

ADDRESSING TRUMP 2.0 AND DEEPSEEK WITH DIVERSIFICATION AND CONVICTIONS

13/02/2025

Carmignac Investissement focuses on companies around the world that create value through innovation, technology and/or a unique product offering without neglecting the search for profitability. One of the Fund's key strengths in the Trump 2.0 era is its diversified nature, which does not restrict itself to a specific investment style and fully adopts a flexible approach across all sectors and regions.

Example of geographical diversification of Carmignac Investissement

Source: Carmignac, 31/01/2025. Geographic allocations may change at any time without notice.

2025: ADDRESSING CHALLENGES THROUGH DIVERSIFICATION

We believe that the fundamentals for equities in 2025 remain solid, underpinned by resilient US growth, continued accommodative monetary policies, and an expected 14% rise in S&P 500 corporate earnings, with margins at historic highs.

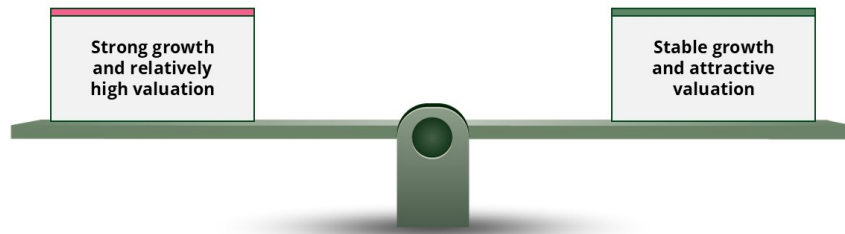
However, increased volatility is to be expected. Current valuations already incorporate much of the good news, which is making investors increasingly nervous, as illustrated by the recent violent market reaction in technology stocks following the DeepSeek announcement. On top of this, the volatility is further intensified by the unpredictability of Trump's announcements.

Given this landscape, we believe that exposure to equities should be maintained, but with a more diversified approach. While American exceptionalism may continue to dominate, some of its potential is already priced in. Nevertheless, there are still undervalued stocks in the US, notably in sectors that haven't participated in recent rallies, such as healthcare. There is also some potential for a recovery of emerging markets (EM) and Europe, where we are witnessing a broadly shared pessimistic sentiment and they can be currently bought at a discount compared to their American peers, providing a great portfolio diversifier.

Thus, geographic diversification is critical to navigating the complexities of the 2025 market. However, diversification should not lead to a dilution of convictions or a lack of directional strategy. Carmignac Investissement is full of strong convictions. The portfolio's top 10 positions reflect our strongest convictions in the largest caps, as illustrated by TSMC, which represents 9% of the Fund. Nevertheless, this concentration should not mask the diversity of the 58 other convictions that make up the portfolio, which are often off the beaten track.

INVESTING ACROSS DIVERSE COMPANY PROFILES

Growth and Value Diversification Strategy

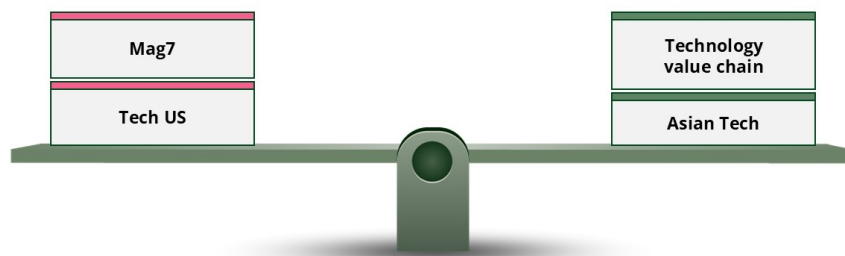


Entering 2025, our investment strategy has evolved to embrace a more selective approach, acknowledging that valuation momentum may have reached its peak. As a result, our portfolio remains diversified and balanced between high-growth stocks with relatively high valuations, such as Nvidia, Amazon and Hermès, and stocks with more modest growth prospects but high visibility and attractive valuations, such as McKesson (a leading player in the distribution of medicines in the United States) and SK Hynix (a specialist in the production of memory chips).

This strategic reorientation has resulted in a gradual decline in the average price/earnings ratio (P/E) of our portfolio, from 30x at the beginning of March 2024 to 23x at the end of December 2024.

INVESTING ACROSS THE VALUE CHAIN

Diversifying the Tech exposure



We are convinced that artificial intelligence (AI) will remain one of the most attractive investment opportunities of the decade. However, recent volatility serves as a reminder of the concentration of investors in a limited number of stocks and raises potential doubts about the medium-term investment amounts in AI by certain players. It is therefore vital to diversify our exposure beyond Nvidia and the hyperscalers.

To do this, we are looking at the AI infrastructure value chain to identify niche but essential players. Taiwan is emerging as a significant hub in this field. The region is home to several key companies that are not only crucial to the AI infrastructure, but also profitable, offering attractive valuations. This is partly due to the geopolitical premium associated with the region.

OPTIMIZING THROUGH SECTOR DIVERSITY

Growth is not solely confined to the technology sector. The Fund's largest relative overweight is the healthcare sector. While our healthcare portfolio offers a cohort of companies with heterogeneous profiles, what they have in common is their capacity to generate stable earnings enabled by innovation, an ageing population and an increase in chronic diseases.

Carmignac Investissement also has substantial exposure to the industrial sector, exemplified by Prysmian (world leader in cables and systems for energy distribution) as well as to the financial sector (S&P Global, Block, Mastercard).

LOOKING BEYOND THE LARGE CAPS

The flexible nature of the Fund allows it to diversify beyond very large caps, investing in particular in mid and small caps (SMIDs), which offer several significant advantages. Firstly, it allows investors to benefit from specific local growth opportunities that are often overlooked. Secondly, it maximises exposure to the value chain, offering unique growth opportunities. Finally, these investments help to diversify the portfolio, reducing overall risk.

Our investments in SMIDs are predominantly in Asia, and to a lesser extent in the United States.

In Taiwan, for example, we have a portfolio of small and mid-caps with a sustainable competitive advantage and different profiles. These include:

- Companies that demonstrate robust intrinsic growth and optimize their operations to integrate new technologies continuously, such as Elite Material (manufacturer of essential materials for printed circuits) and Lotes (manufacturer of electronic interconnection components).
- Companies such as Gudeng Precision (supplier of integrated solutions for the handling, transfer and storage of semiconductors) are reaping benefits from the decoupling of the semiconductor supply chain between China and the United States, as well as from the increase in capital expenditure.
- Underestimated opportunities / idiosyncratic stories, such as Lite-On (world leader in semiconductors that convert light into electricity and vice versa).

STAYING INVESTED DESPITE VOLATILITY

Even in times of market volatility, staying invested remains the best strategy for building long-term wealth. With Carmignac Investissement, we strategically manage portfolio volatility to ensure that annual fluctuations do not significantly impact long-term results. By balancing the portfolio, we aim to provide sustainable growth for our investors. As the Fund Manager for Carmignac Investissement, Kristofer Barrett would say: "Don't try to get rich quickly with equities. The more you're in a hurry, the less likely you are to succeed over the long term".

CARMIGNAC INVESTISSEMENT A EUR ACC

(ISIN: FR0010148981)

SFDR - Fund Classification** :

Article **8**



Recommended minimum investment horizon



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. **CURRENCY:** Currency risk is linked to exposure to a currency other than the Fund's valuation currency, either through direct investment or the use of forward financial instruments. **DISCRETIONARY MANAGEMENT:** Anticipations of financial market changes made by the Management Company have a direct effect on the Fund's performance, which depends on the stocks selected.

The Fund presents a risk of loss of capital.

*Risk Scale from the KID (Key Information Document). Risk 1 does not mean a risk-free investment. This indicator may change over time. **The Sustainable Finance Disclosure Regulation (SFDR) 2019/2088 is a European regulation that requires asset managers to classify their funds as either 'Article 8' funds, which promote environmental and social characteristics, 'Article 9' funds, which make sustainable investments with measurable objectives, or 'Article 6' funds, which do not necessarily have a sustainability objective. For more information please refer to <https://eur-lex.europa.eu/eli/reg/2019/2088/oj>.

FEES

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Exit costs : We do not charge an exit fee for this product.

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Performance fees : 20,00% max. of the outperformance once performance since the start of the year exceeds that of the reference indicator and if no past underperformance still needs to be offset. 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.

Transaction Cost : 1,30% 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.

PERFORMANCE (ISIN: FR0010148981)

Calendar Year Performance (as %)	2016	2017	2018	2019	2020
Carmignac Investissement	+2.1 %	+4.8 %	-14.2 %	+24.7 %	+33.7 %
Indicateur de référence	+11.1 %	+8.9 %	-4.8 %	+28.9 %	+6.7 %

Calendar Year Performance (as %)	2021	2022	2023	2024	2025 (YTD)
Carmignac Investissement	+4.0 %	-18.3 %	+18.9 %	+25.0 %	+1.0 %
Indicateur de référence	+27.5 %	-13.0 %	+18.1 %	+25.3 %	+2.3 %

Annualised Performance	3 Years	5 Years	10 Years
Carmignac Investissement	+11.1 %	+11.8 %	+5.8 %
Indicateur de référence	+12.0 %	+14.0 %	+9.9 %

Source: Carmignac at Feb 28, 2025.

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

CARMIGNAC INVESTISSEMENT LATITUDE A EUR ACC

(ISIN: FR0010147603)

SFDR - Fund Classification** :

Article **8**



Recommended minimum investment horizon



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. **INTEREST RATE:** Interest rate risk results in a decline in the net asset value in the event of changes in interest rates. **CURRENCY:** Currency risk is linked to exposure to a currency other than the Fund's valuation currency, either through direct investment or the use of forward financial instruments. **DISCRETIONARY MANAGEMENT** : Anticipations of financial market changes made by the Management Company have a direct effect on the Fund's performance, which depends on the stocks selected.

The Fund presents a risk of loss of capital.

*Risk Scale from the KID (Key Information Document). Risk 1 does not mean a risk-free investment. This indicator may change over time. **The Sustainable Finance Disclosure Regulation (SFDR) 2019/2088 is a European regulation that requires asset managers to classify their funds as either 'Article 8' funds, which promote environmental and social characteristics, 'Article 9' funds, which make sustainable investments with measurable objectives, or 'Article 6' funds, which do not necessarily have a sustainability objective. For more information please refer to <https://eur-lex.europa.eu/eli/reg/2019/2088/oj>.

FEES

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Exit costs : We do not charge an exit fee for this product.

Management fees and other administrative or operating costs : 1,50% of the value of your investment per year. This estimate is based on actual costs over the past year.

Performance fees : 20,00% max. of the outperformance once performance since the start of the year exceeds that of the reference indicator and if no past underperformance still needs to be offset. 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.

Transaction Cost : 1,35% 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.

PERFORMANCE (ISIN: FR0010147603)

Calendar Year Performance (as %)	2016	2017	2018	2019	2020
Carmignac Investissement Latitude	+1.3 %	+0.3 %	-16.1 %	+9.1 %	+27.0 %
Indicateur de référence	+11.1 %	+8.9 %	-4.8 %	+28.9 %	+1.8 %

Calendar Year Performance (as %)	2021	2022	2023	2024	2025 (YTD)
Carmignac Investissement Latitude	-6.2 %	+2.1 %	+13.2 %	+10.2 %	-0.8 %
Indicateur de référence	+12.9 %	-6.6 %	+10.5 %	+14.2 %	+1.4 %

Annualised Performance	3 Years	5 Years	10 Years
Carmignac Investissement Latitude	+10.4 %	+8.7 %	+2.0 %
Indicateur de référence	+7.3 %	+8.1 %	+7.0 %

Source: Carmignac at Feb 28, 2025.

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

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- **In the United Kingdom:** the Funds' respective prospectuses, KIIDs and annual reports are available at www.carmignac.co.uk, or upon request to the Management Company, or for the French Funds, at the offices of the Facilities Agent at BNP PARIBAS SECURITIES SERVICES, operating through its branch in London: 55 Moorgate, London EC2R. This document was prepared by Carmignac Gestion, Carmignac Gestion Luxembourg or Carmignac UK Ltd. FP Carmignac ICVC (the "Company") is an Investment Company with variable capital incorporated in England and Wales under registered number 839620 and is authorised by the FCA with effect from 4 April 2019 and launched on 15 May 2019. FundRock Partners Limited is the Authorised Corporate Director (the "ACD") of the Company and is authorised and regulated by the FCA. Registered Office: Hamilton Centre, Rodney Way, Chelmsford, Essex, CM1 3BY, UK; Registered in England and Wales with number 4162989. Carmignac Gestion Luxembourg SA has been appointed as the Investment Manager and distributor in respect of the Company. Carmignac UK Ltd (Registered in England and Wales with number 14162894) has been appointed as a sub-Investment Manager of the Company and is authorised and regulated by the Financial Conduct Authority with FRN:984288.
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