

CIGOGNE FUND

ABS/MBS Arbitrage

31/12/2025



CIGOGNE
MANAGEMENT

Assets Under Management : 187 179 453.12 €

Net Asset Value (O Unit) : 22 801.42 €

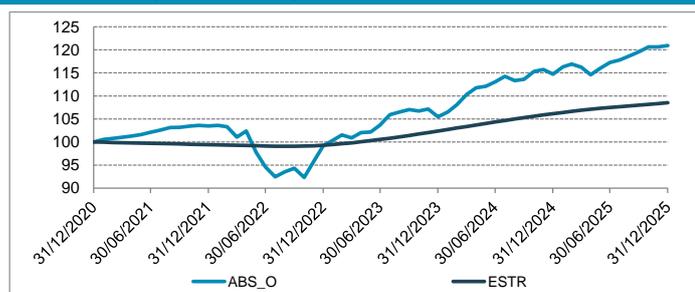
PERFORMANCES

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2025	1.37%	0.53%	-0.58%	-1.40%	1.23%	1.08%	0.46%	0.75%	0.74%	0.89%	-0.01%	0.25%	5.40%
2024	0.98%	1.47%	2.08%	1.31%	0.29%	0.86%	1.07%	-0.82%	0.28%	1.46%	0.39%	-0.89%	8.78%
2023	1.22%	1.12%	-0.63%	1.15%	0.11%	1.49%	2.17%	0.56%	0.48%	-0.28%	0.39%	-1.56%	6.34%
2022	0.15%	-0.28%	-2.18%	1.30%	-4.52%	-3.26%	-2.26%	1.22%	0.79%	-2.11%	3.74%	3.57%	-4.14%
2021	0.56%	0.20%	0.27%	0.23%	0.35%	0.52%	0.46%	0.50%	0.04%	0.27%	0.14%	-0.12%	3.46%

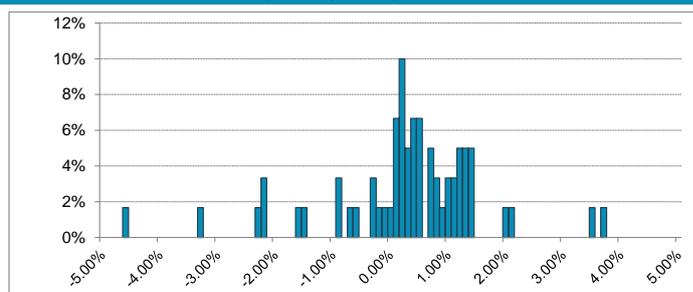
PORTFOLIO STATISTICS FOR 5 YEARS / SINCE 30/06/2006

	Cigogne ABS/MBS Arbitrage		ESTR		HFRX Global Hedge Fund EUR Index	
	5 years	From Start	5 years	From Start	5 years	From Start
Cumulative Return	20.92%	128.01%	8.53%	18.05%	5.73%	-2.85%
Annualised Return	3.87%	4.31%	1.65%	0.85%	1.12%	-0.15%
Annualised Volatility	4.73%	10.73%	0.51%	0.46%	2.83%	5.27%
Sharpe Ratio	0.47	0.32	-	-	-0.19	-0.19
Sortino Ratio	0.74	0.38	-	-	-0.32	-0.25
Max Drawdown	-10.90%	-52.14%	-0.92%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	8	22	7	16	23	> 69
Positive Months (%)	75.00%	79.91%	65.00%	53.42%	58.33%	58.12%

PERFORMANCE (Net Asset Value)



DISTRIBUTION OF RETURNS (Monthly Basis)

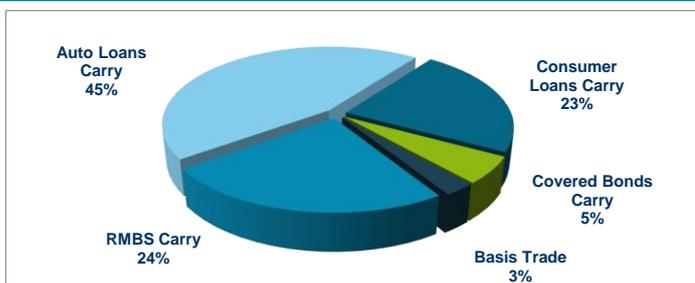


INVESTMENT MANAGERS' COMMENTARY

The performance of the ABS/MBS Arbitrage fund was +0.25%. The sub-fund posted an annual performance of +5.40%.

Sources of economic and political tension were numerous throughout 2025, including the announcement of new tariffs by Donald Trump, armed conflicts in Europe and the Middle East, the widening of deficits in many countries, rising public spending related to defence, and changes in the monetary policies of major central banks. Despite this environment, the global economy maintained robust momentum, exceeding expectations. In the United States, activity was supported by strong consumer spending and long-term investments in technology and artificial intelligence, despite a gradual slowdown in the labour market observed from mid-year onward. In the euro area, the recovery remained subdued, weighed down by weakness in the industrial sector but partially offset by increased fiscal support. Over the final quarter, the Federal Reserve implemented three rate cuts of 25 bps each. For its part, the ECB completed its easing cycle after four consecutive rate cuts during the first half of the year. Against this backdrop, the European securitization market performed well overall. The bankruptcy in September of subprime auto lender Tricolor Holdings had no impact on spreads outside the U.S. market and did not dampen investor appetite in the European primary market. French securitized assets were also unaffected by budget negotiations or by Fitch's downgrade of France's sovereign rating from AA- to A+. By the end of 2025, European distributed securitized issuance totalled approximately +€ 95.7 Bn, a record level, increasing further after an already remarkable year in 2024. The United Kingdom, Germany, and Spain were the three largest contributors to distributed issuance volumes in 2025, with +€ 38.2 Bn, +€ 16.6 Bn, and +€ 10.9 Bn respectively. In the UK, nearly two-thirds of distributed volumes consisted of RMBS, while German and Spanish issuance focused primarily on auto ABS and consumer loans, respectively. The sub-fund benefited from a particularly dynamic primary market, enabling the launch of numerous new strategies over the course of the year, notably in the auto ABS and consumer loan segments. Overall, investor demand remained strong throughout the year, with pronounced interest in mezzanine tranches, which, as in 2024, were especially successful. Largely oversubscribed, spreads on these tranches also outperformed those of the most senior tranches. As a result, AAA RMBS spreads tightened by only 3 to 4 bps on average, while auto ABS spreads remained stable and consumer loan spreads tightened by approximately 15 bps (source: JPM). In this context, the sub-fund's performance was driven primarily by carry.

ASSET BREAKDOWN



CORRELATION MATRIX

	Cigogne ABS/MBS Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne ABS/MBS	100.00%	26.88%	29.32%
ESTR	26.88%	100.00%	22.75%
HFRX HF Index	29.32%	22.75%	100.00%

CIGOGNE FUND

ABS/MBS Arbitrage

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INVESTMENT OBJECTIVES

Strategies set forth in the ABS / MBS Arbitrage compartment span across two specialties:

- ABS (Asset Backed Securities), MBS (Mortgage Backed Securities) and Covered Bonds arbitrage, which consist in exploiting price inefficiencies between asset backed notes and their refinancing cost (notes purchase related borrowing cost);
- Basis Trade arbitrage, which consists in taking advantage of the spread between the premium offered by a secured note and the CDS premium of the related issuer.

All these strategies focus on the credit component of the underlying financial instruments; any interest rate exposure is systematically hedged. The portfolio is today composed of ABS/MBS and Covered Bonds of high quality, benefiting from a AA- rating (at least) and a weighted average life of 2 years (except on basis arbitrage strategies). The portfolio is well diversified, with more than forty strategies on average.

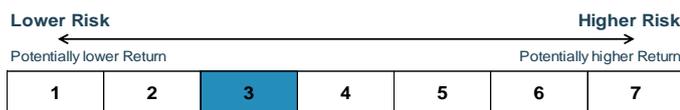
MAIN EXPOSURES (In percentage of gross asset base)

SUNRI 2025-2 A EUR1+72 27/10/50	3.19%
CAR 2024-G1V A EUR1+52 18/01/36	2.78%
VCL 46 A EUR1 21/07/31	2.58%
BPCL 2024-1 A EUR1+70 31/10/42	2.58%
ACAHB 2024-1 A1 EUR3+56 27/12/61	2.41%

FUND SPECIFICS

Net Asset Value :	€	187 179 453.12
Net Asset Value (O Unit) :	€	2 447 002.84
Liquidative Value (O Unit) :	€	22 801.42
ISIN Code :		LU0648560224
Legal Structure :		FCP - SIF, AIF
Inception Date of the fund :		June 30 th 2006
Inception Date (O Unit) :		April 30 th 2011
Currency :		EUR
NAV calculation date :		Monthly, last calendar day of the month
Subscription / redemption :		Monthly
Minimum Commitment:	€	100 000.00
Minimum Notice Period:		1 month
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 ABS/MBS 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 - ABS/MBS Arbitrage aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes by setting up Asset-Backed Securities (ABS) arbitrage strategies, Mortgage-Based Securities (MBS) strategies and Covered Bonds strategies.

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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