

CARMIGNAC PORTFOLIO MERGER ARBITRAGE F EUR ACC

LUXEMBOURG SICAV SUB-FUND

Recommended
minimum investment
horizon:

3 YEARS



LU2585800878

Monthly Factsheet - 28/06/2024

INVESTMENT OBJECTIVE

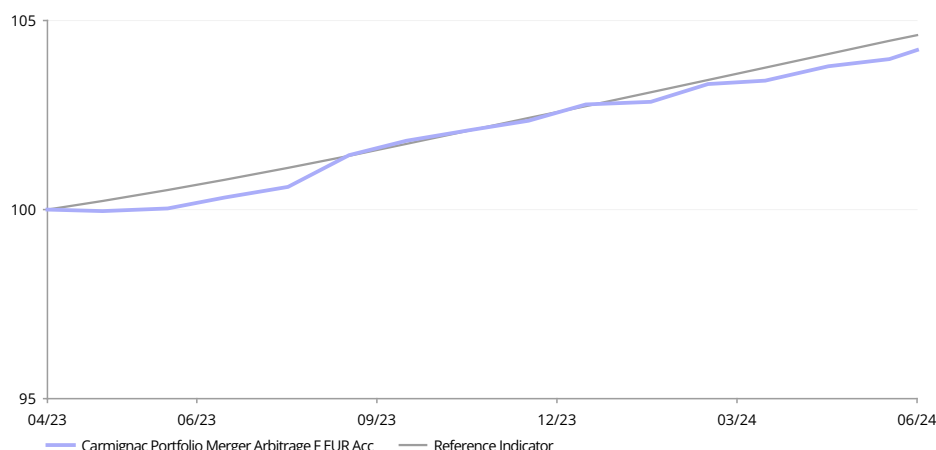
Carmignac Portfolio Merger Arbitrage is a UCITS fund, following an alternative investment strategy that seeks to benefit from the price discontinuities ("arbitrage") of the shares related to merger and acquisition transactions. The Fund invests in officially announced M&A deals in the developed markets. The Fund seeks to outperform its reference indicator over a 3-year investment horizon through capital growth.

Fund Management analysis can be found on P.3

PERFORMANCE

Past performance is not necessarily indicative of future performance. Performances are net of fees (excluding possible entrance fees charged by the distributor).

FUND PERFORMANCE VS. REFERENCE INDICATOR SINCE LAUNCH (Basis 100 - Net of fees)



CUMULATIVE AND ANNUALIZED PERFORMANCE (as of 28/06/2024 - Net of fees)

	Cumulative Performance (%)		Annualised Performance (%)
	1 Year	Since 14/04/2023	Since 14/04/2023
F EUR Acc	4.06	4.22	3.48
Reference Indicator	3.92	4.61	3.80

ANNUAL PERFORMANCE (%) (Net of fees)

	2023
F EUR Acc	2.62
Reference Indicator	2.59

VAR

Fund VaR 2.1%



F. Cretin-Fumeron



S. Dieudonné

KEY FIGURES

Merger Arbitrage Exposure ⁽¹⁾	26.5%
Number of Strategies	45
Cash and Others	77.5%
Net Equity Exposure	16.5%

FUND

SFDR Fund Classification: Article 8
Domicile: Luxembourg
Fund Type: UCITS
Legal Form: SICAV
SICAV Name: Carmignac Portfolio
Fiscal Year End: 31/12
Subscription/Redemption: Daily
Order Placement Cut-Off Time: Before 13:30 (CET/CEST)
Fund Inception Date: 14/04/2023
Fund AUM: 194M€ / 208M\$ ⁽²⁾
Fund Currency: EUR

SHARE

Dividend Policy: Accumulation
Date of 1st NAV: 14/04/2023
Base Currency: EUR
Share class AUM: 52111€
NAV: 104.22€

FUND MANAGER(S)

Fabienne Cretin-Fumeron since 14/04/2023
 Stéphane Dieudonné since 14/04/2023

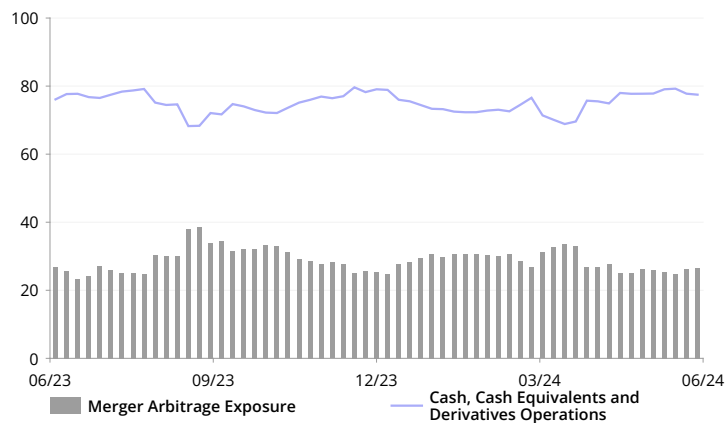
REFERENCE INDICATOR

ESTER capitalized.

OTHER ESG CHARACTERISTICS

Minimum % Taxonomy Alignment 0%
 Minimum % Sustainable Investments 0%
 Principal Adverse Impact Indicators Yes

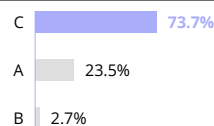
MERGER ARBITRAGE EXPOSURE (%) ⁽¹⁾



TOP TEN - MERGER ARBITRAGE

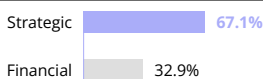
Name	Country	Sector / Rating	%
HESS CORP	USA	Energy	2.7%
SHINKO ELECTRIC INDUSTRIES CO LTD	Japan	Information Technology	1.3%
SALCEF GROUP SPA	Italy	Industrials	1.0%
ANSYS INC	USA	Information Technology	1.0%
NETWORK INTERNATIONAL HOLDINGS PLC	United Arab Emirates	Financials	0.9%
AXONICS INC	USA	Healthcare	0.9%
SOUTHWESTERN ENERGY CO	USA	Energy	0.8%
ALTIUM LTD	Australia	Information Technology	0.8%
PERFICIENT INC	USA	Information Technology	0.8%
HASHICORP INC	USA	Information Technology	0.7%
Total			10.9%

MERGER ARBITRAGE RISK LEVEL



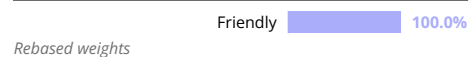
Rebased weights

MERGER ARBITRAGE TYPE



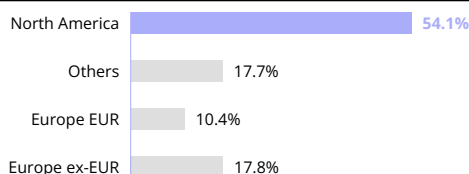
Rebased weights

MERGER ARBITRAGE NATURE



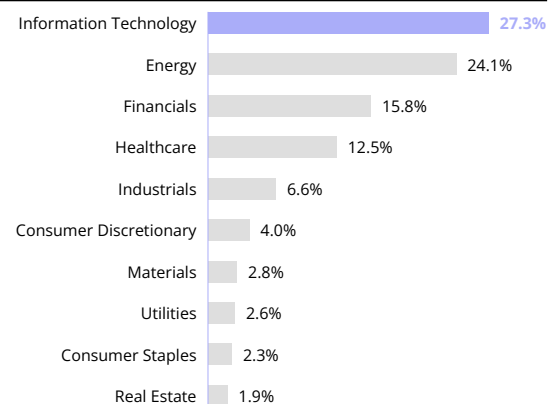
Rebased weights

LONG GEOGRAPHICAL EXPOSURE



Rebased weights

LONG SECTORIAL EXPOSURE



Rebased weights

MAIN MERGERS & ACQUISITIONS OVER THE MONTH

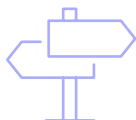
Target	Buyer	Sector	Size (M€)	Country
STERICYCLE INC	WASTE MANAGEMENT INC	Industrials	7106	USA
POWERSCHOOL HOLDINGS INC	BAIN CAPITAL PRIVATE EQUITY LP	Information Technology	4249	USA
CANADIAN WESTERN BANK	NATIONAL BANK OF CANADA	Financials	3420	Canada
TOPDANMARK AS	SAMPO OYJ	Financials	2278	Denmark
DIAMOND OFFSHORE DRILLING INC	NOBLE CORP PLC	Energy	2015	USA

(1) Sum of all the long equity exposures from the portfolio, the short book is excluded.

MARKETING COMMUNICATION

Please refer to the KID/prospectus of the fund before making any final investment decisions. For more information please visit www.carmignac.se

FUND MANAGEMENT ANALYSIS



MARKET ENVIRONMENT

- June was a highly volatile month for the Merger Arbitrage strategy, with the HFRX Merger Arbitrage index down -0.2% for the month and -3.3% year-to-date.
- This tension was partly due to significant variations in the discounts of Ansys, DS Smith, Southwestern Energy and Hess amongst others.
- The closure of two multi-asset funds' Merger Arbitrage portfolios has likely amplified this volatility.
- Apart from Shockwave Medical (USD 12 billion), no big deals were completed in June, explaining why other discounts showed a degree of stability.
- There was one failure to report: the acquisition of Karnov by a private equity group in Sweden, as the acceptance threshold was not met.
- 30 new deals were announced, as in the previous month, but for a lower total of around USD 60 billion.
- Growth in M&A activity was mainly driven by the United States this month, with deal sizes averaging some USD 5 billion.



PERFORMANCE COMMENTARY

- The Fund delivered a positive return.
- The main sources of performance were: DS Smith, Catalent and Olink
- The main drags on performance were: Ansys, Darktrace and MMA Offshore
- As we wrote last month, we had no position on the DS Smith discount when rumours emerged about Suzano (Brazil) making an offer for its potential buyer, International Paper.
- However, the small position that we opened soon after proved very profitable when Suzano announced at the end of June that it was withdrawing its bid for International Paper.



OUTLOOK AND INVESTMENT STRATEGY

- The Fund's investment rate remained relatively stable at around 27%.
- With 45 positions in the portfolio, diversification remains satisfactory.
- 2024 should see the M&A cycle pick up due to the stabilisation (or even reduction) in interest rates, the energy transition spreading to more sectors of the economy, private equity funds making a return, and Japanese stock markets undergoing regulatory change.
- The risk premium on the Merger Arbitrage strategy still offers investors some attractive returns, especially at a time when few deals are collapsing.

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GLOSSARY

Active Management: An investment management approach where a manager aims to beat the market through research, analysis and their own judgement. See also Passive management.

ESG score Calculation: Only the Equity and Corporate Bond holdings of the fund considered. Overall Fund Rating calculated using MSCI Fund ESG Quality Score methodology: excluding cash and non ESG-rated holdings, performing a weighted average of the normalized weights of the holdings and the Industry-Adjusted Score of the holdings, multiplied by (1+Adjustment%) which consists of the weight of positively trending ESG ratings minus the weight of ESG Laggards minus the weight of negatively trending ESG ratings. For a detailed explanation see "MSCI ESG Fund Ratings Methodology", Section 2.3. Updated June 2021. <https://www.msci.com/documents/1296102/15388113/MSCI+ESG+Fund+Ratings+Exec+Summary+Methodology.pdf/ec622acc-42a7-158f-6a47-ed7aa4503d4f?t=1562690846881>.

Investment/net exposure rate: The investment rate constitutes the volume of assets invested expressed as a percentage of the portfolio. Adding the impact of the derivatives to this investment rate results in the net exposure rate, which corresponds to the real percentage of asset exposure to a certain risk. Derivatives can be used to increase the underlying asset's exposure (stimulation) or reduce it (hedging).

Merger Arbitrage Risk: The risk level of each deal from the equity long book of the portfolio is assessed to determine the risk of deal failure. Ratings are based on our in-house methodology and rated between A and C, where A is the least risky and C is the highest risk.

Merger Arbitrage Type/Nature: Each invested security is analysed to determine whether the deal from the buyer is strategic or financial and if the deal is hostile or friendly.

Net asset value: Price of all units (in an FCP) or shares (in a SICAV).

SICAV: Société d'Investissement à Capital Variable (Open-ended investment company with variable capital)

ESG DEFINITIONS & METHODOLOGY

ESG: E for Environment, S for Social, G for Governance

Principal Adverse Impacts (PAI): Negative, material, or potentially material effects on sustainability factors that result from, worsen, or are directly related to investment choices or advice performed by a legal entity. Examples include GHG emissions and carbon footprint.

Sustainable Investments: The SFDR defines sustainable investment as an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Taxonomy Alignment: In the context of an individual company, taxonomy alignment is defined as the proportion of a company's revenue that comes from activities that meet certain environmental criteria. In the context of an individual fund or portfolio, alignment is defined as the portfolio-weight weighted average taxonomy alignment of included companies. For more information, please follow this link: https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/sustainable-finance-taxonomy-faq_en.pdf

CHARACTERISTICS

Share Class	Date of 1st NAV	Bloomberg	ISIN	Management Fee	Entry costs ⁽¹⁾	Exit costs ⁽²⁾	Management fees and other administrative or operating costs ⁽³⁾	Transaction costs ⁽⁴⁾	Performance fees ⁽⁵⁾	Minimum Initial Subscription ⁽⁶⁾	Single Year Performance (%)				
											28.06.23-28.06.24	28.06.22-28.06.23	28.06.21-28.06.22	26.06.20-28.06.21	28.06.19-26.06.20
A EUR Acc	14/04/2023	CARMAEA LX	LU2585800795	Max. 1%	Max. 1%	—	0.96%	0.3%	20%	—	3.9	—	—	—	—
F EUR Acc	14/04/2023	CARMRFE LX	LU2585800878	Max. 0.8%	—	—	0.76%	0.3%	20%	—	4.1	—	—	—	—

(1) of the amount you pay in when entering this investment. This is the most you will be charged. Carmignac Gestion doesn't charge any entry fee. The person selling you the product will inform you of the actual charge.

(2) We do not charge an exit fee for this product.

(3) of the value of your investment per year. This estimate is based on actual costs over the past year.

(4) of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the investments underlying the product. The actual amount varies depending on the quantity we buy and sell.

(5) when the share class overperforms the Reference indicator during the performance period. It will be payable also in case the share class has overperformed the reference indicator but had a negative performance. Underperformance is clawed back for 5 years. The actual amount will vary depending on how well your investment performs. The aggregated cost estimation above includes the average over the last 5 years, or since the product creation if it is less than 5 years.

(6) Please refer to the prospectus for the minimum subsequent subscription amounts. The prospectus is available on the website: www.carmignac.com.

MAIN RISKS OF THE FUND

EQUITY: The Fund may be affected by stock price variations, the scale of which is dependent on external factors, stock trading volumes or market capitalization.

ARBITRAGE RISK: Arbitrage seeks to benefit from such price differences (e.g. in markets, sectors, securities, currencies). If arbitrage performs unfavorably, an investment may lose its value and generate a loss for the Sub-Fund. **RISK ASSOCIATED WITH THE LONG/SHORT STRATEGY:** This risk is linked to long and/or short positions designed to adjust net market exposure. The fund may suffer high losses if its long and short positions undergo simultaneous unfavourable development in opposite directions. **LIQUIDITY:** Temporary market distortions may have an impact on the pricing conditions under which the Fund might be caused to liquidate, initiate or modify its positions.

The Fund presents a risk of loss of capital.

IMPORTANT LEGAL INFORMATION

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Investment management company approved by the AMF

Public limited company with share capital of € 13,500,000 - RCS Paris B 349 501 676

CARMIGNAC GESTION Luxembourg - City Link - 7, rue de la Chapelle - L-1325 Luxembourg - Tel : (+352) 46 70 60 1

Subsidiary of Carmignac Gestion - Investment fund management company approved by the CSSF

Public limited company with share capital of € 23,000,000 - RCS Luxembourg B 67 549

MARKETING COMMUNICATION

Please refer to the KID/prospectus of the fund before making any final investment decisions. For more information please visit www.carmignac.se