

CIGOGNE FUND

M&A Arbitrage
31/01/2024



Assets Under Management : 145 673 073.96 €

Net Asset Value (O Unit) : 47 450.93 €

PERFORMANCES

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2024	0.24%												0.24%
2023	0.19%	0.49%	-3.30%	1.06%	-2.92%	2.80%	1.59%	1.28%	0.04%	-2.11%	2.93%	1.08%	2.93%
2022	0.33%	0.80%	0.86%	-0.52%	-1.95%	-1.60%	2.13%	1.99%	-1.18%	-1.06%	-0.04%	0.57%	0.22%
2021	1.16%	0.30%	1.08%	1.58%	1.62%	-0.19%	-2.38%	-0.49%	0.60%	0.35%	-0.38%	1.04%	4.30%
2020	0.41%	-1.12%	-8.71%	4.30%	-1.03%	-1.94%	3.05%	0.91%	-0.82%	1.69%	1.94%	0.69%	-1.24%

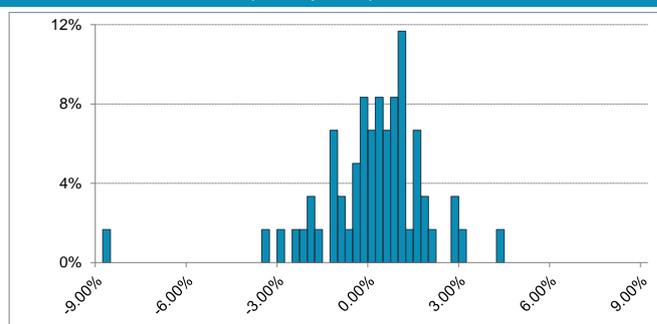
PORTFOLIO STATISTICS SINCE 31/12/2004 AND FOR 5 YEARS

	Cigogne M&A Arbitrage		ESTR		HFRX Global Hedge Fund EUR Index	
	5 years	From Start	5 years	From Start	5 years	From Start
Cumulative Return	9.83%	373.92%	1.72%	15.30%	1.92%	-7.60%
Annualised Return	1.89%	8.49%	0.34%	0.75%	0.38%	-0.41%
Annualised Volatility	6.44%	9.52%	0.45%	0.44%	4.56%	5.40%
Sharpe Ratio	0.24	0.81	-	-	0.01	-0.21
Sortino Ratio	0.34	2.04	-	-	0.01	-0.28
Max Drawdown	-9.73%	-14.71%	-1.87%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	12	46	11	16	> 3	> 46
Positive Months (%)	61.67%	72.93%	26.67%	52.40%	55.00%	57.21%

PERFORMANCE (Net Asset Value)



DISTRIBUTION OF RETURNS (Monthly Basis)



INVESTMENT MANAGERS' COMMENTARY

Mergers and acquisitions activity got off to an interesting start in 2024 with the acquisition of software manufacturer Ansys by Synopsys, itself a software developer in the chip design segment. This takeover bid is worth \$33.4 billion and represents the biggest transaction in the technology sector since the Broadcom/Avago merger. However, our sector policies mean that we do not invest in certain companies, including those involved in the extraction of unconventional hydrocarbons. In January, three deals worth \$22.5 billion were excluded from our investment universe.

Macroeconomics, and in particular the uncertainty surrounding the start of monetary easing, remains a key driver of our activity. Across our portfolio, there was a global discount widening in the first month of the year, although no major concerns were raised about any specific names. The close-to-balance performance perfectly sums up a month in which the majority of issues were down, while a few transactions, on the other hand, made interesting progress. The main monthly gain was seen in the Amryt Pharmaceuticals strategy, finalised in April 2023. Under the terms of the offer made by Chiesi Farmaceuti, payment was accompanied by the receipt of optional Contingent Value Rights (CVRs), which could be valued if certain scenarios were met. Now that the assumptions needed to value the CVR have been validated, its value has risen sharply. Neighbourly Pharmacy shares also surged mid-month following the board's acceptance of Persistence Capital Partners' offer to take the Canadian independent pharmacy network private. The target had already been approached in October as part of the minority buyout. Conversely, the share price of fashion multinational Capri Holding fell in the second half of the month as we awaited the publication of its results and future developments in terms of antitrust. Finally, despite having received an offer of USD 29.50, Hollsys Automation Technologies stated that its special committee had maintained its recommendation to shareholders to vote in favour of the USD 26.50 offer from Ascendent Capital Partners, a shareholder holding 13.7% of the capital. According to the committee, this offer has a higher probability of success. As a result, the target's share price has fallen and is now trading at a non-speculative level. While a large number of strategies came to an end in the first few days of the year, we remained very active and, in particular, initiated a position in cancer treatment developer Immunogen as part of its takeover by AbbVie, and a position in Portuguese company Greenvolt-Energias Renovaveis following a proposal from KKR, which is seeking to expand its presence in renewable energies.

ASSET BREAKDOWN



CORRELATION MATRIX

	Cigogne M&A Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne M&A	100.00%	4.25%	73.78%
ESTR	4.25%	100.00%	2.63%
HFRX HF Index	73.78%	2.63%	100.00%

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31/01/2024



INVESTMENT OBJECTIVES

The choice of the assets is guided by an arbitration of mergers and/or acquisitions, consisting in benefiting from the price differences, which can appear at the time of takeover bids or exchange. Based on a solid and detailed analysis of the economic, legal and competitive frameworks, initiated operations are mainly held until the finalization of the offer. The portfolio only focuses on declared M&A situations. Initiated strategies consist in acquiring shares of the target company (cash offer) and selling shares of the acquirer (stock, cash and stock offer) or conversely if we expect the bid to fail. The sub-fund may also develop strategies on corporate action arbitrage such as preferential subscription rights.

FUND SPECIFICS

Net Asset Value :	€	145 673 073.96
Net Asset Value (O Unit) :	€	32 267 695.92
Liquidative Value (O Unit) :	€	47 450.93
ISIN Code :		LU0648563830
Legal Structure :		FCP - SIF, AIF
Inception Date of the fund :		November 16 th 2004
Inception Date (O Unit) :		November 16 th 2004
Currency :		EUR
NAV calculation date :		Monthly, last calendar day of the month
Subscription / redemption :		Monthly
Minimum Commitment:	€	125 000.00
Minimum Notice Period:		1 month

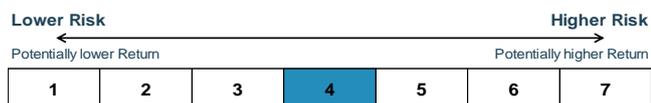
MAIN EXPOSURES (In percentage of gross asset base)

ADEVINTA	5.22%
IMMUNOGEN	4.04%
KARUNA THERAPEUTICS	3.87%
OLINK HOLDING	3.21%
CEREVEL THERAPEUTICS	3.20%

Management Fee:	1,50% per annum
Performance Fee :	20% above €STR with a High Water Mark

Country of Registration :	FR, LU
Management Company:	Cigogne Management SA
Investment Advisor:	CIC Marchés
Depository Bank:	Banque de Luxembourg
Administrative Agent:	UI efa
Auditor:	KPMG Luxembourg

RISK PROFILE



The risk category has been determined on the basis of historical data and may not be a reliable indication of the future risk profile. The risk and reward category shown does not necessarily remain unchanged and the categorization of the fund may shift over time.

REASONS TO INVEST IN CIGOGNE M&A ARBITRAGE

In addition to traditional financial investment, alternative investments aim to provide investors with absolute performances independent from the return of traditional asset classes such as shares, bonds etc. With these objectives, alternative investments can be construed as the natural complement to assets allocation between classical portfolio investment and risks managed performance strategies that take advantages of market inefficiencies.

Cigogne Management S.A. is the alternative asset management branch of Crédit Mutuel Alliance Fédérale, a major actor in the industry. Cigogne Management S.A. benefits from CIC Marchés' deep expertise. Cigogne Management S.A. currently manages the Cigogne Fund, Cigogne UCITS and Cigogne CLO Arbitrage funds (single-strategy funds) as well as the Stork Fund (multi-strategy funds).

Cigogne Fund - M&A Arbitrage aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes by setting up arbitrage strategies taking advantage of disrupted and modified interest rate curves.

DISCLAIMER

The information contained herein is provided for information purposes only and shall only be valid at the time it is given. No guarantee can be given as to the exhaustiveness timeliness or accuracy of this information. Past performance is no indication of future returns. Any investment may generate losses or gains. The information on this document is not intended to be an offer or solicitation to invest or to provide any investment service or advice. Potentially interested persons must consult their own legal and tax advisor on the possible consequences under the laws of their country of citizenship or domicile. Any person must carefully consider the suitability of their investments to their specific situation and ensure that they understand the risks involved. Subscriptions to fund shares will only be accepted on the basis of the latest prospectus and the most recent annual reports.

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