

Performance (SEK)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|-------|--------|--------|-------|--------|-------|-------|-------|--------|--------|--------|--------|--------|
| 2017 | | | | 0.05% | -0.06% | 0.20% | 0.43% | 0.56% | -5.53% | 1.35% | -0.44% | 0.04% | -3.52% |
| 2018 | 0.90% | -1.28% | -0.47% | 0.30% | -0.04% | 0.35% | 0.17% | 0.26% | -0.04% | -0.58% | -1.84% | -1.04% | -3.30% |
| 2019 | 1.20% | | | | | | | | | | | | 1.20% |

SEF Entropics Cat Bond Fund

SEF Entropics Cat Bond Fund aims for good risk adjusted returns uncorrelated with traditional assets such as stocks and bonds. The fund invests in a globally diversified portfolio of reinsurance risks covering natural catastrophes with focus on hurricanes and earthquakes. The fund has a responsible and sustainable investment style.

Historical return is not a guarantee for future returns. The money you invest in the Fund can increase as well as decrease and you cannot be certain to have the full investment returned. This report is not a recommendation to invest in the fund. Prior to an investment, you should consult the fund's key investor documentation available at en.entropics.se and other relevant documentation.

Manager's Note

In January we saw some price stabilisation and recovery of the price declines we saw at the end of last year. Some positions exposed to the California wildfires in 2017/18 also recovered somewhat, which contributed positively to returns. The interest rate difference between Sweden and the US contributed negatively about 210 forward points in January. The fund's yield is currently 7.43% USD (excluding positions that are still paying a coupon but are expected to trigger a loss).

In the primary market one new catastrophe bond was presented. It is sponsored of North Carolina Insurance Underwriting Association and covers North Carolina named storms & severe thunderstorms. The bond's issuance volume is \$250 million, but it is expected to be upsized.

Entropics is currently analysing the security as such and how it fits with the current portfolio. In the secondary market we saw more than 50 positions traded, many of which were traded multiple times, according to FINRA's Trade Reporting and Compliance Engine (TRACE). In January two positions in the fund matured. The fund is positioned to be active in upcoming new issuances to further improve the portfolio's key performance indicators.

Contribution to Expected Loss

| Wind Exposure | |
|------------------------------|---------------|
| Europe | 4.05% |
| Japan | 2.62% |
| Mexico | 4.85% |
| Florida | 28.73% |
| US Southeast (excl. Florida) | 10.16% |
| US Midwest | 0.25% |
| US Northeast | 12.82% |
| US Southwest | 9.86% |
| US West | 2.90% |
| Other | 0.56% |
| Total | 76.79% |

Earthquake Exposure

| | |
|----------------------------|---------------|
| Australia | 0.56% |
| Canada | 0.72% |
| Europe | 0.81% |
| Japan | 2.38% |
| California | 14.53% |
| US West (excl. California) | 1.50% |
| US Other | 1.73% |
| Other | 0.04% |
| Total | 22.26% |

Other Perils

| | |
|---------------------|--------------|
| California Wildfire | 0.73% |
| US Other Wildfire | 0.11% |
| Europe Inland Flood | 0.10% |
| Total | 0.95% |

Historical Event Loss Analysis

| | |
|-------------------------------------|--------|
| 1906 San Francisco CA | 22.92% |
| 1926 Great Miami | 19.95% |
| 1732 Montreal Region QC-Scenario... | 17.07% |
| 1700 Cascadia Subduction Zone... | 10.94% |
| 1812 New Madrid Seismic... | 8.95% |

Annualized Risk Characteristics

| | |
|-------------------------|--------|
| Portfolio Expected Loss | 1.84% |
| VaR (90%) | 4.10% |
| VaR (95%) | 9.43% |
| VaR (99%) | 32.50% |
| TVaR (99%) | 37.06% |

Portfolio Summary

| | |
|------------------------------|--------|
| Yield to Maturity | 7.43% |
| NAV | 94.42 |
| YTD | 1.20% |
| Last 3 months | -1.70% |
| Last 12 months | -3.01% |
| Since Inception | -5.58% |
| Volatility | |
| AUM (MSEK) | 243 |
| Cash Allocation | 10.60% |
| Number of Cat Bond Positions | 77 |
| Solvency Capital Requirement | 10.94% |

Responsible Investment Key Indicators
Purposes (% of Cat Bond Exposure)

| | |
|------------------------|-------|
| General Property | 66.7% |
| Mutual Insurance | 12.4% |
| Insurer of Last Resort | 13.5% |
| Public Services | 3.1% |
| Disaster Relief | 3.1% |

of which problematic purposes

| | |
|--|------|
| | 2.1% |
|--|------|

Problematic Entities (% of Cat Bond Exposure)

| | |
|-----------------------|------|
| Sponsor | 0.0% |
| SPV Domicile | 0.0% |
| Collateral Currency | 0.0% |
| Collateral Instrument | 0.0% |

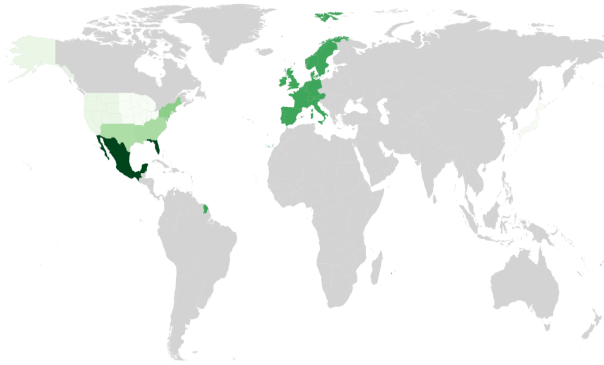
Maturity Profile

| | |
|-------------------|--------|
| <= 6 Months | 6.06% |
| 6 Months – 1 Year | 9.67% |
| 1 – 2 Years | 42.78% |
| 2 – 3 Years | 32.90% |
| > 3 Years | 8.59% |

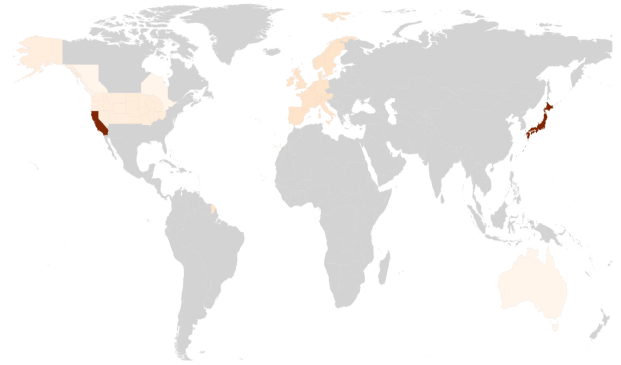
Share Class Information

| | |
|-------------------------------|------------------------|
| Share Class | I |
| Currency Class | SEK |
| Base Currency | SEK |
| Inception | 4/10/17 |
| Fund Domicile | Luxembourg |
| Fund Structure | SICAV |
| Fund Regulation | UCITS |
| Liquidity | Fortnightly |
| Minimum Initial Investment | SEK 10,000,000 |
| Minimum Subsequent Investment | SEK 5,000,000 |
| Current Entry Charge | 0% |
| Performance Fee | 10% |
| Hurdle Rate | SSVX90, High Watermark |
| Management Fee | 0.70% |
| ISIN Number | LU1138351504 |

Wind Risk Distribution Map



Earthquake Risk Distribution Map



Notes

Strategy and investment focus The investment strategy aims to deliver good risk-adjusted returns by investing responsibly in a globally diversified portfolio of cat bonds covering insurance losses from natural catastrophe risk.

The strategy is based on an underwriting analysis and is balanced, aiming both at minimizing the risk of large single event losses and avoiding to remote risks with small returns.

The investment focus is on wind and earthquake risks in developed regions, such as the United States, Japan and Europe, which are complemented by other natural catastrophe risks. The Fund does not invest in non-natural catastrophe risks, such as life insurance or man-made risks (e.g. terrorism). The only exception from this policy is when there is a small contribution from these perils to the Expected Loss of a multi-peril cat bond, where the main objective is to provide natural catastrophe insurance.

Performance is reported by Swedbank AB and reflects the Fund's Net Asset Value after fees.

Contribution to expected loss is calculated by portfolio modelling in AIR CATRADER, being the industry standard tool used by asset managers and re-insurers worldwide to model and analyse catastrophe bonds and other insurance linked securities.

"Other perils" includes perils other than wind and earthquake, e.g. wildfires and flooding. The portfolio can also include unmodelled risks, such as volcano eruptions and meteorite impacts, with extremely low and uncalculable frequency.

Historical event loss describes the loss as a percentage of the portfolio if these events were to occur today.

Yield to Maturity is calculated before applicable fees in the currencies of respective asset.

Solvency Capital Requirement, SCR (as a monetary amount) for this specific risk is calculated as a percentage of the Assets Under Management (AUM). In accordance with the Solvency 2 directive, a cat bond investment is considered as an insurance risk on the asset side.

A description of the **RI indicators** can be found at Entropics' web site:
<http://en.entropics.se/responsible-investments/description-of-key-indicators/>

Further information: The web site en.entropics.se provides additional information on the SEF Entropics Cat Bond Fund, including the Key Investor Information Document (KIID) and the Fund's prospectus.

Entropics Asset Management

Entropics Asset Management AB is the first Scandinavian asset manager specialised in Cat Bond investments.

The team has broad experience from asset management, underwriting, meteorology, underwriting, cat claims settlements and financial mathematics.

Entropics is licensed by and under the supervision of Finansinspektionen, the Swedish Financial Supervisory Authority.

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