



YMER | STRUCTURED CREDIT

Quarterly Report – Ymer SC AC

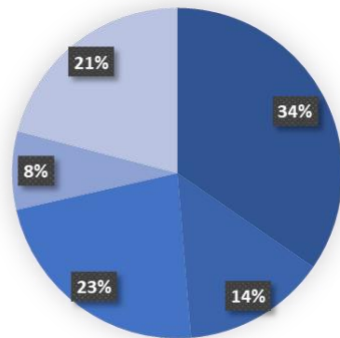
January – March 2021

Market Commentary - Credit and equity markets had a historically strong start to the year on the back of fiscal stimulus packages, vaccine rollout and corporate earnings. In credit space the strong performance has been seen across the rating spectrum. Leveraged loan prices continued to advance and are now back at pre pandemic levels with defaults at very low levels. The CLO market has been very active both in the new issue space and in the refi/reset market. CLO debt spreads tightened significantly in the first months of the year with a handful new market participants driving the move lower. CLO equity valuations improved meaningfully with high quality portfolios back to pre Covid-19 valuations.

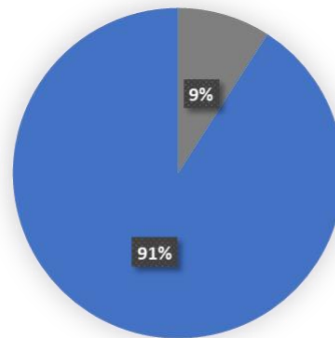
| Quarterly Results (% of value at inception) | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|--------|
| | Q1 | Q2 | Q3 | Q4 | Annual |
| 2020 | -1.24% (98.76%) | 3.24% (101.97%) | 6.04% (108.13%) | 8.34% (117.14%) | 17.14% |
| 2021 | 3.95% (121.73%) | | | | |

Based on a reference investor who invested in the initial close

Product Exposure



Geographical Exposure



Fund Performance - The fund increased 3.95% over the quarter with all assets performing well. All CLO equity positions performed well with key risk improving. During the quarter the fund invested in one new European CLO Equity position, opened two CLO warehouses which are anticipated to roll into CLO equity during the second quarter of 2021. Another investment during the quarter was into a diversified portfolio of EU and US credits with a mix of investment grade and high yield.

The next opening for investors in Ymer SC AC is June 30th 2021. Q2 2021 NAV together with the quarterly report will be published 10 business days into the third quarter.