



Berenberg launches new merger arbitrage fund

Strategic building block for modern portfolios

Frankfurt am Main. Berenberg Wealth and Asset Management has launched the Berenberg Merger Arbitrage Fund. The new UCITS mutual fund offers investors access to a market-neutral equity strategy that focuses on announced public company takeovers. The objective is to systematically capture takeover premiums (“deal spreads”), largely independent of market direction, interest rate moves or macroeconomic cycles.

Merger arbitrage seeks to monetize price discrepancies arising during public M&A transactions, providing a repeatable and systematic source of return. The strategy is aiming to perform across bull markets, sideways phases, and recessions alike. Unlike traditional asset classes, performance is not tied to corporate earnings, economic growth, or inflation expectations. The result: a low-volatility, largely uncorrelated return stream that complements – and may help de-risk – traditional equity and fixed-income exposures.

The strategy is managed by **Oliver Scharping** and **Leonard Keller**, two of the most experienced merger arbitrage specialists in the German-speaking market, with over 25 years of combined experience. Both bring a background in M&A investment banking and have earned multiple awards for their performance and track records.

Matthias Born, CIO Equities and Head of Investments at Berenberg Wealth and Asset Management, comments: “With the new Berenberg Merger Arbitrage fund, we are expanding our product range in Wealth and Asset Management with a powerful alternative in the equities and liquid alternatives segment. Thanks to their clear pure-play approach, which consistently focuses on publicly announced mergers and acquisitions, Merger Arbitrage strategies enable a largely uncorrelated and market-independent return. With Berenberg's traditionally

strong exposure to small and mid cap companies in Europe, we benefit from our many years of experience with companies in takeover situations. We are delighted to have hired two leading experts in the field of merger arbitrage, Oliver Scharping and Leonard Keller. With the new fund, we are underlining our ambition to further drive growth in Wealth and Asset Management at Germany's oldest private bank.”

The fund's investment universe comprises several hundred publicly announced transactions in developed markets each year. Investments are made exclusively in contractually secured M&A deals - without speculative risk or the addition of other special situations. The fund follows a stringent, process-driven and rule-oriented approach with dynamic reallocation. The fund has a pronounced European focus, which is in line with Berenberg's traditionally strong exposure to European small and mid-caps.

Oliver Scharping explains: “While merger arbitrage has long been established as a strategic core allocation in Anglo-Saxon markets – across a broad investor base from family offices to large institutions – the DACH region remains structurally underserved. Our fund aims to close this gap with a disciplined, repeatable approach and a relative focus on Europe. The current market backdrop – defined by heightened volatility, regulatory tailwinds for M&A, and significant deployment pressure from private equity – is highly favourable for a strategy like ours.”

Leonard Keller adds: “In an environment shaped by uncertainty, geopolitical tensions, and elevated correlations, merger arbitrage offers a resilient and liquid alternative: market-neutral, low-volatility return opportunities derived from clearly defined M&A events rather than macro or fundamental forecasts. Our emphasis is on liquidity, transparency, and rigorous risk management. Every position is actively monitored to manage risks from the earliest stage.”

In a world where geopolitical tensions have become the norm, equities and bonds increasingly move in tandem, and inflation is a persistent reality, the need for stable, market-independent sources of return has become critical. This is where the Berenberg Merger Arbitrage Fund comes in: a liquid, defensive, and market-neutral yield component within the portfolio. Its clear objective – stabil-

ity, diversification, and attractive return opportunities – delivered with consistently controlled risk.

With the launch of the fund, Berenberg is also responding to growing demand from institutional and semi-institutional investors for uncorrelated, repeatable returns with daily liquidity. In addition to the mutual fund, Berenberg offers mandate-based solutions – including special funds and segregated managed accounts (SMAs) – built on the same pure merger arbitrage strategy via its platform.

Fund data – Berenberg Merger Arbitrage:

Fund manager	Joh. Berenberg, Gossler & Co. KG			
Investment company	Universal-Investment-Luxembourg S.A.			
Custodian Bank	BNP Paribas S.A. Niederlassung Deutschland			
Fund currency	Euro			
Financial year end	December 31			
Price determination	Bank business days, which are also trading days			
Price information	www.universal-investment.de, www.berenberg.de/fonds			
Trading	Bank working day, based on inventory value, cut-off 12:00 pm CET with settlement T+2			
SFDR Classification	Article 8			
Share class	<u>Retail (R D)</u>	<u>Minimum Investment (M A)</u>	<u>Founders (F A)</u>	<u>Exclusive Institutional (I A 2)</u>
Registration	AT, CH, DE, LU, FR, IT	AT, CH, DE, LU, FR, IT	AT, CH, DE, LU, FR, IT	AT, CH, DE, LU, FR, IT
Inception Date	13.05.2025	13.05.2025	13.05.2025	13.05.2025
Identification numbers (ISIN/WKN)	LU2986719214 / A410S2	LU2986719057 / A410S1	LU2986718083 / A410RY	LU2986718166 / A410RZ
Appropriation of net income	Accumulating	Accumulating	Accumulating	Accumulating
Front load	Up to 5,00%	-	-	-
Management fee	1.70% p.a.	1.00% p.a.	0.40% p.a.	0.80% p.a.
Flat fee*	Up to 2.00% p.a.	Up to 1.30% p.a.	Up to 0.70% p.a.	Up to 1.10% p.a.

Total expense ratio**	2.20% p.a.	1.50% p.a.	0.90% p.a.	0.90% p.a.
Performance-related fee	15% of the outperformance compared to the volume-weighted trimmed mean price of €STR			None
Minimum investment	-	EUR 500,000	EUR 25,000,000	EUR 25,000,000

*The flat fee includes the management fee, the custodian fee and the management company fee. For detailed information on the costs of this fund, please refer to the sales prospectus.

**The ongoing costs shown here are estimates, as the fund has not yet been in existence for a year. Ongoing costs may vary from year to year.

Contact person:

Timo Lüllau-Mortensen

Head of Communications

Telefon +49 69 91 30 90 515

timo.luellau-mortensen@berenberg.de

Famke Lohmann

Communications

Telefon +49 40 35 060 2287

famke.lohmann@berenberg.de

Matthias Weitkämper

Communications

Telefon +49 69 91 30 90 1194

Matthias.weitkaemper@berenberg.com

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About Berenberg

Berenberg was founded in 1590 and is today one of Europe's leading private banks with its Wealth and Asset Management, Investment Bank and Corporate Banking divisions. The Hamburg-based bank is managed by personally liable partners and has a strong presence in the financial centres of Frankfurt, London and New York.

Joh. Berenberg, Gossler & Co KG
 Neuer Jungfernstieg 20
 20354 Hamburg
 Phone +49 40 350 60-0
www.berenberg.de • info@berenberg.de