

D-SERIES / PRODUCT UPDATE

D-Series

Systematic intelligence
across changing regimes

More precise regime classification, more selective use of signals and multi-layer portfolio control.

- 01 CLASSIFY
- 02 ALLOCATE
- 03 CONTROL

PROCESS FLOW / 05 STAGES



DOCUMENT 01 / 2026

01 / EXECUTIVE SUMMARY

What changed and why

The update responds to two simultaneous shifts: faster rotation between market regimes and a narrower breadth of stable return sources. The objective is not to change the D-Series investment mandate, but to improve selection precision, adaptation speed and control of net performance after costs.

SCOPE	DATE	TYPE	STATUS
D-Series	July 2026	Product update	Implemented / monitored

WHAT WE OBSERVED

01 **Faster regime changes**

Market conditions have moved more frequently between directional trends, mean-reverting environments and defensive phases with elevated volatility. A trend may dissolve into a brief consolidation and subsequently re-emerge. This sequence is demanding for an adaptive portfolio: a component strategy selected for one regime may begin to lose relevance before capital rotation is complete. The update therefore reassesses probabilities more frequently and applies less tolerance to persistence in an outdated configuration.

02 **Narrower supply of high-quality component strategies**

At the same time, the usable universe of component strategies - the independent systematic signal sources from which the portfolio is constructed - has narrowed. A larger share of candidates exhibited weaker expected contribution, greater instability or lower diversification value. Portfolio quality depends not only on optimisation, but also on the quality of the input universe. The process therefore applies more demanding tests of robustness, independence and out-of-sample behaviour.

PROCESS RESPONSE

01

Tighter continuous selection

Weak or degrading candidates are removed or restricted earlier, while new candidates are admitted only after more stringent validation.

02

Proprietary signal sources

Internally developed quantitative models expand the controllable portion of the universe and reduce dependence on external strategies.

03

Faster adaptation

Regime detection, classification and rotation have been adjusted so that unsuitable exposure can be reduced earlier.

WHAT REMAINS UNCHANGED

The enhancements are integrated into the existing D-Series strategy; they do not constitute a separate product version. Systematic decision-making, layered limits and continuous oversight remain in place. The changes are intended to improve process robustness and efficiency, not to eliminate market risk or guarantee an outcome.

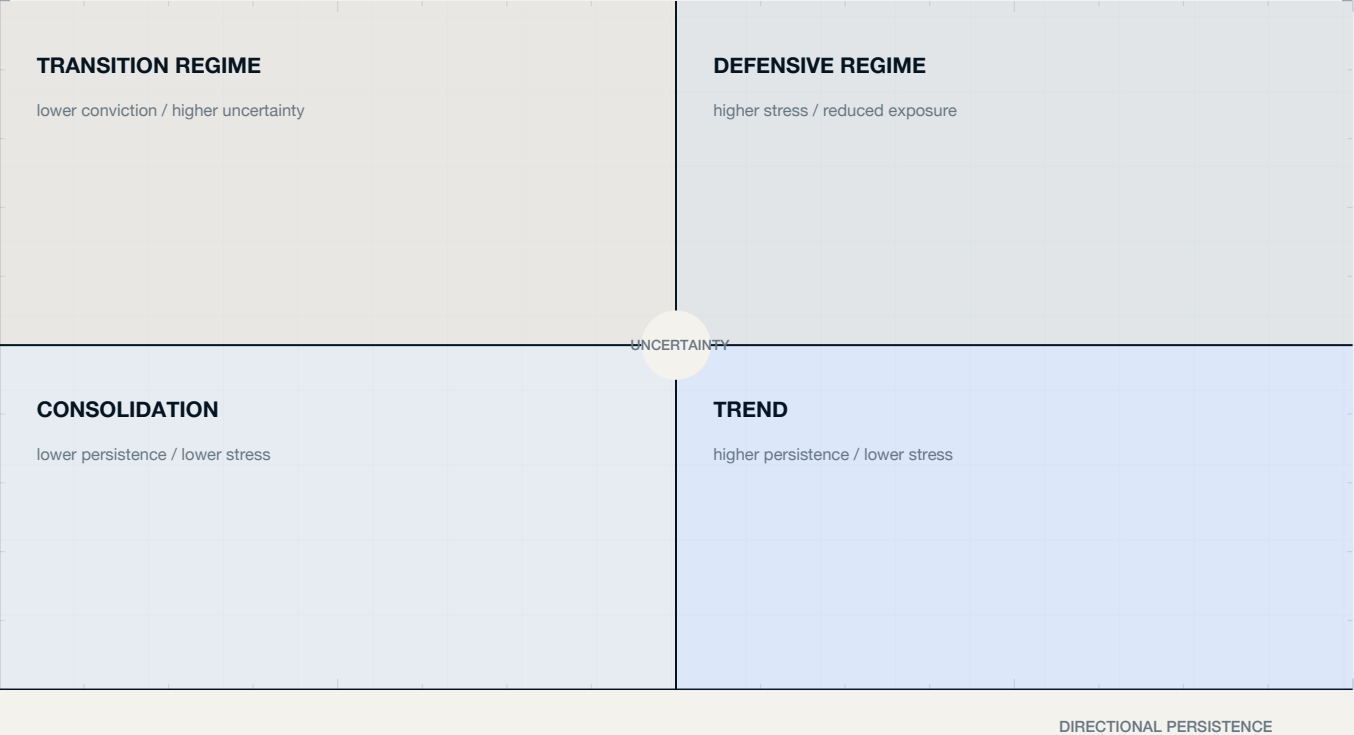
Market regime map

The process has been expanded to respond to faster transitions between trending, mean-reverting and defensive environments - without relying on a single model verdict.

MARKET STRESS

REGIME TOPOLOGY

METHODOLOGY FRAMEWORK / NO MARKET DATA



01 **Faster rotation of conditions**

The duration of individual phases is less stable and relationships between instruments change more rapidly. The model therefore continuously reassesses both its degree of conviction and the suitability of specific return sources.

02 **Broader set of independent signals**

Greater selectivity reduces the share of marginal opportunities. Decision-making also places more emphasis on genuine signal independence, volatility and changing correlation structures.

Interpretation: the map explains the decision framework. It is not a forecast of future performance or a claim that every transition can be identified without uncertainty.

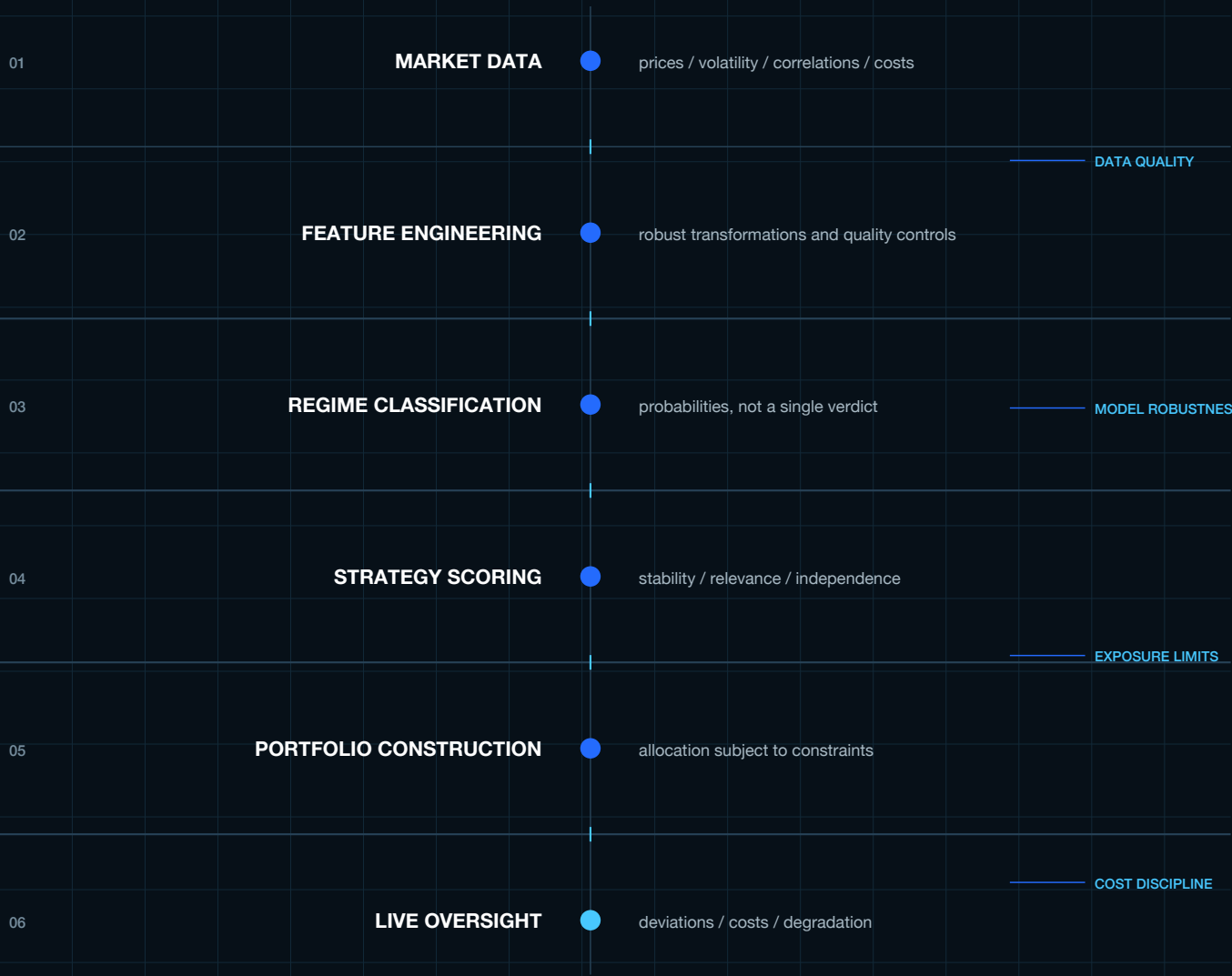
03 / INVESTMENT PROCESS

Decision architecture

D-Series integrates classification, scoring, portfolio construction and live oversight into a single controlled sequence. No layer makes decisions in isolation.

SYSTEM SEQUENCE / 06 LAYERS

CONTROL CHANNELS / 04



PRINCIPLE

The output of one layer becomes the input to the next. Uncertainty is not converted into false certainty - it is reflected in selection, exposure sizing and control limits.

04 / IMPLEMENTATION

What has been implemented

The changes focus on the quality of the input universe, a greater contribution from proprietary models and faster restriction of strategies whose original regime no longer applies. All enhancements are integrated into the existing process and subsequently assessed in live production.

01

Tighter selection and continuous curation

Component strategies with a deteriorating expected contribution, weaker robustness or lower diversification value are restricted or removed more quickly. New candidates undergo more selective validation with greater emphasis on stability across periods, data quality, parameter sensitivity and out-of-sample behaviour.

EXPECTED PROCESS EFFECT

Practical effect: fewer marginal signals in the portfolio and less tolerance for persistent degradation.

02

Expansion with internal quantitative models

Internally developed quantitative models are being added progressively to the candidate universe alongside externally sourced component strategies. Proprietary development provides greater control over signal construction, data requirements, robustness testing and production monitoring. It also broadens the return sources beyond those dependent on external providers.

EXPECTED PROCESS EFFECT

Practical effect: greater control over the universe and broader scope for genuine diversification.

03

Improved regime detection, classification and rotation

The process reassesses volatility, correlations, market breadth and changes in individual strategy quality more frequently. The objective is to identify earlier when the environment for which an exposure was selected is weakening or has ended. Rapid successive changes cannot be eliminated, but the time spent in an unsuitable portfolio configuration can be reduced.

EXPECTED PROCESS EFFECT

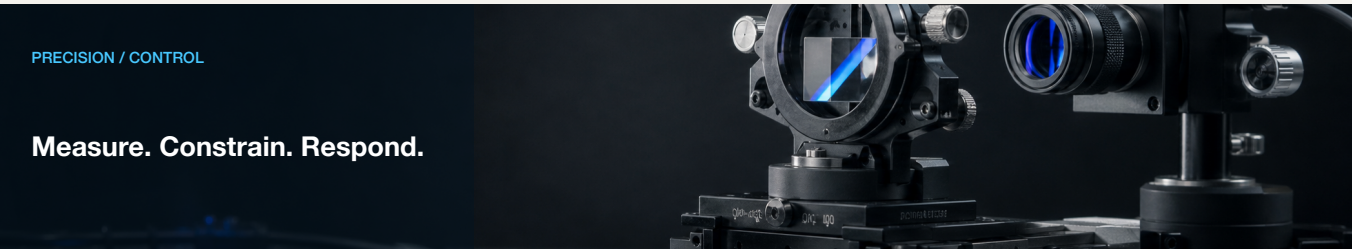
Practical effect: more disciplined capital rotation and faster reduction of misaligned exposure.

APPROACH

This is not the launch of a separate product version. The enhancements form part of the existing D-Series strategies and their contribution will be assessed progressively through repeated evidence. The objective is to improve robustness, reduce sensitivity to degrading component strategies, respond more effectively to regime changes and limit unnecessary financing drag - not to optimise a short period retrospectively.

Portfolio and risk management

Risk is not a single output at the end of the process. It is managed through a sequence of connected filters spanning input quality, costs and live deviations.



CONTROL ARCHITECTURE

5 CONNECTED LAYERS

01	SELECTION	Broader assessment of quality, robustness and out-of-sample behaviour.	Weak inputs are excluded from the portfolio.
02	CLASSIFICATION	Probabilistic assessment of the prevailing regime and transition risk.	Exposure sizing also reflects model uncertainty.
03	OPTIMISATION	Multi-criteria allocation with concentration, volatility and dependency limits.	The return objective remains subordinate to the risk budget.
04	OVERSIGHT	Continuous monitoring of deviations, data and changes in strategy behaviour.	Degradation triggers restrictions or reassessment.
05	COSTS	Incorporation of carry, swap points, slippage and holding costs.	Net performance after financing is decisive.

LIMITATIONS

Models reduce inconsistency in decision-making; they do not eliminate risk. During structural breaks, unusual illiquidity or data errors, the response may be slower or differ from expectations.

Production monitoring

The updated process has been live for approximately ten days. Initial observations are constructive, but the period is too short to support statistical conclusions.

≈ 10

DAYS SINCE IMPLEMENTATION

HOW TO READ THE INITIAL DATA

The short live period is not presented as evidence of future performance. Approximately ten days capture only a limited set of conditions; the assessment therefore focuses on decision stability, rotation quality and limit behaviour, not long-term performance.

FINANCING LEGACY POSITIONS

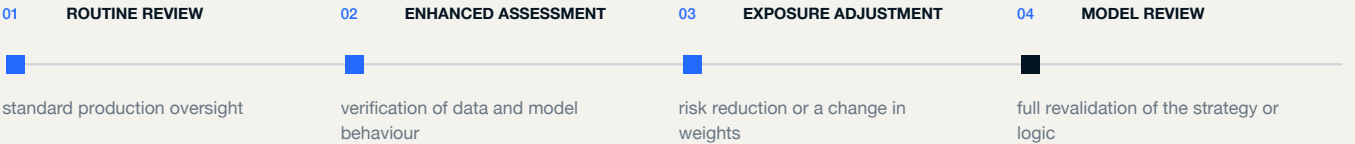
Accumulated negative swap is monitored separately. Some legacy positions carry progressively higher financing costs, reducing net performance even before the original investment thesis has been fully resolved. The next phase therefore provides for the gradual closure of positions with materially negative carry where appropriate. The benefit is intentionally expected to emerge gradually so that cost reduction does not create uncontrolled rotation.

MONITORING PROTOCOL

NO CURRENT VALUES SHOWN

MONITORED AREA	EVIDENCE REVIEWED	RESPONSE TO DEGRADATION
Selection consistency	Score stability, input sensitivity and the share of rejected candidates.	Enhanced data review and renewed candidate validation.
Rotation efficiency	Transition time, transaction costs and unwanted persistence.	Reduce exposure and review the rotation logic.
Source diversification	Dependencies, risk concentration and overlap between signals.	Adjust weights or remove redundant sources.
Financing / carry	Swap points, position age and incremental net holding cost.	Gradually close materially costly positions.
Regime confidence	Agreement between classifiers, volatility, correlations and market breadth.	Lower the risk budget or reassess the regime.

ESCALATION PROCEDURE



NEXT STEPS

01

Operational stabilisation

Review data, model behaviour and adherence to established limits.

02

Consistency assessment

Evaluate the process across different market conditions and cost regimes.

03

Gradual calibration

Make further changes only where supported by repeated evidence and production experience.

Important information

This document is provided for information purposes only. Before making any decision, recipients should assess the suitability of the strategy in light of their own objectives, experience and risk tolerance.

01 Purpose of this document

This material presents a product and methodology update for the D-Series strategy. It does not constitute an offer, solicitation to invest, personalised investment recommendation, or legal, tax or accounting advice.

02 Risk of loss

Investing and trading in financial instruments involve risk. The value of an investment and any income from it may rise or fall, and investors may not recover the amount originally invested. Losses may be significant.

03 Past and modelled performance

Past performance, simulations, backtests and short-term observations are not reliable indicators of future results. Model outputs depend on assumptions, data quality and the methodology selected.

04 Technology and model risk

Systematic models may fail because of changes in market structure, data errors, operational incidents or unexpected interactions between constraints. Automation does not eliminate risk.

05 Liquidity, leverage and costs

Results may be affected by liquidity, volatility, leverage, bid-offer spreads, financing, swap points, slippage and other transaction or operating costs.

06 Custody and counterparties

Client assets are held with the relevant financial institutions or custodians under the selected arrangement. The strategy service itself is neither a bank deposit nor a guarantee of capital repayment.

07 Availability and jurisdictions

The information may not be suitable or available in every jurisdiction. Each recipient is responsible for complying with local requirements and obtaining independent professional advice where appropriate.

08 Changes to methodology and information

The process, models, constraints and data sources used may be amended over time. The information reflects the position as at the date of issue and may change without prior notice.