

# CIGOGNE FUND

M&A Arbitrage  
31/12/2025



Assets Under Management : 197 986 852.79 €

Net Asset Value (O Unit) : 54 995.93 €

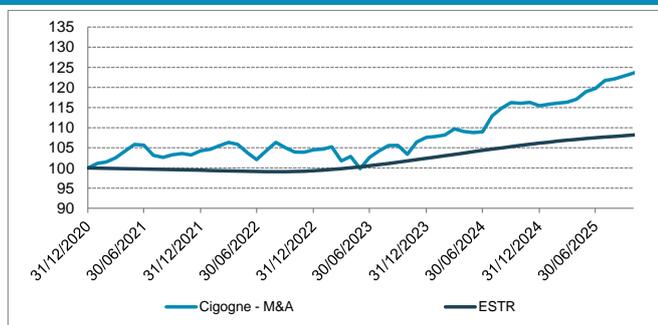
## PERFORMANCES

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2025	0.31%	0.24%	0.20%	0.63%	1.61%	0.69%	1.65%	0.31%	0.57%	0.61%	0.76%	0.40%	<b>8.27%</b>
2024	0.24%	0.34%	1.38%	-0.58%	-0.24%	0.15%	3.63%	1.73%	1.20%	-0.18%	0.21%	-0.72%	<b>7.31%</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>

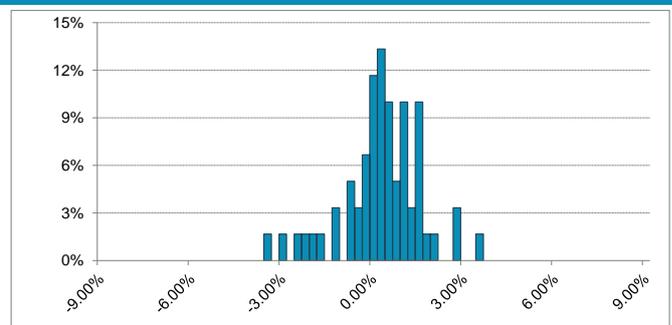
## PORTFOLIO STATISTICS SINCE 31/12/2004 AND FOR 5 YEARS

	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	25.00%	449.28%	8.53%	21.83%	5.73%	0.31%
Annualised Return	4.56%	8.44%	1.65%	0.94%	1.12%	0.01%
Annualised Volatility	4.55%	9.12%	0.51%	0.46%	2.83%	5.20%
Sharpe Ratio	0.64	0.82	-	-	-0.19	-0.18
Sortino Ratio	1.11	2.06	-	-	-0.32	-0.24
Max Drawdown	-6.15%	-14.71%	-0.92%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	6	46	7	16	23	> 69
Positive Months (%)	71.67%	73.81%	65.00%	56.75%	58.33%	58.73%

## PERFORMANCE (Net Asset Value)



## DISTRIBUTION OF RETURNS (Monthly Basis)



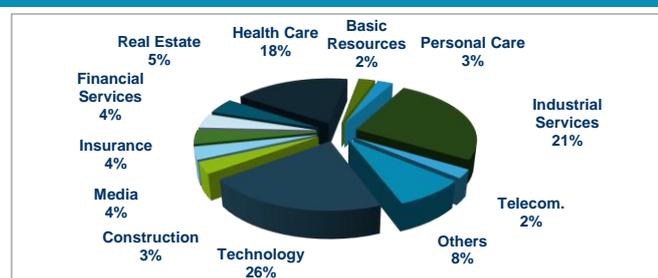
## INVESTMENT MANAGERS' COMMENTARY

While caution, driven by a lack of visibility for participants in our segment, prevailed in the first half of the year, the pace of merger and acquisition announcements accelerated markedly during the second half. The urgent need for transformation among a growing number of companies has also strengthened the use of external growth strategies. As a result, the technology, industrial services, and healthcare sectors were particularly favored over the past year. The return of mega-mergers and cross-border transactions likewise constitutes a tangible signal of the revival of our activity.

December confirmed this momentum, with several large-scale announcements, primarily in the United States. The most emblematic was the bidding battle between Netflix and Paramount Skydance for the acquisition of the entertainment conglomerate Warner Bros Discovery, with the two bidders offering \$98bn and \$104bn respectively. Portfolio strategy performance was more mixed over the past month. Against a backdrop of a denser investment universe, average spreads widened slightly. Our position in Warner Bros Discovery nevertheless proved quickly profitable, as the stock appreciated between Netflix's offer at \$27.75 per share and Paramount Skydance's offer at \$30.00. However, we remain on hold pending more concrete developments in this case, expected as early as the first weeks of January. Conversely, a failed transaction weighed on the segment's monthly performance. Following the paralysis of U.S. government services, which lasted 43 days, the competition authority's decision deadline in the Cross Country Healthcare case was postponed to December 30, well beyond the initial deadline of December 3. In the absence of an agreement between the target and the acquirer on the terms of extending the offer, the transaction lapsed. The position was unwound quickly, as the share price reached the fundamental value we had estimated.

In light of the current momentum, we have chosen to maintain a significant level of investment. In a year-end environment conducive to deal completion (Kellanova, Merus, Verint Systems), we also initiated several new positions (Confluent, JTC), with a predominance of investments in the small-cap segment (Eventbrite, Diamond Hill Investment). The average position size nevertheless remains contained in order to allow for optimal capital deployment as early as January.

## ASSET BREAKDOWN



## CORRELATION MATRIX

	Cigogne M&A Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne M&A	100.00%	12.45%	58.40%
ESTR	12.45%	100.00%	22.75%
HFRX HF Index	58.40%	22.75%	100.00%

# CIGOGNE FUND

## M&A Arbitrage

31/12/2025



### 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 :	€	197 986 852.79
Net Asset Value (O Unit) :	€	38 340 196.90
Liquidative Value (O Unit) :	€	54 995.93
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:	€	100 000.00
Minimum Notice Period:		1 month

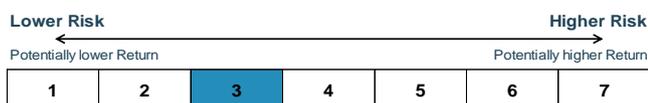
### MAIN EXPOSURES (In percentage of gross asset base)

COVESTRO	8.62%
INTERPUBLIC GROUP / OMNICOM GROUP	6.22%
SCSK	3.83%
SPECTRIS	2.77%
GRUPO CATALANA OCCIDENTE	2.72%

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

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