CARMIGNAC
INVESTING IN YOUR INTEREST

MERGER OF “FLEXIBLE ALLOCATION 2024” INTO “FLEXIBLE BOND” IN
CARMIGNAC PORTFOLIO

13 September 2024, Luxembourg

NOTICE TO SHAREHOLDERS

Dear Shareholder,

We would like to thank you for the trust you have placed in us. We are honoured to count you among the shareholders of “Carmignac Portfolio” (the “Company”).

This document is important and requires your attention. By virtue of your investment in any of the Sub-Funds of “Carmignac Portfolio” indicated below (each, the “Sub-Fund”), this notice is of relevance to you.

In case of any questions when receiving this notice, please consult your professional adviser.

MERGER OF SUB-FUND “FLEXIBLE ALLOCATION 2024” INTO SUB-FUND “FLEXIBLE BOND”

We would like to inform you that the Board of Directors of the Company has resolved to merge the assets and liabilities of the sub-funds Carmignac Portfolio Flexible Allocation 2024 (”Flexible Allocation 2024”) and Carmignac Portfolio Flexible Bond (“Flexible Bond”).

In this merger, as further explained in this notice, the sub-fund “Flexible Allocation 2024” will cease to exist, and the current investors of this sub-fund will obtain new shares in the sub-fund “Flexible Bond”. The sub-fund “Flexible Bond” will continue to operate normally, and the current investors of this sub-fund will not be impacted.

This notice is only relevant for you if you are an investor of the sub-funds ”Flexible Allocation 2024” and/or “Flexible Bond”. This notice is issued and sent to you to provide appropriate and accurate information on the merger to enable you to make an informed judgement of the impact of the merger on your investment.

Without prejudice to notice requirements and free redemption/conversion rights, the merger will be processed automatically, and it is not subject to your prior approval or consent.

Should you disagree with the proposed merger, you have a right to request the redemption of the shares you own free of charge as further detailed in this notice.

The merger will take place on 19 November 2024.

Shareholders, who do not accept this merger, have a right to redeem their shares free of charge within thirty (30) days following the publication of this notice.

If you are a Carmignac distribution partner and your clients have questions about this update, please contact your local professional-client representative.

Yours faithfully,

Mark DENHAM
Chairman of the Board of Directors

ISINs :

FLEXIBLE ALLOCATION 2024:
M EUR ACC (LU1873147984), M EUR YDIS (LU1873148016)

FLEXIBLE BOND :
A EUR ACC (LU0336084032), A EUR YDIS (LU0992631050), INCOME A EUR (LU1299302684),
A CHF ACC HDG (LU0807689665), A USD ACC HDG (LU0807689749),
E EUR ACC (LU2490324337), F EUR ACC (LU0992631217), F CHF ACC HDG (LU0992631308),
F USD ACC HDG (LU2427321547), FW EUR ACC (LU2490324501), IW EUR ACC (LU2490324410)

MERGER OF “FLEXIBLE ALLOCATION 2024” INTO “FLEXIBLE BOND”

1. BACKGROUND AND RATIONALE OF THE MERGER

Carmignac has recently conducted the latest strategic review of its fund range. The goal of this periodic review is to ensure its fund range remains economically viable, with all strategies offering value for clients and strong future growth prospects. As a result of this strategic review, the Board of Directors has decided to merge the sub-fund “Flexible Allocation 2024” into the sub-fund “Flexible Bond”. The Board of Directors has a strong conviction that this decision to merge the two Sub-Funds is in investors’ best interests.

Both Flexible Allocation 2024 and Flexible Bond have significant investments in global fixed income securities, with Flexible Bond investing in these assets exclusively. Flexible Allocation 2024 has obtained exposure into fixed income market via investment in Carmignac Bond funds (including Flexible Bond).

Flexible Allocation 2024 is a maturity fund with the original objective to liquidate on 19 November 2024. Rather than liquidating the Sub-Fund, we believe that the merger will benefit investors by providing continuity for their current investment and giving them access to Carmignac Portfolio Flexible Bond with proven investment approach, having outperformed its Morningstar category by 9 percentage points and its reference indicator by 22 percentage points over 5 years (as at 30 June 2024, F EUR Acc), and attractive growth prospects. Furthermore, Carmignac Portfolio Flexible Bond promotes Environmental and Social characteristics with the classification of Article 8 under the European Sustainable Finance Disclosure Regulation (SFDR)

Should any investor not agree to the merger, they can redeem their holdings with no charge as described in this notice.

2. SCOPE OF THE MERGER

The Company, which includes both merging Sub-Funds is the SICAV, a Luxembourg-based undertaking for collective investment in transferable securities authorised by the CSSF under Part I of the law of 17 December 2010, on undertakings for collective investment, as amended (the “2010 Law”).

The Board of Directors has resolved to merge the assets and liabilities of the Sub-Fund “Flexible Allocation 2024” (the **“Merging Sub-Fund”**) with the assets and liabilities of the Sub-Fund “Flexible Bond” (the **“Receiving Sub-Fund”**; and together with the Merging Sub-Fund referred to as the **“Merging Sub-Funds”**) with the effective date of 19 November 2024.

For the purpose of this merger, the terms of merger have been issued in accordance with the applicable provisions under the UCITS Directive and the Luxembourg Law and approved by the Luxembourg Financial Supervisory Authority (the “CSSF”).

The merger will be the operation whereby (i) the Merging Sub-Fund will transfer its assets and liabilities to the Receiving Sub-Fund and (ii) the Merging Sub-Fund will to be dissolved, without going into liquidation, on the Effective Date.

3. TYPE OF THE MERGER

The merger shall be performed in accordance with the definition of "merger" in article 1 (20) (a) of the 2010 Law and as further described in Article 76 (1) of the 2010 Law as follows:

i. all the assets and liabilities of the Merging Sub-Fund shall be transferred to the Receiving Sub-Fund, as further described in these terms of merger, or, as the case may be, to the depositary of the SICAV, i.e. BNP Paribas Securities Services, Luxembourg branch (the “Depositary”);

ii. the shareholders of the relevant class of shares of the Merging Sub-Fund become shareholders of the relevant class of shares of the Receiving Sub-Fund as described in these draft terms of merger; and

iii. the Merging Sub-Fund will cease to exist on the Effective Date.

4. EXPECTED IMPACT FOR THE INVESTORS

a. Impact for the investors of the Merging Sub-Fund

On the Effective Date, **shareholders in the Merging Sub-Fund** will receive **new shares of the Receiving Sub-Fund** in accordance with the terms of merger and become shareholders in the relevant class of shares of the Receiving Sub-Fund as follows:

Carmignac Portfolio Flexible Allocation 2024			Carmignac Portfolio Flexible Bond	
M EUR Acc	LU1873147984	=>	A EUR Acc	LU0336084032
M EUR YDis	LU1873148016	=>	A EUR YDis	LU0992631050
-	-	-	Income A EUR	LU1299302684
-	-	-	A CHF Acc Hdg	LU0807689665
-	-	-	A USD Acc Hdg	LU0807689749
-	-	-	E EUR Acc	LU2490324337
-	-	-	F EUR Acc	LU0992631217
-	-	-	F CHF Acc Hdg	LU0992631308
-	-	-	F USD Acc Hdg	LU2427321547
-	-	-	FW EUR Acc	LU2490324501
-	-	-	IW EUR Acc	LU2490324410

The merger will be binding on all the shareholders of the Merging Sub-Fund who have not exercised their right to request the redemption of their shares, free of charge, within the timeframe set out below.

The new investment in the Receiving Sub-Fund is **similar** with the current investment in the Merging Sub-Fund, among others, as described below:

- The Merging Sub-Funds invest in bonds (the Merging Sub-Fund significantly and the Receiving Sub-Funds entirely).
- Both sub-funds have a flexible investment approach and global investment universe.

The new investment in the Receiving Sub-Fund **differs** from the current investment in the Merging Sub-Fund, among others, as described below (The list of differences is not exhaustive; see comparison table in section 5 for more details):

- The main difference is that the Merging Sub-Fund is a fund-of-fund, obtaining its exposure to various asset classes via investment in Carmignac Funds. The Receiving Sub-Fund invests directly in bonds.
- The recommended minimum investment periods are different as the Merging Sub-Fund has originally maturity after 6 years since launch. Receiving Sub-Fund has no foreseen maturity.
- The Receiving Sub-Fund promotes environmental and social characteristics.
- The Receiving Sub-Fund has a lower level of risk (SRI of 2).
- The expected levels of leverage is significantly higher in the Receiving Sub-Fund (up to 2000%; above 500% only with short term interest rate derivatives).
- The shares in the Receiving Sub-Fund have significantly lower maximum management fees, higher other fees and they charge performance fees.
- The Receiving Sub-Fund measures its performance against a reference indicator and its investment objective is to outperform its reference indicator.
- The nominal values of the shares are different as the shares in the Receiving Sub-Fund (A shares) have a nominal value 10 times higher than the nominal value shares in the Merging Sub-Fund (M shares).
- The Merging Sub-Funds have different Cut-off times.

b. Impact for the investors of the Receiving Sub-Fund

On the Effective Date, **shareholders in the Receiving Sub-Fund** will **not have any foreseeable impact**.

On implementation of the merger, shareholders in the Receiving Sub-Fund will continue to hold the equivalent shares in the Receiving Sub-Fund as before and there will be no change in the rights attaching to such shares.

The implementation of the merger will not affect the investment strategy, risk profile or fee structure of the Receiving Sub-Fund. The implementation of the merger will result neither in changes to the articles of association or prospectus of Carmignac Portfolio, nor in changes to the key information documents (the “KIDs”) of the Receiving Sub-Fund.

The shareholders in the Receiving Sub-Fund shall note that, through implementation of the merger, the assets and liabilities of the Receiving Sub-Fund will increase as a result of the transfer to it of the Merging Sub-Fund's assets and liabilities.

5. COMPARISON OF THE MERGING SUB-FUNDS

Characteristic	Flexible Allocation 2024	Flexible Bond	Similarities and/or differences; remarks
Investment objective	Capital growth	Outperform the reference indicator	The investment objectives are different as the Receiving Sub-Fund seeks to outperform its reference indicator.
Recommended min. investment period	6 years	3 years	The recommended minimum investment periods are different as the Merging Sub-Fund has originally maturity after 6 years since launch.
Maturity (liquidation)	Foreseen originally on 19 November 2024	N/A	Receiving Sub-Fund has no foreseen maturity.
Investment strategy	flexible portfolio allocation strategy (fund of funds)	flexible fixed income strategy	The investment strategies are different.
Types of assets	Carmignac Funds (Investment in equity funds in early phase since year 2018 and increasingly in fixed income funds towards year 2024)	global fixed income securities	The asset types are different as the Merging Sub-Fund uses investment in Carmignac funds. Both Merging Sub-Funds invest in fixed securities in 2024 (the Merging Sub-Fund significantly and the Receiving Sub-Funds entirely).
Other assets	Allocation of investment in various asset types	investment in equities not actively pursued	Differences in other assets.
Use of derivatives	Limited use of derivatives	More extensive use of derivatives	The Receiving Sub-Fund uses derivatives more extensively.
Investment manager	Carmignac	Carmignac	The Merging Sub-Funds are managed by Carmignac portfolio managers.
Base currency	EUR	EUR	The same base currency.
Nominal share price	100 EUR	1000 EUR	The nominal price of A EUR Acc and A YDis shares in the Receiving Sub-Fund is 10 times higher than the nominal price of M EUR Acc and M EUR YDis shares in the Merging Sub-Fund.
SFDR category	Article 6	Article 8	The Receiving Sub-Fund promotes environmental and social characteristics.
Sustainable investment objective	no	No	The Merging Sub-Funds do not have a sustainable investment objective.
Min. sustainable investment	no	No	The Merging Sub-Funds do not have minimum sustainable investment.

Main risks	discretionary management, risk of capital loss, equity risk, currency risk, interest rate risk, credit risk	interest rate risk, credit risk, liquidity risk	The main risks are different.
SRI	3	2	The Receiving Sub-Fund has a lower Summary Risk Indicator ("SRI").
Risk method	Absolute VaR	Absolute VaR	The same methods for determining aggregate risk.
Expected leverage	200%	2000% (above 500% only with short term interest rate derivatives)	The expected levels of leverage is significantly higher in the Receiving Sub-Fund (above 500% only with short term interest rate derivatives).
Procedures for subscriptions, redemptions and conversions	Daily NAV Cut off at 13:30	Daily NAV Cut off at 18:00	The same procedures apply for subscription, redemption, switching and transferring of shares and the method of calculating the net asset value. The deadlines for any orders to subscribe, redeem or convert the shares in the Merging Sub-funds on any given valuation day are different (the "Cut-off times")
Management fees (max.)	M: 1.85%	A: 1.00%; E 1.40%; F: 0.55%; FW: 0.80%; IW: 0.75%	The maximum management fees for shares subject to the merger (M and A shares) are significantly lower in the Receiving Sub-Fund.
Other fees (max.)	0.10%	0.20%	The maximum other fees are higher in the Receiving Sub-Fund.
Performance fees	M: No	A, E and F: 20% FW and IW: No	The Merging Sub-fund charges performance fees for A, E and F shares. The performance fee rate is 20% of the outperformance. The Performance fees are calculated based on the relative performance against the reference indicator and any underperformance must be clawed back before any performance fee becomes payable. The length of the performance reference period is maximum 5 years. The reference indicators serving as the basis of performance fees is ICE BofA ML Euro Broad Market Index.
Reference indicator	N/A	ICE BofA ML Euro Broad Market Index	The Merging Sub-Fund does not have a reference indicator.

6. RIGHTS OF THE INVESTORS

The merger is not subject to the prior approval or consent of the shareholders of the Merging Sub-Funds.

The shareholders of the Merging Sub-Funds have the right to request, without any charge (except for other than any local transaction fees that might be charged by local intermediaries on their own behalf and which are independent from the SICAV and the Management Company), the redemption or a switch of their shares. This right is limited to a period of thirty (30) days.

The shareholders of the Merging Sub-Fund who have not redeemed or converted their shares will, as of the Effective Date will become shareholders of the Receiving Sub-Fund and their shares will be automatically converted into shares of the Receiving Sub-Fund on the basis of the merger ratio calculated in accordance with these terms of merger.

The shareholders of the Merging Sub-Funds have the right to obtain access to and review the documentation related to the merger. For this effect, a copy of the following documents will be made available on request and free of charge to the shareholders of the Merging Sub-Funds at the Management Company's registered office during normal office hours:

i. Terms of merger
ii. The prospectus of the SICAV
iii. The KIDs of the Merging Sub-Funds
iv. The recent financial reports of the SICAV
v. Depository confirmation
vi. Audit report

7. VALUATION AND MERGER RATIO

For the purpose of calculating the merger ratio, the rules laid down in the Articles of association and the prospectus of the SICAV for the calculation of the net asset value will apply to determine the value of asset and liabilities of the Merging Sub-Funds.

The number of new shares in the Receiving Sub-Fund to be issued to each shareholder of the Merging Sub-Fund will be calculated on the Effective Date using a merger ratio calculated on the basis of the net asset value of the shares of the Merging Sub-Fund and of the shares in the Receiving Sub-Fund. The relevant shares in the Merging Sub-Fund will then be cancelled on the Effective Date without going into liquidation.

The merger ratio will be calculated as follows:

i. The net asset value per share of the relevant class of shares of the Merging Sub-Fund is divided by the net asset value per share of the relevant class of shares in the Receiving Sub-Fund.

ii. The applicable net asset value per share of the Merging Sub-Fund and the net asset value per share of the Receiving Sub-Fund will be those having both been determined on the business day prior to the Effective Date.

The issue of new shares in the Receiving Sub-Fund in exchange for shares of the Merging Sub-Fund will not be subject to any charge.

In accordance with the above provisions, the net asset value per share in the Merging Sub-Funds will not necessarily be the same. Therefore, shareholders in the Merging Sub-Fund may receive a different number of new shares in the

Receiving Sub-Fund than the number of shares they had previously held in the Merging Sub-Fund. The overall value of their holding will remain the same.

No cash payment shall be made to shareholders in exchange for the shares.

8. EFFECTIVE DATE

The merger takes place on 19 November 2024 (the “Effective Date”).

9. PROCEDURES ASPECTS

The merger of the Merging Sub-Funds shall take place on the Effective Date. On this date, the assets and liabilities of the Merging Sub-Fund will be transferred to the Receiving Sub-Fund, shares of the Receiving Sub-Fund will be issued to the shareholders of the Merging Sub-Fund and the shares of the Receiving Sub-Fund will be cancelled.

Any accrued income in the Merging Sub-Fund will be included in the final net asset value of the Merging Sub-Fund and accounted for in the net asset value of the relevant share classes of the Receiving Sub-Fund after the Effective Date.

The accumulated performance fee of the Merging Sub-Fund, if any, will be crystallised and transferred as a liability to a payable account of the Receiving Sub-Fund. The performance fee of the Receiving Sub-Fund will be calculated in accordance with the terms of the Prospectus.

Any request for the subscription of the Merging Sub-Fund and any request free of charge for the redemption or switch of shares of the Merging Sub-Funds will be accepted prior to the Effective Date as follows:

- Shares of the Merging Sub-Fund can be subscribed until 1.30 p.m. Luxembourg time on 8 November 2024. After 1.30 p.m. Luxembourg time on 8 November 2024, the possibility to subscribe for shares in the Merging Sub-Fund will be suspended.

- Shares of the Merging Sub-Funds can be redeemed or converted, free of charges (with the exception of any local transaction fees that might be charged by local intermediaries on their own behalf and which are independent from the SICAV and the Management Company) until 1.30 p.m. and until 6:00 p.m. Luxembourg time, respectively, on 14 October 2024.

- After 1.30 p.m. Luxembourg time on 8 November 2024 the possibility to redeem or convert shares in the Merging Sub-Fund will be suspended.

- There is no suspension of the subscriptions in the Receiving Sub-Fund.

10. PORTFOLIO REBALANCING

During the last five (5) business days preceding the Effective date, the portfolio of the Merging Sub-Fund may be invested more than normal in cash, so that it is expected that the Merging Sub-Fund will transfer to the Receiving Sub-Fund cash positions only. As a consequence, the Merging Sub-Fund will not be compliant with its investment objective and investment restrictions (including but not limited to rules for portfolio diversification, risk diversification and cash) stipulated in the Prospectus during the last five (5) business days preceding the Effective Date.

The merger will not have any material impact on the portfolio of the Receiving Sub-Fund, and it is not intended to undertake any rebalancing on the portfolio of the Receiving Sub-Fund before or after the merger. The merger will result in an inflow of cash into the Receiving Sub-Fund. The cash will subsequently be invested in accordance with the Receiving Sub-Fund's investment policy.

11. COSTS OF THE MERGER

The Management Company will bear the legal, advisory and administrative costs and expenses associated with the preparation and completion of the merger.

12. AUDIT REPORT

In compliance with article 71 (1) of the 2010 Law, the Merging Sub-Fund shall entrust an auditor to validate the criteria adopted for valuation of the assets and, as the case may be, the liabilities and the calculation method of the merger ratio as well as the actual merger ratio (as set out in accordance with these terms of merger) on the date for calculating the merger ratio, as referred to in article 75 (1) of the 2010 Law.

A copy of the report(s) of the auditors will be made available on request and free of charge to the shareholders of the Merging Sub-Funds, as well as to the CSSF.

13. DEPOSITORY CONFIRMATION

The Depositary shall issue a confirmation, in accordance with the requirements of article 70 of the 2010 Law confirming that it has verified the type of merger and the UCITS involved, the Effective Date and that the rules applicable, respectively, to the transfer of the assets and liabilities and exchange of shares as set out herein are in accordance with the requirements of the 2010 Law.

14. KID

The shareholders of the Merging Sub-Fund are invited to consult the KIDs of the Receiving Sub-Fund which are available at the registered office of the Management Company and which are also available on www.carmignac.com. The attention of the shareholder of the Merging Sub-Fund is drawn to the importance of reading carefully the KIDs of the Receiving Sub-Fund.

15. TAX

The shareholders of the Merging Sub-Funds are invited to consult their own tax advisors in respect to the tax impact of the merger.

16. ADDITIONAL INFORMATION

Shareholders having any question relating to the above changes will be advised not to hesitate to contact their financial advisor or the Management Company.