

Stabiho Emerging Markets Action P

AUM : €17.06mln

Share	ISIN	Bloomberg Ticker	NAV per share (in euro)
P share	FR001400GN84	STEMMAP:FP	112.01

Emerging Markets Equities SICAV

Registered country: 

SFDR classification: Article 8

INVESTMENT TEAM



Charles Biderman



Wojciech Stanislawski

INVESTMENT STRATEGY

The sub-fund is actively managed and aims to achieve a performance with a recommended 5-year investment horizon.

The sub-fund invests in emerging markets equities of all size and economic sector and without any constraints related to an index.

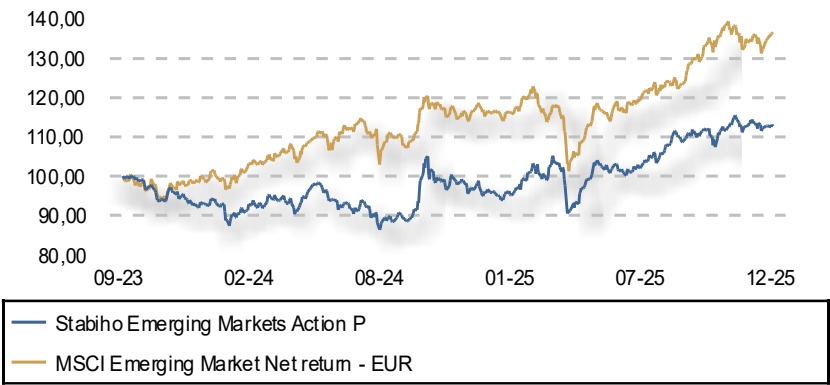
ROLLING PERFORMANCE (%)

	1 month	1 year	Since inception
Fund	-0.28	17.32	12.71
Index	1.77	17.76	36.75
Relative perf.	-2.05	-0.44	-24.04

1-YEAR RISK INDICATORS

Fund volatility (%)	15.0	Tracking Error (%)	11.6
Index volatility (%)	13.5	Information ratio	6.9
Sharpe ratio	0.8	Beta	0.8

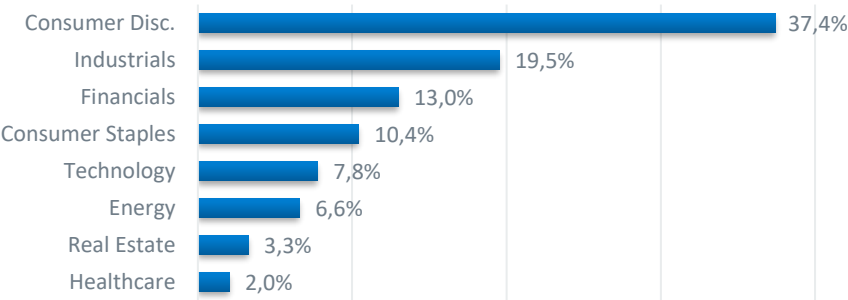
CUMULATIVE PAST PERFORMANCE



TOP 5 HOLDINGS (%)

Companies:	%
TENCENT HOLDINGS LTD (XHKG)	5.5
ANTA SPORTS PRODUCTS LTD (XHKG)	5.1
AIA GROUP LTD (XHKG)	4.4
Tencent Music Entertainment ADR (XNYS)	4.1
MIDEA GROUP CO LTD-A (XSEC)	4.1

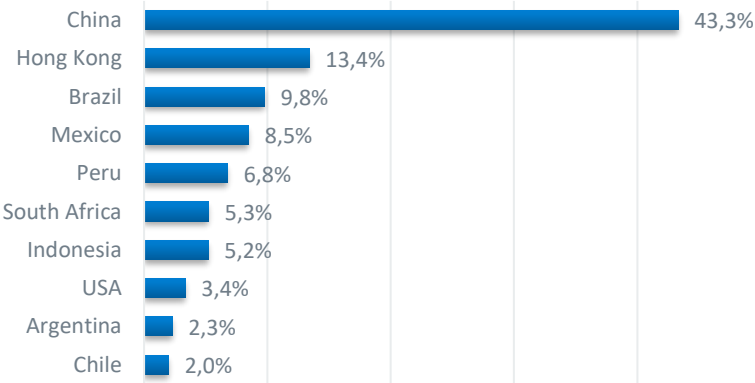
SECTOR BREAKDOWN (%)



PORTFOLIO METRICS

Metrics:	
P/E NTM (x)	13.8
P/BV (x)	2.7
DY (%)	3.1
ROE (%)	16.1
Ebitda (%)	21.4
ND/Ebitda (x)	0.1
EPS Growth 2024 (%)	12.6

COUNTRY BREAKDOWN (%)



CHARACTERISTICS

Portfolio characteristics

Currency	EUR (€)
Inception date	3 July 2023
AMF classification	International Equities
Cut off	10:30 am French time
Benchmark	MSCI Emerging Market Net return – EUR
Valuation	Each business day of the Paris Stock Exchange

Parties

Investment Manager	Stabiho Investment Partners
Depositary	CACEIS
Custodian	CACEIS
Auditor	PWC Audit
Fund Managers	Wojciech Stanislawski & Charles Biderman
Valuation frequency	Daily
NAV	Calculated using closing prices of D

Risk indicator

A Lower risk						Higher risk	
1	2	3	4	5	6	7	

Potentially lower return

Potentially higher return

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 4 out of 7 which is a medium risk class. This rates the risk of potential losses from future performance at a medium level. In other words, the potential losses related to the future results of the product are at a medium level and, if the situation deteriorates on the markets, our ability to pay you may be affected. This product does not include any protection from future market performance so you could lose some or all of your investment.

Fees

Share	Allocation of distributable sums	Date of 1st NAV	Initial minimum investment	Management fees	Management fees + Operating fees*	Maximum subscription fees
Share P	Capitalization	5 Sept. 2023	1 share	1.25% inc. Taxes	1.60%	3.25%

* On top of these fees, in theoretical case where we would be mainly invested in UCITS, « indirect fees » can apply up to 0.3% max. Please see the prospectus and KID of each share for exhaustive details on fees applied by the sub-fund.

Quarterly comments (1/4)

The year 2025 can undoubtedly be described as turbulent, if not chaotic. Markets and investors had to navigate frequent reversals from the U.S. presidency within a broader context where state intervention in economic affairs reached new heights.

Increasing taxes, tariffs, regulations, and bureaucracy have become significant factors hindering the free functioning of companies and financial markets. While these developments remain difficult to model or anticipate, we believe they must now be integrated into our analysis.

Despite a severe lack of strategic visibility, fragile macroeconomic fundamentals in the developed world, and numerous geopolitical tensions, investors can be satisfied with market performance in 2025. Indeed, most global indices reached new all-time highs, although gains were often highly concentrated in a small number of popular stocks.

Notable developments this year included:

- Continued enthusiasm for Artificial Intelligence (AI).
- Historic performance for gold and gold mining companies.
- A decline in the U.S. dollar.
- Strong performance, both absolute and relative, of Emerging Markets.

In this environment, the performance of **Stabiho Emerging Markets**, Class P, was solid and satisfactory, especially considering its lack of exposure to AI and precious metals. The Net Asset Value (NAV) increased by 17.3%, while the benchmark **MSCI Emerging Markets** index rose by 17.8%.

From a geographical perspective and in relative terms, the fund benefited from the weakness of the Indian market (-9.3%), a major component of the index not represented in the portfolio, primarily due to valuations considered excessive. Conversely, the very strong performance of South Korea (+74%) weighed on the fund's relative performance, given our lack of exposure to this market, which is mainly driven by semiconductor and AI-related memory stocks. The performance of China and Taiwan had a slight negative impact on relative performance.

The performance attribution was unfavorable at the sector composition level. Strong gains in information technology stocks (+34%) and communication services (+21%), which have a limited presence in the fund, negatively impacted relative performance. Similarly, weak performance in the consumer sectors (consumer staples: -8%; consumer discretionary: +3%), which are heavily represented in SEM, hampered net asset value growth.

Sector weakness was, however, offset by high-quality stock selection.

Minth Group (China, automotive industry) saw a 100% appreciation of its share price for the year following several positive announcements. Results were strong, with net income up 19.5% in the first half. The robust sales of electric vehicles in Europe contributed significantly to this growth. Minth is also continuing its efforts on innovation, with an R&D expenditure to sales ratio of 6%, and has positioned itself, either independently or through joint ventures, in several emerging sectors such as humanoid robots, flying vehicles, and coolants used in AI-powered data centers. These initiatives have been well received by the market, which anticipates an upgrade in the quality and added value of the group's products.

Jardine Matheson (JM, Singapore, industrial holding) saw its share price rise by 43% following numerous ongoing and planned restructuring initiatives. DFI Retail, its distribution arm, has sold non-strategic assets in China and Malaysia, while Mandarin Oriental is undergoing privatization. JM's two main subsidiaries, Hong Kong Land (real estate, Hong Kong) and Astra (automotive and industrial, Indonesia), are also revising their strategies, aiming to improve returns on invested capital. This extensive asset recycling allows JM to increase shareholder distributions while reducing its debt.

Raia Drogasil (pharma retail, Brazil) experienced a particularly turbulent year in 2025. The company initially announced disappointing first-quarter results, marked by slowing sales growth and declining margins due to increased competition. Given the high valuation at the time of the announcements, the stock price corrected sharply. We took advantage of this situation to gradually build our position throughout the first half of the year. In the second half, results initially stabilized and then improved significantly, thanks in particular to better cost control, improved pharmacy services, and the commissioning of a new, more modern distribution center. The stock has rebounded by more than 60% since our last purchases.

Quarterly comments (2/4)

Tencent Music Entertainment (TME, China, music streaming), the Chinese equivalent of Spotify, has seen very strong momentum across all its business lines: subscribers growth, an increase in the share of premium subscribers, a rise in average revenue per user, and growth in advertising revenue and artist merchandise sales. Offline activities have also expanded, driven by the organization of concerts and music events such as the TME International Music Awards. The increased size of operations and the share of proprietary content have led to improved profitability. The stock price increased by 45% in 2025.

Among the stocks that negatively impacted performance we can find **Anta Sports, Yum China, and China Oilfield Services**. In all three cases, the fundamentals remain solid, the franchises are high-quality, and the outlook is favorable, but interim results have not been stellar recently. Furthermore, consumer spending in China, and especially oil companies, are currently attracting little investor interest. These stocks remained stable against USD but were negatively affected by the strength of the euro.

Our significant exposure to China, overall, generated satisfactory performance. This can be analyzed in two segments. Consumer stocks, such as China Resources Beer and Anta Sports, underperformed despite solid results, which were merely in line with expectations, and excellent fundamentals. We anticipate a gradual return of interest in Chinese consumers—and more broadly, in consumers across emerging markets—and are maintaining our positions in these high-quality franchises that are currently being overlooked. Conversely, industrial and technological stocks, such as Minth and Tencent Music Entertainment, posted strong gains, for the reasons mentioned above.

China continues to provide targeted support to its economy. At this stage, the authorities see neither the urgency nor the need for massive fiscal stimulus. Thanks to the strength of its industrial base and the diversification of its markets outside the United States, the country is managing to achieve growth levels close to its targets. In the absence of a deterioration in the economic trajectory, the government is expected to maintain this gradual approach, while continuing to inject liquidity into the system. As long as inflation remains low, or even negative, the central bank has significant room for maneuver, with some of this liquidity flowing into financial assets, particularly equity markets.

Our investments in Brazil all contributed positively to our 2025 performance. The equity market and the currency benefited from a relief rebound following the significant concerns raised at the end of 2024 by political developments. These concerns focused particularly on inflation and the trajectory of public debt, with 10-year yields reaching as high as 17%. Ultimately, President Lula proved more pragmatic than anticipated, while the central bank's restrictive policies helped slow the economy and reduce inflationary pressures. The Brazilian market remains very attractive in terms of valuation, likely the cheapest among major emerging markets. However, the presidential elections scheduled for the end of 2026 are beginning to influence markets and are expected to continue fueling volatility.

More broadly, Latin America is experiencing a clear political shift to the right. Following the election of Javier Milei in Argentina and his confirmation in the midterm elections, Chile also rejected a more radical socialist orientation, while upcoming elections in Colombia and Peru could follow a similar trajectory. The issue of security dominates political debates, often associated with more conservative governments. Despite the smaller size of these markets and a more limited investment universe, the region offers several high-quality franchises. In this regard, the significant contribution of our Peruvian investments, Credicorp and Ferreycorp, should be highlighted.

During the year, we divested several underperforming positions, whose actual and expected growth no longer met our requirements.

Universal Robina (Philippines, consumer staples) suffered not only from weak local consumption, but above all from a lack of innovation and insufficient adaptation of its product offerings to evolving consumer tastes. As a result, the company lost market share in several key segments, including biscuits, beverages, and especially coffee. Disappointed by management's slow response, and believing that the necessary adjustments would take time, we decided to sell our shares.

Proya (China, beauty products) has never been a significant holding. While we were in the process of building it, major management changes were announced, including the departure of one of the founders, the CFO, and the general secretary, as well as the appointment of the founder's 35-year-old son as CEO. These developments, combined with a change in business strategy, have prompted us to exercise greater caution. Although the brand is strong, it is not yet unshakeable. However, we do not rule out revisiting this investment when visibility improves.

Quarterly comments (3/4)

Contrary to our expectations, **Sinopharm** (China, pharmaceutical distribution) did not benefit from healthcare sector reforms. We anticipated pharmacies gaining market share at the expense of hospitals, which still control over 80% of drug distribution. This trend did not materialize, thus limiting the stock's growth and appreciation potential.

We also liquidated three positions that had recorded very good stock market performance — **Hong Kong Exchange, Minth and Singapore Telecom** — as their valuations had become excessive.

Among the top purchases in 2025 is **Trip.com**, China's leading online travel agency, which dominates the sale of airline and train tickets as well as hotel bookings, both domestically and internationally. The company is fully benefiting from the increase in household travel budgets.

Galaxy Entertainment, the second-largest player in Macau's gaming and entertainment sector, has benefited from the industry's restructuring following several years of regulatory turmoil. The industry is now more consolidated and more focused on entertainment than gaming. Galaxy stands out with a debt-free balance sheet and the upcoming opening of new hotel facilities, which are expected to support medium-term growth.

Arca Continental is the second largest Coca-Cola bottler in Latin America, with operations in Mexico, the United States, Ecuador, Peru, and Argentina. This high-quality compounder offers consistent growth and an attractive dividend, resulting in a valuation that has rarely been so appealing.

Globant, a Buenos Aires-based technology company, provides IT services primarily to American businesses. It has distinguished itself from its Indian and American competitors through its agility and ability to offer innovative solutions, particularly in the entertainment sector. The stock price has corrected sharply, mirroring the overall decline in the IT services sector, which has been penalized by concerns related to the rise of AI.

Finally, **we initiated two positions in Indonesia**, which will be detailed in our 2026 reports. Southeast Asia was largely overlooked by investors in 2025. In Indonesia, the presidential transition weighed on the market, as President-elect Prabowo was perceived as less fiscally disciplined than his predecessor, Jokowi. The policies implemented proved overly cautious, leading to slower economic growth and a decline in investor confidence. The Philippine and Thai markets also experienced significant valuation adjustments, primarily for political reasons. These corrections now present opportunities for disciplined and patient investors in a context of gradual normalization.

The portfolio's positioning reflects our long-term convictions. We maintain significant exposure to China, although its weighting has decreased slightly in recent months due to the appreciation of certain stocks. Latin America—particularly Brazil, Peru, and Mexico—remains well represented, given the intrinsic quality of the companies and very attractive valuations, especially in Brazil. Southeast Asia is now being added to the portfolio, and its weighting could increase in the medium term.

From a sector perspective, consumption plays a significant role in the fund. The theme of the rise of emerging middle classes is currently largely neglected, overshadowed by the enthusiasm surrounding AI and American exceptionalism. While the health crisis and subsequent inflationary phase have certainly impacted emerging consumers, the situation is gradually normalizing: inflation is under control, wages are rising in several countries, and purchasing power is expected to improve. We elaborate on our positioning in more detail in our latest webinar, available here in French (<https://stabiho.com/fr/videos>).

We remain convinced that financial market leadership is shifting toward non-American assets, particularly Emerging Markets, which benefit from solid fundamentals, attractive valuations, and accelerating economic growth.

Quarterly comments (4/4)

For your information, here are the 2025 performance figures for the components of the MSCI Emerging Markets in Euro.

Country	2025
MSCI Korea Index	73,7%
MSCI South Africa Index	52,6%
MSCI Chile Index	47,0%
MSCI Peru Index	46,5%
MSCI Mexico Index	32,0%
MSCI Brazil Index	23,4%
MSCI Taiwan Index	20,1%
MSCI Emerging Markets Net E	17,8%
MSCI China Index	12,9%
MSCI Malaysia Index	-2,4%
MSCI Thailand Index	-8,4%
MSCI India Index	-9,3%
MSCI Philippines Index	-13,6%
MSCI Indonesia Index	-17,2%
MSCI Saudi Arabia	-19,5%

Sectors	2025
MSCI EM Materials Sector	39,5%
MSCI EM Information Technolo	33,9%
MSCI EM Communication Servi	21,1%
MSCI EM Industrials	17,1%
MSCI EM Financials	9,2%
MSCI EM Consumer Discretion	3,2%
MSCI EM Energy Sector	-1,6%
MSCI EM Health Care	-2,0%
MSCI EM Utilities Sector	-4,0%
MSCI EM Consumer Staples	-8,3%

Wojciech et Charles

*Past performance does not guarantee future performance. Performance is calculated net of management fees.
 Past performance is reported when a full calendar year of performance is available.*

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