

# CIGOGNE FUND

M&A Arbitrage  
30/04/2024



Assets Under Management : 145 184 814.88 €

Net Asset Value (O Unit) : 47 991.26 €

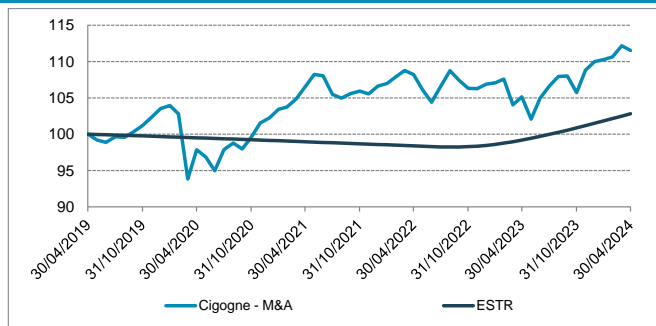
## PERFORMANCES

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2024	0.24%	0.34%	1.38%	-0.58%									<b>1.38%</b>
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%	<b>2.93%</b>
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%	<b>0.22%</b>
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%	<b>4.30%</b>
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%	<b>-1.24%</b>

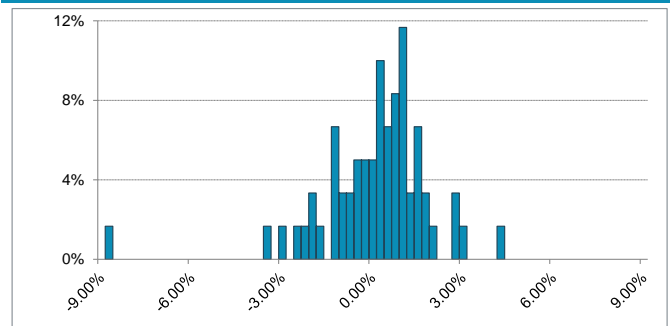
## PORTFOLIO STATISTICS SINCE 31/12/2004 AND FOR 5 YEARS

	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	11.53%	379.32%	2.82%	16.41%	3.23%	-6.44%
Annualised Return	2.20%	8.44%	0.56%	0.79%	0.64%	-0.34%
Annualised Volatility	6.47%	9.47%	0.49%	0.44%	4.60%	5.38%
Sharpe Ratio	0.25	0.81	-	-	0.02	-0.21
Sortino Ratio	0.36	2.03	-	-	0.02	-0.28
Max Drawdown	-9.73%	-14.71%	-1.76%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	12	46	11	16	> 6	> 49
Positive Months (%)	63.33%	72.84%	31.67%	53.02%	55.00%	57.33%

## PERFORMANCE (Net Asset Value)



## DISTRIBUTION OF RETURNS (Monthly Basis)

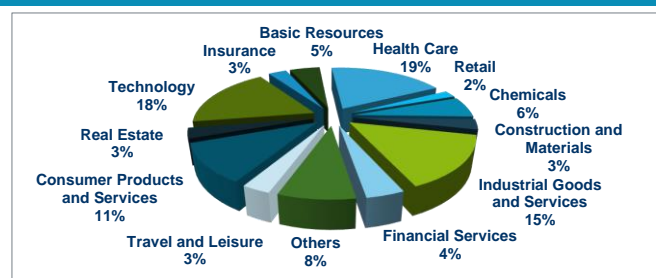


## INVESTMENT MANAGERS' COMMENTARY

Although several large bids made the headlines in April (BHP Group's \$36 bn offer for Anglo American and a private equity consortium's \$26 bn approach for Paramount, in particular), none of them has turned into a binding offer. However, our investment universe was strengthened by the announcement of several major transactions, including Johnson & Johnson's acquisition of Shockwave Medical for \$12.3 bn and International Paper's bid valuing British packaging company DS Smith at more than \$9.3 bn.

Our business proved difficult this month as investors sold out of risky assets. Major deals such as Capri Holdings and United States Steel saw their discount widen over the period. First, the Federal Trade Commission has moved to block Tapestry's acquisition of Capri Holding. To that end, it brought a legal action arguing primarily that the deal would eliminate competition in the "accessible luxury" segment, to which the Coach, Kate Spade and Michael Kors brands belong. Although 70% hedged by options, our exposure to the multinational fashion company significantly harmed the portfolio's monthly performance. Second, the mega-merger between US Steel and Nippon Steel has gone quiet, making investors more concerned about whether the deal will be finalised. Once again, political developments and multiple interventions by senators now provide the backdrop to the review of the merger by the Committee on Foreign Investment in the United States (CFIUS). With the current lack of transparency surrounding the deal, we are retaining a minimal holding in the company, even though its shares are trading at a discount of close to 50%. However, several pieces of good news helped to offset the downward trend in performance. The construction sector information software developer Byggfakta Group Nordic saw a 13% increase in the takeover price offered by a private equity consortium. The sub-fund also benefitted from the receipt of an additional payment on Achillion Pharmaceuticals following its incorporation by Alexion Pharmaceuticals in July 2021 and the strengthening, at an attractive price, of the Taisho Pharmaceutical strategy in the context of its delisting. We have remained active in this widespread increase of M&A discounts by investing in older strategies such as Inhibrx, latter-stage transactions such as JSR or lower-cap deals such as the UK self-storage company Lok'nStore Group.

## ASSET BREAKDOWN



## CORRELATION MATRIX

	Cigogne M&A Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne M&A	100.00%	4.41%	74.12%
ESTR	4.41%	100.00%	4.99%
HFRX HF Index	74.12%	4.99%	100.00%

# CIGOGNE FUND

## M&A Arbitrage

30/04/2024



### 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 :	€	145 184 814.88
Net Asset Value (O Unit) :	€	32 635 134.08
Liquidative Value (O Unit) :	€	47 991.26
ISIN Code :		LU0648563830
Legal Structure :		FCP - SIF, AIF
Inception Date of the fund :		November 16 <sup>th</sup> 2004
Inception Date (O Unit) :		November 16 <sup>th</sup> 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)

JSR	5.38%
BENESSE HOLDINGS	5.16%
OUTSOURCING	4.27%
BENEFIT ONE	3.30%
ADEVINTA	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.

### CONTACT

#### CIGOGNE MANAGEMENT S.A.

18 Boulevard Royal  
L - 2449 Luxembourg  
LUXEMBOURG

[www.cigogne-management.com](http://www.cigogne-management.com)

[contact@cigogne-management.com](mailto:contact@cigogne-management.com)

