

Jupiter Merlin Funds

Société d'Investissement à Capital Variable (SICAV)

Annual Review and
Audited Financial Statements

For the year ended 30 September 2018



Contents

| | |
|---|----|
| ■ Investment Objectives | 4 |
| ■ Management, Administration and Independent Auditor | 5 |
| ■ Board of Directors' Report | 6 |
| ■ Independent Auditor's Report | 9 |
| ■ Statement of Net Assets | 12 |
| ■ Statement of Operations and Changes in Net Assets | 13 |
| ■ Statement of Changes in Shares Issued | 14 |
| ■ Statistical Information | 15 |
| ■ Review of Portfolios and Schedule of Investments | |
| ▪ Jupiter Merlin Funds – Jupiter Managed European Portfolio ⁽¹⁾ | 17 |
| ▪ Jupiter Merlin Funds – Jupiter Merlin International Balanced Portfolio ⁽¹⁾ | 19 |
| ▪ Jupiter Merlin Funds – Jupiter Merlin International Equities Portfolio ⁽²⁾ | 23 |
| ▪ Jupiter Merlin Funds – Jupiter Merlin Real Return Portfolio ⁽²⁾ | 27 |
| ■ Notes to the Financial Statements | 31 |
| ■ Additional Information | 39 |
| ■ Notice of Meeting | 40 |
| ■ Proxy Form | |

Subscriptions cannot be received on the basis of this report. Subscriptions can only be accepted on the basis of the current prospectus accompanied by the key investor information document supplemented by the latest annual report and semi-annual report if published thereafter.

⁽¹⁾ This Fund is not authorised in Hong Kong and not available to Hong Kong residents.

⁽²⁾ With effect from 1 February 2018 this Fund is not authorised in Hong Kong and not available to Hong Kong residents.

Investment Objectives

| | |
|--|---|
| Jupiter Merlin Funds – Jupiter Managed European Portfolio (‘Jupiter Managed European Portfolio’) ⁽¹⁾ | The investment objective of Jupiter Managed European Portfolio is to achieve long-term capital growth. |
| Jupiter Merlin Funds – Jupiter Merlin International Balanced Portfolio (‘Jupiter Merlin International Balanced Portfolio’) ⁽²⁾ | The investment objective of Jupiter Merlin International Balanced Portfolio is to achieve long-term capital growth with income. |
| Jupiter Merlin Funds – Jupiter Merlin International Equities Portfolio (‘Jupiter Merlin International Equities Portfolio’) | The investment objective of Jupiter Merlin International Equities Portfolio is to achieve long-term capital growth. |
| Jupiter Merlin Funds – Jupiter Merlin Real Return Portfolio (‘Jupiter Merlin Real Return Portfolio’) | The investment objective of the Jupiter Merlin Real Return Portfolio is to achieve real returns over a 3 year rolling period. |

Management, Administration and Independent Auditor

Management, Administration and Independent Auditor

| | |
|---|---|
| Directors | Adrian Creedy (retired as Chairman and Director 30 June 2018) Garth Lorimer Turner (appointed Chairman 1 July 2018)* Jacques Elvinger* Patrick Zurstrassen* Paula Moore Simon Rowson (appointed 1 July 2018) |
| Registered Office | Jupiter Merlin Funds 6, route de Trèves Senningerberg L-2633 Luxembourg |
| Depositary, Paying Agent and Administrator | J.P. Morgan Bank Luxembourg S.A. 6, route de Trèves Senningerberg L-2633 Luxembourg |
| Management Company | Jupiter Unit Trust Managers Limited The Zig Zag Building 70 Victoria Street London SW1E 6SQ United Kingdom |
| Independent Auditor | Ernst & Young S.A. (prior to 12 January 2018) 35E avenue John F. Kennedy L-1855 Luxembourg PricewaterhouseCoopers, Société coopérative (from 12 January 2018) 2, rue Gerhard Mercator L-2182 Luxembourg |
| Legal Adviser | Elvinger Hoss Prussen, <i>société anonyme</i> 2, Place Winston Churchill L-1340 Luxembourg |
| Investment Manager | Jupiter Asset Management Limited The Zig Zag Building 70 Victoria Street London SW1E 6SQ United Kingdom Authorised and regulated by the Financial Conduct Authority |
| Distributor | Jupiter Asset Management Limited The Zig Zag Building 70 Victoria Street London SW1E 6SQ United Kingdom |

*Independent

Board of Directors' Report

The Board presents the Annual Review and Audited Financial Statements of the Company for the year ended 30 September 2018.

Structure of the Company

Jupiter Merlin Funds (the 'Company') is an open-ended investment company which qualifies as an Undertaking for Collective Investment in Transferable Securities ('UCITS') for the purposes of the UCITS Directive and the Company is registered pursuant to Part I of the Law of 17 December 2010 on undertakings for collective investment, as amended. This registration does not imply approval by any Luxembourg authority of the contents of the Company's prospectus (the 'Prospectus') or the portfolio of securities held by the Company. Any representation to the contrary is unauthorised and unlawful. The Company was incorporated under the laws of the Grand Duchy of Luxembourg as a Société d'Investissement à Capital Variable ('SICAV') on 4 June 2008 for an unlimited duration and it is registered with the Luxembourg Register of Commerce under number B 139.274.

The board of directors of the Company (the 'Board') has designated Jupiter Unit Trust Managers Limited ('JUTM') as Management Company of the Company to perform investment management, administration and marketing functions for the Company. JUTM is authorised as a management company managing UCITS governed by the UCITS Directive and is authorised and regulated by the Financial Conduct Authority of the United Kingdom.

The Management Company has delegated (i) its investment management functions to Jupiter Asset Management Limited ('JAML'), (ii) its administration functions to J.P. Morgan Bank Luxembourg S.A. ('JPMBL') (who has also been appointed as depositary of the Company by the Company), and (iii) its marketing functions to JAML. JUTM's liability towards the Company is not affected by the fact that it has delegated certain functions to third parties.

The Company provides a choice of funds each investing in a particular market or group of markets or investing on the basis of a specific investment theme. The particular investment objective of each fund is set out in the Information Sheet relevant to that fund contained in the Prospectus.

All the funds and share classes are registered for distribution in the Grand Duchy of Luxembourg and are marketed in accordance with the UCITS Directive in certain Member States of the European Union and elsewhere. Full details are available on the Jupiter website www.jupiteram.com.

As at 30 September 2018, the Company comprised 4 funds with multiple share classes.

On 23 June 2016 the United Kingdom ('UK') held a referendum in which voters voted in favour of the UK's exit from the European Union ('EU'), commonly referred to as 'Brexit'. Following the referendum, the British Government gave notice to the EU that the UK would exit with effect from 29 March 2019 and is currently in the process of negotiating the terms of the UK's exit. At the time of writing it is not known what those terms will be or the terms of the UK's future relationship with the EU (which will be negotiated once the UK has left the EU). However, the impact of Brexit may affect the operations and financial results of each fund.

As JUTM is a UK entity and therefore will not be in the EU following 29 March 2019, JUTM will not be able to act as the Company's Management Company after this date. As a result, on 10 August 2018 the Company gave JUTM notice of the termination of its

appointment as the Management Company with effect from 1 March 2019 (or such other date as JUTM and the Company may agree). The Company is currently in discussions with another member of the Jupiter Group based in the EU and holding the relevant regulatory permissions to act as its Management Company and shareholders will be given written notice of the appointment of a new Management Company once such appointment is made.

Internal Control

The Board is responsible for establishing and maintaining the internal control structure of the Company, the objective being to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition and that transactions are executed in accordance with the applicable law and regulations and the Prospectus and are recorded properly in order to permit preparation of financial statements in conformity with Luxembourg generally accepted accounting principles.

Corporate Governance and the ALFI Code of Conduct

The Board has responsibility for ensuring a high standard of corporate governance and adheres to the ALFI Code of Conduct ('the Code') which provides a framework of principles and best practice recommendations for the governance of Luxembourg investment funds, as set out below:

1. The Board should ensure that high standards of corporate governance are applied at all times;
2. The Board should have good professional standing and appropriate experience and use best efforts to ensure it is collectively competent to fulfil its responsibilities;
3. The Board should act fairly and independently in the best interests of the investors;
4. The Board should act with due care and diligence in the performance of its duties;
5. The Board should ensure compliance with all applicable laws and regulations and with the Company's constitutional documents;
6. The Board should ensure that investors are properly informed, are fairly and equitably treated, and receive the benefits and services to which they are entitled;
7. The Board should ensure that an effective risk management process and appropriate internal controls are in place;
8. The Board should identify and manage fairly and effectively, to the best of its ability, any actual, potential or apparent conflict of interest and ensure appropriate disclosure;
9. The Board should ensure that shareholder rights are exercised in a considered way and in the best interests of the Company;
10. The Board should ensure that the remuneration of the Board members is reasonable and fair and adequately disclosed.

The Board undertakes an annual review of ongoing compliance with the principles of the Code and considers that the Company has been in compliance with its principles in all material aspects throughout the financial year ended 30 September 2018.

Board of Directors' Report (continued)

Responsibility and Role of the Board

The responsibility of the Board is governed by Luxembourg law. The Board is responsible for providing independent review and oversight in the best interests of the Company's investors. This includes approving the funds' strategies, ensuring the funds consistently follow their stated investment objectives, ensuring that the expenses charged to the fund are reasonable, fair and appropriate and the effective oversight of delegated functions including the appointment of delegated parties and review of their activities and performance.

The Board maintains a direct role in matters such as proposing and declaring distributions, signing material agreements, deciding on and approving matters of policy such as changes to the Prospectus, fund liquidations, mergers, launches and entering new markets.

The Board can take independent professional advice if necessary and at the Company's expense.

Board Meetings

Board meetings are scheduled quarterly and additional meetings are arranged if necessary. Board agendas and papers are issued within a reasonable amount of time prior to the Board meeting to allow the Board members to give them due consideration. These papers include reports from JUTM, JAML and JPMBL ('the Delegates') which enable the Board to assess the Delegates' compliance with relevant compliance and internal audit obligations. Representatives from each of the Delegates are present at the Board meetings to respond to queries from the Board members.

The minutes of any Board meeting shall be signed by the chairman of the Board, or in his absence, by the chairman pro-tempore who presided at such Board meeting.

The Board is also informed of additional material matters without delay. Where immediate decisions are required due to time constraints, for example, the Board takes unanimous circular resolutions, delegates certain tasks to sub-committees and discusses pressing issues via conference calls.

Board Composition

The Board is composed of five Board members, three of them being independent from JUTM and JAML.

ADRIAN CREEDY

Director and Chairman (retired as Chairman and Director 30 June 2018)

Adrian Creedy (British) retired from his role as the Company Secretary of Jupiter Fund Management plc on 31 December 2017.

GARTH LORIMER TURNER

Director and Chairman (appointed as Chairman 1 July 2018)

Garth Lorimer Turner (British) is a Solicitor of the Supreme Court of England & Wales, a Solicitor of the Supreme Court of Hong Kong and a Bermuda Barrister & Attorney. He is a director of several companies, including investment funds.

JACQUES ELVINGER

Director

Jacques Elvinger (Luxembourgish) is a partner of the Luxembourg law firm of Elvinger Hoss Prussen, *société anonyme*.

PATRICK ZURSTRASSEN

Director

Patrick Zurstrassen (Belgian) is an independent director. He is honorary chairman of the European Confederation of Directors' Associations.

PAULA MOORE

Director

Paula Moore (British) is a Chartered Accountant and a member of the Institute of Chartered Accountants in England and Wales. She is the Chief Operating Officer of Jupiter Fund Management plc and a Director of Jupiter Unit Trust Managers Limited, the Management Company of The Jupiter Global Fund.

SIMON ROWSON

Director (appointed 1 July 2018)

Simon Rowson (British) is a Solicitor of the Supreme Court of England & Wales. He is Head of Legal of JAM.

Directors' Fees, Expenses and Interests

Subject to approval by the Company's shareholders at each annual general meeting, the Board members are entitled to remuneration from JUTM as well as insurance coverage and reasonable out of pocket expenses in connection with Board meetings.

The Directors' and Officers' Liability Insurance indemnifies the Board members against certain liabilities arising in the course of performing their duties and responsibilities but does not cover against any dishonest or fraudulent act or omission on their part.

Further details of Directors' fees, expenses and interests can be found in Note 8 of the Financial Statements.

Chairman's Review

The last year has seen starkly contrasting fortunes in investment markets, as the US continued to be buoyant while emerging markets had to endure a tough time. The UK and European stock markets made gains over the year, although the persistent questions about Brexit and the political and economic stability of Italy did not make life easy for investors.

The combination of a relatively buoyant US economy and far-reaching tax reforms have seen US companies report bumper earnings. The market was led up by the technology sector in particular, as the so-called 'FAANG' stocks (Facebook, Amazon, Apple, Netflix, Google) and others were very much in fashion despite questions in some quarters about the way the technology giants, most notably Facebook, impact society.

More troubling for global investment markets, however, was the start of a trade war between the US and China, which started as dispute over steel imports but has now broadened out to affect many billions of dollars' worth of goods. The interconnected nature of the global economy means that the impact of this has been felt well beyond the borders of the US and China. It remains to be seen how the situation will play out, but so far neither side have shown signs of backing down.

Recent months produced simultaneous crises in some emerging market economies, most notably Turkey, Venezuela and Argentina. While the problems in these countries have so far been contained, the threat of knock-on effects damaging other emerging or even developed economies hasn't completely evaporated. This, combined with the trade war and the strength of the US dollar, has made life very difficult for any funds investing in emerging markets, as stock markets are presently far more focused on potential risks than potential opportunities.

Board of Directors' Report (continued)

Chairman's Review (continued)

In fixed income markets, the yield on the 10-year US government bond rose above 3% for the first time since 2011. Central banks in developed markets made a firm shift in tone, indicating that the emergency measures put in place in the global financial crisis might finally be coming to an end. Central banks in the US and UK raised interest rates and even the notoriously conservative European Central Bank announced plans to end its quantitative easing programme before the end of 2018.

Closer to home, Brexit negotiations continue to lumber towards a conclusion that is just as uncertain as it was a year or two ago. The highly sensitive political question of the UK's border with Ireland seems like the biggest current sticking point, although it is clearly in everyone's best interests to reach a workable solution. In the meantime, the UK stock market has remained out of favour with global investors and the value of sterling has had a rollercoaster ride, rising strongly until it peaked in April and has since fallen to virtually the same level it was a year ago.

The prevailing uncertainty in the world makes life challenging for investors, but it is at times like this that active funds have the best opportunity to lay the foundations upon which long-term outperformance can be built. The Jupiter Independent Funds team's ability to identify fund managers with the skills and experience to guide investors through this period is especially valuable in such an environment.

Annual General Meeting

The next annual general meeting of the Company will be held on 11 January 2019 at the registered office of the Company to consider matters relating to the year ended on 30 September 2018.

For and on behalf of the Board



Garth Lorimer Turner
Chairman

Luxembourg, 11 December 2018



Audit report

To the Shareholders of
Jupiter Merlin Funds

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Jupiter Merlin Funds and of each of its sub-funds (the “Fund”) as at 30 September 2018, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 30 September 2018;
- the schedule of investments as at 30 September 2018;
- the statement of operations and changes in net assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under those Law and standards are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.



Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;
- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 11 December 2018

A handwritten signature in blue ink, appearing to read 'Shtayyeh', is written over a light blue rectangular background.

Serene Shtayyeh

Statement of Net Assets

Statement of Net Assets as at 30 September 2018

| | Notes | Combined € | Jupiter Managed European Portfolio € | Jupiter Merlin International Balanced Portfolio € | Jupiter Merlin International Equities Portfolio € | Jupiter Merlin Real Return Portfolio € |
|--|-------|--------------------|--|---|---|--|
| Assets | | | | | | |
| Investments in securities at cost | 17 | 282,468,535 | 26,459,416 | 60,937,473 | 59,213,769 | 135,857,877 |
| Unrealised gain | | 62,448,760 | 5,726,291 | 9,465,531 | 25,287,337 | 21,969,601 |
| Investments in securities at market value | | 344,917,295 | 32,185,707 | 70,403,004 | 84,501,106 | 157,827,478 |
| Net unrealised gain on forward currency exchange contracts | 2 | 262,780 | – | 170 | 927 | 261,683 |
| Other Assets | | | | | | |
| Cash and short-term deposits* | | 4,871,360 | 355,492 | 343,430 | 1,118,633 | 3,053,805 |
| Dividends receivable | | 210,359 | 30,011 | 150,037 | 30,311 | – |
| Management fee rebates | 3 | 185,926 | 38,447 | 59,267 | 33,274 | 54,938 |
| Subscriptions receivable | | 237,505 | – | 8,494 | 33,667 | 195,344 |
| Accounts receivable and accrued income | | 1,089 | 72 | 148 | 289 | 580 |
| Other Assets | | 5,506,239 | 424,022 | 561,376 | 1,216,174 | 3,304,667 |
| Total Assets | | 350,686,314 | 32,609,729 | 70,964,550 | 85,718,207 | 161,393,828 |
| Liabilities | | | | | | |
| Investment management fees payable | 3 | 361,265 | 49,893 | 86,727 | 110,620 | 114,025 |
| Dividend distribution payable | 13 | 41,033 | – | 41,033 | – | – |
| Redemptions payable | | 892,701 | 86,745 | 117,186 | 278,348 | 410,422 |
| Accounts payable and accrued expenses | | 66,296 | 5,169 | 13,820 | 17,187 | 30,120 |
| Total Liabilities | | 1,361,295 | 141,807 | 258,766 | 406,155 | 554,567 |
| Net Assets | | 349,325,019 | 32,467,922 | 70,705,784 | 85,312,052 | 160,839,261 |

* Cash held by depositary and other banks.

The accompanying notes form an integral part of these financial statements.

Statement of Operations and Changes in Net Assets

Statement of Operations and Changes in Net Assets for the year ended 30 September 2018

| | Notes | Combined € | Jupiter Managed European Portfolio € | Jupiter Merlin International Balanced Portfolio € | Jupiter Merlin International Equities Portfolio € | Jupiter Merlin Real Return Portfolio € |
|---|------------|---------------------|--|---|---|--|
| Income | | | | | | |
| Income from investments, net | 10 | 2,555,497 | 554,972 | 1,156,059 | 298,463 | 546,003 |
| Management fee rebates | 3 | 1,006,097 | 181,553 | 269,176 | 254,393 | 300,975 |
| Deposit interest | | 94 | – | – | 27 | 67 |
| Total Income | | 3,561,688 | 736,525 | 1,425,235 | 552,883 | 847,045 |
| Expenses | | | | | | |
| Bank charges and interest | | 35,138 | 976 | 6,204 | 4,673 | 23,285 |
| Investment management fees | 3 | 5,066,411 | 675,123 | 1,173,005 | 1,657,949 | 1,560,334 |
| Aggregate operating fee | 4, 5, 6, 9 | 835,642 | 67,513 | 177,966 | 236,471 | 353,692 |
| Total Expenses | | 5,937,191 | 743,612 | 1,357,175 | 1,899,093 | 1,937,311 |
| Net Operating Income/(Loss) for the Year | | (2,375,503) | (7,087) | 68,060 | (1,346,210) | (1,090,266) |
| Net Realised Gains/(Losses) on: | | | | | | |
| Investments in securities | 2, 16,17 | 29,316,139 | 449,312 | 4,519,709 | 19,899,851 | 4,447,267 |
| Forward currency exchange contracts | 2 | 1,856,508 | – | (14,164) | 3,750 | 1,866,922 |
| Currency exchange transactions | 2 | 1,734,603 | (7,421) | (29,098) | 306,462 | 1,464,660 |
| Total Net realised Gains/(Losses) | | 32,907,250 | 441,891 | 4,476,447 | 20,210,063 | 7,778,849 |
| Net Change in Unrealised Gains/(Losses) on: | | | | | | |
| Investments in securities | 2, 17 | (5,268,539) | 65,767 | (1,452,175) | (7,839,316) | 3,957,185 |
| Forward currency exchange contracts | 2 | (1,236,503) | – | 1,644 | 1,017 | (1,239,164) |
| Total Change in Unrealised Gains/(Losses) on Investments and Derivatives | | (6,505,042) | 65,767 | (1,450,531) | (7,838,299) | 2,718,021 |
| Net Increase/(Decrease) in Net Assets from Operations | | 24,026,705 | 500,571 | 3,093,976 | 11,025,554 | 9,406,604 |
| Capital Transactions | | | | | | |
| Received on issue of shares | | 46,240,701 | 165,019 | 6,265,618 | 4,457,866 | 35,352,198 |
| Paid on redemptions of shares | | (102,578,651) | (2,742,652) | (13,486,026) | (46,933,154) | (39,416,819) |
| Dividend distributions | 13 | (41,033) | – | (41,033) | – | – |
| Total Increase/(Decrease) in Net Assets for the Year | | (32,352,278) | (2,077,062) | (4,167,465) | (31,449,734) | 5,341,983 |
| Beginning of the Year | | 381,677,297 | 34,544,984 | 74,873,249 | 116,761,786 | 155,497,278 |
| End of the Year | | 349,325,019 | 32,467,922 | 70,705,784 | 85,312,052 | 160,839,261 |

The accompanying notes form an integral part of these financial statements.

Statement of Changes in Shares Issued

Statement of Changes in Shares Issued for the year ended 30 September 2018

| | Shares outstanding at beginning of year | Shares issued | Shares redeemed | Shares outstanding at end of year |
|--|--|------------------|--------------------|--|
| Jupiter Managed European Portfolio | | | | |
| Class E EUR Acc | 71,620 | 338 | (5,610) | 66,348 |
| Jupiter Merlin International Balanced Portfolio | | | | |
| Class D EUR Acc | 128,817 | 32,333 | (5,511) | 155,639 |
| Class D GBP A Inc | 19,227 | 16,594 | (14,463) | 21,358 |
| Class D USD Acc | 20,007 | 50,888 | – | 70,895 |
| Class E EUR Acc | 46,929 | 1,217 | (4,640) | 43,506 |
| Class E GBP Acc | 1,637 | 152 | (361) | 1,428 |
| Class E USD Acc | 1,524 | – | (466) | 1,058 |
| Class L EUR Acc | 945,855 | 94,927 | (195,416) | 845,366 |
| Class L GBP A Inc | 1,036,289 | 81,190 | (193,976) | 923,503 |
| Class L USD Acc | 961,376 | 69,109 | (209,250) | 821,235 |
| Jupiter Merlin International Equities Portfolio | | | | |
| Class D EUR Acc | 72,552 | – | – | 72,552 |
| Class D GBP A Inc | 4,603 | 2,776 | (2,681) | 4,698 |
| Class D USD Acc | 67,061 | – | (5,363) | 61,698 |
| Class E EUR Acc | 80,871 | 585 | (8,441) | 73,015 |
| Class E GBP Acc | 134 | – | – | 134 |
| Class L EUR Acc | 1,110,800 | 71,539 | (700,463) | 481,876 |
| Class L GBP A Inc | 636,331 | 22,003 | (249,743) | 408,591 |
| Class L USD Acc | 2,374,307 | 110,942 | (1,195,902) | 1,289,347 |
| Jupiter Merlin Real Return Portfolio | | | | |
| Class D EUR Acc | 16,503 | 801 | – | 17,304 |
| Class D GBP Acc HSC | 396,925 | 6,580 | (16,710) | 386,795 |
| Class I EUR Acc | 4,914,095 | 1,491,039 | (3,804) | 6,401,330 |
| Class I GBP Acc HSC | 2,231,590 | – | (914,701) | 1,316,889 |
| Class I USD Acc HSC | 258,827 | 834 | (53) | 259,608 |
| Class L EUR Acc | 313 | 4,722 | (215) | 4,820 |
| Class L GBP Acc HSC | 175,853 | 6,693 | (60,065) | 122,481 |
| Class L SGD Acc HSC | 2,577,908 | 925,325 | (1,318,677) | 2,184,556 |
| Class L USD Acc HSC | 2,278,751 | 635,697 | (1,207,891) | 1,706,557 |

The accompanying notes form an integral part of these financial statements.

Statistical Information

 **Statistical Information** as at 30 September 2018

| | | Total Net Assets: | | |
|---|----------|-------------------------|-------------------------|-------------------------|
| | Currency | As at 30 September 2018 | As at 30 September 2017 | As at 30 September 2016 |
| Jupiter Managed European Portfolio | EUR | 32,467,922 | 34,544,984 | 34,498,933 |
| Jupiter Merlin International Balanced Portfolio | EUR | 70,705,784 | 74,873,249 | 82,097,199 |
| Jupiter Merlin International Equities Portfolio | EUR | 85,312,052 | 116,761,786 | 121,963,147 |
| Jupiter Merlin Real Return Portfolio | EUR | 160,839,261 | 155,497,278 | 185,781,446 |

Statistical Information

Statistical Information as at 30 September 2018 (continued)

| | Net Asset Value per Share: | | |
|--|----------------------------|-------------------------|-------------------------|
| | As at 30 September 2018 | As at 30 September 2017 | As at 30 September 2016 |
| Jupiter Managed European Portfolio | | | |
| Class E EUR Acc | €489.36 | €481.37* | €434.14 |
| Jupiter Merlin International Balanced Portfolio | | | |
| Class D EUR Acc | €12.99* | €12.34* | €11.57* |
| Class D GBP A Inc | £13.90* | £13.26* | £12.24* |
| Class D USD Acc | \$11.28* | \$10.93* | \$9.69* |
| Class E EUR Acc | €411.91* | €396.17* | €375.93* |
| Class E GBP Acc | £363.17* | £347.24* | £321.54* |
| Class E USD Acc | \$298.83* | \$293.17* | \$262.94* |
| Class L EUR Acc | €17.40* | €16.67* | €15.74* |
| Class L GBP A Inc | £19.69* | £18.78* | £17.34* |
| Class L USD Acc | \$19.20* | \$18.76* | \$16.75* |
| Jupiter Merlin International Equities Portfolio | | | |
| Class D EUR Acc | €14.37* | €12.76* | €11.73* |
| Class D GBP A Inc | £15.66* | £13.83* | £12.40* |
| Class D USD Acc | \$12.76* | \$11.56* | \$10.04* |
| Class E EUR Acc | €492.06* | €442.40* | €411.50* |
| Class E GBP Acc | £434.83* | £388.65* | £352.77* |
| Class L EUR Acc | €20.75* | €18.58* | €17.20* |
| Class L GBP A Inc | £27.61* | £24.57* | £22.21* |
| Class L USD Acc | \$22.21* | \$20.27* | \$17.75* |
| Jupiter Merlin Real Return Portfolio | | | |
| Class D EUR Acc | €12.61* | €12.03* | €11.35* |
| Class D GBP Acc HSC | £12.99* | £12.29* | £11.52* |
| Class I EUR Acc | €14.24* | €13.58* | €12.81* |
| Class I GBP Acc HSC | £14.56* | £13.77* | £12.90* |
| Class I USD Acc HSC | \$14.83* | \$13.81* | \$12.83* |
| Class L EUR Acc | €12.45* | €11.97* | €11.38* |
| Class L GBP Acc HSC | £12.50* | £11.91* | £11.25* |
| Class L SGD Acc HSC | \$13.21* | SGD 12.48* | SGD 11.72* |
| Class L USD Acc HSC | \$12.77* | \$12.00* | \$11.24* |

* Net Asset Values per Share include Swing Pricing Adjustments. For the current year, refer to Note 16 for further details.

Jupiter Managed European Portfolio

Jupiter Managed European Portfolio Review of Portfolio as at 30 September 2018

Performance

| NAV | 30 September 2018 | 30 September 2017 | % Change |
|-----------------|-------------------|-------------------|----------|
| Class E EUR Acc | €489.36 | €481.37* | 1.66 |

* Net Asset Values per Share include Swing Pricing Adjustments. For the current year, refer to Note 15 for further details.

Review

2017 moving in to January 2018 saw global equity markets forging a virtually untrammelled path, almost daily chasing new highs. The New Year financial press predicted a 'melt-up'. Exuberance was significantly tempered on January 26th when, on the back of very strong US employment data, worries grew that central banks might adopt more aggressive monetary policies to curb incipient inflation, in turn causing global growth to slow. Equity markets fell, in some cases sharply. So far that apprehension has been misplaced; the principal developed economy central banks continue to tighten policy but no more aggressively than they had previously indicated. However, a new threat has emerged: tariffs! In April, President Trump announced tariffs on all steel and aluminium imports to the United States, principally targeting China and Europe (notably Germany). Investors expecting a quick negotiated solution have been disappointed, indeed the situation has escalated as China announced tit-for-tat reprisals, devalued its currency by 10%, followed by Trump extending tariffs to other goods also. Geopolitics are usually of contextual interest to investors but only occasionally of direct relevance. Now is such a time with Trump's economic and foreign policies inextricably interlinked. Will tariffs produce a clear winner (the US) and equally clear losers (everyone else?). Or, as most economists believe, will the frictional costs of global trade become so onerous that the movement of goods is impeded, and the global economy suffers as a result? Time will tell but as an investor, love him or loathe him, you cannot ignore Donald Trump.

In August several emerging market economies hit the buffers, principally Argentina, Turkey, Venezuela and Brazil with knock-on effects rippling out to Russia, South Africa and beyond. The common factors? Spiralling debt and collapsing currencies deriving from policies long on political ideology and dogma but short on economic literacy. That the debts are frequently denominated in dollars (a strong currency) while the borrowers' currencies are weak and declining simply exacerbates the problem. At the time of writing the situation remains serious but contagion has not broken out. Nor has the threat of it evaporated.

Central banks were hoping to be out of the spotlight, but they remain very much central to the economic outlook. As the US Federal Reserve raises interest rates and reduces the state balance sheet while simultaneously the European Central bank is curtailing its own programme of quantitative easing, so they are trying to pull off the trick of reducing the supply of money while at the same time trying not to upset the bond markets. With the Bank of England and the Bank of Japan gradually tightening policy too, it's a delicate balancing act between prudent economic management and not throttling future growth.

Brexit continues its tortured path to whatever conclusion. Politically and economically, Brexit is important, but in a global context this is just one more factor to weigh up among many preoccupations.

Strategy

We have made very few changes to the positioning or composition of the Portfolio over the last twelve months, staying faithful to the set of high calibre, talented managers which we hold.

The Portfolio continues to be invested in blend of strategies, some investing in Continental Europe, some the UK and some a blend of the two, to provide the Portfolio with a high level of diversification while still being concentrated across only seven underlying managers.

Furthermore, the Portfolio is good blend of different manager styles, some managers taking a quality, growth approach, with others taking a more value orientated strategy. The value managers with whom we invest, look to identify balance sheet strength and inherent quality in the franchises they buy, to mitigate some of the risks of this contrarian style.

The Portfolio also has a degree of exposure to the micro-cap end of the European market, to access opportunities further down the market cap scale. Most managers tend to avoid this part of the market, making it a fertile hunting ground for active stock pickers with a long-term time horizon.

We believe that the Portfolio is positioned appropriately to weather the challenges that markets will certainly face but we are of course ready to make changes when appropriate.

Jupiter Independent Funds Team

30 September 2018

Jupiter Managed European Portfolio

Jupiter Managed European Portfolio Schedule of Investments as at 30 September 2018

| Investments | Currency | Quantity/ Nominal Value | Market Value EUR | % of Net Assets |
|--|----------|-------------------------------|------------------------|--------------------|
| Units of authorised UCITS or other collective investment undertakings | | | | |
| Collective Investment Schemes – UCITS | | | | |
| Luxembourg | | | | |
| Argos Argonaut Fund – Class A EUR | EUR | 13,500 | 4,706,910 | 14.50 |
| The Jupiter Global Fund Jupiter Europa – Class L EUR A Acc [†] | EUR | 212,000 | 3,018,880 | 9.30 |
| The Jupiter Global Fund Jupiter European Growth – Class L EUR Acc [†] | EUR | 145,000 | 5,283,800 | 16.27 |
| | | | 13,009,590 | 40.07 |
| United Kingdom | | | | |
| FP CRUX European Special Situations Fund – Class I Income GBP | GBP | 2,140,000 | 5,528,474 | 17.03 |
| Jupiter UK Special Situations Fund – I-Class Income Units [†] | GBP | 1,800,000 | 4,028,854 | 12.41 |
| Schroder European Alpha Income Fund – Class L Income GBP | GBP | 6,570,000 | 5,501,824 | 16.94 |
| TB Evenlode Income – Class C Income | GBP | 1,650,000 | 4,116,965 | 12.68 |
| | | | 19,176,117 | 59.06 |
| Total Collective Investment Schemes - UCITS | | | 32,185,707 | 99.13 |
| Total Units of authorised UCITS or other collective investment undertakings | | | 32,185,707 | 99.13 |
| Total Investments | | | 32,185,707 | 99.13 |
| Cash | | | 355,492 | 1.09 |
| Other Assets/(Liabilities) | | | (73,277) | (0.22) |
| Total Net Assets | | | 32,467,922 | 100.00 |

[†]Related Party Fund

| Geographic Allocation of Portfolio | % of Net Assets |
|-------------------------------------|--------------------|
| United Kingdom | 59.06 |
| Luxembourg | 40.07 |
| Total Investments | 99.13 |
| Cash and Other Assets/(Liabilities) | 0.87 |
| Total | 100.00 |

The accompanying notes form an integral part of these financial statements.

Jupiter Merlin International Balanced Portfolio

Jupiter Merlin International Balanced Portfolio Review of Portfolio as at 30 September 2018

Performance

| NAV | 30 September 2018 | 30 September 2017 | % Change |
|-------------------|-------------------|-------------------|----------|
| Class D EUR Acc | €12.99* | €12.34* | 5.27 |
| Class D GBP A Inc | £13.90* | £13.26* | 5.82* |
| Class D USD Acc | \$11.28* | \$10.93* | 3.20 |
| Class E EUR Acc | €411.91* | €396.17* | 3.97 |
| Class E GBP Acc | £363.17* | £347.24* | 4.59 |
| Class E USD Acc | \$298.83* | \$293.17* | 1.93 |
| Class L EUR Acc | €17.40* | €16.67* | 4.38 |
| Class L GBP A Inc | £19.69* | £18.78* | 5.06* |
| Class L USD Acc | \$19.20* | \$18.76* | 2.35 |

* Net Asset Values per Share include Swing Pricing Adjustments. For current year, refer to Note 15 for further details.

+ Performance takes into consideration dividend distributions during the year.

Review

2017 moving in to January 2018 saw global equity markets forging a virtually untrammelled path, almost daily chasing new highs. The New Year financial press predicted a 'melt-up'. Exuberance was significantly tempered on January 26th when, on the back of very strong US employment data, worries grew that central banks might adopt more aggressive monetary policies to curb incipient inflation, in turn causing global growth to slow. Equity markets fell, in some cases sharply. So far that apprehension has been misplaced; the principal developed economy central banks continue to tighten policy but no more aggressively than they had previously indicated. However, a new threat has emerged: tariffs! In April, President Trump announced tariffs on all steel and aluminium imports to the United States, principally targeting China and Europe (notably Germany). Investors expecting a quick negotiated solution have been disappointed, indeed the situation has escalated as China announced tit-for-tat reprisals, devalued its currency by 10%, followed by Trump extending tariffs to other goods also. Geopolitics are usually of contextual interest to investors but only occasionally of direct relevance. Now is such a time with Trump's economic and foreign policies inextricably interlinked. Will tariffs produce a clear winner (the US) and equally clear losers (everyone else?). Or, as most economists believe, will the frictional costs of global trade become so onerous that the movement of goods is impeded, and the global economy suffers as a result? Time will tell but as an investor, love him or loathe him, you cannot ignore Donald Trump.

In August several emerging market economies hit the buffers, principally Argentina, Turkey, Venezuela and Brazil with knock-on effects rippling out to Russia, South Africa and beyond. The common factors? Spiralling debt and collapsing currencies deriving from policies long on political ideology and dogma but short on economic literacy. That the debts are frequently denominated in dollars (a strong currency) while the borrowers' currencies are weak and declining simply exacerbates the problem. At the time of writing the situation remains serious but contagion has not broken out. Nor has the threat of it evaporated.

Central banks were hoping to be out of the spotlight, but they remain very much central to the economic outlook. As the US Federal Reserve raises interest rates and reduces the state balance sheet while simultaneously the European Central bank is curtailing its own programme of quantitative easing, so they are trying to pull off the trick of reducing the supply of money while at the same time trying not to upset the bond markets. With the Bank of England and the Bank of Japan gradually tightening policy too, it's a delicate balancing act between prudent economic management and not throttling future growth.

Brexit continues its tortured path to whatever conclusion. Politically and economically, Brexit is important, but in a global context this is just one more factor to weigh up among many preoccupations.

Strategy

During the period under review, we made several relatively significant changes to the Portfolio weights but made few changes in terms of the names into which the Portfolio invests.

In the US equity space, we decided to consolidate our exposures from three positions into our favoured two existing holdings of Findlay Park American and the Old Mutual North American Equity fund, retaining a similar weighting to US equities.

Within European equities, we reduced our position in Quaero Capital Argonaut. This is a micro-cap, weekly dealing strategy and we deemed it more appropriate to hold a more similar weighting in this position as we do in our other two European equity positions. We have done very well out of this fund, but we are also aware that we are getting later in the economic cycle and that the underlying micro-cap companies in which this fund invests, will likely have limited liquidity during any market turbulence, so holding a more modest weighting we deemed to be prudent.

Within our Japanese exposure, we split our holding in LF Morant Wright Japan, to allow us to invest in the Jupiter Japan Income fund. This has allowed us to blend differing underlying styles very effectively, combining Jupiter, a growth approach, with Morant Wright a value approach. In the current climate, allocating between manager styles has become increasingly challenging, therefore, holding talented managers in both spaces, we believe, has the potential to produce outperformance, while reducing style orientated volatility.

Jupiter Merlin International Balanced Portfolio

■ Jupiter Merlin International Balanced Portfolio [Review of Portfolio as at 30 September 2018](#) (continued)

Finally, we introduced a new position in the Ishares \$ Treasury Bond 20+ years ETF in order to increase the duration of our fixed interest exposure. We feel that this is a sensible position to build over time, to provide the Portfolio with diversification and a holding that has the potential to appreciate materially were markets or indeed the global economy to find things increasingly challenging in the future.

We believe that the Portfolio is positioned appropriately to weather the challenges that markets will certainly face but we are of course ready to make changes when appropriate.

Jupiter Independent Funds Team

30 September 2018

Jupiter Merlin International Balanced Portfolio

Jupiter Merlin International Balanced Portfolio Schedule of Investments as at 30 September 2018

| Investments | Currency | Quantity/ Nominal Value | Market Value EUR | % of Net Assets |
|--|----------|-------------------------------|------------------------|--------------------|
| Units of authorised UCITS or other collective investment undertakings | | | | |
| Collective Investment Schemes – UCITS | | | | |
| Ireland | | | | |
| Findlay Park American Fund – Dollar Shares | USD | 77,000 | 7,846,342 | 11.10 |
| | | | 7,846,342 | 11.10 |
| Luxembourg | | | | |
| Argos Argonaut Fund – Class A EUR | EUR | 3,000 | 1,046,143 | 1.48 |
| The Jupiter Global Fund Jupiter Dynamic Bond – Class I EUR Q Inc [†] | EUR | 1,250,000 | 13,012,500 | 18.40 |
| The Jupiter Global Fund Jupiter Global Value – Class I GBP Acc [†] | GBP | 430,000 | 6,363,055 | 9.00 |
| Vontobel TwentyFour Strategic Income Fund – Class: AMH (hedged) EUR | EUR | 135,000 | 13,288,050 | 18.79 |
| | | | 33,709,748 | 47.67 |
| United Kingdom | | | | |
| First State Stewart Investors Asia Pacific Leaders Fund – Class B (Accumulation) GBP | GBP | 185,000 | 1,561,866 | 2.21 |
| FP CRUX European Special Situations Fund – Class I Income GBP | GBP | 480,000 | 1,240,032 | 1.75 |
| Fundsmith Equity Fund – I Class Income Shares | GBP | 1,650,000 | 7,022,216 | 9.93 |
| Jupiter Global Emerging Markets Fund – I-Class Accumulation Units [†] | GBP | 1,650,000 | 1,209,112 | 1.71 |
| Jupiter Japan Income Fund – I-Class Income Units [†] | GBP | 1,100,000 | 1,195,052 | 1.69 |
| LF Morant Wright Japan Fund – Class B Accumulation | GBP | 250,000 | 1,266,626 | 1.79 |
| Old Mutual North American Equity Fund – R (GBP) Accumulation Shares | GBP | 2,210,000 | 7,817,396 | 11.06 |
| Schroder European Alpha Income Fund – Class L Income GBP | GBP | 1,500,000 | 1,256,124 | 1.78 |
| | | | 22,568,424 | 31.92 |
| Total Collective Investment Schemes – UCITS | | | 64,124,514 | 90.69 |
| Exchange Traded Funds | | | | |
| Ireland | | | | |
| iShares USD Treasury Bond 20+yr Fund | EUR | 620,000 | 2,860,060 | 4.05 |
| | | | 2,860,060 | 4.05 |
| Jersey | | | | |
| ETFS Physical Gold Fund | USD | 35,000 | 3,418,430 | 4.83 |
| | | | 3,418,430 | 4.83 |
| Total Exchange Traded Funds | | | 6,278,490 | 8.88 |
| Total Units of authorised UCITS or other collective investment undertakings | | | 70,403,004 | 99.57 |
| Total Investments | | | 70,403,004 | 99.57 |
| Cash | | | 343,430 | 0.49 |
| Other Assets/(Liabilities) | | | (40,650) | (0.06) |
| Total Net Assets | | | 70,705,784 | 100.00 |

[†]Related Party Fund

The accompanying notes form an integral part of these financial statements.

Jupiter Merlin International Balanced Portfolio

Jupiter Merlin International Balanced Portfolio Schedule of Investments as at 30 September 2018
(continued)

| Geographic Allocation of Portfolio | % of Net Assets |
|---|----------------------------|
| Luxembourg | 47.67 |
| United Kingdom | 31.92 |
| Ireland | 15.15 |
| Jersey | 4.83 |
| Total Investments | 99.57 |
| Cash and Other Assets/(Liabilities) | 0.43 |
| Total | 100.00 |

Forward Currency Exchange Contracts

| Currency Purchased | Amount Purchased | Currency Sold | Amount Sold | Maturity Date | Counterparty | Unrealised Gain/(Loss) EUR | % of Net Assets |
|---|-----------------------------|--------------------------|------------------------|--------------------------|---------------------|---|----------------------------|
| GBP | 7,192 | EUR | 8,084 | 02/10/2018 | J.P. Morgan | 15 | – |
| USD | 27,055 | EUR | 23,042 | 02/10/2018 | J.P. Morgan | 320 | – |
| Total Unrealised Gain on Forward Currency Exchange Contracts | | | | | | 335 | – |
| EUR | 8,470 | USD | 10,000 | 01/10/2018 | J.P. Morgan | (165) | – |
| Total Unrealised Loss on Forward Currency Exchange Contracts | | | | | | (165) | – |
| Net Unrealised Gain on Forward Currency Exchange Contracts | | | | | | 170 | – |

The accompanying notes form an integral part of these financial statements.

Jupiter Merlin International Equities Portfolio

Jupiter Merlin International Equities Portfolio Review of Portfolio as at 30 September 2018

Performance

| NAV | 30 September 2018 | 30 September 2017 | % Change |
|-------------------|-------------------|-------------------|----------|
| Class D EUR Acc | €14.37* | €12.76* | 12.62 |
| Class D GBP A Inc | £15.66* | £13.83* | 13.23 |
| Class D USD Acc | \$12.76* | \$11.56* | 10.38 |
| Class E EUR Acc | €492.06* | €442.40* | 11.23 |
| Class E GBP Acc | £434.83* | £388.65* | 11.88 |
| Class L EUR Acc | €20.75* | €18.58* | 11.68 |
| Class L GBP A Inc | £27.61* | £24.57* | 12.37 |
| Class L USD Acc | \$22.21* | \$20.27* | 9.55 |

* Net Asset Values per Share include Swing Pricing Adjustments. For the current year, refer to Note 15 for further details.

Review

2017 moving in to January 2018 saw global equity markets forging a virtually untrammelled path, almost daily chasing new highs. The New Year financial press predicted a 'melt-up'. Exuberance was significantly tempered on January 26th when, on the back of very strong US employment data, worries grew that central banks might adopt more aggressive monetary policies to curb incipient inflation, in turn causing global growth to slow. Equity markets fell, in some cases sharply. So far that apprehension has been misplaced; the principal developed economy central banks continue to tighten policy but no more aggressively than they had previously indicated. However, a new threat has emerged: tariffs! In April, President Trump announced tariffs on all steel and aluminium imports to the United States, principally targeting China and Europe (notably Germany). Investors expecting a quick negotiated solution have been disappointed, indeed the situation has escalated as China announced tit-for-tat reprisals, devalued its currency by 10%, followed by Trump extending tariffs to other goods also. Geopolitics are usually of contextual interest to investors but only occasionally of direct relevance. Now is such a time with Trump's economic and foreign policies inextricably interlinked. Will tariffs produce a clear winner (the US) and equally clear losers (everyone else?). Or, as most economists believe, will the frictional costs of global trade become so onerous that the movement of goods is impeded, and the global economy suffers as a result? Time will tell but as an investor, love him or loathe him, you cannot ignore Donald Trump.

In August several emerging market economies hit the buffers, principally Argentina, Turkey, Venezuela and Brazil with knock-on effects rippling out to Russia, South Africa and beyond. The common factors? Spiralling debt and collapsing currencies deriving from policies long on political ideology and dogma but short on economic literacy. That the debts are frequently denominated in dollars (a strong currency) while the borrowers' currencies are weak and declining simply exacerbates the problem. At the time of writing the situation remains serious but contagion has not broken out. Nor has the threat of it evaporated.

Central banks were hoping to be out of the spotlight, but they remain very much central to the economic outlook. As the US Federal Reserve raises interest rates and reduces the state balance sheet while simultaneously the European Central bank is curtailing its own programme of quantitative easing, so they are trying to pull off the trick of reducing the supply of money while at the same time trying not to upset the bond markets. With the Bank of England and the Bank of Japan gradually tightening policy too, it's a delicate balancing act between prudent economic management and not throttling future growth.

Brexit continues its tortured path to whatever conclusion. Politically and economically, Brexit is important, but in a global context this is just one more factor to weigh up among many preoccupations.

Strategy

During the period under review, we made several relatively significant changes to the Portfolio weights but made few changes in terms of the names into which the Portfolio invests.

In the US equity space, we decided to consolidate our exposures from three positions into our favoured two existing holdings of Findlay Park American and the Old Mutual North American Equity fund, retaining a similar weighting to US equities.

Within European equities, we reduced our position in Quaero Capital Argonaut. This is a micro-cap, weekly dealing strategy and we deemed it more appropriate to hold a more similar weighting in this position as we do in our other two European equity positions. We have done very well out of this fund, but we are also aware that we are getting later in the economic cycle and that the underlying micro-cap companies in which this fund invests, will likely have limited liquidity during any market turbulence, so holding a more modest weighting we deemed to be prudent.

On the other side of the coin we have increased our weighting to our two global strategies, Fundsmith Equity and Jupiter Global Value. These funds take quite different approaches, Fundsmith being a quality, growth approach, contrasting against Jupiter Global Value which, as the name suggests, takes a more value orientated strategy, but also looks to identify balance sheet strength and inherent quality in the franchises in which it invests, to mitigate some of the risks of this contrarian style.

Jupiter Merlin International Equities Portfolio

■ Jupiter Merlin International Equities Portfolio [Review of Portfolio as at 30 September 2018](#) (continued)

Within our Japanese exposure, we split our holding in Jupiter Japan Income, to allow us to invest in the LF Morant Wright Japan fund. This has allowed us to blend differing underlying styles very effectively, combining Jupiter, a growth approach, with Morant Wright a value approach. In the current climate, allocating between manager styles has become increasingly challenging, therefore, holding talented managers in both spaces, we believe, has the potential to produce outperformance, while reducing style orientated volatility.

Finally, we took the decision to sell out of our small position in physical gold. We are very willing to reengage with this position but while the market cycle has aged, a recession does not appear imminent, therefore, we believe that focussing the Portfolio on equities is the most sensible course of action for the time being.

We believe that the Portfolio is positioned appropriately to weather the challenges that markets will certainly face but we are of course ready to make changes when appropriate.

Jupiter Independent Funds Team

30 September 2018

Jupiter Merlin International Equities Portfolio

Jupiter Merlin International Equities Portfolio Schedule of Investments as at 30 September 2018

| Investments | Currency | Quantity/ Nominal Value | Market Value EUR | % of Net Assets |
|--|----------|-------------------------------|------------------------|--------------------|
| Units of authorised UCITS or other collective investment undertakings | | | | |
| Collective Investment Schemes – UCITS | | | | |
| Ireland | | | | |
| Findlay Park American Fund – Dollar Shares | USD | 163,000 | 16,609,800 | 19.47 |
| | | | 16,609,800 | 19.47 |
| Luxembourg | | | | |
| Argos Argonaut Fund – Class A EUR | EUR | 7,000 | 2,440,690 | 2.86 |
| The Jupiter Global Fund Jupiter Global Value – Class I GBP Acc [†] | GBP | 1,000,000 | 14,797,803 | 17.35 |
| | | | 17,238,493 | 20.21 |
| United Kingdom | | | | |
| First State Stewart Investors Asia Pacific Leaders Fund – Class B (Accumulation) GBP | GBP | 530,000 | 4,474,535 | 5.24 |
| FP CRUX European Special Situations Fund – Class I Income GBP | GBP | 800,000 | 2,066,719 | 2.42 |
| Fundsmith Equity Fund – I Class Income Shares | GBP | 3,800,000 | 16,172,377 | 18.96 |
| Jupiter Global Emerging Markets Fund – I-Class Accumulation Units [†] | GBP | 4,900,000 | 3,590,697 | 4.21 |
| Jupiter Japan Income Fund – I-Class Income Units [†] | GBP | 2,500,000 | 2,595,528 | 3.04 |
| LF Morant Wright Japan Fund – Class B Accumulation | GBP | 550,000 | 2,786,576 | 3.27 |
| Old Mutual North American Equity Fund – R (GBP) Accumulation Shares | GBP | 4,770,000 | 16,872,841 | 19.78 |
| Schroder European Alpha Income Fund – Class L Income GBP | GBP | 2,500,000 | 2,093,540 | 2.45 |
| | | | 50,652,813 | 59.37 |
| Total Collective Investment Schemes – UCITS | | | 84,501,106 | 99.05 |
| Total Units of authorised UCITS or other collective investment undertakings | | | 84,501,106 | 99.05 |
| Total Investments | | | 84,501,106 | 99.05 |
| Cash | | | 1,118,633 | 1.31 |
| Other Assets/(Liabilities) | | | (307,687) | (0.36) |
| Total Net Assets | | | 85,312,052 | 100.00 |

[†] Related Party Fund

The accompanying notes form an integral part of these financial statements.

Jupiter Merlin International Equities Portfolio

Jupiter Merlin International Equities Portfolio Schedule of Investments as at 30 September 2018
(continued)

| Geographic Allocation of Portfolio | % of Net Assets |
|-------------------------------------|--------------------|
| United Kingdom | 59.37 |
| Luxembourg | 20.21 |
| Ireland | 19.47 |
| Total Investments | 99.05 |
| Cash and Other Assets/(Liabilities) | 0.95 |
| Total | 100.00 |

Forward Currency Exchange Contracts

| Currency Purchased | Amount Purchased | Currency Sold | Amount Sold | Maturity Date | Counterparty | Unrealised Gain/(Loss) EUR | % of Net Assets |
|---|---------------------|------------------|----------------|------------------|--------------|----------------------------------|--------------------|
| GBP | 468 | EUR | 526 | 01/10/2018 | J.P. Morgan | 1 | – |
| GBP | 2,709 | EUR | 3,045 | 02/10/2018 | J.P. Morgan | 6 | – |
| USD | 90,000 | EUR | 76,697 | 01/10/2018 | J.P. Morgan | 1,017 | – |
| USD | 10,418 | EUR | 8,958 | 03/10/2018 | J.P. Morgan | 37 | – |
| Total Unrealised Gain on Forward Currency Exchange Contracts | | | | | | 1,061 | – |
| EUR | 7,763 | USD | 9,109 | 01/10/2018 | J.P. Morgan | (103) | – |
| EUR | 1,215 | USD | 1,435 | 02/10/2018 | J.P. Morgan | (25) | – |
| GBP | 11,307 | EUR | 12,739 | 03/10/2018 | J.P. Morgan | (6) | – |
| Total Unrealised Loss on Forward Currency Exchange Contracts | | | | | | (134) | – |
| Net Unrealised Gain on Forward Currency Exchange Contracts | | | | | | 927 | – |

The accompanying notes form an integral part of these financial statements.

Jupiter Merlin Real Return Portfolio

Jupiter Merlin Real Return Portfolio Review of Portfolio as at 30 September 2018

Performance

| NAV | 30 September 2018 | 30 September 2017 | % Change |
|---------------------|-------------------|-------------------|----------|
| Class D EUR Acc | €12.61* | €12.03* | 4.82 |
| Class D GBP Acc HSC | £12.99* | £12.29* | 5.70 |
| Class I EUR Acc | €14.24* | €13.58* | 4.86 |
| Class I GBP Acc HSC | £14.56* | £13.77* | 5.74 |
| Class I USD Acc HSC | \$14.83* | \$13.81* | 7.39 |
| Class L EUR Acc | €12.45* | €11.97* | 4.01 |
| Class L GBP Acc HSC | £12.50* | £11.91* | 4.93 |
| Class L SGD Acc HSC | SGD 13.21* | SGD 12.48* | 5.83 |
| Class L USD Acc HSC | \$12.77* | \$12.00* | 6.46 |

* Net Asset Values per Share include Swing Pricing Adjustments. For the current year, refer to Note 15 for further details.

Review

2017 moving in to January 2018 saw global equity markets forging a virtually untrammelled path, almost daily chasing new highs. The New Year financial press predicted a 'melt-up'. Exuberance was significantly tempered on January 26th when, on the back of very strong US employment data, worries grew that central banks might adopt more aggressive monetary policies to curb incipient inflation, in turn causing global growth to slow. Equity markets fell, in some cases sharply. So far that apprehension has been misplaced; the principal developed economy central banks continue to tighten policy but no more aggressively than they had previously indicated. However, a new threat has emerged: tariffs! In April, President Trump announced tariffs on all steel and aluminium imports to the United States, principally targeting China and Europe (notably Germany). Investors expecting a quick negotiated solution have been disappointed, indeed the situation has escalated as China announced tit-for-tat reprisals, devalued its currency by 10%, followed by Trump extending tariffs to other goods also. Geopolitics are usually of contextual interest to investors but only occasionally of direct relevance. Now is such a time with Trump's economic and foreign policies inextricably interlinked. Will tariffs produce a clear winner (the US) and equally clear losers (everyone else?). Or, as most economists believe, will the frictional costs of global trade become so onerous that the movement of goods is impeded, and the global economy suffers as a result? Time will tell but as an investor, love him or loathe him, you cannot ignore Donald Trump.

In August several emerging market economies hit the buffers, principally Argentina, Turkey, Venezuela and Brazil with knock-on effects rippling out to Russia, South Africa and beyond. The common factors? Spiralling debt and collapsing currencies deriving from policies long on political ideology and dogma but short on economic literacy. That the debts are frequently denominated in dollars (a strong currency) while the borrowers' currencies are weak and declining simply exacerbates the problem. At the time of writing the situation remains serious but contagion has not broken out. Nor has the threat of it evaporated.

Central banks were hoping to be out of the spotlight, but they remain very much central to the economic outlook. As the US Federal Reserve raises interest rates and reduces the state balance sheet while simultaneously the European Central bank is curtailing its own programme of quantitative easing, so they are trying to pull off the trick of reducing the supply of money while at the same time trying not to upset the bond markets. With the Bank of England and the Bank of Japan gradually tightening policy too, it's a delicate balancing act between prudent economic management and not throttling future growth.

Brexit continues its tortured path to whatever conclusion. Politically and economically, Brexit is important, but in a global context this is just one more factor to weigh up among many preoccupations.

Strategy

During the period, we modestly reduced our equity exposure within the Portfolio, recognising that we are moving later in the economic cycle and being aware that holding a more limited exposure to equities when the cycle turns will be of benefit to the Portfolio. We also sold our final position in the fixed interest space, on the grounds that central bank policy is tightening and therefore, making returns more challenging to produce, therefore, we prefer the long-short equity space as the primary diversifier away from equities.

The most notable changes however have come within the long-short equity absolute return space, where we have added five new strategies. The first two, LF Odey Absolute Return and Old Mutual Global Equity Absolute Return, we have held previously. The LF Odey Absolute Return, we held a significant position in previously and we have decided to take a small position again as we continue to believe that James Hanbury is a talented manager, but we must be aware that his strategy will be volatile, so keeping the weighting modest is important. The Old Mutual Global Equity Absolute Return is a quantitative strategy which has a strong track record of creating absolute returns using a market neutral approach which has little, if any correlation to traditional asset classes.

Jupiter Merlin Real Return Portfolio

■ Jupiter Merlin Real Return Portfolio [Review of Portfolio as at 30 September 2018 \(continued\)](#)

We have also added three new strategies to the Portfolio, Melchior Velox, Man GLG Alpha Select Alternative and Man GLG UK Absolute Value. All of these are run tightly market neutral, aiming for solid mid-to-high single digit returns and low volatility. Both GLG funds take a fundamental approach to stock selection, with the Alpha Select Alternative fund trying to stay style agnostic and trading their book very actively to reduce the downside. The UK Absolute Value fund on the other hand has a value tilt to their approach, looking to identify undervalued opportunities to sit against their short positions in companies they deem to be expensive. The Velox strategy is more of a trading approach, with three underlying managers, each trying to exploit different market anomalies, using different time horizon but all using the proprietary inhouse risk and trading tools.

All these absolute return funds we believe complement the more directional or purely fundamental long-short equity absolute return funds that we hold, and we believe they will help the Portfolio to produce consistent, low volatility returns going forward.

During this process we sold down two absolute return positions where we had a lower level of conviction and redeemed our position in Jupiter Absolute Return so that we could invest in the Jupiter Global Levered Absolute Return fund. This new position is a mirror approach to the Jupiter Absolute Return fund, simply taking around twice the gross exposure, providing investors with a more concentrated return profile, which we deemed attractive, to allow us to get a similar exposure to the underlying manager James Clunie while also being able to diversify into the various managers detailed above.

We believe that the Portfolio is positioned appropriately to weather the challenges that markets will certainly face but we are of course ready to make changes when appropriate.

Jupiter Independent Funds Team

30 September 2018

Jupiter Merlin Real Return Portfolio

Jupiter Merlin Real Return Portfolio Schedule of Investments as at 30 September 2018

| Investments | Currency | Quantity/ Nominal Value | Market Value EUR | % of Net Assets |
|---|----------|-------------------------------|------------------------|--------------------|
| Units of authorised UCITS or other collective investment undertakings | | | | |
| Collective Investment Schemes – UCITS | | | | |
| Ireland | | | | |
| Findlay Park American Fund – Dollar Shares | USD | 86,000 | 8,763,447 | 5.45 |
| Man GLG Alpha Select Alternative – Class IL H EUR Shares | EUR | 45,000 | 5,931,900 | 3.69 |
| Merian UK Specialist Equity Fund – Class F (EUR) Hedged Accumulation Shares | EUR | 1,350,000 | 16,763,760 | 10.42 |
| Old Mutual Global Equity Absolute Return Fund – I (EUR) Hedged Accumulation Shares | EUR | 9,450,000 | 15,531,075 | 9.66 |
| Polar Capital UK Absolute Equity Fund – Class I Hedged Euro Share | EUR | 1,040,000 | 30,087,200 | 18.71 |
| Prusik Asian Equity Income Fund – Class '2X' – US Dollar Distributing Shares | USD | 46,700 | 6,925,400 | 4.30 |
| | | | 84,002,782 | 52.23 |
| Luxembourg | | | | |
| Melchior Selected Trust – Velox Fund - Class I1 € (Hedged) | EUR | 90,000 | 10,031,400 | 6.24 |
| The Jupiter Global Fund Jupiter Global Levered Absolute Return – Class F EUR Acc HSC† | EUR | 120,000 | 11,092,800 | 6.90 |
| The Jupiter Global Fund Jupiter Global Value – Class I GBP Acc† | GBP | 880,000 | 13,022,067 | 8.09 |
| | | | 34,146,267 | 21.23 |
| United Kingdom | | | | |
| Fundsmith Equity Fund – I Class Income Shares | GBP | 3,250,000 | 13,831,639 | 8.60 |
| LF Odey Absolute Return Fund – Class Euro Hedged Institutional Accumulation | EUR | 4,700,000 | 7,935,480 | 4.93 |
| Man GLG UK Absolute Value Fund – Professional Accumulation (Class CX) | GBP | 7,900,000 | 10,097,755 | 6.28 |
| | | | 31,864,874 | 19.81 |
| Total Collective Investment Schemes – UCITS | | | 150,013,923 | 93.27 |
| Exchange Traded Funds | | | | |
| Jersey | | | | |
| ETFS Physical Gold Fund | USD | 80,000 | 7,813,555 | 4.86 |
| | | | 7,813,555 | 4.86 |
| Total Exchange Traded Funds | | | 7,813,555 | 4.86 |
| Total Units of authorised UCITS or other collective investment undertakings | | | 157,827,478 | 98.13 |
| Total Investments | | | 157,827,478 | 98.13 |
| Cash | | | 3,053,805 | 1.90 |
| Other Assets/(Liabilities) | | | (42,022) | (0.03) |
| Total Net Assets | | | 160,839,261 | 100.00 |

† Related Party Fund

The accompanying notes form an integral part of these financial statements.

Jupiter Merlin Real Return Portfolio

Jupiter Merlin Real Return Portfolio Schedule of Investments as at 30 September 2018 (continued)

| Geographic Allocation of Portfolio | % of Net Assets |
|-------------------------------------|--------------------|
| Ireland | 52.23 |
| Luxembourg | 21.23 |
| United Kingdom | 19.81 |
| Jersey | 4.86 |
| Total Investments | 98.13 |
| Cash and Other Assets/(Liabilities) | 1.87 |
| Total | 100.00 |

Forward Currency Exchange Contracts

| Currency Purchased | Amount Purchased | Currency Sold | Amount Sold | Maturity Date | Counterparty | Unrealised Gain/(Loss) EUR | % of Net Assets |
|---|---------------------|------------------|----------------|------------------|--------------|----------------------------------|--------------------|
| GBP | 25,601,792 | EUR | 28,726,807 | 15/10/2018 | J.P. Morgan | 91,829 | 0.05 |
| SGD | 113,294 | EUR | 70,854 | 03/10/2018 | J.P. Morgan | 634 | – |
| SGD | 29,037,121 | EUR | 18,153,852 | 15/10/2018 | J.P. Morgan | 156,172 | 0.10 |
| USD | 368,234 | EUR | 313,404 | 02/10/2018 | J.P. Morgan | 4,563 | – |
| USD | 26,363,735 | EUR | 22,696,515 | 15/10/2018 | J.P. Morgan | 44,723 | 0.03 |
| Total Unrealised Gain on Forward Currency Exchange Contracts | | | | | | 297,921 | 0.18 |
| EUR | 9,488,199 | GBP | 8,450,000 | 18/10/2018 | J.P. Morgan | (22,522) | (0.01) |
| EUR | 141,593 | SGD | 227,493 | 01/10/2018 | J.P. Morgan | (1,960) | – |
| EUR | 206,607 | SGD | 330,997 | 15/10/2018 | J.P. Morgan | (2,111) | – |
| EUR | 28,148 | USD | 33,107 | 01/10/2018 | J.P. Morgan | (440) | – |
| EUR | 719,272 | USD | 844,518 | 15/10/2018 | J.P. Morgan | (9,205) | (0.01) |
| Total Unrealised Loss on Forward Currency Exchange Contracts | | | | | | (36,238) | (0.02) |
| Net Unrealised Gain on Forward Currency Exchange Contracts | | | | | | 261,683 | 0.16 |

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

Notes to the Financial Statements for the year ended 30 September 2018

1. General Information

Jupiter Merlin Funds (the 'Company') is an open-ended investment company which qualifies as an undertaking for collective investment in transferable securities (UCITS) under part I of the law of 17 December 2010, as amended, regarding undertakings for collective investment. The Company was incorporated in Luxembourg as a société d'investissement à capital variable (SICAV) on 4 June 2008 for an unlimited duration.

The Company may issue multiple classes of Shares in several funds (the 'Funds'). A separate pool of assets and liabilities is maintained for each Fund and is invested in accordance with the investment objective applicable to the relevant Fund. All liabilities attributable to a particular Fund are binding solely upon that Fund.

As at 30 September 2018 the Company was comprised of the following Funds with the following share classes in issue:

| | Class | | | |
|---|-------|---|---|---|
| Jupiter Managed European Portfolio | – | E | – | – |
| Jupiter Merlin International Balanced Portfolio | D | E | – | L |
| Jupiter Merlin International Equities Portfolio | D | E | – | L |
| Jupiter Merlin Real Return Portfolio | D | – | I | L |

- Class E and I Shares are reserved for certain Institutional Investors, Class D and L Shares are available for subscription by Retail Investors.

Unless a Class is identified as a 'Distributing Fund' or a dividend policy is otherwise specified in the relevant Information Sheet, all Classes of all Funds with the exception of Jupiter Merlin International Balanced Portfolio's Class L and D Sterling and Jupiter Merlin International Equities Portfolio's Class L and D Sterling, have an accumulation policy and, consequently, no dividends will be paid on those classes.

The share class names reflect the specifications of each Class, including their respective (i) categories (D, E, I or L), (ii) reference currencies, (iii) distribution policies (accumulation or distribution of income and if the latter case, the frequency thereof, i.e. annually, quarterly or monthly) and (iv) hedging share class (HSC) status.

For example 'Class L EUR A Inc' distributes income annually with payment (no automatic reinvestment by default).

2. Summary of Significant Accounting Policies

a) Basis of preparation

The financial statements have been prepared in conformity with Luxembourg generally accepted accounting principles applicable to investment funds.

b) Financial Statements

Financial statements are presented for each Fund in the base currency of the Fund and the combined Statement of Net Assets, Statement of Operations and Changes in Net Assets of the Company are presented in Euro (€), based on the exchange rate ruling at the date of these financial statements.

c) Foreign currency translation

Assets and liabilities denominated in currencies other than the Fund's base currency are translated into that base currency at exchange rates ruling at the date of these financial statements. Transactions occurring during the year in currencies other than the base currency are translated at rates of exchange ruling at the transaction dates. Differences arising on translation are included in the Statement of Operations and Changes in Net Assets.

Notes to the Financial Statements

Notes to the Financial Statements for the year ended 30 September 2018 (continued)

2. Summary of Significant Accounting Policies (continued)

d) Investments

Securities are initially recognised at cost, being the market value of the consideration given.

Securities, listed on an official stock exchange or dealt in on any regulated market are valued at the last available price.

Units or shares in open-ended investment funds are valued at their last available Net Asset Value. Wherever practicable, the last available Net Asset Value is deemed to include the Net Asset Value calculated on the same Valuation Day for any underlying fund which itself has a valuation point at or before the Company's Valuation Point being 1pm Luxembourg time.

In the event that any of the securities held by a Fund on the relevant day are not listed on any stock exchange or dealt in on any regulated market or if, with respect to securities listed on any stock exchange or dealt in on any other regulated market, the basis of the price as determined above is not representative of the fair market value of the relevant securities, the value of such securities will be determined based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the Company (the 'Board of Directors').

Gains or losses arising on the disposal of investments are calculated by reference to the net sales proceeds and the average cost attributable to those investments.

All purchases and sales of securities are recognised on the trade date, i.e. the date the Fund commits to purchase or sell the security.

e) Forward currency exchange contracts

The Company may enter into forward currency exchange contracts to hedge against exposures to foreign currency fluctuations. The carrying value of these contracts is the gain or loss that would be realised if the position were closed out on the valuation date and is recorded in the Statement of Net Assets as 'Net unrealised gain/(loss) on forward currency exchange contracts'. Upon the closing of the contract, the gain or loss is recorded in 'Net realised gains/(losses) on forward currency exchange contracts'.

f) Income recognition

Interest income is recognised as the interest accrues unless collectability is in doubt.

Dividend income is recognised when the right to receive the dividend is established, on the ex-date.

Income is presented net of withholding taxes in the Statement of Operations and Changes in Net Assets.

g) Management fee rebates

Management fee rebates from Related Party Funds are accrued daily and those from Third Party Funds accrued on a monthly basis.

h) Expense recognition

Expenses are accounted for on an accrual basis. Expenses are charged to the Statement of Operations and Change in Net Assets except for expenses incurred on the acquisition of an investment which are included within the cost of that investment. Expenses arising on the disposal of investments are deducted from the disposal proceeds.

i) Dividend distributions payable

Dividend distributions payable by the Company are recorded on the ex-date. Refer to Note 12 for details of dividends declared during the year ended 30 September 2018.

j) Net Asset Value per Share

The Net Asset Value per Share is calculated by dividing the Net Assets of the relevant Class of Shares in a Fund included in the Statement of Net Assets by the number of Shares of the relevant class in that Fund in issue at the year end.

k) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in Luxembourg requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses during the reported year. Actual results could differ from those estimates.

Notes to the Financial Statements

Notes to the Financial Statements for the year ended 30 September 2018 (continued)

3. Investment Management Fees

The Management Company appointed Jupiter Asset Management Limited ('JAML') as the Investment Manager to provide certain administrative and management services.

The Investment Management Fee is calculated and accrued on the basis of the Net Asset Value of each Fund at each Valuation Point and is payable monthly in arrears. The fee per annum charged and applicable to each Class of Shares during the year ended 30 September 2018 is as follows:

| | D | E | I | L |
|---|-------|-------|-------|-------|
| Jupiter Managed European Portfolio | – | 2.00% | – | – |
| Jupiter Merlin International Balanced Portfolio | 0.75% | 2.00% | – | 1.50% |
| Jupiter Merlin International Equities Portfolio | 0.75% | 2.00% | – | 1.50% |
| Jupiter Merlin Real Return Portfolio | 0.75% | – | 0.75% | 1.50% |

Where a Fund invests in other funds managed by the Investment Manager, the Fund will not be subject to additional management fees. These related management fee reimbursements are included in 'Management fee rebates' in the Statement of Operations and Change in Net Assets and amounted to €869,146 for the year ended 30 September 2018 as follows:

| Fund | Amount in Fund Currency |
|---|----------------------------|
| Jupiter Managed European Portfolio | €181,299 |
| Jupiter Merlin International Balanced Portfolio | €145,434 |
| Jupiter Merlin International Equities Portfolio | €249,108 |
| Jupiter Merlin Real Return Portfolio | €293,305 |

None of the Funds are entitled to accrue a performance fee on any of the Classes of Shares.

4. Aggregate Operating Fee

To seek to protect the Shareholders from fluctuations in ordinary operating expenses, the Company shall pay to the Management Company a fixed level of fee (the 'Aggregate Operating Fee'), which will be determined as an annual percentage of the Net Asset Value of the Class of Shares for each Fund, and the Management Company will be responsible for paying all of the ordinary fees and expenses out of the Aggregate Operating Fee received by it, including (but not limited to) the following:

- Management Company fees and expenses (but not the Investment Management fees and expenses);
- Depository, fund accounting, transfer agency and fiduciary fees: J.P. Morgan Bank Luxembourg S.A., acting as Administrator and Depository, is entitled to receive depository fees, fund accounting fees, transfer agency fees and fiduciary fees. The depository fee consists of safekeeping, administration and transaction charges;
- Set up costs incurred in connection with the launch of a new Fund;
- Costs of operating special purpose subsidiaries;
- Any fees and expenses involved in registering and maintaining the registration of the Fund with any governmental agencies or stock exchanges in the Grand Duchy of Luxembourg and in any other country together with associated support fees;
- Paying agent fees;
- Dividend/income distribution fees;
- Costs of agents employed by the Company, Correspondents and permanent representatives in places of registration;
- Financial and regulatory reporting costs;
- Governmental charges, taxes and duties;
- Costs related to the preparation and filing of tax or other reports in respect of the operations of the Company or its Shareholders;
- Costs related to the preparation and publication of data, literature and shareholder communications, including the costs of preparing, printing and distributing prospectuses, Key Facts Statements ('KFSS') (for Hong Kong investors), Key Investor Information Documents ('KIIDs'), explanatory memoranda, periodical reports or registration statements, and the costs of any reports to Shareholders;
- Directors' remuneration, their insurance coverage and reasonable travelling costs and out-of-pocket expenses in connection with board meetings;
- Legal fees; and
- Audit fees.

Notes to the Financial Statements

Notes to the Financial Statements for the year ended 30 September 2018 (continued)

4. Aggregate Operating Fee (continued)

Save for the payment of the Aggregate Operating Fee, the Company shall have no obligation with respect to the ordinary operating expenses.

The Aggregate Operating Fee will accrue on a daily basis. The Aggregate Operating Fee will, in the first instance, be applied against any income in the relevant Fund. The Aggregate Operating Fee is accrued at each calculation of the Net Asset Value and is disclosed in the relevant KIIDs from time to time by comprising part of the ongoing charges of a Share Class.

The Aggregate Operating Fee is calculated and accrued per Fund on the basis of the daily Net Asset Value of each Fund at each Valuation Point and is payable monthly. The fee rates per annum charged and applicable to each Class of Shares during the year ended 30 September 2018 are as follows:

| | D | E | I | L |
|---|-------|-------|-------|-------|
| Jupiter Managed European Portfolio | – | 0.20% | – | – |
| Jupiter Merlin International Balanced Portfolio | 0.24% | 0.20% | – | 0.26% |
| Jupiter Merlin International Equities Portfolio | 0.24% | 0.20% | – | 0.26% |
| Jupiter Merlin Real Return Portfolio | 0.24% | – | 0.20% | 0.26% |

Further details of the Aggregate Operating Fee are published in the Company's prospectus which is available at www.jupiteram.com.

5. Management Company Fee

Jupiter Unit Trust Managers Limited ('JUTM') is appointed as the Management Company.

The list of the funds managed by the Management Company may be obtained, on request, at the registered office of the Management Company.

The Management Company is responsible on a day-to-day basis, under the supervision of the Board of Directors of the Company, for providing administration, marketing and investment management services in respect of all Funds.

The Management Company has delegated its investment management function to Jupiter Asset Management Limited, the Investment Manager.

In the context of its administration functions, the Management Company has delegated its administration functions to J.P. Morgan Bank Luxembourg S.A. the Administrator.

In the context of its marketing function, the Management Company may enter into agreements with Distributors pursuant to which the Distributors agree to act as intermediaries or nominees for investors subscribing for Shares through their facilities.

The Management Company will monitor on a continual basis the activities of the third parties to which it has delegated functions. The agreements entered into between the Management Company and the relevant third parties provide that the Management Company can give at any time further instructions to such third parties, and that it can withdraw their mandate with immediate effect if this is in the interest of the Shareholders. The Management Company's liability towards the Company is not affected by the fact that it has delegated certain functions to third parties.

With JUTM's appointment, certain Company costs will be paid for by JUTM. The Company pays to JUTM the Aggregate Operating Fee and JUTM will be responsible for paying the Company costs out of the Aggregate Operating Fee received by it. Refer to Note 4 for further information. Full details are published in the Company's prospectus which is available at www.jupiteram.com.

Notes to the Financial Statements

Notes to the Financial Statements for the year ended 30 September 2018 (continued)

6. Administration, Custodian and Depositary Fees

J.P. Morgan Bank Luxembourg S.A. was appointed to perform central administration duties for the Company pursuant to a delegation of such duties to it by the Management Company.

J.P. Morgan Bank Luxembourg S.A. as Administrator, Custodian and Depositary is entitled to receive custodian fees, fund accounting fees, transfer agency fees and fiduciary fees.

The custodian fee consists of safekeeping, administration and transaction charges. Safekeeping and administration charges are applied to the market value of the assets of the country of the underlying investments held in custody at the end of the billing period. The transaction charges are based on the number of transactions in a particular country. The safekeeping and administration fee rate varies according to the country of the underlying investments and decreases depending on the thresholds in a particular country.

The fund accounting fee is the sum of the base NAV calculation fee plus the total of all other fees, including but not limited to financial reporting, share class valuation, tax reporting and all other fees detailed in the fee schedule agreement. The base fee per Fund which may be paid to J.P. Morgan Bank Luxembourg S.A. in its capacity as Administrator is calculated as the greater of the minimum annual fee of €15,000 or an ad valorem fee (from 0.50 to 2.50 basis points) based upon the Fund's month-end NAV.

The transfer agency fee is based on the number of transactions processed, the number of holdings (shareholder accounts), the number of new investor accounts opened and include fund/class set-up and annual maintenance fees, enhanced fund distribution support, platform connectivity fee and out-of-pocket expenses.

The fiduciary fee per Fund is calculated as the greater of the minimum annual fee or an ad valorem fee based upon the Company's month-end NAV.

These fees are included under the Aggregate Operating Fee. Refer to Note 4 for further details.

7. Other Fees

Each Share Class bears the costs relating to certain transactions such as the costs of buying and selling underlying securities, costs charged by any financial institution or organisation in relation to swap agreements or over-the-counter transactions, bank charges relating to delivery, receipt of securities or to foreign exchange transactions and fees relating to collateral management, transaction costs, stock lending charges, interest on bank overdraft and any other extraordinary fees and expenses.

Each Share Class also bears any extraordinary expenses incurred due to external factors, some of which may not be reasonably foreseeable in the normal course of activity of the Company such as, without limitation, any litigation expenses or any tax, levy, duty or similar charge of a fiscal nature imposed on the Company or its assets by virtue of a change of laws or regulations.

8. Auditors Fees and Terms of Engagement

PricewaterhouseCoopers, Société cooperative have been appointed by the shareholders at their annual general meeting as Auditors of the Company for the current accounting period and the shareholders have authorised the Board to agree with the Auditors on their terms of appointment.

The terms of engagement of the Auditors approved by the Board comprise, inter alia, the fees to which the Auditors are entitled and refer to the General Terms and Conditions published by the 'Institut des Réviseurs d'Entreprises' as being integral part of the terms of engagement.

The fees of the Auditors are included under the Aggregate Operating Fee. Refer to Note 5 for further details.

9. Directors' Fees, Expenses and Interests

Mr. Jacques Elvinger is a partner of the Luxembourg law firm of Elvinger Hoss Prussen, société anonyme, which provides legal services to the Company.

The Chairman receives fees of €17,000 and each independent Director receives fees of €15,000 (including taxes) per annum. Mr. Adrian Creedy (retired 30 June 2018), Mrs. Paula Moore and Mr Simon Rowson are employed by the Investment Manager and fees due to them are paid directly to JAML although JAML commenced a waiver of these fees with effect from 1 April 2016. In addition, all Directors are entitled to reimbursement by the Company of any expenses directly incurred in the execution of their duties as Directors.

No Director holds any shares in the Company nor has any interest in any transaction which, during the year under review, has been affected by the Company and is unusual in its nature or conditions, or is significant to the business of the Company.

Directors' remuneration, insurance coverage and reasonable expenses directly incurred in the execution of their duties as Directors are included under the Aggregate Operating Fee. Refer to Note 4 for further details.

10. Taxe d'abonnement and Other Operational Taxes

The Company is liable in Luxembourg to a tax (taxe d'abonnement), such tax being payable quarterly and calculated on the Net Asset Value of the Company at the end of the relevant calendar quarter. The taxe d'abonnement is levied at a rate of 0.01% per annum on Funds or Classes reserved to Institutional Investors (Class E and I) and at 0.05% per annum on other Funds or Classes (Class D and L). No such tax is payable in respect of the portion of the assets of each Fund invested in other Luxembourg collective investment undertakings which are subject to this tax. Taxe d'abonnement is included under the Aggregate Operating Fee, refer to Note 4 for further details.

Under current law and practice, the Company is not liable to Luxembourg taxes on income or capital gains, nor are dividends paid by the Company liable to any Luxembourg withholding tax.

Notes to the Financial Statements

Notes to the Financial Statements for the year ended 30 September 2018 (continued)

10. Taxe d'abonnement and Other Operational Taxes (continued)

Interest, dividends and capital gains on securities may be subject to withholding or capital gains taxes in certain countries.

Where the withholding tax in certain jurisdictions has been raised at a rate higher than the rate applicable to comparable domestic UCITS funds, the Company has launched a withholding tax reclaim with the national tax authorities of those countries, with no guarantee of success. If and when those tax reclaims are successful, the proceeds of tax reimbursement are recognised in the Statement of Operations and Changes in Net Assets as 'Income from investment, net'.

Treaty based withholding tax reclaims (excluding European Court of Justice reclaims) accrued by the Company during the year ended 30 September 2018 amounted to nil.

11. Transactions with Connected Parties

All transactions with connected parties were carried out on an arm's length basis. The Investment Manager and its affiliates, the Management Company, the Directors and other related agents of the Company are considered connected parties.

12. Use of Dealing Commission

Execution and research services received by the Investment Manager under these arrangements assist the Investment Manager in the provision of its investment management services to the Investment Manager's clients (including the Company) and do not impair compliance with the Investment Manager's obligation to act in the best interests of its clients (including the Company) nor the Investment Manager's ability to comply with its best execution obligations.

From 3 January 2018, the Investment Manager paid for research services from its own resources and its clients will take on no research costs at all. The Investment Manager considers this change demonstrates its commitment to embracing regulatory developments and represents a beneficial development for its clients.

Further information on such arrangements is available from the Investment Manager upon request by an investor.

There were no such benefits received or receivable by the Company or the Investment Manager during the year ended 30 September 2018.

13. Dividend Distributions

During the year ended 30 September 2018, the Company declared the following dividends:

| Fund | Share Class | Ex-Date | Pay Date | Rate per Share in Class Currency |
|---|-------------------|-------------------|-----------------|----------------------------------|
| Jupiter Merlin International Balanced Portfolio | Class D GBP A Inc | 28 September 2018 | 12 October 2018 | GBP 0.1323 |
| | Class L GBP A Inc | 28 September 2018 | 12 October 2018 | GBP 0.0365 |

14. Overdraft Credit

The Company (as 'Customer') and JPMorgan Chase Bank, N.A., acting through its London branch (as the 'Bank') have entered into global account terms dated on or about 20 February 2014 (the 'GAT') pursuant to which Accounts are opened and operated as Collection Accounts.

Pursuant to the GAT and the Global Custody Agreement, the Bank may make available to the Funds amounts by way of overdrafts or other extensions of credit from 8 March 2014. Any such amounts and accrued interest thereon on any particular day shall immediately become a debt of such Fund towards the Bank, and any such Fund shall be liable to the repayment of any such amounts and accrued interest thereon on demand from the Bank. The overdraft balances bear interest at a rate of the Bank's offered Rate plus at least 1.5% per annum.

The Custody Accounts are held by the Custodian (J.P. Morgan Bank Luxembourg S.A.) pursuant to a global custody agreement entered into on 29 November 2013 (the 'Global Custody Agreement') effective 8 March 2014 (as amended from time to time).

Pursuant to a Pledge Agreement effective from 3 March 2014, the Company (as 'Pledgor') has agreed, until satisfaction in full of all GAT Overdraft Liabilities attributable to each Fund, that each of its Funds, with full title guarantee and as security for the payment of all GAT Overdraft Liabilities attributable to such Fund, will grant in favour of the Bank as pledge over its Custody Accounts, which the Pledgor declares to be in its best corporate interest. The pledge granted under the Pledge Agreement (as amended from time to time) constitutes a second ranking pledge (gage de second rang), ranking immediately after any prior (first-ranking pledge over the Custody Accounts and/or the Pledged Assets granted by the Pledgor to the Custodian pursuant to the Global Custody Agreement or otherwise (the 'Custodian Pledge'), if any. Pursuant to the amendment agreements related to the Pledge Agreement, Schedule A (Custody Accounts) of the second ranking Account Pledge Agreement was amended.

'Custody Accounts' means all the securities accounts opened in the name of the Pledgor with the Custodian for and on behalf of each of its Funds as identified under Schedule A of the Pledge Agreement (including in each case any such future accounts opened in the name of the Pledgor for and on behalf of each of its Funds with the Custodian (the 'Future Custody Accounts')).

15. Statement of Changes in the Portfolio

A listing of the statement of changes in the portfolio during the year is available upon request to any investor at the registered office of the Company free of charge.

Notes to the Financial Statements

Notes to the Financial Statements for the year ended 30 September 2018 (continued)

16. Swing Pricing

The Funds adopted a full swing pricing process.

If the net capital activity on a given Valuation Day leads to a net inflow of assets in the relevant Fund, the Net Asset Value used to process all subscriptions, redemptions or switches in such a Fund is adjusted upwards by the swing factor that shall be determined from time to time by the Investment Manager, as delegated by the Board of Directors.

If the net capital activity on a given Valuation Day leads to a net outflow of assets in the relevant Fund, the Net Asset Value used to process all subscriptions, redemptions or switches in such a Fund is adjusted downwards by the swing factor that shall be determined from time to time by the Investment Manager, as delegated by the Board of Directors.

The factor is calculated on a quarterly basis.

The dilution adjustment is recorded as the 'Net Realised Gains/ (Losses) on Investments in securities' in the Statement of Operations and Changes in Net Assets.

The following Funds applied swing pricing as at 30 September 2018:

| Fund/Share class | Share class currency | Unswung NAV per share in share class currency | Swung NAV per share in share class currency | Dilution adjustment per share | Swing direction |
|--|----------------------|---|---|-------------------------------|-----------------|
| Jupiter Merlin International Balanced Portfolio | | | | | |
| Class D EUR Acc | EUR | 13.00 | 12.99 | 0.01 | Bid |
| Class D GBP A Inc | GBP | 13.91 | 13.90 | 0.01 | Bid |
| Class D USD Acc | USD | 11.29 | 11.28 | 0.01 | Bid |
| Class E EUR Acc | EUR | 412.32 | 411.91 | 0.41 | Bid |
| Class E GBP Acc | GBP | 363.53 | 363.17 | 0.36 | Bid |
| Class E USD Acc | USD | 299.13 | 298.83 | 0.30 | Bid |
| Class L EUR Acc | EUR | 17.42 | 17.40 | 0.02 | Bid |
| Class L GBP A Inc | GBP | 19.71 | 19.69 | 0.02 | Bid |
| Class L USD Acc | USD | 19.22 | 19.20 | 0.02 | Bid |
| Jupiter Merlin International Equities Portfolio | | | | | |
| Class D EUR Acc | EUR | 14.38 | 14.37 | 0.01 | Bid |
| Class D GBP A Inc | GBP | 15.68 | 15.66 | 0.02 | Bid |
| Class D USD Acc | USD | 12.77 | 12.76 | 0.01 | Bid |
| Class E EUR Acc | EUR | 492.55 | 492.06 | 0.49 | Bid |
| Class E GBP Acc | GBP | 435.27 | 434.83 | 0.44 | Bid |
| Class L EUR Acc | EUR | 20.77 | 20.75 | 0.02 | Bid |
| Class L GBP A Inc | GBP | 27.64 | 27.61 | 0.03 | Bid |
| Class L USD Acc | USD | 22.23 | 22.21 | 0.02 | Bid |
| Jupiter Merlin Real Return Portfolio | | | | | |
| Class D EUR Acc | EUR | 12.62 | 12.61 | 0.01 | Bid |
| Class D GBP Acc HSC | GBP | 13.00 | 12.99 | 0.01 | Bid |
| Class I EUR Acc | EUR | 14.25 | 14.24 | 0.01 | Bid |
| Class I GBP Acc HSC | GBP | 14.57 | 14.56 | 0.01 | Bid |
| Class I USD Acc HSC | USD | 14.84 | 14.83 | 0.01 | Bid |
| Class L EUR Acc | EUR | 12.46 | 12.45 | 0.01 | Bid |
| Class L GBP Acc HSC | GBP | 12.50 | 12.50 | 0.00 | Bid |
| Class L SGD Acc HSC | SGD | 13.22 | 13.21 | 0.01 | Bid |
| Class L USD Acc HSC | USD | 12.78 | 12.77 | 0.01 | Bid |

Notes to the Financial Statements

Notes to the Financial Statements for the year ended 30 September 2018 (continued)

17. Transaction Costs

For the year ended 30 September 2018 the Funds incurred transaction costs related to purchase or sale of securities as follows:

| Fund | Amount in Fund Currency |
|---|-------------------------|
| Jupiter Merlin International Balanced Portfolio | €2,703 |
| Jupiter Merlin International Equities Portfolio | €1,855 |
| Jupiter Merlin Real Return Portfolio | €53,556 |

The above transaction costs include brokers' fees, depositary's transaction specific fees, stamp duty fees, or security transaction taxes, where applicable. These costs are directly linked to the acquisition or sale of investments, to the extent that such costs are shown separately on transaction confirmations.

The transaction costs consisting of brokers' fees, stamp duty fees, or security transaction taxes, where applicable are included in the Statement of Net Assets as 'Investments in securities at cost' and in the Statement of Operations and Change in Net Assets in 'Net Change in Unrealised Gains/(Losses) on Investments in securities'. For the sale of securities, they are netted from the 'Due to brokers' amount and from the 'Net Realised Gains/(Losses) on Investments in securities' in the Statement of Operations and Change in Net Assets.

18. Collateral

As at 30 September 2018, the collateral received or paid which is composed of cash collateral granted to or received from brokers and counterparties for the purpose of transactions in OTC derivatives is as follows:

| Fund Name | Fund currency | Counterparty /Broker | Type of collateral | Type of derivatives | Collateral Amount received (in Fund currency) adjustment per share | Collateral Amount paid (in Fund Currency) |
|--------------------------------------|---------------|----------------------|--------------------|---------------------|--|---|
| Jupiter Merlin Real Return Portfolio | EUR | J.P. Morgan | Cash | Forward | – | € 540,000 |

Additional Information (not forming part of the Notes to the Financial Statements)

Measurement of Global Exposure Disclosure

All the Funds use the commitment approach in order to monitor and measure their global exposure.

UCITS V Remuneration Disclosure

Under the requirements of the Undertakings for Collective Investment in Transferable Securities V Directive ('UCITS V'), Jupiter Unit Trust Managers Limited ('JUTM') (part of the Jupiter Group, which comprises Jupiter Fund Management plc and all of its subsidiaries ('Jupiter')) is required to comply with certain disclosure and reporting obligations for funds that are considered to be UCITS schemes. This includes the Jupiter Merlin Funds (the 'Fund').

Jupiter operates a Group-wide remuneration policy, which applies to all employees across the Group. All employees are incentivised in a similar way and are rewarded according to personal performance and Jupiter's success. Details of the remuneration policy, including the applicable financial and non-financial criteria, are set out in the detailed remuneration policy disclosures available via the following link:

<https://www.jupiteram.com/-/media/Files/Global-documents/Risk-Management/Remuneration-disclosure-including-Pillar-3-English.ashx?la=en>

Remuneration decisions are governed by Jupiter's Remuneration Committee (the 'Committee'), which meets on a regular basis to consider remuneration matters across the Group. In order to avoid conflicts of interest, the Committee comprises independent non-executive directors, and no individual is involved in any decisions regarding their own remuneration. Implementation of the remuneration policy for the Group is subject to an annual independent review by Jupiter's internal audit department. No material outcomes or irregularities were identified as a result of the most recent independent review, which took place in 2017.

JUTM does not directly employ any individuals and therefore the total amount of remuneration paid by it is nil. All staff are employed and paid by other entities of Jupiter. In the interests of transparency, Jupiter has apportioned the total employee remuneration paid to all 499 Jupiter staff in respect of JUTM's UCITS V duties performed for the UCITS schemes on a 'number of funds' basis. It has estimated that the total amount of employee remuneration, split between fixed and variable remuneration, paid in respect of duties for the Fund and the aggregate total remuneration paid to UCITS V Identified Staff that is attributable to duties for the Fund is as follows:

| Investment | Fixed Remuneration | Variable Remuneration | Total Remuneration | Identified Staff (Senior Management) | Identified Staff (Other Staff) | Total Identified Staff Remuneration |
|----------------------------------|--------------------|-----------------------|--------------------|--------------------------------------|--------------------------------|-------------------------------------|
| Managed European Portfolio | £398,691 | £856,265 | £1,254,956 | £109,049 | £604,064 | £713,113 |
| International Balanced Portfolio | £398,691 | £856,265 | £1,254,956 | £109,049 | £604,064 | £713,113 |
| International Equities Portfolio | £398,691 | £856,265 | £1,254,956 | £109,049 | £604,064 | £713,113 |
| Real Return Portfolio | £390,777 | £636,151 | £1,026,928 | £109,049 | £376,036 | £485,085 |

It should be noted that the aforementioned Identified Staff also provide services to other companies within Jupiter and its clients. They are included because their professional activities are considered to have a material impact on the risk profile of the Fund.

UK Tax Reporting Fund Regime

Jupiter Merlin International Balanced Portfolio, Jupiter Merlin International Equities Portfolio and Jupiter Merlin Real Return Portfolio are Reporting Funds for UK taxation purposes for the year ended 30 September 2018. Tax reporting information for the year end in respect of these Funds is available at www.jupiteram.com.

Securities Financing Transaction Regulation (SFTFTR)

Currently, none of the sub funds of the Jupiter Merlin Funds make use of the financial instruments to which this regulation pertains. Further details are published in the Company's prospectus which is available at www.jupiteram.com.

Jupiter Merlin Funds Société d'Investissement à Capital Variable

Registered Office: 6, route de Trèves, L-2633 Senningerberg R.C.S Luxembourg B 139.274

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS OF JUPITER MERLIN FUNDS

Luxembourg, December 14, 2018

Dear Shareholder,

Notice is hereby given that the **Annual General Meeting** (the 'Meeting') of **Jupiter Merlin Funds** (the 'Company') will be held on **January 11, 2019 at 10.30 a.m. CET** at the registered office of the Company, 6 route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg with the following agenda:

AGENDA

1. Approval of the audited annual accounts including the Chairman's Statement and the Report of the approved statutory auditor (réviseur d'entreprises agréé) of the Company for the financial year ended September 30, 2018 (the 'Audited Annual Accounts').
2. Discharge of the Directors of the Company for the performance of their duties carried out for the financial year ended September 30, 2018.
3. Acknowledgement of the resignation of Mr Adrian Creedy from his directorship, ratification of the cooptation of Mr Simon Rowson as director in replacement of Mr Adrian Creedy and re-appointment of Mr Garth Lorimer Turner, Me Jacques Elvinger, Mr Patrick Zurstrassen, Mrs Paula Moore and Mr Simon Rowson as Directors of the Company until the next Annual General Meeting of Shareholders of the Company that will consider the approval of the annual accounts for the financial year ending on September 30, 2019.
4. Re-appointment of PricewaterhouseCoopers, Société coopérative ('PWC') as the approved statutory auditor of the Company until the next Annual General Meeting of Shareholders of the Company that will consider the approval of the audited annual accounts for the financial year ending September 30, 2019 and authorization to the Board of Directors of the Fund to agree on the terms of PWC's appointment. The estimated remuneration of the current approved statutory auditor for the financial year ended September 30, 2018 was 37,430 euros. These fees and expenses are paid by the Company's management company out of the Aggregate Operating Fee received from the Company.
5. Approval of Directors' Fees for the period October 1 2017 to September 30 2018, prior to any waiver applied to the fees, as described in the Company's Audited Annual Accounts. These fees were paid by the Company's management company out of the Aggregate Operating Fee received from the Company.

VOTING

Resolutions on the agenda of the Annual General Meeting will require no quorum and the resolutions will be passed by simple majority of the votes cast at the Meeting.

VOTING ARRANGEMENTS

Should you be unable to be personally present at the Meeting and wish to be represented, you are entitled to appoint a proxy to vote instead of you and in this regard we have enclosed a proxy form for your attention. In such instance, we would be grateful if you could sign the proxy form where indicated, return a copy by fax to arrive no later than 5.00 p.m. CET on Thursday January 10, 2019 marked for the attention of Ms Sarah Boyes Derengowski (fax + 352 46 26 85 825) and send the signed original by post marked for the attention of:

Ms Sarah Boyes Derengowski,
J.P. Morgan Bank Luxembourg S.A.,
LXC6-6004, European Bank and Business Center, 6, route de Trèves,
L-2633 Senningerberg,
Grand-Duchy of Luxembourg.

Terms not defined in this notice have the same meaning as in the Company's prospectus.

The proxy will remain in force if the Meeting, for whatever reason, is postponed or reconvened.

Should you have any questions regarding the above, please do not hesitate to contact Ms Sarah Boyes Derengowski on + 352 46 26 85 139.

By order of the Board of Directors

Jupiter Merlin Funds Société d'Investissement à Capital Variable

Registered Office: 6, route de Trèves, L-2633 Senningerberg R.C.S Luxembourg B 139.274

PROXY FORM

I/We the undersigned _____, being shareholder(s) of the **Jupiter Merlin Funds** (the 'Company'), and with respect to my/our shares held on the Register of the Company hereby give irrevocable proxy to _____ or to the Chairman of the Meeting with full power of substitution, to represent me/us at the **Annual General Meeting of Shareholders** of the Company (the 'Meeting') to be held on **Friday January 11, 2019 at 10:30 a.m. CET**, and at any adjournment thereof, in order to deliberate upon the agenda, as indicated below:

If you want your representative to vote in a certain way on the resolutions specified, please indicate with an 'X' in the spaces below. If you fail to select any of the given options, your representative can vote as he/she chooses or can decide not to vote at all. The representative can also do this on any other resolution that is put to the Meeting. If you appoint the Chairman as your representative and you do not indicate with an 'X' in the spaces below how you wish your votes to be cast, the Chairman will vote 'for' in favour of the resolutions specified.

Direction to your Representative
AGENDA

| | | For | Against |
|---------------------|---|--------------------------|--------------------------|
| Resolution 1 | Approval of the audited annual accounts including the Chairman's Statement and the Report of the approved statutory auditor (réviseur d'entreprises agréé) of the Company for the financial year ended September 30, 2018 (the 'Audited Annual Accounts'). | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Discharge of the Directors of the Company for the performance of their duties carried out for the financial year ended September 30, 2018. | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Acknowledgement of the resignation of Mr Adrian Creedy from his directorship, ratification of the cooptation of Mr Simon Rowson as director in replacement of Mr Adrian Creedy and re-appointment of Mr Garth Lorimer Turner, Me Jacques Elvinger, Mr Patrick Zurstrassen, Mrs Paula Moore and Mr Simon Rowson as Directors of the Company until the next Annual General Meeting of Shareholders of the Company that will consider the approval of the annual accounts for the financial year ending on September 30, 2019. | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Re-appointment of PricewaterhouseCoopers, Société coopérative ('PWC') as the approved statutory auditor of the Company until the next Annual General Meeting of Shareholders of the Company that will consider the approval of the audited annual accounts for the financial year ending September 30, 2019 and authorization to the Board of Directors of the Fund to agree on the terms of PWC's appointment. The estimated remuneration of the current approved statutory auditor for the financial year ended September 30, 2018 was 37,430 euros. These fees and expenses are paid by the Company's management company out of the Aggregate Operating Fee received from the Company. | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Approval of Directors' Fees for the period October 1 2017 to September 30 2018, prior to any waiver applied to the fees, as described in the Company's Audited Annual Accounts. These fees were paid by the Company's management company out of the Aggregate Operating Fee received from the Company. | <input type="checkbox"/> | <input type="checkbox"/> |

The Proxy holder is furthermore authorised to make any statement cast all votes, sign all minutes of meetings and other documents, do everything which is lawful, necessary or simply useful in view of the accomplishment and fulfilment of the present proxy and to proceed in accordance with the requirements of Luxembourg law.

Terms not defined in this proxy have the same meaning as in the Company's prospectus.

The present proxy will remain in force if the Meeting, for whatever reason, is postponed or reconvened.

Made in _____ dated this _____, 2018

Authorised Signature¹

¹ It is not necessary for the signature(s) to be notarised.

