



YMER

Alternative Credit Fund III

2024 Q4

22.6%

Year to date

4.6%

Last quarter

44.5%

Since Inception

Portfolio managers



Stefan Engstrand



Hubert Warzynski



Christian Fredriksson

Key Statistics

	YMER AC FUND III	iBoxx EUR HY	Eurostoxx 50
Cumulative Return	44.5%	16.0%	18.9%
Average Quarter	5.4%	2.2%	2.7%
Valuation Periods	7	7	7
Positive Valuation Periods	7	7	4

Quarterly returns



Market Commentary

We are pleased to report a strong finish to both Q4 2024 and the full year, with exceptional performance driven by favorable market conditions and the successful execution of our unique strategy. This has been further supported by the positive momentum in the CLO market, which closed the year with record issuance in both Europe and the US. The continued attractiveness of the CLO arbitrage, driven by high expected cash distributions and low defaults, positions us well for 2025.

	Q1	Q2	Q3	Q4	Annual
2023	-	3.27% (103.27%)	7.03% (110.54%)	6.64% (117.88%)	17.9%
2024	6.21% (125.20%)	3.25% (129.27%)	6.83% (138.11%)	4.61% (144.47%)	22.6%

Based on a reference investor who invested at the initial close.

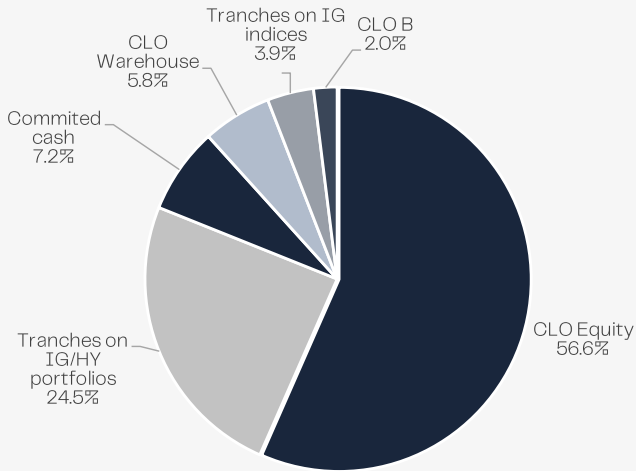
Performance

The NAV increased by 4.6% during the last quarter of 2024. CLO equity distributions were strong while prices of equity and debt tranches were stable with few idiosyncratic events. Two of the funds CLO equity positions reset during the period which had a significant positive impact. The fund's CSOs performed very well as credit spreads tightened.

The fund was very active selling out of older vintage CLO equity and B rated tranches. The proceeds were used to purchase newer vintage CLO equity but also buying shorter dated CSOs which were offering very attractive risk reward. One new primary CLO equity position was added during the end of the year. The fund also opened one new warehouse at very favorable terms which is expected to price before the summer. The two other warehouses that are currently open kept ramping loans and are expected to price in the first and second quarter of the year.

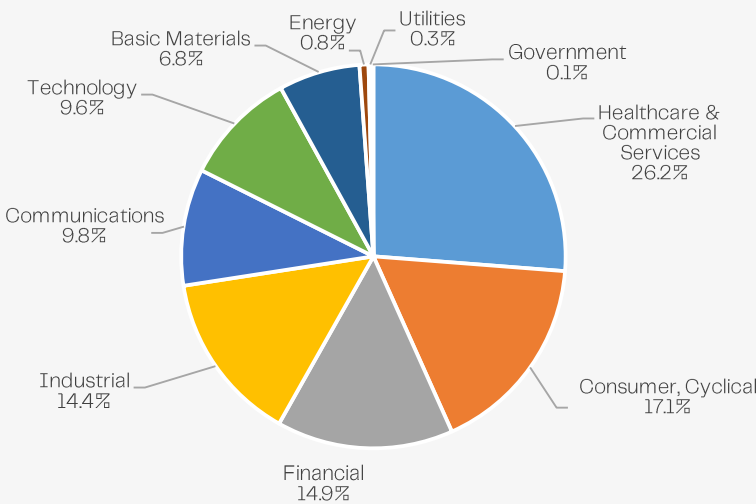
The fund will continue to accept new investors until the end of the first quarter in 2025, as there are still attractive investment opportunities.

Portfolio Allocation



Allocation	Weight
CLO Equity	56.6%
Tranches on IG/HY portfolios	24.5%
Committed cash	7.2%
CLO Warehouse	5.8%
Tranches on IG indices	3.9%
CLO B	2.0%

Sector Exposure



Sector	Weight
Healthcare & Commercial Services	26.2%
Consumer, Cyclical	17.1%
Financial	14.9%
Industrial	14.4%
Communications	9.8%
Technology	9.6%
Basic Materials	6.8%
Energy	0.8%
Utilities	0.3%
Government	0.1%

Regional Exposure



Country	Weight
France	17.5%
United Kingdom	17.1%
United States	16.9%
Germany	13.1%
Netherlands	12.4%
Spain	6.0%
Italy	5.8%
Sweden	3.9%
Belgium	1.6%
Finland	1.5%