

Frankfurt, 18th January 2021

Dear Investors and Friends,

First of all and more than ever we want to wish you, your families and your loved ones a happy and healthy New Year. We look forward to a better and brighter 2021 after 2020 was very challenging for everyone.

Nonetheless, we are pleased to report that in this difficult environment, PCAM Blue Chip delivered a strong return of +10.6% for the year. This puts the Fund in the top quartile of our peers, which is particularly impressive given our minimal, below industry average beta approach.

This achievement is a direct result of our proven and tested investment process and the hard work of our team. PCAM Blue Chip is a portfolio of the best managers in the industry, which are often hard to access and rigorously selected for a concentrated portfolio.

Over the past two years, we spoke to many of you regarding our view of an overheating distressed credit sector which displayed rising equity exposures due to a shrinking opportunity set. As you know, we are not in the business of chasing trends or making macro-economic forecasts, but instead aspire to create the best in class, low beta hedge fund portfolio, and hence slightly tilt the portfolio to market segments where we believe alpha is most prevalent. We therefore reduced our exposure to the distressed credit sector in 2019 and through that were able to further bolster 2020 returns, when our portfolio proved resilient in the Q1 sell-off.

Our analytical, process-driven style of hedge fund selection and long-term underwriting continues to translate into a respectable long-term performance. We are extremely proud to be in the same league as some of the world's most reputable hedge fund investors such as Yale's Absolute Return Hedge Fund Portfolio. This long term success was also recognized by Hedge Fund Review, awarding us with 'Best Diversified FoHF over 10 years' at their 2020 European Performance Awards. As European investors, we are also pleased that for the first time we noted meaningful interest from US investors in our products.

Irrespective of the challenges of COVID, we also finished the re-positioning of PCAM Select by Q2 2020. We are pleased to report that since then, PCAM Select returned over +13% and was positive every month since then. PCAM Select forms the other integral part of our barbell strategy of harvesting the two biggest areas of alpha in the hedge fund space. Whereas PCAM Blue Chip invests in managers that outperform due to their size and superior resources, PCAM Select targets more focused managers that can take advantage of special opportunities and niche market segments, again with the same low beta approach.

Last but not least, we were able to launch our third fund, PCAM Liquid Alternative Credit. Here we focus on short term, highly collateralized private credit transactions that can only be found in specific niches of the global credit market. We have been ramping up the portfolio throughout the second part of 2020 and look forward to a promising 2021. We appreciate that this strategy resonates with today's needs of many investors for stable, market independent returns and look forward to introducing this strategy in more detail to you if of interest.

In summary, while 2020 certainly was a very difficult year, we had the same amount of meaningful interactions with our managers and potential prospects as we had in 2019. We were able to conduct in person onsite due diligences in the beginning of the year before COVID hit and complemented this with many virtual interactions throughout the rest of the year.

While this certainly worked very well thanks to technology, we nevertheless look very much forward to reconnecting with all of you in person hopefully later this year.

As always, none of the above would have been possible without You - our Investors! We would like to thank each and every one of you, especially this year, for your continued trust into our products and our team. We were flattered by the number of investors adding to their existing allocations and humbled as you enabled us to launch a new product in the middle of a pandemic. We do not take your trust for granted and will work as eager and hard as always to justify your trust in us again in 2021 and beyond.

If you would like to learn more about any of the areas mentioned above, please feel free to explore our new Investor Portal or to reach out to one of us.

All my very best



Tilo Wendorff
Head of Absolute Return