Natixis HAM China 2.0 USD





Fund Information

Investment Type: Active Managed Certificate
Issuer: Natixis SA / S&P rating A
Inception date: February 7th, 2018

Subscriptions: Daily
Redemptions: Daily
Administrator: Natixis
Custody bank: Natixis
Invest. manager: Natixis

Investment advisor: Colombo Wealth SA ISIN: XS1410001108 Bloomberg: NXSRHCS2

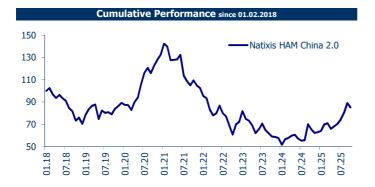
Investment Philosophy

Natixis HAM China 2.0 invests in the 6-most dynamic and growing sectors in the transforming China Economy called China 2.0. Sectors are: Technology, Internet related to Consumption (ecommerce), Education, Tourism, FinTech and Environment. The universe of stocks is the A-Shares Markets (Shanghai and Shenzhen), Hong Kong (H-Shares) and Chinese companies listed in the US (ADR/ADS). The process is a pure bottom-up stock picking investing into the 5 to 8 leaders in each sectors. A special consideration is placed to the cash flow generation as well as the positionning within the sub-sectors, their competitive advantages, quality of the management and regulations.

Cash is used as a tool to smooth the high volatility of these themes.

Recommanded time holding period is over 5 years.

Performances USD 2018 3.59% 2019 4.31% 8.42% 8.55% -1.079 -0.30 6.59% 3.21% 3.12% 25.65% 7.94% 1.12% -2.15% -14.35 2020 -0.26% -2.67% -5.55% 10.27% 1.36% 15.41% 8.12% 5.74% -5.14% 6.88% 5.69% 2.78% 48.92% 2021 6.87% -9.849 3.64% -1.389 4.30% -15.61% -3.26% 6.47% -5 54% -1.81% -22.55% 2022 2.88% 9.08% 18.15% -29.90% -10.3 -15.29 5.24% 2023 12.30% 0.41% 3.98% 10.17% -0.41% -20.35% 2024 9.88% -0.24 0.24% 25.90% 9.48% -10.8 1.63% 4.92% -6.39% 0.87% 2025 2.01% 8.87% 1.59% -7.22% 3.31% 3.46% 5.40% 8.13% 11.01% -4.38% 35.36%

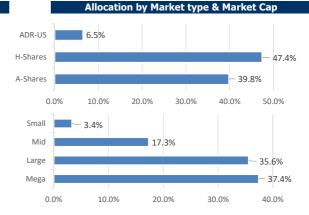


TENCENT HOLDINGS LTD 9.5% 1 2 ALIBABA GROUP 7.0% 3 **XIAOMI** 3.9% CONTEMPORARY AMPEREX 3.7% 4 5 POP MART INTERNATIONAL 3.3% CHINA CONSTRUCTION BANK 2.8% 6 7 SIEYUAN ELECTRIC 2.7% 8 SHENZHEN INOV TEC 2.4% MIDEA GROUP 2.4% 9 **FUTU HOLDINGS** 2.4% 10 40.2% Sum top 10

Top 10 Holdings

Sum top 20 61.2% Number of positions: 45 Cash: 6.3%

Allocation by Sectors 0.0% 6.3% 0.0% 26.6% 12.1% 3 3% 19.8% 10.6% 0.0% 1.0% 7.3% Consumer Staples Consumer Discretionary Communication Services Energy Information Technology Healthcare Materials Industrials Financials ■ Real Estate Utilities Cash



Financial Statistics (Invested part)

	Portiono		
EPS Growth 2025	29.5%		
EPS Growth 2026	19.6%		
P/E 2025 (forward)	21.8	X	
P/E 2026 (forward)	24.4	X	
PEG 2025	0.74		
PEG 2026	1.25		
ROE	20.9%		
Margin EBITDA	26.4%		
Market cap average	173	bn (USD)	
ESG rating (Morgan Stanley)	BBB		

Source: factset / Bloomberg

25.0 40.0 55.0 25.0

EPS GROWTH

O Index O

Portfolio

PEG Valorisation by positions (2025)

EPS Growth vs P/E (2025) - By companies

Comments

The Fund was down -4.38% in October underperforming the All Shares Index by 2.0% net but still ahead of the index on a year-to-date basis by 4.5%.

At the end of the Mid-Autumn Festival holidays, the Chinese market did not continue its momentum from September. Investors took profits on growth stocks, allocating to more value-oriented stocks while awaiting third-quarter results.

However, the situation in China is gradually improving in terms of consumption and various leading macroeconomic indicators. In particular, we still see significant potential in sectors such as 1) electrical components in solar energy (Sieyuan Electric, Sungrow Power, Hongfa Tech), 2) cloud and Al-related stocks (Alibaba, Xiaomi, Naura, Omnivision, Cambricon), 3) emotional consumption (Pop-Mart). On this last theme, we are in the early stages of building a portfolio focused on emotional consumption. The younger Chinese generation is no longer really interested in their parents' consumption habbits (household appliances, drinks, food), but rather in sports, cinema, bars-restaurants, travel, emotional objects, entertainment, etc. This generational shift is crucial to understanding the dynamics in China.

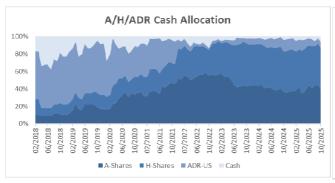
In terms of portfolio management, we started the month with some profit-taking, increasing cash to around 10% of the portfolio. As the month progressed, we put cash back to work, notably in Xiaomi, Pop-Mart and Sungrow Power, and reduced some mid-cap positions. We ended the month with 6% cash.

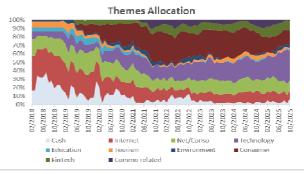
The healthcare sector, particularly companies involved in R&D for new oncology drugs, is going to gradually grow. It should be noted that the cost of Phase III trials in China is three times lower than in the United States. In this context, our positions in **Akeso**, **Hansoh Pharmaceuticals**, **BeOne Medicine** and **WuxiTech** are long-term views.

PERFMORNANCE CONTRIBUTION FOR THE MONTH

10 - Largest Contribution	1	10 - Largest Detractor	
1 SIEYUAN ELECT	0.56%	1 XIAOMI	-0.78%
2 SUNGROW POWER	0.40%	2 POP MART	-0.56%
3 FUTU HOLDINGS	0.21%	3 TENCENT	-0.48%
4 HONGFA TECH.	0.18%	4 ALIBABA	-0.46%
5 NEW ORIENTAL EDUC.	0.15%	5 AKESO	-0.32%
6 PETROCHINA	0.14%	6 JIANGUS HENGRUI	-0.30%
7 CHAOZHOU 3 CIRCLES	0.13%	7 OMNIVISION	-0.28%
8 MIDEA	0.12%	8 QIFU TECHNOLOGY	-0.25%
9 PING AN INS.	0.11%	9 SHENZHEN INOVANCE	-0.20%
10 FOXCONN IND.	0.10%	10 BEONE MEDICINE	-0.19%
Best Performers		Worst Performers	
1 SIEYUAN ELECT	20.6%	1 QIFU TECHNOLOGY	-26.0%
2 SUNGROW POWER	17.3%	2 XIAOMI	-19.9%
3 HONGFA TECH.	15 7%	3 AKESO	-19.6%

"CHINESE SOUP" & THEMES HISTORICAL ALLOCATION





Disclaimer

Past performance is not a reliable indicator of future performance and the value of investments may fall as well as rise. An investor may not be able to get back the amount invested and could lose all of their investment.

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