

## Solidum Event Linked Securities Fund Limited - SAC Fund 3

Classes I-1 and I-2  
January 31, 2025

### Fund objective

The Solidum ELS Fund is an open-end fund registered in Bermuda. The Solidum ELS Fund - SAC Fund 3's objective is to achieve long term capital appreciation and low correlation to fixed income, equity and non-traditional investments. The Solidum ELS Fund - SAC Fund 3 holds a portfolio of mostly illiquid insurance linked securities such as reinsurance and retrocession contracts, cat bonds 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 a CHF share class and other currency share classes upon request. The equity capital of the non-USD share classes would be hedged to reduce FX effects.

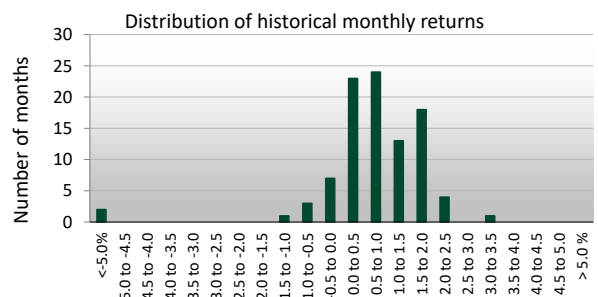
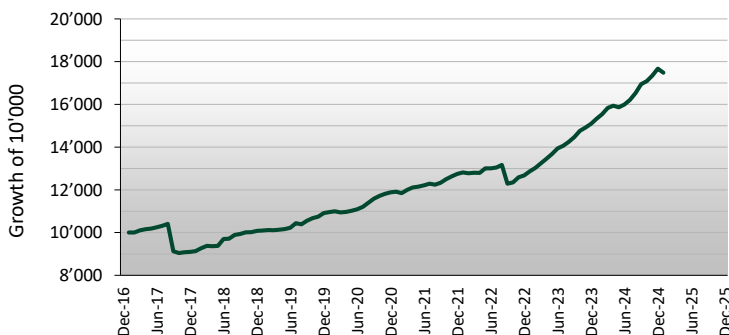
### Key information

Fund name:		Solidum Event Linked Securities Fund Limited, SAC Fund 3		Share class	
Strategy	Insurance linked securities	USD I-1	Bloomberg	SLDEUI3 BH<Equity>	
Focus	Reinsurance & retrocession		ISIN	BMG827364099	
Subscription	1st day of Jan, Apr, May, Jun, Dec		Share class inception	February 1, 2017	
Lockup	none		Current NAV	17'484.97	
Redemption notice date	August 29 for a stepped redemption in the following year		Minimum investment	10'000'000	
Stepped redemption	As soon as underlying reinsurance contracts have commuted possible		Management fee (p.a.)	1.00%	
Leverage	possible				
Domicile	Bermuda	CHF I-1	Bloomberg	SOLECI2 BH <Equity>	
Fund Type	Open-end segregated accounts company		ISIN	BMG827363349	
Investment manager	Solidum Partners AG		Share class inception	May 1, 2021	
Administrator	Tromino Financial Services Ltd.		Current NAV	12'895.58	
Custodian	Brown Brothers Harriman & Co		Minimum investment	10'000'000	
Auditor	Ernst & Young		Management fee (p.a.)	1.00%	
Valuation day	Last day of month				
Reporting	Monthly	CHF I-2	Bloomberg	SOLECI2 BH <Equity>	
Financial year-end	December 31		ISIN	BMG827365088	
Distribution	Accumulating		Share class inception	June 1, 2022	
Fund inception	February 1, 2017		Current NAV	12'192.32	
Performance fee	none		Minimum investment	20'000'000	
			Management fee (p.a.)	0.80%	

### Historical performance

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Solidum ELS SAC 3 Class USD I-1	<b>2025</b>	-1.06%												<b>-1.06%</b>
	<b>2024</b>	1.55%	1.42%	1.87%	0.68%	-0.48%	0.80%	1.34%	2.05%	2.48%	0.81%	1.53%	1.89%	<b>17.11%</b>
	<b>2023</b>	1.50%	1.23%	1.68%	1.62%	1.61%	1.91%	0.87%	1.31%	1.55%	2.03%	1.07%	1.17%	<b>19.04%</b>
	<b>2022</b>	0.52%	-0.28%	0.18%	-0.05%	1.62%	0.01%	0.31%	0.95%	-6.70%	0.52%	1.89%	0.75%	<b>-0.56%</b>
	<b>2021</b>	0.27%	-0.60%	1.26%	0.96%	0.35%	0.46%	0.65%	-0.38%	0.78%	1.35%	1.05%	0.91%	<b>7.27%</b>
	<b>2020</b>	0.43%	0.34%	-0.49%	0.26%	0.48%	0.61%	1.06%	1.71%	1.63%	1.11%	0.89%	0.59%	<b>8.92%</b>
	<b>2019</b>	0.15%	0.20%	-0.06%	0.19%	0.29%	0.60%	2.13%	-0.54%	1.65%	1.18%	0.62%	1.54%	<b>8.22%</b>
	<b>2018</b>	0.42%	1.55%	1.11%	-0.12%	0.14%	3.41%	0.14%	1.81%	0.50%	0.78%	0.09%	0.61%	<b>10.88%</b>
	<b>2017</b>	0.06%	0.98%	0.53%	0.27%	0.66%	0.66%	0.88%	-12.3%	-0.95%	0.38%	0.19%		<b>-9.07%</b>
Solidum ELS SAC 3 Class CHF I-1	<b>2025</b>	-1.39%												<b>-1.39%</b>
	<b>2024</b>	1.32%	1.13%	1.57%	0.36%	-0.85%	0.52%	0.89%	1.63%	2.09%	0.52%	1.26%	1.51%	<b>12.59%</b>
	<b>2023</b>	1.18%	0.99%	1.27%	1.29%	1.31%	1.50%	0.57%	0.98%	1.23%	1.68%	0.68%	0.80%	<b>14.32%</b>
	<b>2022</b>	0.46%	-0.31%	0.02%	-0.18%	1.77%	-0.15%	0.13%	0.72%	-6.97%	0.22%	1.49%	0.28%	<b>-2.77%</b>
	<b>2021</b>					0.31%	0.35%	0.73%	-0.67%	0.70%	1.24%	1.01%	0.75%	<b>4.49%</b>
Solidum ELS SAC 3 Class CHF I-2	<b>2025</b>	-1.37%												<b>-1.37%</b>
	<b>2024</b>	1.34%	1.14%	1.58%	0.38%	-0.83%	0.54%	0.91%	1.64%	2.11%	0.54%	1.27%	1.53%	<b>12.81%</b>
	<b>2023</b>	1.20%	1.01%	1.29%	1.30%	1.32%	1.51%	0.58%	0.99%	1.25%	1.70%	0.69%	0.81%	<b>14.55%</b>
	<b>2022</b>						-0.13%	0.15%	0.74%	-6.96%	0.23%	1.50%	0.30%	<b>-4.34%</b>

### Historical performance (USD)





## Historical return analysis (USD)

Historical return characteristics		Historic performance		
Current NAV per share	17'484.97		Monthly	Annualised
Return year-to-date	-1.06%	Average return	0.60%	7.23%
Return last 12 months	14.09%	Standard deviation	1.71%	5.93%
Return last 36 months, p.a.	10.92%	Sharpe ratio (3m US Gov.)	0.24	0.84
Return last 60 months, p.a.	9.80%			
Return since inception, p.a.	7.23%	Correlation analysis	(monthly return data)	
Return since inception (cumulative)	74.85%	S&P 500	0.13	
Best month (since inception)	3.41%	NASDAQ Composite	0.15	
Worst month (since inception)	-12.31%	Global Gov. Bonds USD hedged	0.19	
Maximum drawdown (since inception)	-13.26%	S&P 500 Inv. Grade Corp Bond Total Return	0.18	
Recovery period	21 months	S&P 500 HY Corp Bond Total Return	0.12	
Positive month (since inception)	86%	HFRI FOF	0.10	

## Manager comment

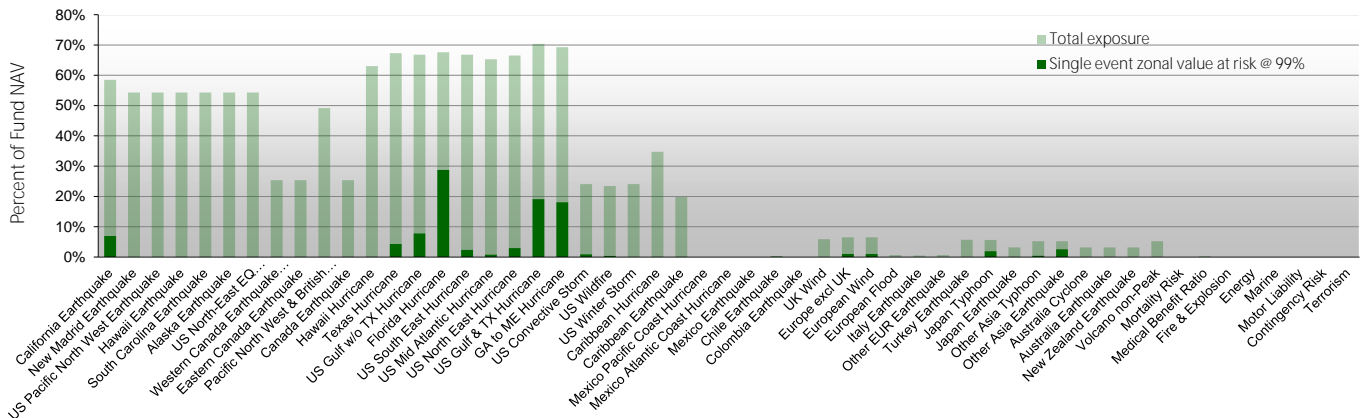
January 2025 constitutes the second time during the last 28 months that the Fund has to report a negative result, with about minus 1.06% in the functional currency USD class. The result was driven by the two severe fire events in the Los Angeles area. The Palisades and the Eaton fires both erupted on 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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