RECAP 2024 & OUTLOOK 2025

January 19th 2025

THE HELIUM FUNDS

Please find below a summary of Helium funds performances

FUNDS	STRATEGIES	LAUNCH	PERFORMANCE 2024	SHARPE RATIO /INCEPTION	VOLATILITY /INCEPTION	AUM M EUR
HELIUM FUND I EUR	Equity	18.12.15	**3.87%**	1.05	1.62%	952
HELIUM PERFORMANCE S EUR	Equity	03.05.13	**4.31%**	1.24	2.68%	831
HELIUM SELECTION S EUR	Equity	26.09.14	**4.69%**	1.16	4.42%	953
HELIUM GLOBAL EVENT DRIVEN FUND S EUR	Equity	17.11.23	**11.05%**	1.58	4.93%	28
HELIUM INVEST S EUR	Crédit	07.06.19	**4.88%**	0.85	3.83%	230

Source: Syquant Capital 31.12.2024. Past performance is not indicative of future performance. The performances presented take management fees into account, which vary depending on the fund shares and impact net returns. The minimum subscription amount also differs according to the fund shares presented. Please refer to the official documentation (prospectus and KID) available at www.syquant-capital.fr for more details.

Despite 2024 being a challenging year, our M&A arbitrage strategy avoided many pitfalls, particularly in the US, by taking a cautious approach.

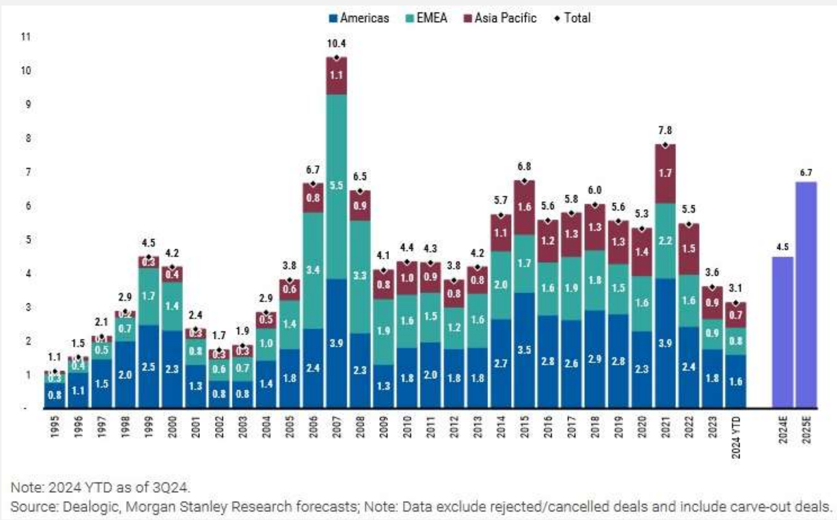
Looking ahead, the election of Donald Trump in 2025 is expected to significantly change the M&A landscape, particularly in the US. A more business-friendly regulatory environment should boost corporate confidence, facilitating larger, more ambitious deals, particularly in sectors like Energy, Finance, and Industry. This should also positively influence M&A activity in Europe. However, caution is advised in sensitive sectors like Media, Tech, and Health, as well as regarding foreign acquisitions of US companies due to stricter CFIUS regulations.

Overall, the outlook for M&A in 2025 is positive, with an anticipated rise in deal flow, particularly from private equity, driven by a more favorable economic and regulatory environment.

RECAP EVENT DRIVEN EQUITY MERGER ARBITRAGE (M&A)

In 2024, global M&A volumes reached $3.5 trillion, which represented a 12% increase compared to 2023, with strategic deals representing 71% of the total. However, these volumes still lagged historical averages as private equity actors remained shy due to high and increasing interest rates causing uncertainty on the borrowing costs. In addition, political uncertainty was a further factor in ebbing M&A deal-flow: the run up to the US presidential election, several general elections in Europe (e.g. UK, France) all provided a backcloth of uncertainty... not forgetting geopolitical conflicts across many continents.

Annouced M&A Volume by Region ($TR)



Source: Morgan Stanley

Although it was another complicated year for our M&A arbitrage strategy, we nevertheless managed to avoid numerous pitfalls (mainly in the US), by adopting a cautious approach: avoiding deals with obvious anti-trust issues in the US or deals with an uncertain investment horizon. Hence the US M&A book was significantly downsized compared to the historic average. The European M&A book helped to deliver a satisfactory positive performance with low volatility. This year's performance can be divided into two distinct geographical zones:

- Europe: with a satisfactory deal flow relative to historical levels with attractive spreads.

- North America: with numerous deals under pressure from anti-trust regulators (FTC and DOJ), the time to completion of deals, frequently delayed by regulatory issues, these risks, however, were not necessarily well reflected in deal spreads: overall, a poor risk-reward profile in the US this year.

In view of the poor profitability of US portfolios, we decided to reduce our exposure to this region, a decision which enabled us to avoid the higher rate of deal failures and achieve a good performance relative to the environment.

Deal failures included DS Smith/Mondi in Europe, Capri/Tapestry and Albertson/Kroger in the US, as well as Hess/Chevron, Juniper/HPE and Amedisys/UNH (deals still in progress, but which suffered from wide spreads), and China TCM/Sinopharm in Hong Kong.

2025 M&A OUTLOOK

AN INCREASE IN STRATEGIC ACTIVITY

Trump's election represents a real change for the M&A environment in 2025. From an M&A perspective, Donald Trump’s election is heralded on Wall Street as a real gamechanger for US M&A activity and it should have positive repercussions on the M&A activity in Europe as well.

After several years of reduced deal flow, a longer and uncertain transaction schedule and more frequent merger blockages by the US anti-trust regulators under the Biden administration, Trump's election should free up US M&A by restoring corporate confidence to embark on more mergers and including on more ambitious mega deals. Indeed, a friendlier regulatory environment should encourage corporates to trigger deals, particularly in sectors such as Energy, Finance and Industry. In 2025, a more favorable context within M&A should express itself with a higher risk appetite for the strategy. Our positive conviction on the strategy will be expressed across all the Helium funds and especially our AIF structure “Helium Global Event Driven Fund” which is unconstrained by UCITS limits (e.g. 10% or 5%&40% rules).

That said, it will remain necessary to be selective and cautious in certain sectors that may be more sensitive during the Trump era, such as Media (we all recall the difficulty faced by the Time Warner/ATT deal during the first Trump administration), Tech and to a lesser extent Health . A word of caution also on acquisitions of American corporates by foreigners with the CFIUS (regulator for foreign investment in the US) probably more restrictive than before (for example deals such as US Steel/Nippon Steel).

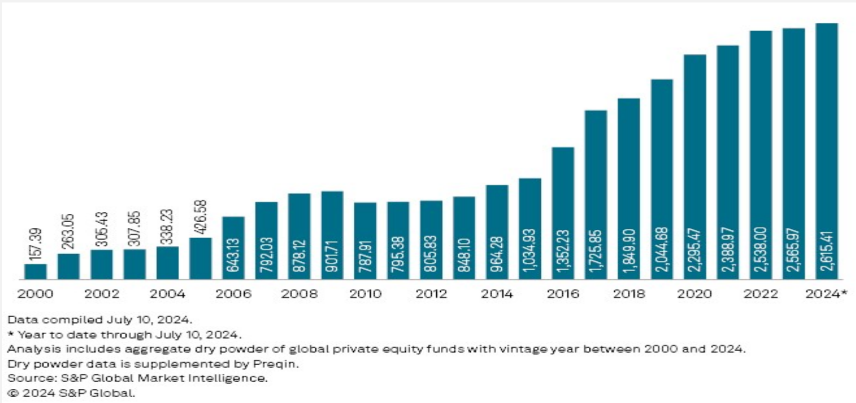
INCREASED PRIVATE EQUITY ACTIVITY

Private Equity activity was low during the last years affected by higher interest rates which resulted in higher borrowing costs. More stable financing conditions in 2025 are expected to spur M&A activity from private equity actors.

Private equity actors are sitting on an increasing amount of uncommitted capital. According to S&P Global Market Intelligence and Preqin data, global private equity and venture capital funds held a record $2.62 trillion of total uncommitted capital as of 10th July 2024.

This dry powder combined with expected increases in monetisation for capital recycling should spur an increased level of M&A deals in 2025 coming from private equity.

Global Private Equity dry Powder trend, 2000-2024



Source : JP Morgan

INCREASED CROSS-BORDER ACTIVITY

The valuation gap between the US and European equities reached historic highs with the election of Donald Trump. His administration's renewed "America First" policies have raised the specter of tariffs on key European exports rattling investor confidence in European equities.

Furthermore, while U.S. equity markets were buoyed by strong corporate earnings in a resilient economy, European markets struggled under the weight of slower economic growth and political uncertainty – France and Germany for example seem to culminate political and economic woes.

For event-driven strategies, this divergence will probably create opportunities in U.S-Europe cross-border mergers. U.S. companies are well-positioned to acquire undervalued European targets, and we expect to see more cross-border mergers.

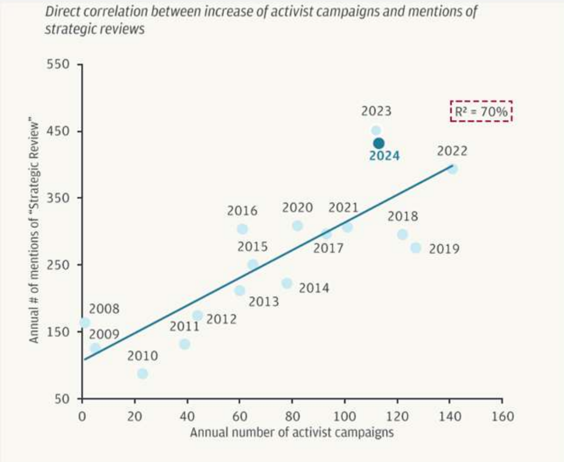
Soft-catalyst trades should also benefit as European corporates – especially those with larger US or Non-European activities – may be drawn to list their company in the US rather than keep their traditional European listing. Linde, the German industrial gases leader, and other European companies have shown the way while others may follow in 2025.

Spinning out the US activities, may be another way to give European shareholders "value for money" and benefit from the US / European valuation gap.

CORPORATE ACTIVISM

With a general market consensus on a robust M&A environment, the conditions are favorable for global activist campaigns. M&A is usually the preferred solution for correcting undervaluations identified by activists, with the latter forcing the Boards to undertake strategic reviews.

Relationship between activism and strategic reviews



Source: JP Morgan

RECAP 2024 SOFT CATALYST

2024 was not a very good vintage for the Soft Catalyst's strategy.
Obviously, political factors in Europe came into play and dampened corporate boards from making major strategic moves but the deal flow none-the-less remained sustained all be it below historic average. A very large number of positive trades but without any very specific outliers or major performance contributors.

It was encouraging to see the return of IPOs – all be it a timid revival but a positive sign after the complete halt in 2022 and 2023.

The forward dividend arbitrage was a positive contributor until September when a dividend warning by BASF and a complete reappraisal and downgrade of the car and automobile sector sent forward dividends into a brief tailspin. We successfully played the partial recovery in October and November.

The "Soft Catalyst Equity" and "Event Driven Credit" portfolio both suffered from two specific deals.
In Q1 2024, Atos went through a major restructuring and saw its stock price and debt plummet. The "Event Driven Credit" portfolio held a short dated exchangeable bond which suffered in sync with all the ATOS corporate debt. In Q4 2024, after a very complex recovery plan, we finally saw a partial recovery.

The "Soft Catalyst Equity" portfolio had amongst its "discount on holdings" trades Vivendi which had been severely undervalued as compared to its sum of the parts. The company split of Vivendi at the end of the year, was deemed to remedy this "holding discount" by splitting the company into four "pure plays". A poorly managed roadshow, uncertainties surrounding the intentions of Vivendi's major shareholder Mr Bolloré, meant that fundamental stock pickers have shunned the 4 new listed stocks whilst "technical sellers" needed to off-load the 4 stocks. PMs remain confident on the recovery and reappraisal of the 4 stocks.

OUTLOOK 2024 Soft Catalyst

Increased IPO activity coming from Private Equity
Financial sponsors are expected to capitalize on favourable market conditions for exits, including IPO's. Since a couple of years, there has been a shortage of monetisation with private equity delaying exits waiting for more favourable market conditions. As of September, 30th 2024, about half of private-equity, portfolio companies are more than 5 years old and close to 30% are 7 years old or more. They may consider finally selling the companies or stakes in companies that they acquired in previous years, returning money to investors from funds nearing the end of their lives in order to raise new funds.
These exists will result to sales to strategic actors, to other financial sponsors but also through IPO's.

Increased corporate restructurings
The valuation gap between the US and European Equities should create opportunities for corporate restructurings and keep the "soft catalyst" desks busy. In the last decade, Syquant has built a strong network within the investment banks and brokers to actively participate in European corporate events.
We also expect the ECM activity to be strong in 2025.

RECAP AND OUTLOOK FOR EVENT DRIVEN CREDIT (HELIUM INVEST)

The strategy's performance for 2024 ended in positive territory but somewhat below our performance objectives, as the fund ended the year with a performance of 4.88% ("S" Euro Share Class), i.e. 1.16% above ESTR (capitalised ESTR 2024 = 3.72%).

Short-Term Credit

Short-term credit delivered a positive but limited performance (+1.13%).

Tight credit spreads have been a constant constraint for our investments in 2024, hence we preferred to run a lower exposure and be patient in finding interesting entry points. The "flash crash" in August in Japan, when Hedge Funds were massively unwinding the " Yen carry trades", was a good example.

The inverted yield curve can be a penalizing factor for our leveraged investments. The cost of funding is financed at the overnight rate or €STR rate whilst our investments tend to have an average duration between 0.6 and 1.8 and hence with an inverted yield curve we suffer from a negative carry.

The ECB's key rate cut in 2024, slower than anticipated by the market, has cost us a few performance points. By way of illustration, the leverage used was around x1.5, whereas historically Helium Invest has used x2. Short-term credit therefore represented only a small part of our investments in 2024.

We are more optimistic about 2025 for this strategy, as market conditions are now more favorable. We will be extending the duration of our investments to take advantage of the more favorable yield curve on maturities between 1 and 2 years.

Event Driven Credit

We remain positive about 2025. Corporate activity on debt and equity (as well as Convertible Bonds) should be more sustained in 2025. Falling rates and tight credit spreads should cater for a very dynamic primary market as corporates are looking to lock in lower rates and attractive spreads for their medium- and long-term refinancing. In addition, other factors such as technological progress linked to AI is an important subject for all corporates and will induce massive investment programmes for all corporates. An improved geopolitical environment (Israel/Gaza, Russia/Ukraine) may also be an added bonus for 2025 and encourage economic growth and improve longer term corporate visibility .

The transformations induced by these factors will be catalysts for all our Event Driven activities. In addition, primary bond activity will be buoyed by expected rate cuts and refinancing of the very many maturities of 2025-2026.

SYQUANT NEWS

INTERNATIONAL DEVELOPMENT

We are delighted to welcome Christina Perri to our International Development team. For more details, please see the attached press release.

HELIUM GLOBAL EVENT DRIVEN FUND*

The fund combines all the Event Driven strategies with an opportunistic approach, applying greater leverage (target gross exposure: 400%) and higher weightings on certain high-conviction transactions. *For qualified or professional investors only.*

Fund exclusively dedicated to professional clients, with a minimum subscription of €100K for share class S.

Carl Dunning-Gribble
Head or Investor Relations
+33 1 42 56 56 28
carl.dunning-gribble@syquant.com

Lindren Thanacoody
Investor Relations
+33 1 42 56 56 26
lindren.thanacoody@syquant.com

Christina Perri
Investor Relations
+33 1 42 56 93 19
christina.perri@syquant.com

Julien Vanlerberghe, CFA
Investor Relations
+33 1 42 56 56 32
julien.vanlerberghe@syquant.com

Bastien Perrin
Investor Relations
+33 1 42 56 93 15
bastien.perrin@syquant.com

Antoine Petit
Head of client servicing
+33 1 42 56 92 90
antoine.petit@syquant.com

U.S. Persons
Shares are not and will not be offered for sale or sold in the United States of America, its territories, and possessions, or in any areas under its jurisdiction, nor to U.S. Persons, except within the framework of a transaction that does not violate U.S. securities law. The Articles of Incorporation provide certain restrictions on the sale and transfer of shares to restricted persons, and the Board of Directors has determined that U.S. Persons are restricted persons, defined as follows:
The term “U.S. Person” means a citizen or resident of the United States, a partnership organized or incorporated under the laws of any state, territory, or possession of the United States of America, or a corporation organized under the laws of the United States of America or any state, territory, or possession of the United States of America, or any estate or trust, other than an estate or trust whose income from sources outside the United States of America cannot be included in gross income for the purposes of U.S. income tax. If a shareholder later becomes a “U.S. Person” and the Company becomes aware of this fact, the shares held by that person may be subject to compulsory redemption by the Company.

Distribution Restrictions
The distribution of this Prospectus and the offering of shares may be restricted in certain countries. It is the responsibility of anyone in possession of this Prospectus and anyone wishing to subscribe to shares to ensure that they are aware of all applicable laws and regulations in all relevant countries and to comply with them. Potential subscribers must inform themselves about the legal requirements that apply, as well as about foreign exchange control regulations and taxes in the countries where they are domiciled or of which they are citizens or residents.

Swiss CISA Disclaimer
For "B" shares of the Helium Invest, Helium Fund, Helium Performance, and Helium Selection funds:
1.Representative: The Swiss representative is CACEIS (Switzerland) SA (the “Swiss Representative”), with its registered office at 35, Route de Signy, 1260 Nyon.
2.Paying Agent: The paying agent in Switzerland is CA Indosuez (Switzerland) SA, located at 4 quai Général Guisan, 1204 Geneva, Switzerland (the “Swiss Paying Agent”).
3.Where Relevant Documents Can Be Obtained: The prospectus, key investor information documents, Articles of Association of the SICAV, the list of purchases and sales, as well as annual and semi-annual reports, can be obtained free of charge upon request from the Swiss Representative.
4.Publications: Publications concerning the SICAV must be made in Switzerland on the electronic platform “www.fundinfo.com.” The issue and redemption prices or the Net Asset Value, along with a note stating “excluding fees,” for all shares are published upon each issue and redemption of shares on “www.fundinfo.com.” Prices are published daily on the electronic platform “www.fundinfo.com.”

5.Payment of Retrocessions and Rebates: The Company and its agents may pay retrocessions to distributors and marketing partners as compensation for their activity in distributing the SICAV shares in or from Switzerland. This compensation is intended to cover the following services: implementation of processes for subscription and custody of shares; storage and distribution of marketing and legal documents; transmission or provision of access to legally required and other publications; fulfillment of due diligence obligations in areas such as anti-money laundering, understanding client needs, and distribution restrictions; clarification and responses to specific investor inquiries; preparation of fund analysis materials; central relationship management; training of client advisors in collective investment schemes; appointment and oversight of sub-distributors; organizing client meetings; supporting the client onboarding process; preparing marketing materials; and addressing client requests.
The retrocessions are not considered rebates, even if they are ultimately fully or partially passed on to investors.
In accordance with Swiss law, beneficiaries of these retrocessions are required to ensure transparent disclosure and must spontaneously and freely inform investors about the compensation they may receive for the distribution. Upon request, they are required to disclose the actual amounts received for the distribution of collective investment schemes to investors.
The Company and its agents may pay rebates directly to investors, upon request, in the context of distribution in or from Switzerland. Rebates are intended to reduce fees or costs borne by the concerned investors. Rebates are permitted under the following conditions:
i) They are paid from the Company's fees and are therefore not additionally charged to the assets of the SICAV;
ii) They are granted based on objective criteria;
iii) They are granted under the same conditions and to the same extent to all investors meeting the objective criteria and requesting rebates.
The objective criteria for granting rebates by the Company are:
•The volume subscribed by the investor or the total volume held by them in the SICAV, or where applicable, in the promoter's product range;
•The amount of fees generated by the investor;
•The investor's financial behavior (e.g., participation in the SICAV launch or intended investment duration);
•The investor's willingness to provide support during the launch phase of a SICAV.
Upon request, the Company and its agents will freely disclose the corresponding rebate amounts to the investor.
6. Place of performance and jurisdiction:
The place of performance and jurisdiction is established at the headquarters of the Swiss Representative for shares distributed in or from Switzerland.
For the other units of Helium Invest, Helium Fund, Helium Performance, and Helium Selection:
1.Representative: The representative in Switzerland is CACEIS (Switzerland) SA (the "Swiss Representative"), headquartered at 35, Route de Signy, 1260 Nyon.
2.Payment service: The payment service in Switzerland is provided by CA Indosuez (Switzerland) SA, headquartered at 4 Quai Général Guisan, 1204 Geneva, Switzerland (the "Swiss Payment Service").

1.Place to obtain relevant documents: The prospectus, key investor information documents, SICAV articles of association, the list of purchases and sales, as well as the annual and semi-annual reports, can be obtained free of charge upon request from the Swiss Representative.
2.Publications: Publications concerning the SICAV must be made in Switzerland on the electronic platform "www.fundinfo.com." Issue and redemption prices or the Net Asset Value, with a note indicating "excluding fees," for all shares are published with each issuance and redemption of shares on "www.fundinfo.com." Prices are published daily on the electronic platform "www.fundinfo.com."
3.Place of performance and jurisdiction: The place of performance and jurisdiction is established at the headquarters of the Swiss Representative for shares distributed in or from Switzerland.

AIF Warning
This document is reserved for Qualified Investors as defined by Irish law and is provided upon the recipient's request for information and discussion purposes only. It does not constitute investment advice, an offer, an invitation to sell, or any binding contractual form. The AIFMD Directive (Directive 2011/61/EU) is transposed into Irish law by the European Union (Alternative Investment Fund Managers) Regulations 2013 [S.I. No 257 of 2013], as amended (the "AIFM Regulations"). This document is strictly confidential and may not be disclosed to third parties, distributed, or reproduced without the express prior written consent of SYQUANT Capital.
Prospective investors must certify in writing that they meet the minimum criteria to qualify as a Qualified Investor via the KYBR questionnaire before any subscription or share transfer.
This is a marketing communication strictly reserved for professional investors within the meaning of Directive 2014/65/EU.
The prospectuses of our funds are available free of charge in English on our website (syquant-capital.fr) and upon request at ir@syquant.com.
This document does not constitute an offer or solicitation by anyone in any jurisdiction where such an offer would be unlawful or where the person making the offer or solicitation is not qualified to do so, or to anyone to whom it would be unlawful to make such an offer or solicitation. Recipients of this presentation agree to review regulatory information.
The product(s) described here is/are not available to all individuals in all geographical areas. Significant risks are associated with investing in the Fund. Investment may not be suitable for all investors and is intended for sophisticated investors who fully understand the associated risks and can accept substantial or total loss of their investment.
Each prospective investor must review the Fund Prospectus, which contains important information regarding risk factors, past performance, and material aspects of the Fund and must be read carefully before making any investment decision. Past performance does not guarantee future results, and no assurance can be given that the product(s) described herein will deliver favorable investment results, achieve the Fund's investment objectives, or that investors will receive a return on all or part of their investment.
This fund has been registered for marketing in Germany, France, Luxembourg, Norway, and Sweden since 12/12/2023, in the United Kingdom since 26/10/2023, in Ireland since 09/10/2023, in Italy since 09/01/2024, in the Netherlands since 30/05/2024, in Denmark since 25/06/2024, and in Switzerland since 26/06/2024.
U.S. Persons:
The AIF has not been and will not be offered for sale or sold in the United States of America, its territories, or possessions, or any areas subject to their jurisdiction, or to U.S. Persons, except in a transaction that does not violate U.S. securities laws. The constitutional document allows certain restrictions on the sale and transfer of shares to restricted persons, and the Board of Directors has decided that U.S. Persons will be deemed restricted persons.
CISA Switzerland Disclaimer
•**Representative:** The representative in Switzerland is CACEIS (Switzerland) SA, 25, Route de Signy, 1260 Nyon, Switzerland.
•**Paying agent:** The paying agent in Switzerland is CA Indosuez, 4 Quai Général Guisan, 1204 Geneva, Switzerland.
•**Place to obtain relevant documentation:** The Prospectus, Articles of Association, Annual and Semi-Annual Reports, and Financial Statements can be obtained free of charge from the Swiss Representative.
•**Place of performance and jurisdiction:** The place of performance and jurisdiction is the headquarters of the Swiss Representative for shares distributed in and from Switzerland.
•**Payment of retrocessions:** The Fund/Management Company and its agents may pay retrocessions as compensation for distribution activities regarding Fund shares in or from Switzerland. This compensation may be deemed payment for the following services, among others: Share distribution. Retrocessions are not considered rebates, even if they are ultimately passed on, in whole or in part, to investors.
Recipients of retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, of the amount of remuneration they may receive for distribution. Upon request by the investor, recipients of retrocessions must disclose the amounts they actually receive in connection with the ICAV distributed to the respective investor.