. We expect continued growth from rising operating leverage, efficiencies from its new production facility and new distribution centre, and the roll-out of its new retail concept (stationery and art supplies) Clever Box.

We bought leading brokerage and investment bank Viet Capital Securities (VCI) during the year. Recall, we previously invested in this stock to great success in 2020 and following, making some 6 times on the investment. The stock traded down as Vietnam collapsed, with the market seemingly panicking about balance sheet pressure or bankruptcy from margin calls. The selling down towards liquidation value was overdone given (1) high quality balance sheet, (2) leading foreign franchise being less reliant on local/retail flows, and (3) strong alignment with insiders. We'd expect long-term value creation within the franchise to be tied to long-term market growth, which could be significant - market cap to GDP in Vietnam is just 99% against Thailand of 120% and retail brokerage account penetration is estimated as a tenth of that of Thailand.

## Probus Opportunities

### Report on activities of the Board of Directors (continued)

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We built small positions in Emerald Resources (EMR) - a 100koz per year ASX listed gold miner in Cambodia which trades too cheaply relative to production, prospects, and extremely low costs - and Pan Asian Metals (PAM) - an ASX listed developer of Thai lithium and tungsten assets and downstream processing to support the massive Thai auto sector's push to electric vehicles. We expect to increase position sizes as projects further develop and de-risk, subject to valuation.

Investors will recall Myanmar Metals (MYL) (which held what was once the largest silver mine in the world) was suspended from trading following the troubles in Myanmar. Having disposed of all of its assets in Myanmar, the company pursued an acquisition of a Tasmanian Nickel mine and is now expecting to re-list (as Mallee Resources), providing an exit. We expect the listing price should significantly exceed our cost and our mark.

Small holding (less than 1% NAV) Myanmar Investments (MIL) has fallen out of a tree on small (but increased) volume. It is now trading at 7.5c vs a last declared net asset value (29/12/22) of 28c. The company is in wind up but realisation of NAV will take time, not least of which due to the political situation in Myanmar. The majority of value is in the stake in the telecom tower company (with TPG).

Long-suffering casino operator Donaco International (DNA) is now starting to emerge from the impacts of covid-related travel bans and border closures. The company has turned EBITDA positive, but still trades at a fraction of net assets (which include significant hotel asset value - our margin of safety at these levels). Following an increase in our position at below current market prices in late 2021 the stock is still below 2% of NAV.

During the year, we made a small investment (via a SAFE) in a highly cash-generative supplement maker and distributor. The business, founded by a former FMCG executive, continues to grow and is now expanding from its core market of Vietnam into the broader region.

We continue to hold shares in the Diamond ETF as an alternative to fiat. This ETF invests in mainly fully foreign owned stocks in Vietnam (which normally attract a premium to buy for foreign buyers like us). We have traded this ETF through the year on volatility.

#### **Exited Positions**

We also took advantage of liquidity to dispose of our holdings in S Khonkaen (SORKON). We held this small, simple, and cheap (in our view) family controlled food products business for many years in the belief that it would eventually be broken up or sold. This did not happen and prospects for same in the near term were not evident. In US\$ terms, the investment returned just 21%, inclusive of dividends. While this is by no means a decent return, we did not lose money (other than opportunity cost) and therefore view this as a successful application of our methodology - a conservative purchase price and asset/replacement value protecting downside while giving the opportunity for material upside to emerge.

We also exited our basket of reopening investments (including hotel and restaurant business Minor International stock (MINT) and warrants and Vietnamese ferry company Superdong (SKG)) for small gains for other opportunities.

We made more than 40% on our investment in oil and gas company PTTEP, which we invested in as a cheap and liquid alternative to fiat.

#### **Outlook**

Regional market remain among the cheapest and best in the global opportunity set. After its 2022 correction, Vietnam looks particularly attractive given growth prospects (6.5% estimated GDP growth in 2023), demographics (100 million people), improving productivity and investment, and, most importantly, and undemanding valuations.

Given continuing global uncertainty (geopolitics, energy costs, credit availability and rates, and ongoing debasement of currencies), we expect volatility. This as well as corporate actions (M&A, re-organisations, refinancings, spin-offs) will continue to throw up many cheap and interesting situations. The background long-term growth continues to provide a very good landscape (and additional margin of safety) in which to be hunting for value. We are busy sharpening our knives.

Subject to market and trading conditions, we do expect some liquidity from certain of our unlisted holdings in 2023. Timely release of such cash will be useful in such a buyer's market.

We look forward to a prosperous 2023. Thanks once again for your trust.

## Probus Opportunities

### Report on activities of the Board of Directors (continued)

#### **PROBUS OPPORTUNITIES - INDIA EQUITY FUND**

##### **Performance**

In 2022, the Fund's Class A NAV declined by -13.3% while the Class B NAV decreased by -13.8%. The benchmark of the Fund (MSCI India 10/40 Net Total Return) went down by -7.7% during the same period, leading to Class A and Class B underperforming by 5.6% and 6.0% respectively.

##### **Economic situation**

India, like the rest of the world, was not immune to the selloff triggered by inflation, central banks tightening and escalation of geopolitical tensions. However, thanks to domestic buyers during the first half of the year and foreign buyers during the second half, Indian indices have been surprisingly resilient compared to developed and emerging markets.

On the macro front, inflation went from 6.0% in January to a high of 7.7% in September and slowly decreased to 5.7% in December. As a result, the Royal Bank of India increased interest rates from 4% to 6.25%, following all major central banks tightening. Inflation seems to have peaked in September but it's still too soon to tell and we will need more prints lower to confirm. The RBI is expected to follow the FED and continue to raise rates.

##### **Reason for the underperformance**

Firstly, small and mid-cap, which the fund is overweight (around 50% of the Fund), have globally underperformed large caps. Secondly, our overweight in consumer discretionary, health care and our underweight in utilities have negatively impacted the fund. Lastly, our relative performance has also been impacted by the performance of specific stocks:

KPR Mills fell 30.6% during that period. The company has trimmed down their profit projections due to raw material inflation, dampening the outlook. However, in our view long-term structural story outweighs current headwinds and we should remain invested.

Laurus Labs decreased by 37.2% in 2022. The company's earnings performance was below expectations on all counts. Growth in the formulations business was offset by lower revenue of synthesis and API business. However, the management does not expect price erosion to continue in 2023 and plans to strengthen the non-antiretroviral (ARV) segment which is expected to grow faster than ARV.

Stove Kraft tanked 30% in February after the stock reported a set of weak result. The company witnessed cost pressures from raw material price increase during the quarter. The management did not pass this on consumers as it was expecting this increase to reverse, which did not happen. As a result, we decided to exit the position in May. However, after better results in Q1 and better cost control from the management, we decided to initiate a new position in September.

##### **Fund's activity**

Throughout the year:

- We sold Bharat Petroleum, Alkem Lab and Stove Kraft due to underperformance and poor results.
- We sold Coal India and Prism Johnson to cover redemptions.
- We Increase Redington and HDFC.
- We bought back Stove Kraft and initiated a position in Finolex Industries and Craftsman.
- We switch ICICI Securities to Angel One for higher growth and quality.
- Note that In Q4, due to a significant redemption we reduced HDFC, sold Gujarat State Petronet, United Breweries, Nesco, and rebalanced the rest pro rata.

##### **Top 3 performers**

**Axis Bank (+23.8%, average weight 5.0%)**

Axis Bank increased by 23.8% in 2022 after it posted a surge in profits as earnings got a boost from healthy growth in loans and lower provisioning. Axis has been ramping up its retail lending with the launch of new products for small businesses, on top of its acquisition of Citigroup's local consumer business in a \$1.6 Billion deal.

**Bank of Baroda (+109.6%, average weight 1.5%)**

Bank of Baroda's performed well during the year due to robust credit growth and lower provisions. The operational trends and asset quality have turned out to be better. Net interest margins improved, and the bank expects it to sustain hereon. ROA at 1.13% is the highest the bank has achieved in nearly a decade, and we believe the current credit cost and margin is supportive of the bank sustaining +1% ROA in 2023.



## Probus Opportunities

### Report on activities of the Board of Directors (continued)

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#### ICICI Bank (+11.3% total return, average weight 5.1%)

ICICI Bank continued to perform well and increased by 11% during the year. The bank reported strong profitability growth led by strong net interest income growth. Net interest margin improved to 4.9% and asset quality also improved with non-performing assets. ICICI Bank has been investing heavily in building its digital capabilities, which has helped it to expand its customer base and improve its operational efficiency.

#### **Outlook**

India's long-term structural trends remain intact. India's demographic and economic tailwinds are extremely compelling. That will lead to a growing middle class, consumer spending and connectivity. On top of that, India has a pro-business government. Structural reforms are being implemented, which will unlock India's immense reserve of continual growth.

Overall, India remains one of the biggest growth stories out there. Recent EPS and expected EPS growth all beat MSCI Emerging markets. India's earnings are expected to increase by 15% next year and by 40% over the next two years.

That being said, the Indian market is definitely not immune to a short term pull back. As mentioned, Indian indices have been surprisingly resilient this year compared to developed and emerging markets. Consequently, Indian valuations are still elevated in relative and absolute terms. Furthermore, the Indian rupee has been under pressure and broke the 80 level. It seems that the Reserve Bank of India has decided to stop using their FX reserve to defend the INR against the USD for a bit.

Considering the above, short-term volatility is expected and a pullback is highly probable. For that reason, we keep a comfortable cash cushion to deploy it when opportunities arise.

#### **SARS-COV-2 Virus/COVID-19 Disease**

We are required to add some disclaimers in connection with the ongoing pandemic declared by the World Health Organisation. Government reaction has caused severe dislocations in market prices and economies. In our view, whether caused by government policy, political change, or otherwise, such dislocations can present long-term investors with great opportunities. Nonetheless, please note the following important disclosure: we continue to monitor our investee companies for the impact of this on their businesses. At present it is not possible to assess the detailed impact of this emerging risk on the companies in the portfolio but there is growing concern about the impact on the world economy. There has been significant volatility in the financial markets in the past months. The Directors and the Investment Manager continue to watch the efforts of governments to contain the spread of the virus and monitor the economic impact on the companies in the portfolio.

Luxembourg, 13th June 2023

The Board of Director of the Company

Note: The information in this report represents historical data and is not an indication of future results.



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To the Shareholders of  
**Probus Opportunities SICAV SIF, S.A.**

106, route d'Arlon  
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Grand Duchy of Luxembourg

## **REPORT OF THE REVISEUR D'ENTREPRISES AGREE**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited financial statements of **Probus Opportunities SICAV SIF, S.A.** (the "Fund") and each of its sub-funds, which comprise the statement of net assets, the statements of investments and other net assets as at December 31, 2022 and the statement of operations and changes in net assets for the year ended December 31, 2022 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Fund and of each of its sub-funds as at December 31, 2022, and of the results of their operations and changes in their net assets for the year ended December 31, 2022 in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

#### **Basis for Opinion**

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "reviseur d'entreprises agree" for the Audit of the Financial Statements » section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Other information**

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information included in the management report and the Corporate Governance Statement but does not include the financial statements and our report of “Réviseur d’Entreprises Agréé” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

## **Responsibility of the Board of Directors of the Fund for the Financial Statements**

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements as adopted by the European Union relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

## **Responsibility of the “Réviseur d’Entreprises Agréé” for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of “Réviseur d’Entreprises Agréé” that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016, and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of July 23, 2016, and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Managers of the Board of Directors of the Fund's use of the going concern basis of accounting. When such use is inappropriate and the Board of Directors of the Fund's uses non-going concern basis of accounting, we conclude on the appropriateness of the Board of Directors of the Fund's use of the non-going basis of accounting. We also evaluate the adequacy of the disclosures describing the non-going basis of accounting and reasons for its use. Our conclusions are based on the audit evidence obtained up to the date of our report of the "Réviseur d'Entreprises Agréé".
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Luxembourg, June 30, 2023

For MAZARS LUXEMBOURG, Cabinet de révision agréé  
5, rue Guillaume J. Kroll  
L – 1882 LUXEMBOURG

DocuSigned by:  
 Eric DECOSTER  
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Eric DECOSTER  
Réviseur d'Entreprises Agréé

## Probus Opportunities

### Combined statement of net assets (in USD) as at 31st December 2022

#### **Assets**

##### **Investments**

Securities portfolio at market value	50,360,440.84
Loans	1,000,000.00
	<hr/>
	51,360,440.84

##### **Cash and cash equivalents**

Cash at banks	1,761,123.11
	<hr/>
	1,761,123.11

##### **Receivables**

Income receivable on investments	152,118.68
Prepaid expenses	12,932.48
	<hr/>
	165,051.16

##### **Total assets**

53,286,615.11

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#### **Liabilities**

##### **Payables**

Payable on redemptions of shares	803,979.68
Accrued capital gain taxes	268,436.64
Expenses payable	138,638.81
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	1,211,055.13

##### **Borrowings**

Bank overdrafts	17.84
	<hr/>
	17.84

##### **Total liabilities**

1,211,072.97

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##### **Total net assets at the end of the year**

52,075,542.14

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The accompanying notes are an integral part of these financial statements.

## Probus Opportunities

### Combined statement of operations (in USD) from 1st January 2022 to 31st December 2022

#### Income

##### Investment income

Dividends, net	671,682.76
Interest on loans	127,470.00
Interest on bank accounts	3,521.95
	<hr/>
	802,674.71

##### Realised gain on investments

- on investments	6,835,545.55
	<hr/>
	6,835,545.55

##### Unrealised gains on investments

- on investments	1,780,763.41
	<hr/>
	1,780,763.41

##### Other income

Commissions on subscription and on redemption	122,329.90
Other revenue	131,907.77
	<hr/>
	254,237.67

##### Total income

9,673,221.34

#### Expenses

##### Investment advisory or management fees

Management fees	1,079,294.02
	<hr/>
	1,079,294.02

##### Other expenses

Depository fees	51,064.56
Banking charges and other fees	87,965.35
Transaction fees	75,456.43
Central administration costs	88,750.87
Professional fees	16,819.76
Other administration costs	156,180.24
Subscription duty ("taxe d'abonnement")	6,367.31
Capital gain tax on realised result	229,846.25
Bank interest paid	3,781.45
Other fees	152,615.02
	<hr/>
	868,847.24

##### Realised loss on investments

- on investments	1,421,636.55
- on foreign exchange	133,010.83
	<hr/>
	1,554,647.38

##### Unrealised loss on investments

- on investments	23,586,461.89
	<hr/>
	23,586,461.89

##### Total expenses

27,089,250.53

##### Net expenditure

-17,416,029.19

The accompanying notes are an integral part of these financial statements.

## Probus Opportunities

### Combined statement of changes in net assets (in USD) from 1st January 2022 to 31st December 2022

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Net expenditure	-17,416,029.19
Subscriptions	3,551,795.95
Redemptions	-10,590,756.81
Total changes in net assets	<hr/> -24,454,990.05
Total net assets at the beginning of the year	<hr/> 76,530,532.19
<b>Total net assets at the end of the year</b>	<hr/> <hr/> <b>52,075,542.14</b>

The accompanying notes are an integral part of these financial statements.

## PROBUS OPPORTUNITIES - MEKONG FUND

### Statement of net assets (in USD) as at 31st December 2022

#### Assets

##### Investments

Securities portfolio at market value	42,905,538.39
Loans	1,000,000.00
	<u>43,905,538.39</u>

##### Cash and cash equivalents

Cash at banks	1,013,129.82
	<u>1,013,129.82</u>

##### Receivables

Income receivable on investments	151,239.48
Prepaid expenses	8,178.52
	<u>159,418.00</u>

##### Total assets

45,078,086.21

#### Liabilities

##### Payables

Payable on redemptions of shares	803,979.68
Expenses payable	105,258.19
	<u>909,237.87</u>

##### Borrowings

Bank overdrafts	16.08
	<u>16.08</u>

##### Total liabilities

909,253.95

##### Total net assets at the end of the year

44,168,832.26

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in USD)
A	287,804.209	USD	152.21	43,805,306.88
P	450.000	USD	183.50	82,576.04
Z	3,010.370	USD	93.33	280,949.34
				<u>44,168,832.26</u>

The accompanying notes are an integral part of these financial statements.



## PROBUS OPPORTUNITIES - MEKONG FUND

### Statement of operations (in USD)

from 1st January 2022 to 31st December 2022

#### Income

##### Investment income

Dividends, net	583,641.53
Interest on loans	127,470.00
	<hr/>
	711,111.53

##### Realised gain on investments

- on investments	5,948,472.02
	<hr/>
	5,948,472.02

##### Unrealised gains on investments

- on investments	1,195,164.23
	<hr/>
	1,195,164.23

##### Other income

Commissions on subscription and on redemption	122,329.90
	<hr/>
	122,329.90

##### Total income

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7,977,077.68

#### Expenses

##### Investment advisory or management fees

Management fees	928,817.59
	<hr/>
	928,817.59

##### Other expenses

Depository fees	37,644.09
Banking charges and other fees	76,769.87
Transaction fees	63,807.83
Central administration costs	41,767.69
Professional fees	8,404.60
Other administration costs	136,627.86
Subscription duty ("taxe d'abonnement")	5,451.32
Capital gain tax on realised result	157,720.09
Bank interest paid	3,741.33
Other fees	120,247.99
	<hr/>
	652,182.67

##### Realised loss on investments

- on investments	1,134,216.44
- on foreign exchange	118,810.51
	<hr/>
	1,253,026.95

##### Unrealised loss on investments

- on investments	21,105,608.03
	<hr/>
	21,105,608.03

##### Total expenses

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23,939,635.24

##### Net expenditure

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-15,962,557.56

The accompanying notes are an integral part of these financial statements.

## PROBUS OPPORTUNITIES - MEKONG FUND

### Statement of changes in net assets (in USD)

from 1st January 2022 to 31st December 2022

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Net expenditure	-15,962,557.56
Subscriptions	2,632,195.95
Redemptions	-8,235,513.62
Total changes in net assets	<hr/> -21,565,875.23
Total net assets at the beginning of the year	65,734,707.49
<b>Total net assets at the end of the year</b>	<hr/> <b>44,168,832.26</b> <hr/>

The accompanying notes are an integral part of these financial statements.

## PROBUS OPPORTUNITIES - MEKONG FUND

Statistical information (in USD)  
as at 31st December 2022

Total net assets	Currency	31.12.2020	31.12.2021	31.12.2022
	USD	48,984,875.75	65,734,707.49	44,168,832.26

  

Net asset value per share class	Currency	31.12.2020	31.12.2021	31.12.2022
A	USD	147.45	203.01	152.21
P	USD	163.26	241.12	183.50
Z	USD	-	122.63	93.33

  

Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	322,324.292	13,031.998	-47,552.081	287,804.209
P	450.000	-	-	450.000
Z	1,554.805	1,455.565	-	3,010.370

## PROBUS OPPORTUNITIES - MEKONG FUND

### Statement of investments and other net assets (in USD) as at 31st December 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
AUD	20,000,000	Blackstone Minerals Ltd Reg	6,201,231.55	1,831,815.00	4.15
AUD	21,000,000	Donaco International Ltd	6,266,365.01	740,867.40	1.68
AUD	1,249,830	Emerald Resources NL	1,102,994.47	1,004,817.39	2.28
AUD	6,500,000	Kingsgate Consolidated Ltd	2,612,748.70	7,607,120.63	17.22
AUD	1,210,000	Mallee Resources Ltd Reg	829,567.34	344,788.29	0.78
AUD	4,500,000	Pan Asia Metals Ltd	1,585,175.09	1,251,740.25	2.83
			18,598,082.16	12,781,148.96	28.94
USD	2,118,644	Myanmar Inv International Ltd Reg	2,499,999.92	158,898.30	0.36
VND	3,368,754	Digiworld Corp Reg	1,989,114.76	5,380,582.31	12.18
VND	1,334,169	FPT Corp	188,078.71	4,340,904.29	9.83
VND	1,239,079	Thien Long Group Corp Reg	1,567,696.11	2,673,697.06	6.05
VND	2,248,050	Viet Capital Securities JSC	2,104,210.68	2,211,423.65	5.01
			5,849,100.26	14,606,607.31	33.07
<b>Total shares</b>			26,947,182.34	27,546,654.57	62.37
<b><u>Other transferable securities</u></b>					
<b>Shares</b>					
USD	1,299,648	Maroon Bells JSC	1,304,649.08	3,937,933.44	8.92
USD	5,570	Maroon Bells JSC Pref	0.00	1,039,027.80	2.35
USD	1	Nature Gift Pharma Pte Ltd	1,000,000.00	1,000,000.00	2.26
			2,304,649.08	5,976,961.24	13.53
VND	1	Florentine LLC	1,472,110.00	3,440,086.26	7.79
VND	55,555	Innovation Tec JSC	1,697,616.23	1,091,611.53	2.47
VND	485,093	Viet Money JSC	1,501,461.34	1,129,676.96	2.56
VND	2,500,000	Vietnam Fortress Tools JSC	2,751,968.75	3,403,053.59	7.70
			7,423,156.32	9,064,428.34	20.52
<b>Total shares</b>			9,727,805.40	15,041,389.58	34.05
<b><u>Open-ended investment funds</u></b>					
<b>Tracker funds (UCI)</b>					
VND	335,000	DCVFMVN Diamond ETF Dist	312,920.36	317,494.24	0.72
<b>Total tracker funds (UCI)</b>			312,920.36	317,494.24	0.72
Total investments in securities			36,987,908.10	42,905,538.39	97.14
<b><u>Loans</u></b>					
<b>Convertible loans</b>					
USD	1,000,000	Viet Money Joint	1,000,000.00	1,000,000.00	2.26
<b>Total loans</b>			1,000,000.00	1,000,000.00	2.26
Cash at banks				1,013,129.82	2.29
Bank overdrafts				-16.08	0.00
Other net assets/(liabilities)				-749,819.87	-1.69
<b>Total</b>				44,168,832.26	100.00

\* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

## PROBUS OPPORTUNITIES - MEKONG FUND

### Industrial and geographical classification of investments as at 31st December 2022

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#### Industrial classification

(in percentage of net assets)

Financials	29.25 %
Raw materials	27.26 %
Cyclical consumer goods	26.29 %
Non-cyclical consumer goods	9.83 %
Industrials	6.05 %
Investment funds	0.72 %
Total	<u>99.40 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

Vietnam	67.84 %
Australia	26.11 %
Thailand	2.83 %
Singapore	2.26 %
British Virgin Islands	0.36 %
Total	<u>99.40 %</u>

## PROBUS OPPORTUNITIES - INDIA EQUITY FUND

### Statement of net assets (in USD) as at 31st December 2022

#### Assets

##### Investments

Securities portfolio at market value	7,454,902.45
	<u>7,454,902.45</u>

##### Cash and cash equivalents

Cash at banks	747,993.29
	<u>747,993.29</u>

##### Receivables

Income receivable on investments	879.20
Prepaid expenses	4,753.96
	<u>5,633.16</u>

##### Total assets

8,208,528.90

#### Liabilities

##### Payables

Accrued capital gain taxes	268,436.64
Expenses payable	33,380.62
	<u>301,817.26</u>

##### Borrowings

Bank overdrafts	1.76
	<u>1.76</u>

##### Total liabilities

301,819.02

##### Total net assets at the end of the year

7,906,709.88

#### Breakdown of net assets per share class

Share class	Number of shares	Currency of share class	NAV per share in currency of share class	Net assets per share class (in USD)
A	55,323.334	USD	133.43	7,381,917.77
B	4,063.342	USD	129.15	524,792.11
				<u>7,906,709.88</u>

The accompanying notes are an integral part of these financial statements.

## PROBUS OPPORTUNITIES - INDIA EQUITY FUND

### Statement of operations (in USD)

from 1st January 2022 to 31st December 2022

#### **Income**

##### **Investment income**

Dividends, net	88,041.23
Interest on bank accounts	3,521.95
	<hr/>
	91,563.18

##### **Realised gain on investments**

- on investments	887,073.53
	<hr/>
	887,073.53

##### **Unrealised gains on investments**

- on investments	585,599.18
	<hr/>
	585,599.18

##### **Other income**

Other revenue	131,907.77
	<hr/>
	131,907.77

##### **Total income**

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1,696,143.66

#### **Expenses**

##### **Investment advisory or management fees**

Management fees	150,476.43
	<hr/>
	150,476.43

##### **Other expenses**

Depository fees	13,420.47
Banking charges and other fees	11,195.48
Transaction fees	11,648.60
Central administration costs	46,983.18
Professional fees	8,415.16
Other administration costs	19,552.38
Subscription duty ("taxe d'abonnement")	915.99
Capital gain tax on realised result	72,126.16
Bank interest paid	40.12
Other fees	32,367.03
	<hr/>
	216,664.57

##### **Realised loss on investments**

- on investments	287,420.11
- on foreign exchange	14,200.32
	<hr/>
	301,620.43

##### **Unrealised loss on investments**

- on investments	2,480,853.86
	<hr/>
	2,480,853.86

##### **Total expenses**

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3,149,615.29

##### **Net expenditure**

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-1,453,471.63

The accompanying notes are an integral part of these financial statements.

## PROBUS OPPORTUNITIES - INDIA EQUITY FUND

### Statement of changes in net assets (in USD)

from 1st January 2022 to 31st December 2022

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Net expenditure	-1,453,471.63
Subscriptions	919,600.00
Redemptions	-2,355,243.19
Total changes in net assets	-2,889,114.82
Total net assets at the beginning of the year	10,795,824.70
<b>Total net assets at the end of the year</b>	<b>7,906,709.88</b>

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The accompanying notes are an integral part of these financial statements.



## PROBUS OPPORTUNITIES - INDIA EQUITY FUND

Statistical information (in USD)  
as at 31st December 2022

Total net assets	Currency	31.12.2020	31.12.2021	31.12.2022
	USD	8,998,596.38	10,795,824.70	7,906,709.88

  

Net asset value per share class	Currency	31.12.2020	31.12.2021	31.12.2022
A	USD	120.27	153.95	133.43
B	USD	117.58	149.76	129.15

  

Number of shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
A	65,883.837	6,323.260	-16,883.763	55,323.334
B	4,361.402	-	-298.060	4,063.342

## PROBUS OPPORTUNITIES - INDIA EQUITY FUND

### Statement of investments and other net assets (in USD) as at 31st December 2022

Currency	Number / nominal value	Description	Cost	Market value	% of total net assets *
<b><u>Investments in securities</u></b>					
<b><u>Transferable securities admitted to an official stock exchange listing</u></b>					
<b>Shares</b>					
INR	10,000	Angel One Ltd	162,727.21	158,479.91	2.00
INR	50,000	Axis Bank Ltd Reg	318,784.77	564,230.06	7.14
INR	90,000	Bank of Baroda Ltd	99,967.97	201,980.77	2.55
INR	16,000	Bharti Airtel Ltd Dematerialised	97,333.52	155,870.71	1.97
INR	7,700	Coromandel International Ltd Reg	74,786.06	82,555.00	1.04
INR	3,000	Craftsman Automation Ltd	99,476.74	126,661.26	1.60
INR	5,100	Divi's Laboratories Ltd Reg	133,242.50	210,371.80	2.66
INR	30,000	Elecon Engineering Co Ltd	95,333.91	132,188.45	1.67
INR	53,000	Finolex Industries Ltd	97,812.19	119,969.06	1.52
INR	70,000	Gabriel India Ltd	104,804.93	157,223.05	1.99
INR	16,000	HCL Technologies Ltd	131,635.27	200,963.19	2.54
INR	4,000	Housing Dev Finance Corp Ltd	141,320.82	127,504.21	1.61
INR	20,000	Jubilant Foodworks Ltd	83,920.11	123,523.33	1.56
INR	7,100	Kotak Mahindra Bank Ltd Reg	167,498.97	156,787.68	1.98
INR	56,000	KPR Mill Ltd	82,903.91	349,722.94	4.42
INR	50,000	Laurus Labs Ltd Reg	48,448.02	226,749.48	2.87
INR	8,200	Mahindra & Ltd Reg	68,575.60	123,794.52	1.57
INR	950	Maruti Suzuki India Ltd	92,014.14	96,378.29	1.22
INR	13,000	Natco Pharma Ltd Reg	110,034.82	88,239.84	1.12
INR	23,066	Nesco Ltd Reg	187,415.29	170,112.29	2.15
INR	16,000	Poly Medicure Ltd Reg	50,907.17	173,611.85	2.20
INR	14,000	Radico Khaitan Ltd Demat	84,754.73	171,291.49	2.17
INR	165,000	Redington Ltd	336,676.07	360,527.15	4.56
INR	57,333	Sonata Software Ltd Dematerialised	180,422.90	390,578.47	4.94
INR	6,400	SRF Ltd Reg	370.15	177,148.48	2.24
INR	40,000	State Bank of India Reg	260,146.71	296,668.69	3.75
INR	11,500	Stove Kraf Ltd	97,487.53	70,379.66	0.89
INR	23,500	UTI AssEt Management Co Ltd Reg	175,160.68	244,498.49	3.09
INR	4,000	Voltamp Transformers Ltd	54,905.76	134,025.41	1.70
INR	30,000	Zee Entertainment Entrep Ltd	104,228.78	87,031.92	1.10
			3,743,097.23	5,679,067.45	71.82
USD	4,400	HDFC Bank Ltd ADR	273,606.52	301,004.00	3.81
USD	24,400	ICICI Bank Ltd ADR	300,473.91	534,116.00	6.76
USD	21,500	Infosys Ltd spons ADR repr 1 Share	333,811.66	387,215.00	4.90
USD	9,000	Reliance Industries Ltd GDR	384,023.74	553,500.00	7.00
			1,291,915.83	1,775,835.00	22.47
Total investments in securities			5,035,013.06	7,454,902.45	94.29
Cash at banks				747,993.29	9.46
Bank overdrafts				-1.76	0.00
Other net assets/(liabilities)				-296,184.10	-3.75
Total				7,906,709.88	100.00

\* Minor differences may arise due to rounding in the calculation of percentages.

The accompanying notes are an integral part of these financial statements.

## PROBUS OPPORTUNITIES - INDIA EQUITY FUND

### Industrial and geographical classification of investments as at 31st December 2022

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#### Industrial classification

(in percentage of net assets)

Financials	32.69 %
Cyclical consumer goods	17.31 %
Technologies	12.38 %
Healthcare	8.85 %
Energy	7.00 %
Industrials	6.49 %
Raw materials	3.28 %
Non-cyclical consumer goods	2.17 %
Real estate	2.15 %
Telecommunications services	1.97 %
Total	<u>94.29 %</u>

#### Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

India	<u>94.29 %</u>
Total	<u>94.29 %</u>

## Probus Opportunities

### Notes to the financial statements

as at 31st December 2022

#### Note 1 - General information

Probus Opportunities (the "Company") is a Luxembourg *société d'investissement à capital variable - fonds d'investissement spécialisé* (investment company with variable capital - specialised investment fund) in the form of a public limited liability company (*société anonyme*) under the amended Law of 13th February 2007 (the "2007 Law") and the amended Law of 10th August 1915 (the "1915 Law"). The Company is incorporated on 18th July 2014 for an unlimited period and is qualified as Alternative Investment Fund ("AIF") under the 2013 Law.

The Company publishes an annual report including audited financial statements on 31st December.

The following documents are available for inspection by the Shareholders at the registered office of the Management Company during usual business hours:

- the prospectus of the Company;
- the articles of incorporation and the latest available annual report of the Company;
- a key information document for packaged retail and insurance-based investment products in compliance with Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26th November 2014;
- all information to be provided to investors under Section B of the Annex of the Transparency Regulation;
- all information required to be provided to investors by the Management Company under the 2013 Law.

Several agreements may also be examined at the registered office of the Management Company.

The Net Asset Value of the share is available at the registered office of the Company.

The Company has an umbrella structure consisting of one or several Compartments. A separate portfolio of assets is maintained for each Compartment and is invested in accordance with the investment objective and policy applicable to that Compartment.

As of 31st December 2022 the following Compartments are active:

- Probus Opportunities - Mekong Fund
- Probus Opportunities - India Equity Fund

As disclosed in the prospectus, investments may be made through Intermediary Vehicles. The Company will seek to fully control any such Intermediary Vehicle.

Three share classes can be issued in the Probus Opportunities - Mekong Fund as follows:

- Class A share
- Class P share
- Class Z share

Four share classes can be issued in the Probus Opportunities - India Equity Fund as follows:

- Class A share
- Class B share
- Class P share
- Class Z share

The Reference Currency of the Compartments is USD.

#### Note 2 - Significant accounting policies

##### a) Presentation of the financial statements

The financial statements of the Company are prepared in accordance with the Luxembourg legal and regulatory requirements concerning specialised investment funds and with generally accepted accounting principles in Luxembourg.

The financial statements have been prepared on a going concern basis.

##### b) Valuation of the assets

1. any transferable security and instrument (including any financial derivative instrument) negotiated or listed on a regulated market are valued on the basis of the last known price, unless this price is not representative, in which case the value of such a security or instrument are determined on the basis of its fair value estimated in good faith by the Company;
2. units, shares or interests of any UCI are based on the last available value provided by the administrative agent, the manager or any other reliable party involved with that UCI;

## Probus Opportunities

### Notes to the financial statements (continued) as at 31st December 2022

3. the liquidating value of any financial derivative instruments which are not traded on a regulated market mean their net liquidating value determined, pursuant to the policies established by the Company, on a basis consistently applied for each different variety of derivative;
4. unlisted securities or instruments not traded on a regulated market as well as listed securities or instruments listed on a market other than a regulated market, or securities or instruments whose quoted price is, in the opinion of the Company, not representative of actual market value, are valued at their last price known in Luxembourg or, in the absence of such price, on the basis of their fair value, as determined with prudence and in good faith by the Company, provided that private equity investments are estimated with due care and in good faith by taking into account International Private Equity and Venture Capital Valuation Guidelines (the IPEV Valuation Guidelines);
5. the value of any cash on hand or on deposit, bills and demand notes and accounts, receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received are deemed to be the full amount thereof, unless it is unlikely to be received in which case the value thereof shall be arrived at after making such discount as the Company may consider appropriate in such case to reflect the true value thereof.

The Company, with the consent of the Management Company, may permit some other method of valuation to be used if it considers that such valuation better reflects the fair value of any asset or liability of the Company in accordance with Luxembourg Law. This method will then be applied in a consistent way. The Administrator can rely on such deviations as retained by the Company and approved by the Management Company for the purpose of the NAV calculation.

#### c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities portfolio held by each Compartment that are denominated in currencies other than the reference currency of the Compartment is converted into this currency at the exchange rate prevailing on the date of purchase.

#### d) Realised gain/(loss) on sales of securities portfolio

The realised gains and losses on sales of securities portfolio are calculated on the basis of the average acquisition cost and are disclosed in the statement of operations.

#### e) Investment portfolio income

Dividend income is recorded at the ex-date, net of any withholding tax.

Interest income accrued and payable is recorded, net of any withholding tax.

#### f) Formation expenses

Formation expenses are amortised on a straight line basis over a period of five years.

If the launch of a Compartment occurs after the launch date of the Company, the costs of formation expenses in relation to the launch of the new Compartment are charged to that Compartment alone and are amortised over a maximum of five years with effect from the Compartment's launch date.

#### g) Conversion of foreign currencies

Cash at banks, other net assets, liabilities and the market value of the securities portfolio expressed in currencies other than the reference currency of the Company are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the Compartment are converted into this currency at the exchange rate prevailing on the date of the transaction. Realised gains or losses on foreign exchange are disclosed in the statement of operations.

At the date of the financial statements, the exchange rates are the following:

1	USD	=	1.4739480	AUD	Australian Dollar
			0.9249000	CHF	Swiss Franc
			0.9368120	EUR	Euro
			82.7455024	INR	Indian Rupee
			34.5600002	THB	Thailand Baht
			23,635.0744505	VND	Vietnamese Dong

## Probus Opportunities

### Notes to the financial statements (continued) as at 31st December 2022

#### h) Combined financial statements

The combined financial statements of the Company are expressed in USD and are equal to the sum of the corresponding items in the financial statements of each Compartment.

#### Note 3 - Investment management and AIFM fees

The AIFM receives a management fee calculated as follows:

- 0.12% of the average assets per Compartment per annum up to EUR 100,000,000;
- 0.10% of the average assets per Compartment per annum from EUR 100,000,000 to EUR 250,000,000;
- 0.08% of the average assets per Compartment per annum over EUR 250,000,000;

with a minimum of EUR 2,500 per Compartment per month with commitment approach and additional fee of EUR 1,000 per Compartment per month are charged for Value at Risk (VaR) calculation.

The Investment Manager receives the investment management fee, calculated on the net asset value of the share class. This fee is levied under the supervision of the Management Company and paid monthly in arrears, as follows:

	A (in % p.a.)	B (in % p.a.)	Z (in % p.a.)
PROBUS OPPORTUNITIES - MEKONG FUND	1.5	-	-
PROBUS OPPORTUNITIES - INDIA EQUITY FUND	1.0	1.5	-

For both Compartments, no Investment Management Fee is charged for the classes P and Z share.

#### Note 4 - Performance Fee

For the Compartment PROBUS OPPORTUNITIES - MEKONG FUND, the Investment Manager is entitled to receive a performance fee only for the share class A. No performance fee is charged for the share classes P and Z. The performance fee for the share class A is calculated as follows:

- a) If the Net New Appreciation achieved by share class A of the Compartment during a relevant month (subject to the High Water Mark) is not greater than 0.833% (i.e., 1/12 of 10%), no performance fee is payable;
- b) If the Net New Appreciation achieved by share class A of the Compartment during a relevant month (subject to the High Water Mark) is greater than 0.833% (i.e., 1/12 of 10%) but less than or equal to 1.667% (i.e., 1/12 of 20%), the performance fee payable is equal to 10% of the excess over 0.833%;
- c) If the Net New Appreciation achieved by share class A of the Compartment of a relevant month (subject to the High Water Mark) is greater than 1.667% (i.e., 1/12 of 20%), the performance fee payable is equal to 10% of the excess over 0.833% (i.e., 1/12 of 10%) up to 1.667% (i.e., 1/12 of 20%) and 20% of the excess over 1.667% (i.e., 1/12 of 20%).

At the date of the financial statements, no performance fee was recorded for the compartment PROBUS OPPORTUNITIES - MEKONG FUND.

For the Compartment PROBUS OPPORTUNITIES - INDIA EQUITY FUND, no performance fee is charged.

#### Note 5 - Depositary fees

The remuneration for depositary services are included in the item "Depositary fees" disclosed in the statement of operations.

#### Note 6 - Central Administration costs

The item "Central administration costs" disclosed in the statement of operations is mainly composed of administrative agent commission and of the domiciliation fees.

## Probus Opportunities

### Notes to the financial statements (continued)

as at 31st December 2022

#### Note 7 - Redemption fees

A redemption fee of up to 2.0% of the net asset value per share class is applicable and is paid to the Compartment PROBUS OPPORTUNITIES - MEKONG FUND.

No Redemption Fee will be charged for PROBUS OPPORTUNITIES - INDIA EQUITY FUND.

#### Note 8 - Subscription duty ("*Taxe d'abonnement*")

The Company is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the Company is subject to an annual "*taxe d'abonnement*" of 0.01% which is payable quarterly and calculated on the basis of the net assets of each Compartment on the last day of each quarter.

Pursuant to Article 68 (2) a) of the amended Law of 13th February 2007 the net assets invested in undertakings for collective investment already subject to the '*taxe d'abonnement*' are exempt from this tax.

#### Note 9 - Loans and shares in affiliated undertakings

Loans and shares in affiliated undertakings as at 31st December 2022 are disclosed in the statement of investments and other net assets.

##### Viet Money loan

At the date of the financial statements, the Compartment PROBUS OPPORTUNITIES - MEKONG FUND is invested in the Viet Money short term loan for an aggregate principal amount of USD 1,000,000.00. The issue date of the loan was on 14th December 2022 and the maturity date has been set at 13th June 2023.

Interests accrued since the last coupon payment date, 14th December 2022, are booked separately and calculated based on the loan's interest rate of 12.75%.

#### Note 10 - Taxation (Capital gains taxes)

##### For the Sub-Fund PROBUS OPPORTUNITIES - MEKONG FUND:

At the date of the financial statements, the item :

- "Other expenses" disclosed in the statement of operations includes:
  - o an amount of USD 157,720.09 ("Capital gain tax on realised result") corresponding to the provision of the Thailand's capital gains tax on sale of investments which have been realised.

##### For the Sub-Fund PROBUS OPPORTUNITIES - INDIA EQUITY FUND:

At the date of the financial statements, the item :

- "Other income" disclosed in the statement of operations includes:
  - o an amount of USD 131,907.77 ("Other revenue") corresponding to the reversal of provision of the Indian capital gains tax on the unrealised gains on investments previously booked for the year 2021.
- and the item "Other expenses" disclosed in the statement of operations includes:
  - o an amount of USD 72,126.16 ("Capital gain tax on realised result") corresponding to the Indian capital gains tax on the realised gains on investments. This amount can be split as follows:
    - USD 46,566.04 corresponding to the Capital gain tax on USD/INR spot transactions.
    - USD 25,560.12 corresponding to the Capital gain tax on the sale of securities.

#### Note 11 - Valuation of investments

Pursuant to its engagement by the Company dated 18th June 2019 and addenda dated 19th March 2021 and 4th January 2022, KPMG Luxembourg has prepared a valuation of the Company's direct and indirect investment in Maroon Bells JSC as at 31st December 2021 (the MB Valuation) and a valuation of the Company's direct stake in Innovation Technologies JSC as at 31st December 2021 (the Innotech Valuation) and has issued a final report. The Valuation has been reviewed by the Company's Investment Manager, Management Company and Board of Directors.

## Probus Opportunities

### Notes to the financial statements (continued) as at 31st December 2022

Pursuant to its engagement by the Company dated 5th November 2021, Viet Capital Securities JSC has prepared a valuation of the Company's direct investment in Vietnam Fortress Tools JSC as at 31st December 2021 (the Fortress Valuation) and a valuation of the Company's direct investment in VietMoney Holding JSC as at as at 31 December 2021 (the VietMoney Valuation) and has issued a final report on or around the date of this resolution. The valuations have been reviewed by the Company's Investment Manager, Management Company, and Board of Directors.

With reference to prior circular resolutions, Myanmar Metals Ltd remains suspended from trading on the Australian Stock Exchange.

By circular resolution dated 26th January 2022, the Board of Directors of the Company resolved:

- To adopt the mid-point of the valuation range in the Maroon Bells Valuation in the December 2022 net asset value calculation, subject to KPMG's adjustment for lack of control and other adjustments (including for taxation and preference shares) to be agreed with the Management Company;
- To adopt the low-point of the valuation range in the Innotech Valuation in the December 2022 net asset value calculation without allowance for any contingent liability, subject to other adjustments to be agreed with the Management Company;
- To adopt the mid-point of the valuation range in the VietMoney Valuation in the December 2022 net asset value calculation, subject to other adjustments to be agreed with the Management Company;
- Nature Gift Pharma Pte Ltd is valued at cost of transaction.
- Vietnam Fortress Tools JSC is written down to puttable value due to high uncertainty on the underlying company, which represents the cost of initial investment plus accrued interests of 5%.

Mallee Resources Ltd (formerly Myanmar Metals Ltd), in its latest announcement dated September 2022, advised that it has raised additional funds by placement of its shares priced at 42 cents per share.

By circular resolution dated 5th October 2022, the Board of Directors of the Company taking into consideration the recent announcements from Mallee Resources Ltd (formerly Myanmar Metals Ltd) resolved:

- To mark the price of Mallee Resources Ltd (formerly Myanmar Metals Ltd) at 42 cents per share for the end September NAV calculation and the NAV calculations thereafter, subject to regular monitoring.

#### Viet Money loan

The Viet Money loan is valued at principal minus less impairment. In the absence of any indication of impairment based on the valuation performed by VCSC, no impairment has been recognized. The loan amount is therefore valued at 100% of principal amount. Interests accrued since the last coupon payment date, 14th December 2022, are booked separately and calculated based on the loan's interest rate of 12.75%.

The remaining investments are listed securities and therefore are valued at last available price.

#### **Note 12 - Events**

The report on activities of the Board of Directors on page 7 provides overview of the impact of COVID-19 during the financial year ended 31st December 2022.

#### Russia - Ukraine Crisis

The ongoing conflict in Ukraine and related sanctions against Russia could have an impact on the European and global economies. The Company does not have significant direct exposure to Ukraine, Russia or Belarus.

#### **Note 13 - Subsequent events**

With effect from 15th May 2023, EUROPEAN FUND ADMINISTRATION S.A. changed its name to UI efa S.A..



## Probus Opportunities

### Notes to the financial statements (continued)

as at 31st December 2022

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#### Merger

By circular resolution dated 19th June 2023, the Board of Directors of the Company has decided to merge the Sub-Fund PROBUS OPPORTUNITIES - INDIA EQUITY FUND (the "Absorbed Sub-Fund") into PROBUS INVESTMENT FUND UCITS - INDIA EQUITY FUND (the "Absorbing Sub-Fund")

<b>Absorbed Sub-Fund</b>	<b>Absorbing Sub-Fund</b>
PROBUS OPPORTUNITIES - INDIA EQUITY FUND	PROBUS INVESTMENT FUND UCITS - INDIA EQUITY FUND

Subject to the prior approval of the CSSF, and the approval of the shareholders of the Absorbed Sub-Fund, the Merger will become effective and final on 1st August 2023 (the "Effective date").

## Probus Opportunities

### Additional information (unaudited) as at 31st December 2022

#### 1 - Risk management disclosure

The risk management function covers the following aspects:

- 1) Implementation of the risk management policy and procedures:

The risk management policy and procedures contain a description of the risk department value chain as well as the communication flows between the risk management department and the external service providers and the controls in place to ensure the quality of our service providers and the definition of the risk metrics we are providing to our clients.

- 2) Ensuring compliance with the Alternative Investment Funds ("AIFs") risk limit system, including statutory limits concerning leverage exposure

The risk management department monitors the leverage exposure related to each AIF based on the two approaches referred in the AIFM- Commission Delegated Regulation Article 6 to 11 (gross and commitment exposures). The monitoring approach is based on an assessment of each AIF' risk profile. The method of exposure calculation for each AIF takes into consideration the fund's specific characteristics such as the investment strategy or the types of asset classes in which the fund is investing and the use of leverage.

The leverage levels of the Fund as specified in the AIFM Directive are the following:

Sub-Fund	Leverage method used	Maximum as per prospectus	As at 31 December 2022
India Equity Fund	Gross:	125%	94.27%
	Commitment:	125%	103.70%
Mekong Fund	Gross:	125%	97.70%
	Commitment:	125%	99.96%

- 3) Providing advice to the board of managers with regards to the definition of the risk profile of each managed AIFs

The risk management department of Lemanik Asset Management S.A. provides advice to the Risk management committee and to the Board of Managers, especially in determining the appropriate risk profile for each administrated fund. The Board of Managers seeks advice from the risk management department in risk management related problems.

- 4) Providing regular reports to the Board of Managers.

The risk management department reports to the Board of Managers on a frequency mentioned in agreement with the AIF's Board of Managers on the following issues:

- Coherence between actual level of risk and pre-defined risk profile of each AIF - Compliance with the pre-defined risk limits and limit exposure for each AIF - Adequacy and effectiveness of risk management processes including, if applicable measures for improvement. - Monitoring the liquidity of each AIF

The Fund did not have any assets that were subject to special arrangements arising from their illiquid nature in the year 2022.

The current risk profile of the Fund and each Sub-Fund is Low risk profile. The risk management systems employed by Lemanik Asset Management S.A. is compliant with current legislation.

No new changes were made to the risk management systems employed by Lemanik Asset Management S.A., where the risk management system has been evaluated in accordance law of 12 July 2013.

The total amount of leverage calculation in accordance with the gross and commitment method employed by the AIF is available at the registered office of the AIFM.

## Probus Opportunities

### Additional information (unaudited) (continued) as at 31st December 2022

<b>Risk category</b>	<b>Main risks</b>	<b>Management and Mitigation</b>
<b>MARKET RISK</b>	Changes in macro- and micro-economic environment may impact the value of the portfolio assets	The AIFM analyses regularly key performance and risk indicators of the underlying assets. In addition, The AIFM monitors on a Nav frequency basis the Gross and Commitment leverage of the fund and ensure that it respect the threshold established in the constitutive documents.
<b>LIQUIDITY RISK</b>	Liquidity short-fall relating to redemptions	<ul style="list-style-type: none"><li>The funds are open-ended but the liquidity risk is mitigated due to the nature of the investments.</li></ul> The AIFM ensures that the investment, the liquidity profile, and the redemption policy are consistent with the Fund's liquidity needs.
<b>CREDIT RISK/ COUNTERPARTY RISK</b>	Loss incurred due to the failure of an obligor to meet his contractual obligations	The AIFM monitors the credit risk and counterparty exposure regularly.
<b>VALUATION RISK</b>	Missing NAV reporting deadline or reporting of erroneous NAV due to not timely receipt of data for NAV calculation	The AIFM has implemented a review process on the reported values of the assets performed by the central administration in order to perform an appropriate level of plausibility checks. The support of an external appraiser could be requested to support the valuation of illiquid assets in the portfolio
<b>OPERATIONAL RISK</b>	<ul style="list-style-type: none"><li>Payment flow/instructions not correctly executed</li><li>Missing reporting deadlines (investors/regulator) due to missing data or inadequate schedule</li><li>IT disruption</li></ul>	<ul style="list-style-type: none"><li>The AIFM is performing delegation monitoring on outsourced functions regularly.</li><li>The AIFM has implemented policies, operating manuals, sound procedures and several layers of controls.</li></ul>
<b>EXCHANGE RATE RISK</b>	FX risk between assets in foreign currency and the fund's base currency	<ul style="list-style-type: none"><li>The AIFM considers foreign exchange risk to be prominent for the Fund, as the funds' base currency is USD while most of the investments are in Emerging Market currencies.</li></ul>

## 2 - Remuneration policy

### Remuneration policies and practices

The Alternative Investment Fund Manager ("AIFM") 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 AIFM's obligation to act in the best interest of the Company (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 AIFM, the Company or the Sub-Funds. Within the AIFM, these categories of staff represents 20 persons.

The Remuneration Policy is in line with the business strategy, objectives, values and interests of the AIFM, the Company and the Shareholders and includes measures to avoid conflicts of interest.

## Probus Opportunities

### Additional information (unaudited) (continued) as at 31st December 2022

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 AIFM. 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 delegatee has been excluded, as it is not paid out by the AIFM or by the Company.

#### 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 AIFMD 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.

### 3 - Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

During the reporting period, the Company did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.

### 4 - Sustainable Finance Disclosure Regulation (SFDR)

In accordance with the requirements of the EU Regulations 2019/2088 and of the Council of 27th November 2019 on sustainability -related disclosures in the financial services sector (the "SFDR") as amended, the two sub-funds are categorised under SFDR Article 6.

The investments underlying these financial products do not take into account the EU criteria for environmentally sustainable economic activities.