

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

Classes I-1 and I-2

October 31, 2024

### 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.

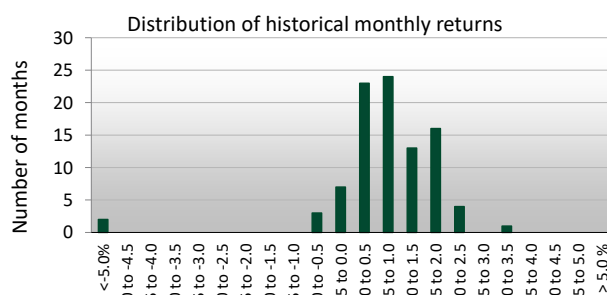
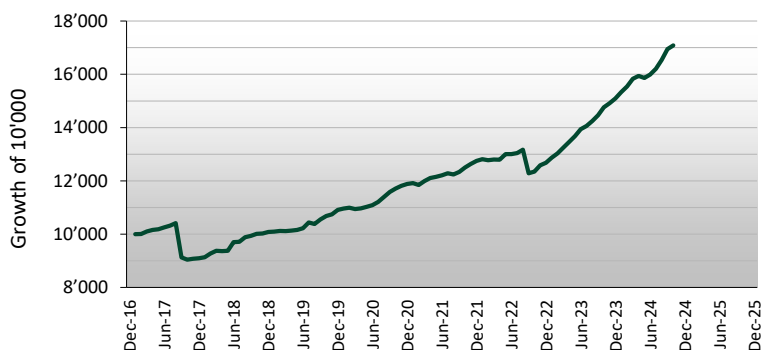
### Key information

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	17'084.33	
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		Management fee (p.a.)	1.00%	
Leverage	possible				
Domicile	Bermuda	CHF I-1	Bloomberg		
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	12'722.69	
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	12'022.87	
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	<b>2024</b>	1.55%	1.42%	1.87%	0.68%	-0.48%	0.80%	1.34%	2.05%	2.48%	0.81%			<b>13.21%</b>
Class USD I-1	<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>	0.42%	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	<b>2024</b>	1.32%	1.13%	1.57%	0.36%	-0.85%	0.52%	0.89%	1.63%	2.09%	0.52%			<b>9.54%</b>
Class CHF I-1	<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	<b>2024</b>	1.34%	1.14%	1.58%	0.38%	-0.83%	0.54%	0.91%	1.64%	2.11%	0.54%			<b>9.72%</b>
Class CHF I-2	<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

Current NAV per share	<b>17'084.33</b>
Return year-to-date	<b>13.21%</b>
Return last 12 months	<b>15.76%</b>
Return last 36 months, p.a.	<b>10.97%</b>
Return last 60 months, p.a.	<b>9.85%</b>
Return since inception, p.a.	<b>7.16%</b>
Return since inception (cumulative)	<b>70.84%</b>
Best month (since inception)	<b>3.41%</b>
Worst month (since inception)	<b>-12.31%</b>
Maximum drawdown (since inception)	<b>-13.26%</b>
Recovery period	21 months
Positive month (since inception)	<b>87%</b>

### Historic performance

	Monthly	Annualised
Average return	<b>0.59%</b>	<b>7.16%</b>
Standard deviation	<b>1.72%</b>	<b>5.97%</b>
Sharpe ratio (3m US Gov.)	<b>0.24</b>	<b>0.83</b>
Correlation analysis	(monthly return data)	
S&P 500		<b>0.14</b>
NASDAQ Composite		<b>0.15</b>
Global Gov. Bonds USD hedged		<b>0.20</b>
S&P 500 Inv. Grade Corp Bond Total Return		<b>0.19</b>
S&P 500 HY Corp Bond Total Return		<b>0.13</b>
HFRI FOF		<b>0.10</b>

## Manager comment

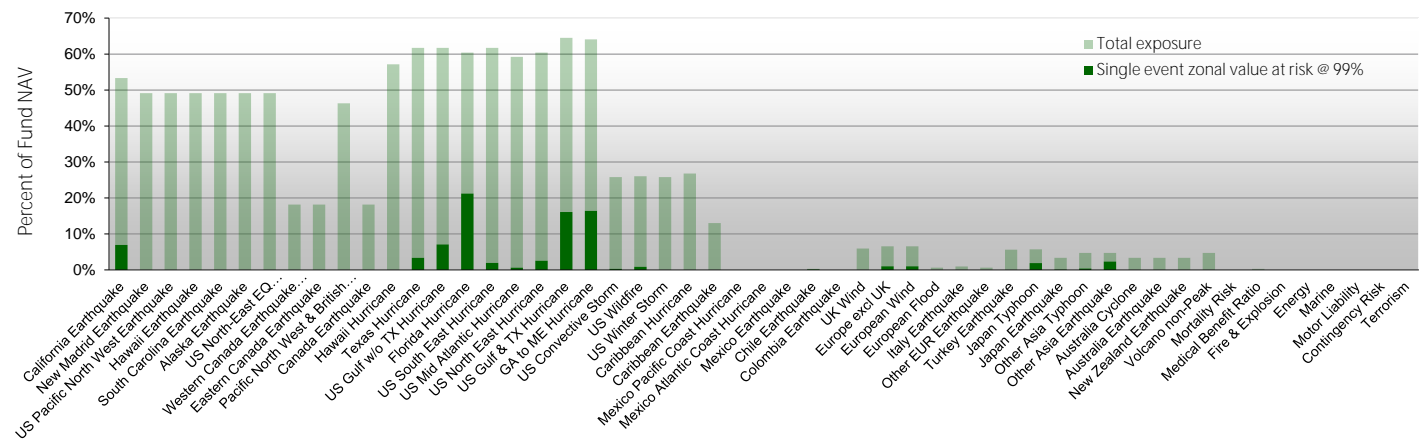
October was marked by Hurricane Milton. The Cat Bond market saw high volatility in pricing with wide bid/ask spreads on regionally exposed risks at the middle of the month. Towards the end of the month, the market calmed down significantly, an indication that the reinsurance industry views Milton as less severe than Hurricane Ian in 2022. As a result, the fund ended October with a positive performance across all currency classes.

Hurricane Milton developed very quickly in the Gulf of Mexico from a tropical disturbance to a Category 5 hurricane. However, it was also evident early on that the storm would weaken significantly before making landfall in Florida due to adverse atmospheric conditions. Officially, Milton then made landfall as a Category 3 storm, but reports of measured wind speeds showed that this strength was likely only reached very punctually. Thus, Milton turned out to be an event that bore some similarities to Hurricane Ian in 2022 in terms of its trajectory, but is likely to cause far less damage to the reinsurance industry due to its much lower strength. Capital losses on positions in the portfolio are therefore not expected. The increased volatility in the valuation of ILS securities observed towards the end of the month should calm down in the coming weeks.

Traditionally, a first gauging of the conditions of the year-end renewal round takes place at the annual reinsurance rendez-vous in Monte Carlo. With hurricanes Helene and Milton, the two biggest insurance events of the year so far, occurring only after the Monte Carlo meetings, the outlook for attractive year-end deals improved further for the reinsurance and ILS industry. In October, issuance activity also picked up again in the cat bond market. Various bonds with US and European risks came to the market with a total volume of over USD 1bn. The coupons of the new issues confirmed the level of the current good spreads of the ILS market.

## Exposure information

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



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