



## Solidum Event Linked Securities Fund Limited - SAC Fund 2

Classes A-2  
January 31, 2025

### Fund objective

The Solidum ELS Fund is an open-end fund registered in Bermuda. The Fund's objective is to achieve long term capital appreciation and low correlation to fixed income, equity and non-traditional investments. The Fund holds a diversified portfolio of insurance linked securities which can have the structural format of catastrophe bonds, notes and derivatives, industry loss warranties, sidecars, reinsurance contracts or other instruments transferring insurance event risk or genuine insurance underwriting risk. As the insurance event linked securities market evolves, new products may become available and the Fund may also invest in such products. The portfolio is actively managed in an attempt to achieve optimal returns in the context of the prevailing market environment. Leverage can be used in order to enhance investment returns, and active hedging may be employed to minimize downside risk. In addition to its functional currency USD, the Fund offers CHF, EUR and GBP share classes. The equity capital of the non-USD share classes is hedged to reduce FX effects. Institutional share classes are available for investments above defined thresholds.

### Key information

Fund name:	Solidum Event Linked Securities Fund Limited, SAC Fund 2	Share classes	
Strategy	Insurance linked securities	USD A-2	Bloomberg SLDEUA2 BH <Equity> ISIN BMG827361772
Focus	Cat bonds, reinsurance and retrocession		
Subscription	Monthly	Share class inception	December 1, 2006
Redemption	Monthly	Current NAV	26'998.79
Lockup	1-year	Minimum investment	100'000
Redemption notice	95 days	Management fee	1.5%
Leverage	possible		
Domicile	Bermuda	EUR A-2	Bloomberg SLDEEA2 BH <Equity> ISIN BMG827361855
Fund Type	Open-end segregated accounts company		
Investment manager	Solidum Partners AG	Share class inception	May 1, 2008
Administrator	Tromino Financial Services Ltd.	Current NAV	18'787.06
Custodian	Brown Brothers Harriman & Co	Minimum investment	100'000
Auditor	Ernst & Young	Management fee	1.5%
Valuation day	Last day of month		
Reporting	Monthly		
Financial year-end	December 31		
Distribution	Accumulating		
Fund inception	December 1, 2006		
Performance fee (HWM)	15%		

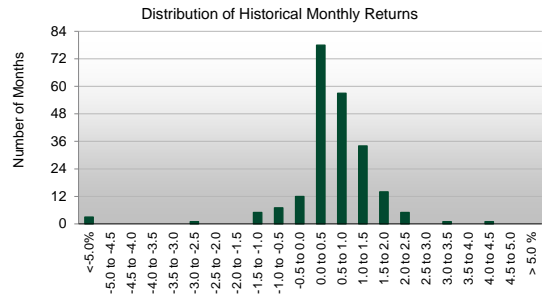
### Historical performance<sup>1</sup>

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Solidum ELS Fund, SAC Fund 2, Class USD A-2	2025	-1.05%												-1.05%
	2024	1.32%	1.08%	1.87%	0.45%	-0.15%	0.65%	1.16%	1.65%	2.08%	0.76%	1.27%	1.63%	14.64%
	2023	1.54%	1.20%	1.59%	1.23%	1.31%	1.52%	0.57%	0.97%	1.07%	1.25%	0.89%	0.85%	14.92%
	2022	0.41%	-0.28%	0.16%	-0.01%	0.43%	0.02%	0.26%	0.28%	-6.93%	0.25%	2.17%	0.78%	-2.72%
	2021	0.28%	-0.76%	0.89%	0.69%	0.34%	0.50%	0.51%	-0.40%	0.59%	0.97%	0.82%	0.56%	5.10%
	2020	0.42%	-0.48%	-0.82%	0.29%	0.39%	0.67%	0.87%	0.87%	1.35%	0.38%	0.47%	0.35%	4.83%
	2019	0.33%	0.31%	-0.33%	-0.66%	-1.43%	0.25%	1.00%	-0.31%	1.80%	1.37%	0.38%	1.12%	3.84%
	2018	1.71%	0.80%	0.39%	0.33%	0.63%	0.43%	0.50%	0.40%	0.22%	-0.81%	-1.08%	0.74%	4.31%
	2017	0.25%	0.16%	0.33%	0.22%	0.05%	0.52%	0.56%	0.51%	-11.3%	-1.36%	0.36%	2.14%	-7.98%
	2016	0.15%	1.28%	0.46%	0.34%	-0.12%	0.26%	0.34%	0.72%	0.93%	0.48%	0.30%	0.31%	5.59%
	2015	0.23%	0.25%	0.17%	0.15%	0.09%	0.02%	0.26%	0.65%	0.91%	-0.62%	0.24%	0.23%	2.60%
	2014	0.25%	0.28%	0.19%	0.12%	0.00%	0.17%	0.27%	0.60%	1.03%	0.77%	0.07%	0.06%	3.88%
	2013	0.76%	1.07%	0.83%	1.13%	0.51%	0.21%	0.92%	1.05%	1.12%	0.58%	0.43%	0.59%	9.59%
	2012	0.22%	0.07%	0.20%	0.51%	0.97%	1.09%	0.65%	1.04%	1.88%	-0.72%	0.82%	1.25%	8.26%
	2011	0.80%	0.36%	-8.65%	-0.44%	0.43%	0.72%	1.12%	0.29%	-2.98%	0.63%	0.28%	-0.06%	-7.66%
	2010	1.21%	1.28%	1.79%	3.25%	4.07%	0.39%	0.22%	0.31%	1.10%	0.81%	0.26%	0.52%	16.20%
2009	0.22%	0.16%	0.42%	0.18%	0.30%	0.59%	0.93%	1.25%	1.68%	1.17%	0.63%	0.76%	8.60%	
2008	1.13%	0.97%	0.35%	-0.69%	0.02%	1.34%	0.82%	0.73%	-1.20%	-0.43%	-0.13%	0.59%	3.51%	
2007	2.10%	2.14%	1.59%	0.92%	0.82%	0.96%	1.45%	1.40%	1.50%	1.41%	1.16%	1.24%	18.01%	
2006													1.98%	
Solidum ELS Fund, SAC Fund 2, Class EUR A-2	2025	-1.19%												-1.19%
	2024	1.27%	0.97%	1.75%	0.36%	-0.29%	0.54%	1.02%	1.46%	1.92%	0.71%	1.26%	1.52%	13.19%
	2023	1.30%	1.06%	1.40%	1.25%	1.17%	1.48%	0.46%	0.95%	0.93%	1.13%	0.67%	0.70%	13.25%
	2022	0.44%	-0.44%	0.03%	-0.13%	0.35%	-0.07%	0.08%	0.10%	-7.55%	0.22%	1.89%	0.46%	-4.82%
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2008					0.50%	1.44%	0.93%	0.89%	-1.11%	-0.61%	0.03%	0.65%	2.73%	

<sup>1</sup> Since January 2014 the former USD and EUR classes are continued as classes USD A-2 and EUR A-2 with identical conditions. Performance of the SAC Fund 2 master portfolio: w/o performance of a recovery fund (USD -2.54%, EUR -0.76%) established for the 2011 events, closed in 2015.



## Historical performance (USD class)



## Historical return analysis (USD class)

### Historical return characteristics

Current NAV per USD A-2 share	26'998.79
Return year-to-date	-1.05%
Return last 12 months	11.96%
Return last 36 months, p.a.	8.10%
Return last 60 months, p.a.	6.83%
Return since inception, p.a.	5.62%
Return since inception (cumulative)	169.99%
Best month (since inception)	4.07%
Worst month (since inception)	-11.33%
Maximum drawdown (since inception)	-12.68%
Longest recovery period	36 months
Positive month (since inception)	87%

### Historic Performance

	Monthly	Annualised
Average return	0.47%	5.62%
Standard Deviation	1.36%	4.72%
Sharpe Ratio (3m US Gov.)	0.26	0.89
Correlation Analysis (monthly return data)		
S&P 500		0.13
NASDAQ Composite		0.14
Global Sov. USD hedged		0.15
S&P 500 Inv. Grade Corp Bond Total Return		0.18
S&P 500 HY Corp Bond Total Return		0.13
HFRI FOF		0.13

## Manager comment

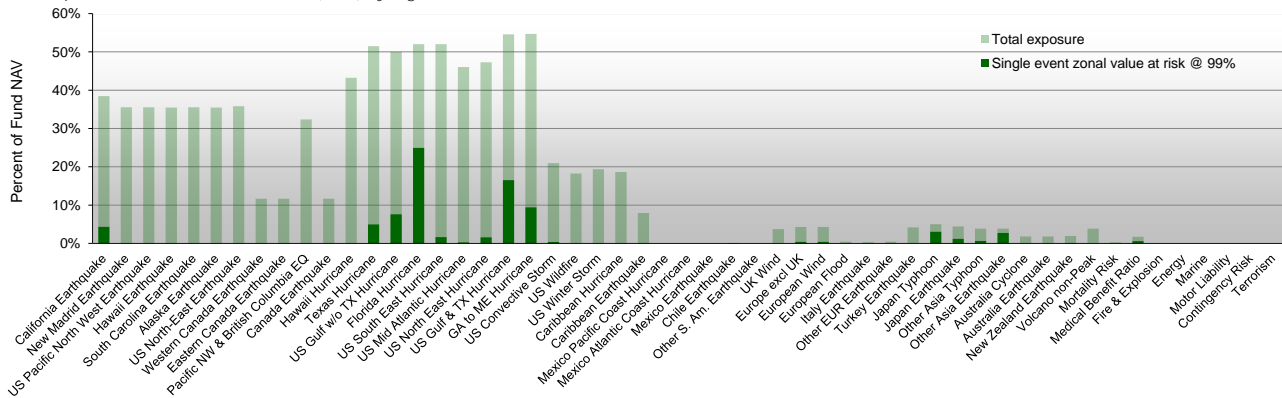
January 2025 constitutes the second time during the last 28 months that the Fund has to report a negative result, with about minus 1.05% in the functional currency USD class. The result was driven by the two severe fire events in the Los Angeles area. The Palisades and the Eaton fires both erupted on January 7 and were fully contained only early February. The California Department of Forestry and Fire Protection (Cal Fire) ranks them 2nd and 3rd in its list of most damaging fire events. However, this list is based on the number of affected structures, and given the on average higher value of homes in LA it is expected that the financial impact of the Palisade and the Eaton Fire will top every previous insurance loss caused by wildfire in the US.

The exact impact of the two fires is only slowly becoming clearer. Cat Bonds with per occurrence coverages will not be broadly affected by the event. Loss of principal may occur only in isolated cases, depending on riskiness and the exact locations of the insured properties in the books of the sponsors. Aggregating cat bonds will experience a marked erosion of retentions, with corresponding increase of riskiness for the remainder of their respective risk periods. Secondary market prices at the end of January reflected this situation and led to valuation volatility for the month. The Fund's private transactions are not affected by these events.

On the primary market side, the issuance activity did not drop with the ending of the last year. About one dozen new Cat Bond programmes with 25 different layers and tranches were marketed in January, bringing around 2.5 Bn. USD of new paper to the market. Interestingly, several Floridian insurance companies are among the sponsors of these bonds, intending to secure their reinsurance programmes that start in June or July well in advance of the normal mid-year renewal period.

## Exposure information

### Total exposure and annual value at risk (99%) by region and line of business



## Contact information

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