

CIGOGNE UCITS

M&A Arbitrage

Monthly Factsheet - December 2025



Assets Under Management :

78 654 615 €

Net Asset Value - C1 Shares :

1 344.50 €

INVESTMENT OBJECTIVES

The sub-fund's objective is to generate regular returns not correlated with the main market trends, in a context of risk controls. 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.

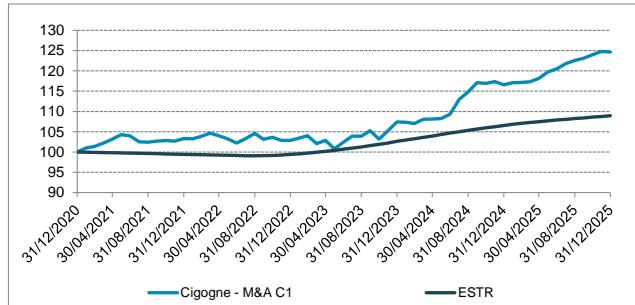
PERFORMANCES

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2025	0.43%	0.07%	0.13%	0.72%	1.34%	0.65%	1.06%	0.64%	0.44%	0.70%	0.66%	-0.12%	6.92%
2024	-0.08%	-0.25%	0.97%	0.04%	0.10%	1.00%	3.36%	1.59%	2.01%	-0.17%	0.39%	-0.67%	8.55%
2023	0.55%	0.55%	-1.88%	0.79%	-2.01%	1.58%	1.48%	-0.03%	1.31%	-1.98%	1.97%	2.10%	4.39%
2022	-0.06%	0.55%	0.79%	-0.60%	-0.78%	-0.97%	1.07%	1.24%	-1.41%	0.47%	-0.72%	0.03%	-0.43%
2021	1.00%	0.37%	0.82%	0.96%	1.08%	-0.34%	-1.38%	-0.11%	0.26%	0.16%	-0.15%	0.62%	3.32%

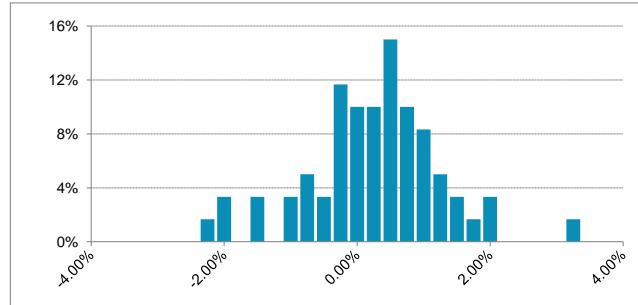
PORTFOLIO STATISTICS FOR 5 YEARS / SINCE 03/05/2013

	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	24.65%	34.45%	8.95%	6.18%	5.73%	2.41%
Annualised Return	4.50%	2.36%	1.73%	0.47%	1.12%	0.19%
Annualised Volatility	3.46%	4.21%	0.24%	0.20%	3.05%	4.01%
Sharpe Ratio	0.80	0.45	-	-	-0.20	-0.07
Sortino Ratio	1.36	0.65	-	-	-0.31	-0.10
Max Drawdown	-4.03%	-18.29%	-0.94%	-3.52%	-8.68%	-19.68%
Time to Recovery (m)	3.23	52.62	6.92	16.15	23.54	> 71.54
Positive Months (%)	68.33%	68.42%	66.67%	32.89%	61.67%	58.55%

PERFORMANCE (NAV) FOR 5 YEARS



DISTRIBUTION OF MONTHLY RETURNS FOR 5 YEARS



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.

MAIN POSITIONS

TARGET	ACQUIRER	WEIGHT	PAYMENT TYPE	TARGET SECTOR	GEOGRAPHICAL ZONE
DAYFORCE	THOMA BRAVO	3.25%	Cash	Technology	United States
CYBERARK SOFTWARE	PALO ALTO NETWORKS	2.31%	Cash & Stock	Technology	United States
KENVUE	KIMBERLY-CLARK	2.26%	Cash & Stock	Personal Care	United States
AVADEL PHARMACEUTICALS	ALKERMES	2.18%	Cash	Health Care	United States
AVIDITY BIOSCIENCES	NOVARTIS	2.15%	Cash	Health Care	United States

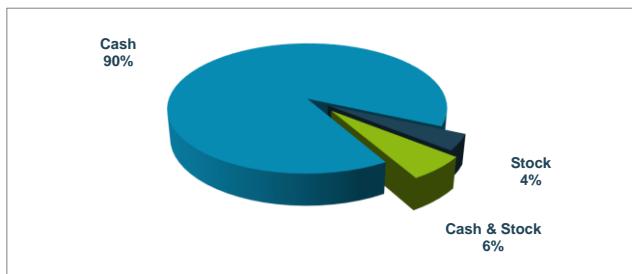
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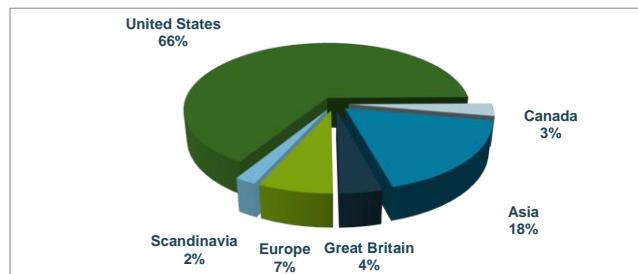
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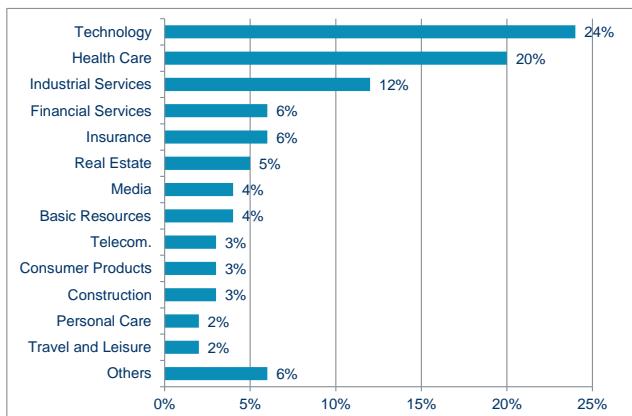
PAYMENT TYPE



GEOGRAPHICAL BREAKDOWN



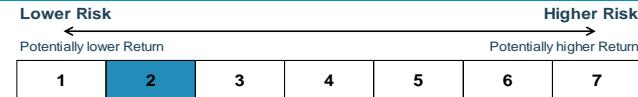
SECTORIAL BREAKDOWN



PORTFOLIO STATISTICS

Number of strategies	122
New strategies	24
Closed strategies	31
Time to completion (days)	81
Small Cap (<750 MUSD)	23%
Large Cap (>750 MUSD)	77%

RISK PROFILE



CHARACTERISTICS

Management Company	Cigogne Management SA	ISIN code	LU0893376664
Advisor	CIC Marchés	Management Fee	1,50%
Domiciliation	Luxembourg	Performance Fees	20% above ESTR with a High Water Mark
Fund's Inception Date	March 2013	Subscription Fee	Up to 2%
Legal Form	SICAV UCITS	Redemption Fee	None
Valuation	Weekly, every Friday	Minimum Subscription	EUR 1.000
Liquidity	Weekly	Subsequent Subscription	EUR 1.000
Cut-Off	2 Business Days	Country of Registration	LU, FR, BE, DE, CH, ES
Depositary Bank	Banque de Luxembourg		
Administrative Agent	UI efa		
Auditor	KPMG Luxembourg		

DISCLAIMER

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