

# CHANGES TO CERTAIN SUB-FUNDS - CARMIGNAC PROFIL RÉACTIF 100

(ISIN: FR0010149211)

09/02/2024

9 February 2024, Paris

Merger of the fund **Carmignac Profil Reactif 100** with **Carmignac Multi Expertise (formerly Carmignac Profil Reactif 50)**

## Letter to holders of the fund

### **Carmignac Profil Reactif 100**

Dear Sir/Madam,

We would like to thank you for the trust you have placed in us. We are honoured to count you among the holders of A EUR Acc units in the Carmignac Profil Réactif 100 fund (the "Fund").

## 1. WHAT CHANGES ARE BEING MADE TO THE FUND?

We are writing to inform you of an important upcoming change:

Carmignac Gestion has decided to streamline its fund range. The Carmignac Profil Réactif 100 fund, a French FCP, will be merged into the Carmignac Profil Réactif 50 fund, another French FCP that will simultaneously be renamed Carmignac Multi Expertise.

Carmignac Profil Réactif 100's assets under management were just EUR 71.6 million at 21 December 2023, and the prospects for developing the Fund's strategy now appear limited.

The two funds are managed by the same fund management team within the Carmignac group.

The main difference between the funds in management terms lies in their equity market exposure, as this can be up to 100% for Carmignac Profil Réactif 100 but is capped at 65% (or 50% until the merger date) for Carmignac Multi Expertise. This explains the performance gap between the two funds.

As part of the merger, you will exchange your units in the "merging fund," Carmignac Profil Réactif 100, for units in the "receiving fund," Carmignac Multi Expertise.

## 2. WHEN WILL THIS CHANGE TAKE EFFECT?

The AMF approved this merger on 6 February 2024. It will take place on 18 March 2024. Exchange ratios will be based on the net asset values<sup>1</sup> of 15/03/2024, published on 18/03/2024.

**Please note that for this procedure to run smoothly, you will not be able to subscribe for new units or ask to redeem existing units in Carmignac Profil Réactif 100 after 8 March 2024.**

The manager of the Merging Fund will ensure that the exposure levels stipulated in legal documentation are respected until the merger is complete.

As the NAV of Carmignac Profil Réactif 100 is calculated every day, the last NAV at which subscriptions or redemptions may be executed before the merger will be that of 8 March 2024.

If you do not agree to these changes, you have until 8 March 2024 to redeem your units free of charge, apart from any taxes or levies.

## 3. WHAT IMPACT WILL THESE CHANGES HAVE ON THE RISK/RETURN PROFILE OF YOUR INVESTMENT?

The merger will take place on 18 March 2024.

- Change in risk/return profile: No
- Increase in risk profile: No
- Potential increase in fees: No
- Extent of change in risk/return profile: Very significant

## 4. HOW DOES THIS CHANGE AFFECT YOUR TAX SITUATION?

Fund unitholders may contact their usual advisor to discuss the consequences of the change in the light of their individual circumstances and tax residence.

For persons resident in France for tax purposes:

**For natural persons:** This procedure will be subject to the deferred tax plan (article 150-0 B of the French General Tax Code). Deferral means that, for tax purposes, this merger will be treated as an interim transaction that, for the year in which the exchange is made, is not taken into account when calculating income tax. Capital gains yet to be realised on the date of the exchange will have their tax deferred until the shares received through the merger are sold, provided that the amount of any balance is no more than 10% of the exchange value of shares received.

**For legal entities subject to corporation tax or income tax when they are taxed under a BIC (industrial and commercial profits) or BA (agricultural profits) real earnings scheme:** This procedure will be subject to the deferred tax plan (article 38-5 B of the French General Tax Code). Provided that the amount of any balance is no more than 10% of the exchange ratio of the shares received, only the portion of the capital gain corresponding to the balance paid is taxable immediately; the result of the exchange (excluding the balance) will be included in the results for the year in which the shares received in the exchange are sold.

However, for legal entities subject to corporation tax, neutralisation of the exchange loses some of its effect due to the mandatory valuation of units/shares on the basis of their net asset value at the end of the financial year, in accordance with article 209 OA of the French General Tax Code.

## 5. WHAT ARE THE MAIN DIFFERENCES BETWEEN THE FUND IN WHICH YOU CURRENTLY HOLD UNITS AND THE FUTURE FUND?

The main differences between the Carmignac Profil Réactif 100 and Carmignac Multi Expertise funds at 18/03/2024 are:

Strategy	Pre-merger Carmignac Profil Réactif 100 (merging)	Post-merger Carmignac Multi Expertise (formerly Profil Réactif 50) (receiving)
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Investment objective*	The fund aims to generate a positive annual return while keeping annual volatility below that of its reference indicator. The fund is managed on a discretionary basis by the portfolio manager, who pursues an active asset allocation policy, mainly involving funds invested in international equities and bonds.	The fund targets a performance, net of fees, above that of its reference indicator over a recommended investment period at least three years. It is managed on a discretionary basis by the portfolio manager, who pursues an active asset allocation policy, mainly involving funds invested in international equities and bonds.
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Recommended investment horizon	5 years	3 years
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Reference indicator	70% MSCI AC WORLD NR USD converted into euro + 30% ICE BofA Global Broad Market Index EUR hdg.	<ul style="list-style-type: none"> <li>20% compounded €STR; - 40% MSCI AC WORLD NR (USD) (MSCI global international equities index) converted into euro; - 40% ICE BofA Global Government Index with net coupons reinvested (USD unhedged) (world bond index) converted into euro.</li> </ul>
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Incorporation of non-financial criteria into the management method	It complies with Article 6 on sustainability-related disclosures in the financial services sector (SFDR).	It complies with Article 8 on sustainability-related disclosures in the financial services sector (SFDR).
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Change to risk/reward profile	Pre-merger Carmignac Profil Réactif 100 (merging)	Post-merger Carmignac Multi Expertise (formerly Profil Réactif 50) (receiving)
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Change in exposure to the different types of risk*	Exposure or investment brackets: - Equity exposure	Exposure or investment brackets: - Equity exposure Contribution to the risk profile compared with situation: - ; +
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Fees	Pre-merger Carmignac Profil Réactif 100 (merging)	Post-merger Carmignac Multi Expertise (formerly Profil Réactif 50) (receiving)
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Management and other administration and operating fees (at 30/11/23)	A EUR Acc units: 2.87%	A EUR Acc shares: 2.69%
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Practical information Pre-merger Carmignac Profil Réactif 100 (merging fund)		Post-merger Carmignac Multi Expertise (formerly Carmignac Profil Réactif 50) (receiving fund)
Name	CARMIGNAC PROFIL REACTIF 100	CARMIGNAC Multi Expertise
ISIN	A EUR Acc: FR0010149211	A EUR Acc: FR0010149203

\*The AMF approved these changes on 6 February 2024.

## 6. KEY POINTS TO REMEMBER

This document is important and requires your attention. If in doubt, please contact your usual advisor.

Please note the importance of reading the Key Information Document (KID). Your usual advisor is available should you require any further information.

The net asset values are published on [www.carmignac.com](http://www.carmignac.com) and [www.fundinfo.com](http://www.fundinfo.com).

Yours faithfully,

**Christophe Peronin**

Deputy Managing Director

The Prospectus for Switzerland, the Key Information Documents, the Articles of Association, the annual reports and the semi-annual reports for Switzerland of the Receiving Fund are available free of charge from the Representative in Switzerland.

Representative Agent in Switzerland:

CACEIS (Switzerland) SA,

Route de Signy, 35,

CH-1260 Nyon.

Paying Agent in Switzerland :

CACEIS Bank, Montrouge, Nyon Branch / Switzerland

Route de Signy, 35,

CH-1260 Nyon.

Nyon, 9 February 2024

## APPENDIX 1 – EXAMPLE OF HOW THE EXCHANGE RATIO IS CALCULATED

The exchange ratio used for the merger, expressed to three decimal places, will be as follows for each unit class:

Net asset value<sup>2</sup> per A EUR Acc unit of the Carmignac Profil Réactif 100 fund

Net asset value of one A EUR Acc unit of the Carmignac Multi Expertise fund

Thus calculated, and with units of Carmignac Multi Expertise (formerly Carmignac Profil Réactif 50) being expressed to three decimal places, no balance will be payable to holders (no fractions).

Example of how the exchange ratio is calculated using the net asset values of A EUR Acc units in Carmignac Multi Expertise (formerly Carmignac Profil Réactif 50), if the merger had taken place on 8 January 2024 (here, the net asset values used are those of 05/01/2024):

A person holding 1 A EUR Acc unit in Carmignac Profil Réactif 100, valued at €239.41, when 1 A EUR Acc unit in Carmignac Profil Réactif 50 (before it becomes Carmignac Multi Expertise) is valued at €189.47. Someone who had €239.41 representing 1 A EUR Acc unit of the Carmignac Profil Réactif 100 fund will still have €239.41 after the merger, but this will now represent 1.263 A EUR Acc units of Carmignac Multi Expertise (i.e.  $239.41/189.47 = 1.26357735$ ).

<sup>1</sup>The net asset value (NAV) is equal to the price for buying or selling one unit of the FCP (fonds commun de placement) or one share of the SICAV (société d'investissement à capital variable).

<sup>2</sup>The net asset value (NAV) is equal to the price for buying or selling one unit of the FCP (fonds commun de placement).