GemEquity

SFDR Art.8

Sustainable Investors - Emerging Markets Equities

Short term fears over western interest rates and oil!

AUM $631M

PERFORMANCE

In September, emerging markets fell slightly in dollar but rose in euro terms due to the greenback upward reversal. The MSCI Emerging markets Index gained 1.6% in € (-0.7% in $). In doing so, it outperformed the global equity index (+0.8% in €) and the European stock markets (CAC 40 -4.4%, EuroStoxx -2.5%) but underperformed the S&P 500 (+2% in €) and Japan's Topix (+2.8% in €). In Asia, tech stocks continued to rebound. As a result, Taiwan and South Korea posted gains of about 5%. Shunned by international investors, China and India fell by about 4%, as did the ASEAN markets. Elsewhere, South Africa suffered profit-taking in gold stocks and was down 10%, while in Brazil, the market has reacted positively to Flavio Bolsonaro rise in the polls ahead of this weekend presidential elections. In this volatile environment, **GemEquity lost 0.7% in € over the month and underperformed its index by 233bps**. The fund was particularly affected by declines in some of our holdings: Astor in Turkey (-41% on rumors of stock market manipulation, which were later denied), Anglogold (-15% due to rising short-term interest rates), CATL (-16%) and BYD (-14%) due to fears of falling battery prices. The strong performance of our semiconductor holdings did not offset these losses in the short term.

EURO

	1 Month	YTD	1 Year	3 Years	5 Years	Annualized since inception
I-share	-0.7%	+23.2%	+29.6%	+67.0%	+20.7%	+7.8%
R-share	-0.8%	+22.2%	+28.3%	+61.8%	+14.4%	+6.8%
MSCI Emerging Markets	+1.6%	+27.6%	+33.7%	+78.1%	+56.6%	+7.2%
Category (*)	+1.6%	+27.6%	+33.7%	+74.3%	+44.7%	+5.7%

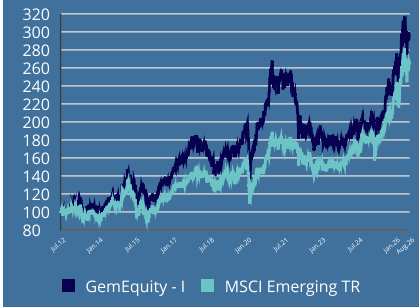
DOLLAR

	1 Month	YTD	1 Year	3 Years	5 Years	Annualized since inception
I-share	-3.0%	+19.1%	+25.3%	+79.2%	+18.1%	+7.3%
R-share	-3.1%	+18.2%	+24.0%	+73.6%	+12.0%	+6.4%
MSCI Emerging Markets	-0.7%	+23.4%	+29.2%	+91.1%	+53.4%	+6.6%
Category (*)	-0.7%	+23.4%	+29.2%	+87.0%	+41.8%	+5.2%

Underperformance in 2026 : -4.4% o/w Stock selection : -4.0% and Country allocation: -0.4%

Past performances do not guarantee future performances. They should not be the central element of the subscriber's investment decision: the other elements appearing in the management reports associated with the UCITS and the risks to which the fund is exposed must be taken into consideration. Management fees are included in the performance.

PERFORMANCE IN €



FUND POSITIONNING

In September we maintained our overweight in **Korea** at 24% (vs. 21.4% in the index) as we further increased our exposure in **Samsung Electronics** (9.8%) and **SK Hynix** (8.7%) as demand supply imbalance is likely to continue in memory giving visibility to earnings. In **Taiwan** we continued our strategy of diversifying the portfolio by including leading fabless IC designer **Mediatek** (2% of the fund) as ramp up of ASIC projects gives the company better earnings visibility. In **China** we have a marginal overweight at 20.2% (vs. 20.1% in the index). We reduced our exposure in Shenzhen Inovance (1% of the fund) as earnings visibility remains limited. While we have exited our positions in Chow Tai Fook and Hong Kong Exchange (caution on consumption and disappointing performance). In **India**. we are slightly underweight at 9.5% (vs. 10.7% in the index). In **Middle East**. we completely exited our position in Emaar Properties. In Latin America, we saw an increase in overweight position in **Brazil** at 5.5% (vs. 4.1% in the index) and remain underweight in Mexico at 1% (vs. 1.6% in the index). In Peru. we have initiated a new position in financial player **CrediCorp** (1.8% of the fund), as positive macro environment along with growing scale of fintech platform Yape, gives visibility to earnings. While we have completely exited our positions in Gentera and Banco Galicia.

MACRO VIEW

In September, the international environment (escalation in the Middle East and hawkish Fed) continues to weigh on sentiment. The US and Iran exchanged strikes without reaching a lasting ceasefire, and Houthi attacks threatened oil's Red Sea route, driving prices back up towards $100 per barrel. The Fed hiked for the first time since 2023 and signaled more could follow, taking US yields higher, in some cases to levels not seen in a decade. Within the region, Taiwan performed best as August export orders exceeded USD100bn for the first time (+71% y/y). **MediaTek** rallied after Nvidia agreed to invest $3.5bn, its largest direct investment outside the US. Korea was again led by **SK Hynix** and **Samsung Electronics**, with firm memory prices and progress on the latest generation of HBM, before weakening late in the month when OpenAI paused development of its most advanced models. China underperformed as weak domestic data contrasted with strong exports (+25% y/y). A-shares were hit harder than Hong Kong by a US bill targeting Chinese AI data-center components. CATL fell as EV makers including Li Auto and Xiaomi began sourcing from rival battery suppliers, while Chinese lithium prices dropped around 25%. India and Indonesia both fell more than 6%, suffering from the oil shock, and in the case of Indonesia a surprise change of finance minister, though the direction of travel for getting the country's budget back under control appears now to be the correct one. The month nonetheless ended on a firmer note for China, as Beijing cut a key policy rate and launched its first mortgage interest subsidy for first-time buyers, the most significant stimulus package since 2024.India and Indonesia both fell more than 6%, suffering from the oil shock, and in the case of Indonesia a surprise change of finance minister, though the direction of travel for getting the country's budget back under control appears now to be the correct one. In EMEA, Türkiye collapsed as a fund liquidity crisis led to the liquidation of 131 funds (circa USD20bn of AUM), and **Astor** was caught directly by indiscriminate selling of its stock, though with no impact on the business itself. South Africa was hit by softer metals prices and a SARB hike, and Saudi Arabia by disruption to oil export logistics. Brazil was the standout, helped by a cut to local interest rates and polls showing Flavio Bolsonaro (the market-friendly challenger) marginally ahead of Lula for the upcoming presidential election.

COUNTRY ALLOCATION

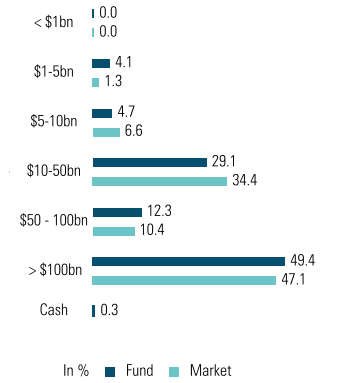
	Fund	MSCI Emerging Markets
China	20.2%	20.1%
Taiwan	25.3%	28,9%
Korea	24.0%	21.4%
India	9.5%	10.7%
Asean	0.5%	2.5%
Mexico	1.0%	1.6%
Brazil	5.5%	4.1%
Others - Latin America	4.8%	1.0%
Eastern Europe & Greece	1.4%	2.2%
Saudi Arabia	0.0%	2.3%
Others - Middle East	1.2%	2.6%
Africa (ex Naspers)	3.2%	2.7%
Global Emerging Companies	3.0%	
Cash	0.3%	

SECTOR ALLOCATION

	Fund	MSCI Emerging Markets
Energy	4.0%	3.4%
Basic Materials	3.4%	5.8%
Industrials	10.1%	5.7%
Banks	8.4%	14.5%
Non Bank Financials	4.3%	4.8%
Real Estate	0.0%	1.0%
Technology	49.2%	44.4%
Internet & Cloud	7.6%	6.0%
Telecom	1.5%	2.0%
Consumer Durables	6.1%	5.3%
Consumer Non-durables	2.0%	2.6%
Healthcare Services	1.1%	2.7%
Utilities	2.0%	1.9%
Cash	0.3%	

ASSET ALLOCATION

CAPITALISATION



REGION

	Fund	MSCI Emerging Markets
Asia	81.6%	83.6%
Latin America	11.3%	6.6%
EEMEA	5.9%	9.8%
Others	0.9%	
Cash	0.3%	

Median Market Capitalisation (M$)	44 786
Total number of holdings	52

THEMATIC

Thematic	Fund	Benchmark
Structural Growth	68.9%	55.9%
Cyclicals	30.8%	44.1%

TOP 10 HOLDINGS

		Fund	MSCI Emerging Markets
TSMC	Taiwan	10.0%	15.6%
Samsung Elec	Korea	9.8%	8.5%
SK Hynix	Korea	8.7%	5.9%
ASE Tech	Taiwan	4.6%	0.6%
Alibaba	China	4.5%	1.9%
Hyosung H Group	Korea	2.6%	0.1%
Prio	Brazil	2.5%	0.1%
Delta Electronics	Taiwan	2.4%	0.9%
CATL - A	China	2.1%	0.2%
Tencent	China	2.0%	3.0%
	Total	49.3%	36.8%

MAIN CONVICTIONS (STOCK)

Stock Active Share (Σ of stock overweights - stock by stock) : 61.2%

Positive Convictions

		Fund	+/-
ASE Tech	Taiwan	4.6%	+4.0%
SK Hynix	Korea	8.7%	+2.8%
Alibaba	China	4.5%	+2.7%
Hyosung Heavy Group	Korea	2.6%	+2.5%
Prio	Brazil	2.5%	+2.4%

Negative Convictions

		Fund	+/-
TSMC	Taiwan	10.0%	-5.6%
Tencent (& Naspers)	China	2.0%	-1.0%
China Construction Bank	China	0.0%	-0.9%
Petrobras	Brazil	0.0%	-0.7%
Reliance Industries	India	0.0%	-0.6%

MAIN CONVICTIONS (COUNTRY/SECTOR)

Matrix Active Share (Σ of country/sector overweights) : 29.3%

Positive Convictions

	Fund	+/-
China Industrials	4.1%	+3.0%
Korea Technology	18.5%	+2.7%
China Technology	4.4%	+2.1%
Chile Basic Materials (Copper)	2.0%	+2.0%
Brazil Energy	2.5%	+1.8%

Negative Convictions

	Fund	+/-
China Financial Services	0.9%	-3.2%
Middle East Financial Services	0.0%	-2.6%
Taiwan Financial Services	0.0%	-2.4%
China Basic Materials	0.0%	-1.1%
India Basic Materials	0.0%	-0.9%

PERFORMANCE ATTRIBUTION YTD

Major Contributors

Stocks held			Stocks not held		
ASE Technology	Taiwan	5.51	Reliance Indus	India	0.30
Samsung Elec	Korea	3.46	Infosys	India	0.24
SK Hynix	Korea	2.80	PDD Holdings	China	0.23
Delta Electronics	Taiwan	1.16	Meituan	China	0.20
Prio SA	Brazil	1.07	Naspers	South Africa	0.18

Major Detractors

Stocks held			Stocks not held		
TSMC	Taiwan	-2.41	Mediatek	Taiwan	-1.56
Tencent	China	-0.80	SK Square	Korea	-0.60
Accton Techno	Taiwan	-0.78	Samsung E Mec	Korea	-0.55
CATL	China	-0.68	Uni Microe Corp	Taiwan	-0.46
HDFC Bank	India	-0.57	Elite Material	Taiwan	-0.42

STATISTICS (3 YEARS. €)

GemEquity Volatility :	16.3%
Index Volatility :	14.8%
Tracking Error :	3.7%

Beta :	0.95
Alpha annualized :	-1.5%
Information Ratio :	-0.53
Sharpe Ratio :	-0.81

VALUATION

2025 PER (X) :	22.9
2026 PER (X) :	17.1
Dividend Yield :	

2025 EPS Growth (e) :	130.3%
2026 EPS Growth (e) :	33.7%

Based on Bloomberg consensus

ESG COMMITMENTS

ESG investment is fully integrated into our investment process through a best-in-class approach.

The entire range of funs is classified SFDR Article 8.
In this context. the company aims to outperform the two ESG criteria listed opposite.

Gemway Assets has been a signatory of the UN PRI since 2015. and all our funds received a PRI 5 star ranking.

ESG Report as well as SFDR Appendices 2. 4 and Article 10 are available at www.gemway.com.

SFDR Art.8 MSCI CDP PRI ★★★★★

ESG Indicators	GemEquity	Benchmark
Carbon intensity WACI[1] Tons of CO2/M euros of revenue	**343**	**605**
% covered companies	100%	98.8%
Board feminization rate	**21.8%**	**21.2%**
% covered companies	100%	99.6%

[1]Weighted Average of Carbon Intensit

Launch date :
31 July 2012

Legal form :
SICAV under French law
Compartment of GemFunds SICAV.

Benchmark :
MSCI Emerging Markets
(net dividends reinvested)

Quote currencies :
EUR and USD

NAV 30/09/2026:
€298.83 (I)
€260.85 (R)
€161.08 (N)
$252.53 (I USD)
$249.41 (R USD)

I - Share ISIN : FR0011274984
R - Share ISIN : FR0011268705
N - Share ISIN : FR0013519931
I USD - Share ISIN : FR0013082666
R USD - Share ISIN : FR0013082658

Contacts :
Michel Audeban : +33 6 85 83 26 73
Pierre Lorre : +33 6 38 18 13 17
Stefano Franchi : +33 7 70 55 38 06
contact@gemway.com

Website :
www.gemway.com

(*): Bloomberg BAIF UCITS BBUIEQ EM Index : This index represents the average of emerging market equity funds. GEC (**): Global Emerging Companies. (***): Risk-free rate used in the Sharpe ratio: 10 years German Bund. GemEquity is UCITS compliant.The index is the MSCI Emerging Market Index (divident reinvested). GemEquity is primarily invested in equities and presents a risk of capital loss. This document. intended for professional investors. is not of a contractual nature. It may not be reproduced. distributed or passed on to third parties in whole or in part without the prior written authorisation of Gemway Assets SAS. SRI (risk level) is available on KID. The fund is subject to an exchange-rate risk. The purpose of this document. which is commercial in nature. is to inform investors of the fund's characteristics in a simplified way. For more information. please refer to the KID or consult your usual contact. The Fund has appointed as Swiss Representative Waystone Fund Services (Switzerland) SA. Av. Villamont 17. 1005 Lausanne. Switzerland. Tel: +41 21 311 17 77. switzerland@waystone.com. The Fund's Swiss paying agent is Banque Cantonale de Genève. In respect of the Shares offered in or from Switzerland. the place of performance is at the registered office of the Swiss Representative; the place of jurisdiction is at the registered office of the Swiss Representative. or at the registered office or domicile of the investor.

GEMWAY ASSETS