

↑ +0.20%\*

# Mygale Event Driven UCITS Fund

## Event Driven

February 2021

### Performance Returns

\*The Mygale Event Driven UCITS Fund USD Institutional Class returned +0.20% during the month of February.

### Investment Objective & Strategy

An active trading approach to European Focused Event Driven Equity.

The fund follows predominantly merger arbitrage and catalyst driven strategies. We hold 40-60 positions with a typical net exposure of up to 50% and gross of between 100% and 200%. Our trading approach has a three tiered methodology designed to capture additional alpha for every position. Trades are structured with the intention of embedding optionality and favourably skew risk, with sharpened timing and market feel from our trading background. We frequently question our investment thesis, and conduct fundamental in-house research with the understanding that company specialists may know more. We are not wedded to any positions and do not believe we have the 'information edge.' Therefore, we systematically consult the market through deep local broker relationships and industry specialists. We are constantly looking for trades with fundamental value, and situations with the possibility of counter bids and bump catalysts and try to avoid the 'home run' mentality.

### Monthly Commentary

February proved to be another particularly busy period with more than 10 new investments added to the portfolio. Ultimately however, the month was a frustrating one which didn't deliver the returns we had expected. Having started out strongly, performance suffered near month end due to the unexpected withdrawal of Garda World from the auction process for G4S. Surprisingly, on 22nd February, Garda World announced that they were pulling out of the process, just as it had started - a particularly strange thing to do having taken all necessary steps in agreeing the structure of the auction process with the Takeover Panel only weeks previously. As a result of this, G4S was the main detractor to performance this month.

### Positions of Interest

There continues to be lots of activity across the portfolio with many deal situations at early stages of their lifecycles. Some of these early stage investments are already seeing catalysts start to deliver – such as our investment in German commercial real estate company CA Immobilien (CAI). Initiated back in January, the deal has already seen Starwood, the buyer, bump their bid price from €34.44 to €36. CAI is particularly attractive due to having a large land bank on it's books that has significant development potential. Staying with Starwood, they were active once more in February, this time bidding for RDI Reit in the UK. RDI has a portfolio of mainly London based commercial property, and Starwood, having bought a 30% shareholding last year are now bidding for the balance – the bid notably being pitched at a significant discount to NAV!

Our investment in Tikkurilla, discussed in last months commentary, delivered as we'd expected, with PPG increasing their bid yet again, to a price of €34 per share. The higher price combined with irrevocables from shareholders taking PPG's holding to 29.34% proved decisive and forced Akzo Nobel to concede defeat.

### Monthly Share Class Performance Breakdown

USD Ins.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2021	-0.47%	+0.20%											-0.27%
2020	-0.24%	-0.24%	-3.75%	1.26%	-0.34%	0.15%	0.57%	0.75%	0.08%	0.12%	2.31%	1.73%	2.30%
2019	0.60%	0.19%	0.34%	0.51%	-0.20%	1.43%	0.67%	0.15%	0.16%	-0.11%	0.29%	0.28%	4.39%
2018	0.63%	0.96%	-0.23%	0.36%	-0.27%	0.63%	0.22%	0.06%	0.90%	-0.48%	0.42%	0.20%	3.43%
2017	0.00%	0.30%	0.47%	0.61%	0.04%	0.22%	0.46%	0.19%	0.26%	0.56%	0.16%	0.74%	4.06%
2016	0.97%	0.43%	0.02%	0.67%	0.47%	0.03%	2.83%	0.76%	0.84%	-1.56%	0.03%	1.02%	6.65%

The performance figures quoted above for the USD Share Class represents the performance of the Mygale Event Driven UCITS Fund USD Institutional Share Class since launch. These performance figures refer to the past and past performance is not a reliable guide to future performance.

### The Manager



**Neil Tofts** has over 20 years' experience successfully running event driven portfolios and funds, and 23 years in derivatives. As Managing Director and Head of Event Driven Investments for Merrill Lynch in London, he was responsible for a European focused, Global Event Driven portfolio. From 2007 he was Head of Global Event Driven Investments at KBC Alternative Investment Management in London where he established and ran a 4 person team. Prior to this in 2000, Neil founded the London office of Deephaven Capital Management. He has also managed Event Driven investments at Paribas and NatWest Markets. He graduated with a BA (Hons) in Business Studies from Oxford Brookes University.

**Ken Li Chung** was previously a Vice President at Bank of America Merrill Lynch in London where, most recently, he had full responsibility for the European Event Driven trading franchise. He has over nine years of investment experience, having joined BAML in 2008 and has also been responsible for a European focused fundamental equity portfolio as well as index and portfolio trading. Ken Li graduated with a BA (Hons) in Economics from the London School of Economics and Political Science, and is a CFA Charterholder.

### Fund Facts

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Daily
Fund AUM	\$302 million
Inception	1 January, 2016

#### Share Class Institutional/Institutional Pooled

Currency	EUR/USD/CHF/GBP
Mgt. Fee	1.50%
Perf. Fee	20.00%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BYRPFQ61/IE00BYRPFV15 USD: IE00BYRPF92/IE00BYRPFY46 CHF: IE00BYRPF585/IE00BYRPFX39 GBP: IE00BYRPF78/IE00BYRPFW22

#### Share Class Institutional F/Retail Pooled

Currency	EUR/USD/CHF/GBP
Mgt. Fee	1.25%/2.00%
Perf. Fee	15.00%/20.00%
Min Init. Sub.	10,000,000/10,000
ISIN Codes	EUR: IE00BYRPG302/IE00BYRPFZ52 USD: IE00BYRPG633/IE00BYRPG294 CHF: IE00BYRPG526/IE00BYRPG187 GBP: IE00BYRPG419/IE00BYRPG070

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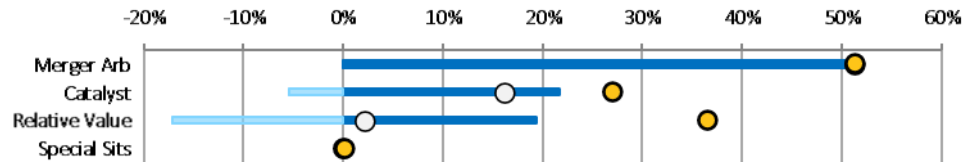
### Portfolio Exposures

#### Risk Metrics

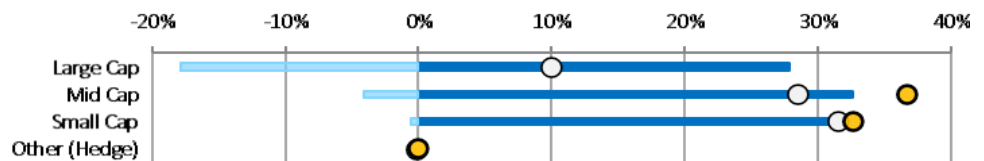
LONG EXPOSURE <sup>2</sup>	92.69%
SHORT EXPOSURE <sup>2</sup>	-22.53%
GROSS EXPOSURE <sup>2</sup>	115.22%
NET EXPOSURE <sup>2,4</sup>	19.46%
SHARPE RATIO <sup>3</sup>	1.37
SORTINO RATIO <sup>3</sup>	2.01
VOLATILITY <sup>3</sup>	2.87%
VAR <sup>1</sup>	7.43%
NO OF POSITIONS	76

1. VaR is calculated using a confidence level of 99% and a holding period of 20 working days. The VaR model used by the Sub-Fund typically uses data from the last 200 weeks or greater, but a shorter observation period may be used in instances of recent significant changes in price volatility.
2. Based on information from the administrator and as a percentage of the fund AUM in USD including currency hedge for share classes.
3. Based on monthly net portfolio performance
4. The net figure excludes cash merger deals.

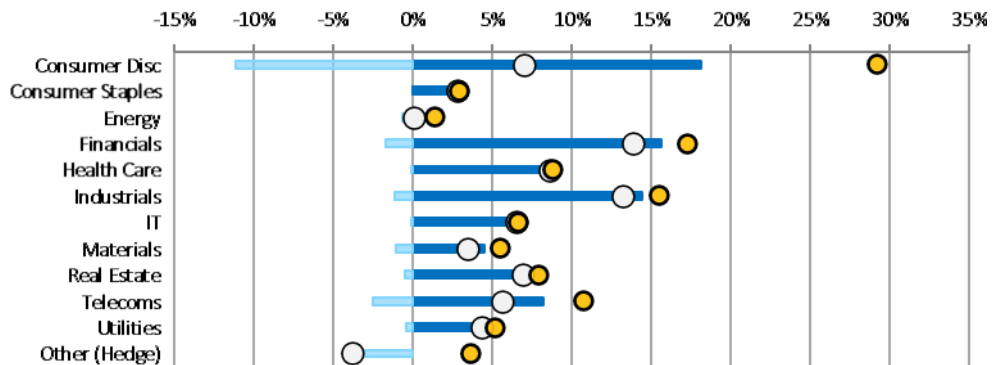
### Exposure By Strategy<sup>2</sup>



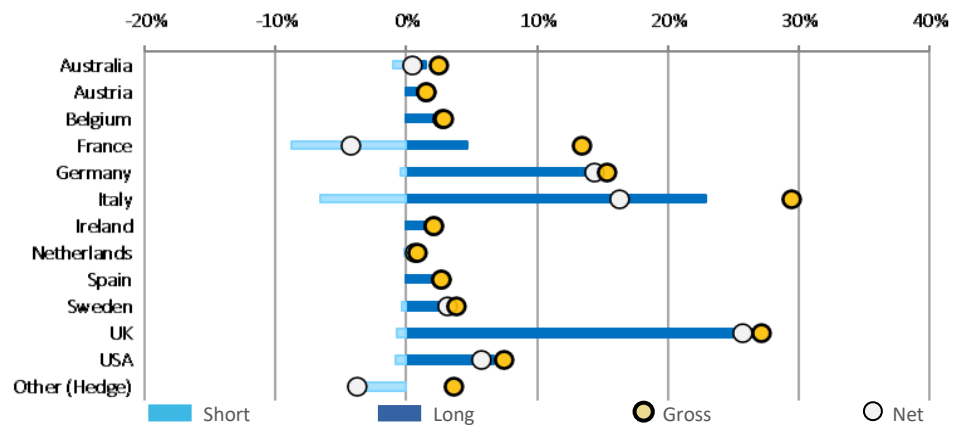
### Exposure By Market Cap<sup>2</sup>



### Exposure By Sector<sup>2</sup>



### Exposure By Geography<sup>2</sup>



### Contact Details

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