



VINCENT
STEENMAN

ZADIG ASSET MANAGEMENT S.A.

Stock Picking at work

CONTACT

investor@zadig.lu
+352 26 47 6305

This is a marketing material. Please refer to the prospectus of the UCITS and to the KID before making any final investment decisions.

As of 29/12/2023

NAV per Share

Class I EUR (LU0578133935) 315.29

Fund AUMs

599 M EUR

Strategy AUMs

856 M EUR

Firm AUMs

1 187 M EUR

Inception Date

01/02/2011

UCITS Fund

Yes

Liquidity

Daily (cut-off time 3 PM CET)

Auditor

PricewaterhouseCoopers SC

Depository Bank

Pictet & Cie (Europe) S.A.

Central Administration Agent

FundPartner Solutions (Europe) S.A.

Annual Management Fees

1.25%

Ongoing Charges

1.42%

Performance Fees

15% of Outperformance above relative High Water Mark

Reference Index

MSCI Europe Ex UK TRI Net

In December, Memnon's performance was +1.8% vs. the benchmark at +3.8%. This brings the net year 2023 performance to +10.7% against a benchmark at +17.6%.

During the month, we continued to observe a pullback of the US 10yr rate towards to c 3.9%, a move that continues to be favourable to equities. With limited bottom-up news, the market continued its ascension, undisturbed by the rising geopolitical tensions in the Middle East.

Memnon's disappointing relative performance in December was driven by a poor hit ratio (close to 1/3). Among stock specific news, Merck (-90bps relative contribution) suffered as their Evobrutinib phase 3 study didn't meet expectations. While the 10% share price fall is higher than the lost NPV of the drug, it removed one of the short-term catalysts to the growth story. The position was reduced to 5.4% of the fund. Carrefour (-40bps relative contribution) reacted badly to a drop in monthly market share in France. The equity story on Carrefour revolves around the turnaround of their Brazilian subsidiary as trading on 8x forward PE, the market doesn't factor in much growth in France.

Among positive contributors Ashtead (+20bps), our latest addition to the portfolio, is a meagre source of satisfaction. Ashtead rents construction and industrial equipment mostly in the US. The consolidation of players and ever-growing share of clients seeing the benefit of leasing vs. owning (driven by flexibility and availability of a recent fleet inclusive of maintenance) drive the growth and profitability of Ashtead to c. 20% ROCE and double-digit annual growth over 10 years. The stock is trading on 15x forward PE.

The recent performance has been disappointing. After a few months of trading sideways, the equity markets became euphoric in the last quarter of the year driven by hope of lower interest rates and a soft-landing scenario. While the performance of the fund was positive in absolute, it clearly lagged the market in this rally. Looking back at 2023, we were penalised by a few bad picks (Siemens Energy, Kering) in a year when a few major themes (AI, GLP-1, FED pivot) dominated the debate and somewhat trumped bottom-up stories. Looking ahead, the current portfolio is made of companies growing EPS close to 10% in aggregate and trading on a forward PE of only 10.3x on consensus estimates. While short term dispersion can be painful for concentrated stock pickers, we continue to apply in our tried and tested research process to deliver performance in the future.

We believe that "success is the sum of small efforts – repeated day in and day out" and we daily search for opportunities to constantly improve our portfolio and build a much better performance in 2024.

Finally, we would like to wish a happy and successful 2024 to our friends and investors!

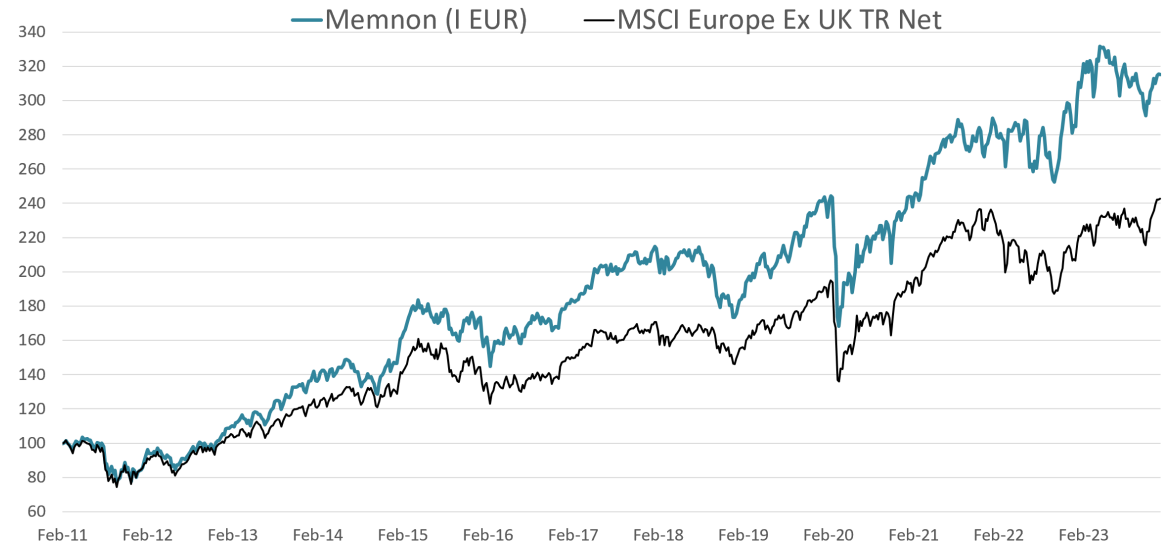
MEMNON FUND

European Equities concentrated portfolio of best ideas only, with sector, country and thematic diversification

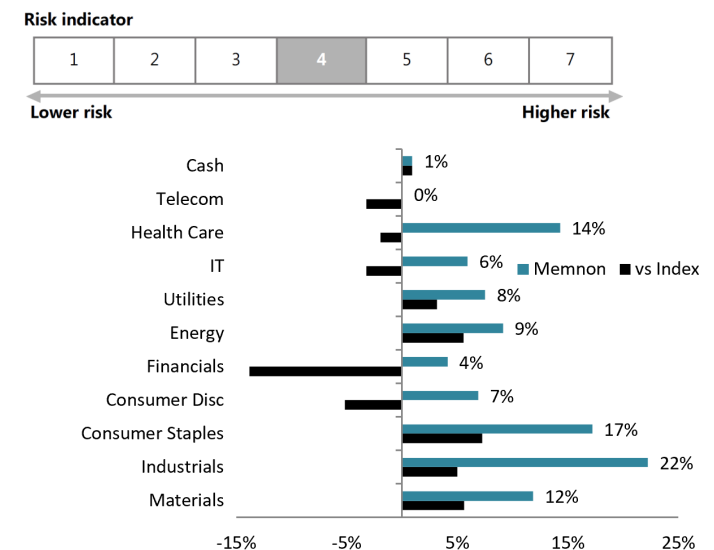
OBJECTIVE

To outperform the Equity market every year and by 5 to 10% on average over the long term.

The table on the left as well as the below chart relate to past performance which is not a reliable indicator of current or future performance and should not be the sole factor of consideration when selecting a product or strategy. This product has been classified as 4 out of 7, which is a medium risk class. Please refer to the prospectus and KID for more information on the specific risks relevant to this product not included in this document.



Countries Exposures *		
Country	Expo	vs Index
Benelux	0%	-12%
Nordic	9%	-8%
France	29%	6%
Germany	21%	5%
UK & Ireland	33%	32%
Italy	7%	2%
Spain	0%	-5%
Switzerland	0%	-20%
Rest of EU	0%	-1%
US & Canada	0%	0%
Others	0%	0%
Cash	1%	1%



* Source of all tables and charts in this document: Zadig Asset Management S.A.

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Performance (Class I EUR) *			
Period	Memnon	Index	Outperformance
December 2023	1.8%	3.8%	-2.1%
YTD	10.7%	17.6%	-6.8%
2022	1.1%	-12.6%	13.7%
2021	18.9%	24.4%	-5.5%
2020	-1.1%	1.7%	-2.8%
2019	36.6%	27.1%	9.5%
2018	-15.0%	-10.9%	-4.2%
2017	15.6%	11.4%	4.2%
2016	2.9%	2.4%	0.5%
2015	17.9%	10.7%	7.2%
2014	7.9%	6.4%	1.5%
2013	29.7%	22.1%	7.5%
2012	25.4%	19.4%	6.0%
2011 (Feb to Dec)	-16.2%	-15.9%	-0.4%
Since Inception	215.3%	143.1%	72.1%

Exposure *	
Equities	99.2%
Cash	0.8%
Investments	21
Top 10	57.7%
Beta	0.99
Largest Holdings *	
Shell	9.1%
HeidelbergCement	7.2%
Leonardo	6.7%
STMicroelectronics	5.9%
Merck	5.4%
Market Capitalisations *	
> 10bn EUR	73%
2 to 10bn EUR	27%
< 2bn EUR	0%

Main Contributions (relative) *	
Positive	%
Ashtead	0.3
HeidelbergCement	0.3
Securitas	0.2
Negative	%
Merck	-0.9
Carrefour	-0.5
Centrica	-0.3
Metrics (3 years, p.a.) *	
Outperformance (p.a.)	1.5%
Tracking error	6.2%
Volatility	14.6%
Valuation (12 mth fwd) *	
P/E	10.3
Dividend Yield	3.2%
P/BV	1.5