

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

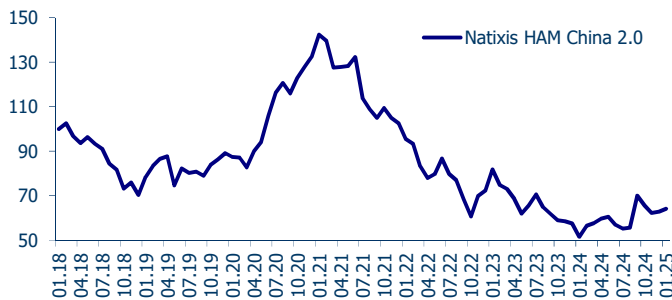
Natixis HAM China 2.0 invests in the 6-most dynamic and growing sectors in the transforming China Economy called China 2.0. Sectors are: Technology, Internet related to Consumption (e-commerce), Education, Tourism, FinTech and Environment. The universe of stocks is the A-Shares Markets (Shanghai and 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 positioning 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.

Recommended time holding period is over 5 years.

Performances USD

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year
2018		2.25%	-5.32%	-3.90%	3.59%	-3.11%	-2.28%	-7.40%	-3.01%	-13.61%	4.28%	-3.83%	-29.00%
2019	8.42%	7.94%	1.12%	4.31%	-14.35%	8.55%	-1.07%	-0.30%	-2.15%	6.59%	3.21%	3.12%	25.65%
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%	-2.79%	-9.84%	3.64%	-1.38%	4.30%	-15.61%	-3.26%	-3.80%	6.47%	-5.54%	-1.81%	-22.55%
2022	-7.97%	-2.30%	-10.38%	-6.17%	2.88%	9.08%	-9.06%	-2.09%	-11.90%	-15.29%	18.15%	5.24%	-29.90%
2023	12.30%	-9.88%	0.41%	-6.46%	-9.64%	3.98%	10.17%	-9.25%	-4.13%	-3.52%	-0.41%	-3.15%	-20.35%
2024	-10.89%	9.88%	1.63%	4.92%	-0.24%	-4.68%	-2.68%	0.24%	25.90%	-6.39%	-4.92%	0.87%	9.48%
2025	2.01%												2.01%

Cumulative Performance since 01.02.2018

Top 10 Holdings

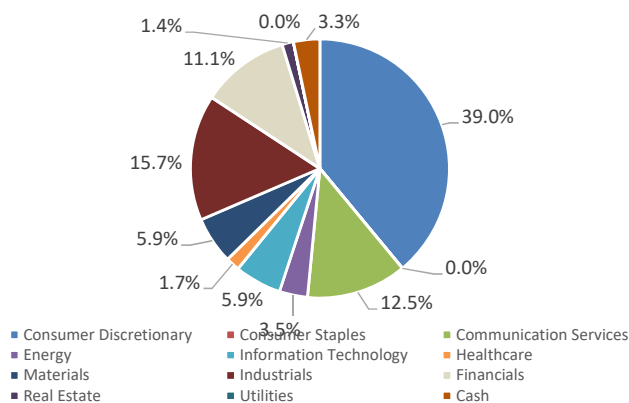
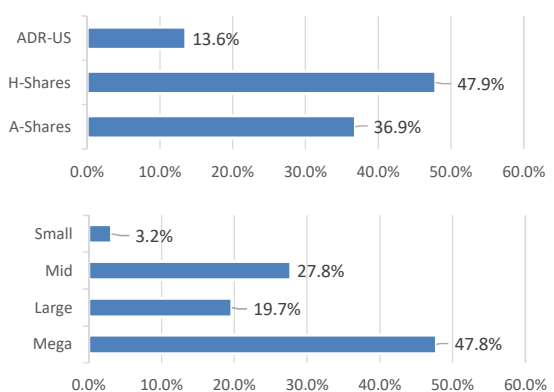
1	TENCENT HOLDINGS LTD	9.4%
2	ALIBABA GROUP	7.0%
3	CONTEMPORARY AMPEREX	4.8%
4	MEITUAN DIANPING	4.6%
5	PINDUODUO	4.4%
6	BYD	3.7%
7	PETROCHINA	3.5%
8	CHINA CONSTRUCTION BANK	3.3%
9	TRIP.COM	3.2%
10	MIDEA GROUP	3.2%

Sum top 10 47.0%

Sum top 20 68.1%

Number of positions : 42

Cash : 3.3%

Allocation by Sectors

Allocation by Market type & Market Cap

Performance Since Inception

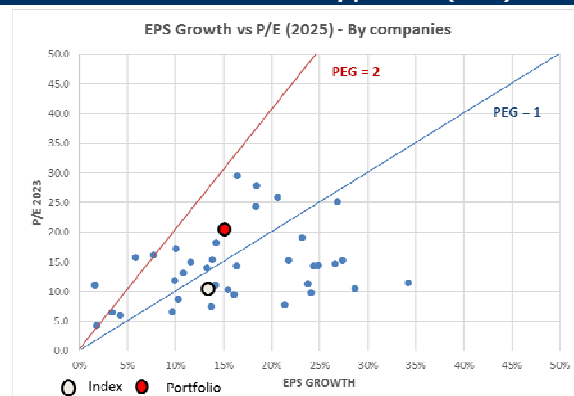
	Tot. Ret.	Volatility
Natixis HAM China 2.0	-37.1%	26.9%

Financial Statistics (Invested part)

	Portfolio
EPS Growth 2025	14.8%
EPS Growth 2026	27.7%
P/E 2025 (forward)	23.7 x
P/E 2026 (forward)	16.2 x
PEG 2025	1.63
PEG 2026	0.59
ROE	19.4%
Margin EBITDA	23.2%
Market cap average	136 bn (USD)
ESG rating (Morgan Stanley)	BBB

Source: factset / Bloomberg

Past performance is not a guarantee of future results. PRISMINVEST SA is not liable for database errors.

PEG Valorisation by positions (2025)


Comments

The Fund was up 2.1% in January overperforming all Chinese Indexes by far up between 1% and down 2.1 for the CSI300 Index. The current positioning of the portfolio is well suited in a discriminating markets where finally rational is coming back. It is interesting to note that Hong Market is currently overperforming A-Shares due to flows coming from abroad.

Maybe the biggest news this month came from the launch of the Chinese A.I., **DeepSeek**. Western A.I. development over the past few years has been very much focused on building the most powerful A.I. with the strongest computation power hence why firms poured billions into the most advanced chips. China's A.I. development, on the other hand, has been focused on local user adoptability and as such firms place significant emphasis on software development. Strict export controls further force Chinese firms to use software innovation to overcome hardware limits. Similar to the Sputnik Crisis in the late 1950s where the Soviets' launch of Sputnik 1 triggered a space race that led to significant breakthroughs in space technology, the launch of DeepSeek may upend the existing global A.I. initiative and lead to a more cost-efficient way of building A.I. models. However, the market impact for incumbent players may not be so benign as they have already sunk billions of dollars into various models and data centres that they may find increasingly difficult to generate any meaningful ROI. Together with frothy valuations, any earnings deterioration of the Mag7 can quickly turn into a rude awakening for the U.S. market.

One may think, then, the Chinese A.I. industry will be ripe for further investments but that may not necessarily be true over the long term. The DeepSeek launches only deepens the intense competition of the Chinese market with other A.I. companies now looking to out-do DeepSeek in cost-effectiveness (Alibaba's Qwen may be the first of many to come). The likely outcome for the Chinese A.I. industry may resonate closely with the Chinese EV industry, where intense competition ultimately benefits the end-consumer/user as costs are lowered leading to mass adoption (Alibaba's LLM/cloud already announced price cuts up to 85%). As such, we continue to believe the best way to invest in this trend is via a pick-and-shovel approach.

Our new positioning initiated in December has largely started to bear fruit: **Newway Valve, Ningbo Tuopu, Futu Holdings** are among the best winners this month. **Alibaba** is also clearly a big beneficiary of DeepSeek's announcement, as is **Xiaomi**, which has become the 5th largest capitalisation in the MSCI China 10/40. However, the biggest disappointment came from **New Oriental Education**, which had been delivering good results for several quarters. A 15% fall in earnings caused the stock to correct too aggressively for our liking, so we are keeping our position, albeit to a smaller one.

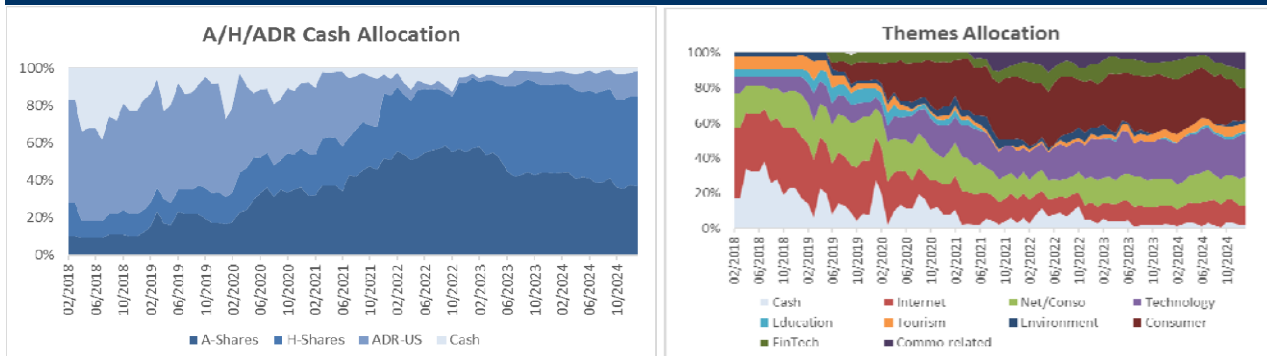
We are very positive for the year in China as we are seeing a good improvement in the Real Estate sector continuing to follow the recovery trend observed over the past few months with data showing stabilization across the industry. The value of new home sales from the 100 biggest real estate developers in December was flat compared to a year ago vs. a 7% drop in November while sales volume increased 24% month over month according to data from China Real Estate Information Corp. Second-hand home transactions in Beijing recorded the highest number in over 21 months increasing 15% MoM and 66% YoY.

PERFORMANCE CONTRIBUTION FOR THE MONTH

10 - Largest Contribution		10 - Largest Detractor	
1 PINDUODUO	0.67%	1 TENCENT	-0.38%
2 ALIBABA GROUP	0.48%	2 NEW ORIENTAL EDUCATION	-0.31%
3 NINGBO TUOPU	0.41%	3 CONTEMPORARY AMPEREX	-0.13%
4 FUTU HOLDINGS	0.38%	4 ZHONGJI INNOLIGHT	-0.13%
5 JD.COM	0.33%	5 MEITUAN DIANPING	-0.12%
6 NEWAY VALVE	0.31%	6 HAIDILAO INTERNATIONAL	-0.12%
7 JIANGSU HENGLI HYDRAULIC	0.27%	7 NARI TECHNOLOGY	-0.11%
8 NETEASE	0.26%	8 SHENZHOU INTL	-0.10%
9 XIAOMI	0.21%	9 PETROCHINA	-0.08%
10 SATELLITE CHEMICAL	0.17%	10 CHINA CONSTRUCTION BANK	-0.08%

Best Performers		Worst Performers	
1 NINGBO TUOPU	35.0%	1 NEW ORIENTAL EDUCATION	-24.0%
2 NEWAY VALVE	24.7%	2 NARI TECHNOLOGY	-7.8%
3 FUTU HOLDINGS	20.8%	3 ZHONGJI INNOLIGHT	-6.3%

"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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