PCP Convex Diversification Fund – USD I-1

Fund description

The PCP Convex Diversification Fund (PCP CD) is a multi-manager portfolio designed to offer institutional investors access to established as well as emerging alternative funds which employ global macro, long volatility / tail hedging, systematic and commodity trading strategies.
The portfolio aims to deliver attractive risk-adjusted returns with low downside-volatility and low to negative correlation to both equity and fixed income markets.
The fund is constructed to provide robust diversification benefits across different market environments with the potential to offer positive contributions during market downturns. The PCP Convex Diversification Fund maintains a liquid and diversified portfolio.

Performance information

	PCP CD [1,4]	Equity [2]	Bond [3]
Monthly return	1.1%[6]	2.6%	0.1%
Year-to-date	2.0%	13.1%	0.2%
Return p.a.	6.9%	15.2%	2.0%
Down-volatility p.a.	2.7%	9.9%	2.8%
Maximum drawdown	-7.2%	-25.4%	-13.6%
Correlation to PCP CD		-0.30	-0.37

Past performance is not a reliable indicator of current or future performance.

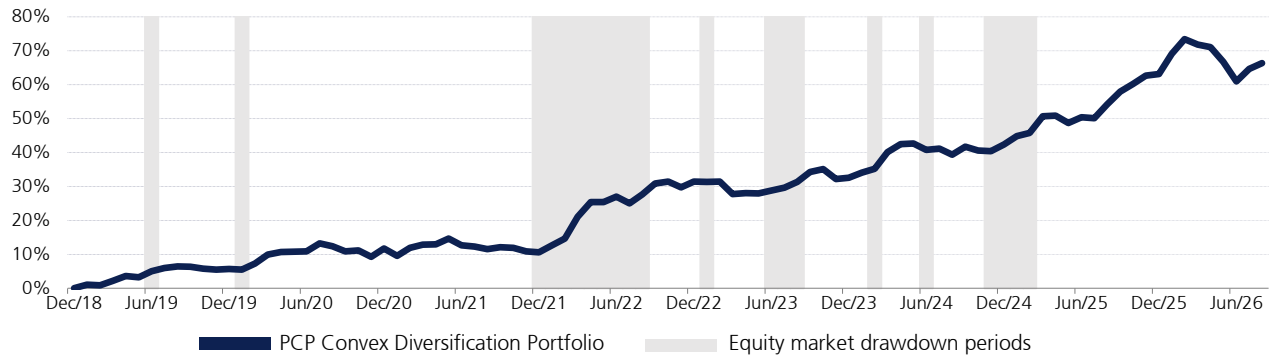
Monthly fund review

In August, the fund returned +1.1% net (in USD), while global equities were up +2.6%. Precious metals (gold +10%, silver +16%) rebounded, while the US Dollar (DXY -0.4%) weakened. Implied vols moved lower almost across the board (VIX -7%, MOVE -9%). The momentum equity factor lost again (MSZZMOMO -6%). However, the value equity factor (MSZZVAL -7%) was down at the same time.
Contributions: The positive August return was spearheaded by systematic trading (+0.7%), followed by global macro (+0.3%) and commodity trading (+0.1%). Within systematic trading, trend-following styles (+0.5%) made a particularly strong contribution, profiting from long positions in energy contracts, equities, cotton and gold. Non-trend / short-term systematic trading contributed positively as well (+0.2%), with profits coming from the energy, equities and metals markets. Within macro & long vol, the most meaningful contributions came from equities-biased macro (+0.6%) and precious metals (+0.5%). The month's primary macro detractors included risk-off & credit protection (-0.5%) as well as Asia- and EM macro (-0.2%). The small contribution from commodity trading was mainly driven by industrial metals (+0.1%).
Portfolio & outlook: We trimmed one credit protection fund (by 2% of NAV) as well as one correlations-focused long vol fund (small). As "plain vanilla" equity vols cheapened significantly (VIX reaching 2026 lows), we used the proceeds to increase an equities-focused long vol fund in the portfolio. Our portfolio stress test results (e.g. +48% for a 2008 scenario) remain at the upper end of their historical ranges.

Fund information

Investment manager	Progressive Capital Partners Ltd
Domicile / structure	Luxembourg SICAV-SIF
NAV / currency	102.31[6] USD
Subscription / notice	Monthly / 8 business days
Redemption / notice	Quarterly / 95 days notice
Minimum investment	USD 1 million
Management fee p.a.	0.75%
Performance fee	10%
Fund AuM / Strategy AuM[5]	USD 64 million / 478 million
ISIN / Valor	LU3139358173 / 148814816
Bloomberg ticker	PCPCDIU LX Equity
Bank / custodian	Citco Bank Nederland N.V. Luxembourg
Administrator	Citco Fund Services (Luxembourg) S.A.
Auditor	PricewaterhouseCoopers (PwC)

Cumulative performance [1,4]



Monthly performance [1,4]

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2026	3.63%	2.57%	-0.89%	-0.45%	-2.53%	-3.48%	2.30%	1.05%[6]					**1.99%**
2025	1.66%	0.66%	3.38%	0.16%	-1.46%	1.14%	-0.21%	2.74%	2.43%	1.43%	1.52%	0.31%	**14.55%**
2024	1.13%	0.83%	3.67%	1.62%	0.16%	-1.35%	0.31%	-1.25%	1.67%	-0.82%	-0.10%	1.41%	**7.41%**
2023	-0.09%	0.08%	-2.80%	0.24%	-0.08%	0.69%	0.61%	1.35%	2.23%	0.64%	-2.17%	0.30%	**0.90%**
2022	1.91%	1.77%	5.56%	3.61%	-0.06%	1.34%	-1.57%	2.13%	2.50%	0.42%	-1.30%	1.30%	**18.84%**
2021	-1.93%	2.15%	0.83%	0.08%	1.49%	-1.73%	-0.33%	-0.63%	0.52%	-0.22%	-0.88%	-0.29%	**-1.03%**
2020	-0.19%	1.65%	2.51%	0.69%	0.05%	0.10%	2.09%	-0.75%	-1.34%	0.29%	-1.66%	2.22%	**5.70%**
2019	1.09%	-0.20%	1.28%	1.38%	-0.34%	1.76%	0.89%	0.41%	-0.07%	-0.58%	-0.24%	0.19%	**5.70%**

Performance since 1 December 2025 is based on the PCP Convex Diversification Fund Class USD I-1 (0.75% annual management fee and 10% performance fee). Performance from 1 January 2019 until 30 November 2025 reflects the realised net returns of the Variospecial SICAV-SIF PCP Customised P Fund, a Luxembourg-based fund (average AuM: USD 335 million) managed by Progressive Capital Partners Ltd., running essentially the same multi-manager strategy as the PCP Convex Diversification Fund.
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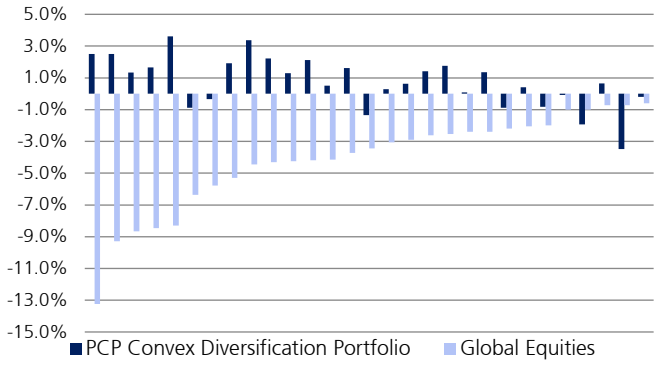
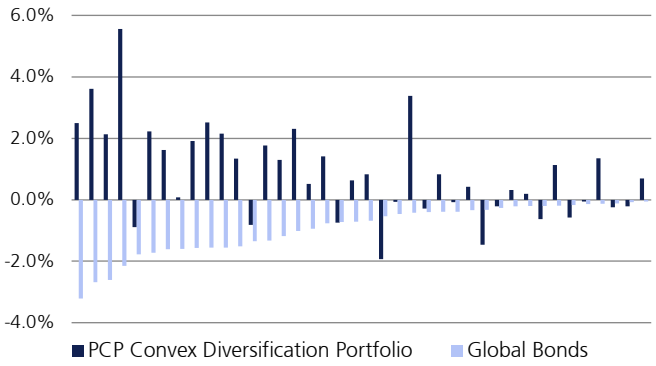
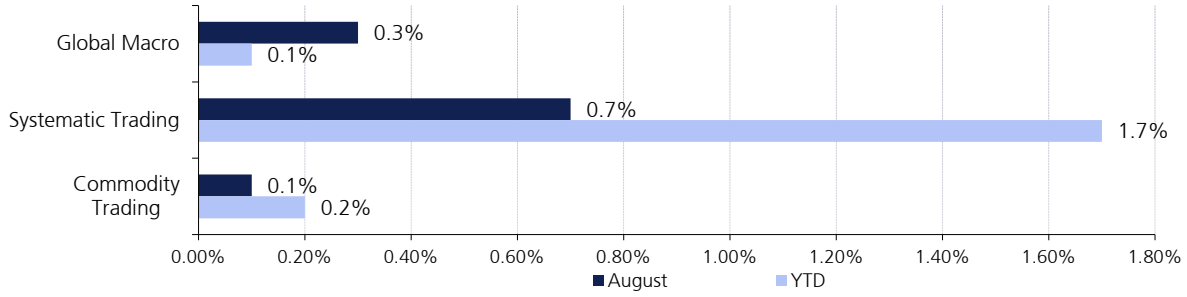
Sorted monthly returns (down-markets, since January 2019) [1,4]





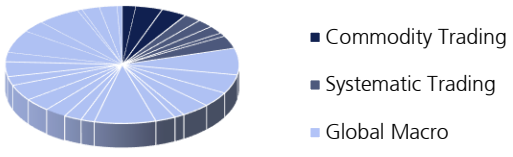
Contribution by strategy [6]



Allocation by strategy

	Capital allocation	Risk-adjusted allocation
Global Macro	78.7%	71.5%
Systematic Trading	12.5%	19.5%
Commodity Trading	7.1%	9.0%
Cash	1.6%	0.0%

Manager breakdown



Allocation by sub-strategy

Sub-strategy	Capital allocation	Risk-adjusted allocation	# Funds
Asia- & EM-biased macro	11.95%	9.29%	3
Equities-biased macro	12.14%	13.62%	3
Inflation-biased macro	5.87%	6.85%	2
Multi-asset macro	14.17%	9.88%	4
Rates-biased macro	9.94%	8.07%	4
Volatility-focused macro	24.66%	22.55%	6
Systematic short-term trading	5.31%	6.36%	2
Systematic trend-following	7.23%	13.14%	4
Commodity trading	7.15%	9.03%	2
Cash	1.59%	0.00%	0
Total	**100.0%**	**100.0%**	**30**

Strategy description

Global Macro	Strategy seeks to benefit from global macroeconomic, monetary dislocations and trends across asset classes. Mostly discretionary and forward-looking approach with different time horizons.
Systematic Trading	Strategy seeks to capitalise systematically on price trends as well as market patterns across equity indices, rates, currencies and commodities. Time horizons range from short- to medium-term.
Commodity Trading	Strategy seeks to benefit from dislocations and trends in commodity markets. Discretionary and systematic approach with different time horizons

[1] Performance since 1 December 2025 is based on the PCP Convex Diversification Fund Class USD I-1 (0.75% annual management fee and 10% performance fee). Performance from 1 January 2019 until 30 November 2025 reflects the realised net returns of the Variospecial SICAV-SIF PCP Customised P Fund, a Luxembourg-based fund (average AuM: USD 335 million) managed by Progressive Capital Partners Ltd., running essentially the same multi-manager strategy as the PCP Convex Diversification Fund.
[2] SIX World DM Net TR USD Index
[3] Bloomberg Global-Aggregate Total Return Index Hedged USD
[4] All figures are net of all fees. Past performance is not a reliable indicator of current or future performance. Performance does not take into account any commissions and costs charged, if applicable.
[5] Including latest Fund subscriptions/redemptions.
[6] Estimate

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Progressive Capital Partners Ltd
Haldenstrasse 3
6340 Baar
Switzerland
T +41 41 561 40 80

www.progressivecapital.com