PARADIGM FUND SERIES 1, LP

Executive Summary

REG D 506(B) · TEXAS LIMITED PARTNERSHIP

Confidential — Pre-Offering Materials — Not for Distribution
Prepared for U.S. accredited investors who are also qualified clients, and with whom the General Partner has a pre-existing substantive relationship.

SECTION 01 · STRATEGY & ORIGIN

Investment Strategy and Predecessor Track Record

A DEFINED LONG/SHORT FRAMEWORK, APPLIED ACROSS THREE MARKET REGIMES

Paradigm Fund Series 1, LP is newly formed and has no operating history. The Fund will pursue active long/short digital-asset strategies across varying market environments — the same framework deployed by the predecessor vehicle, WHCG, LP, under common portfolio management from 2023 through 2025.

THE FUND

Paradigm Fund Series 1, LP

NEWLY FORMED · NO OPERATING HISTORY

PFS1 will pursue active long/short digital-asset strategies across varying market environments. The General Partner intends to deploy both long and short positions, applying market-structure and momentum signals with disciplined risk management focused on capital preservation.

All terms, fees, redemption rights, and risks are governed by the Partnership's PPM and Limited Partnership Agreement.

THE PREDECESSOR

WHCG, LP

36-MONTH MANAGER-REPORTED, UNAUDITED RECORD

WHCG, LP applied the same long/short framework across 2023–2025 under common portfolio management.

— Long and short positioning
— Market-structure & momentum signals
— Disciplined risk management
— Capital preservation focus

WHCG, LP **Annual Returns** Gross of fees	2023	2024	2025
	+48.31% Total return	+130.02% Total return	+64.30% Total return

Annual figures shown are the sum of monthly returns and do not reflect compounding. Performance shown is of WHCG, LP (predecessor fund), not Paradigm Fund Series 1, LP, which has no operating history. Returns are gross of any management or performance fees. Past performance is not indicative of future results. Qualified in its entirety by the Private Placement Memorandum.

SECTION 02 · 36-MONTH TRACK RECORD

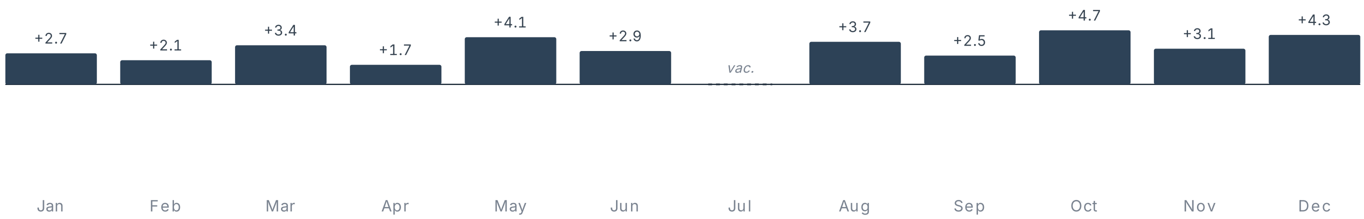
WHCG, LP — Monthly Returns, 2023–2025

36 MONTHS · MANAGER-REPORTED, UNAUDITED · GROSS OF FEES

Each bar shows a single month's return for WHCG, LP. The horizontal line is the zero baseline; positive returns rise above it, negative returns fall below. “Vac.” marks months when the manager elected not to trade. All three charts share a common y-axis scale so the years are directly comparable.

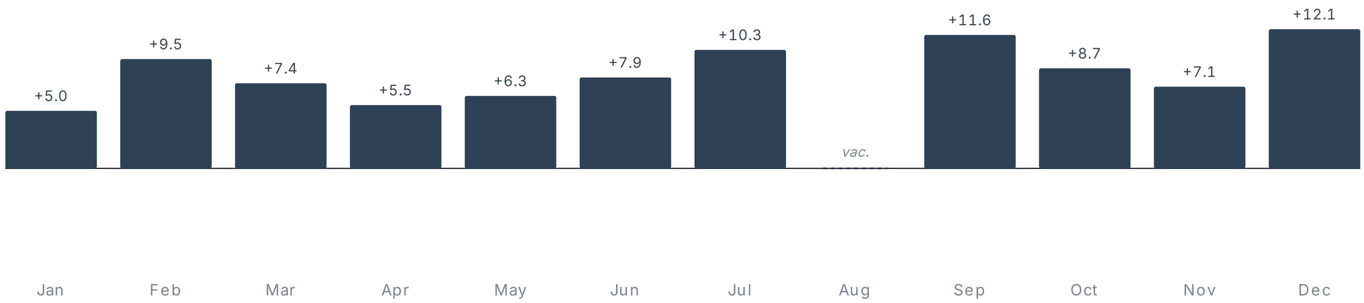
2023

MONTHS TRADED 11 · POSITIVE 11 · NEGATIVE 0 **+48.31%**



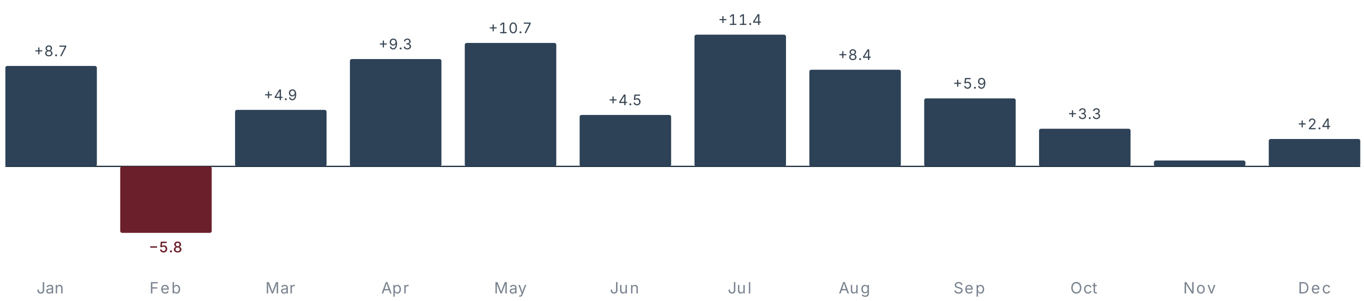
2024

MONTHS TRADED 11 · POSITIVE 11 · NEGATIVE 0 **+130.02%**



2025

MONTHS TRADED 12 · POSITIVE 11 · NEGATIVE 1 **+64.30%**



SECTION 03 · HISTORICAL COMPARISON

WHCG, LP versus Bitcoin and the S&P 500

2023—2025 · MANAGER-REPORTED, UNAUDITED

From January 2023 to December 2025, Bitcoin recorded fourteen negative months. Across those same months, WHCG, LP was positive in eleven, flat in two, and negative in one. The fund's historical results reflected active long/short positioning and risk management — not directional exposure to Bitcoin.

DURING BTC-DOWN MONTHS

+3.05%

WHCG, LP average monthly return across the fourteen months Bitcoin declined. Bitcoin averaged −8% across the same period.

WIN RATE, BTC-DOWN MONTHS

79%

Eleven of fourteen Bitcoin-down months produced positive WHCG, LP returns; two flat; one negative.

ACROSS MARKET CYCLES	WHCG, LP	BITCOIN	S&P 500
Average monthly return	**6.97%**	5.73%	1.68%
Positive months	**33 of 36**	22 of 36	25 of 36
Largest single-month negative return Not peak-to-trough drawdown	**−5.78%**	−24.82%	−8.61%
Volatility Std. deviation of monthly returns	**7.37%**	15.10%	3.44%

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Benchmark methodology: BTC-USD spot price using monthly close-to-close returns from a public price source; S&P 500 series uses the S&P 500 Total Return Index (monthly). Comparisons are illustrative; benchmarks have different objectives, risk profiles, and constituents than WHCG, LP and PFS1. Performance shown is of WHCG, LP (predecessor fund), not Paradigm Fund Series 1, LP, which has no operating history. All data manager-reported and unaudited, subject to client verification. Qualified in its entirety by the PPM.

SECTION 04 · STRATEGY IN ACTION

WHCG, LP — 2025 Monthly Returns at a Glance

TWELVE MONTHS · ONE NEGATIVE · DISCIPLINED POSITION SIZING

Each month's return below reflects active long/short positioning and risk management within WHCG, LP — not Paradigm Fund Series 1, LP. The single negative month (February) was contained to −5.78%, the largest single-month drawdown across the full 36-month track record.

2025 TOTAL · SUM OF MONTHLY RETURNS — +64.30%

JAN 2025 +8.73%	FEB 2025 −5.78%	MAR 2025 +4.91%	APR 2025 +9.33%
MAY 2025 +10.73%	JUN 2025 +4.47%	JUL 2025 +11.45%	AUG 2025 +8.40%
SEP 2025 +5.91%	OCT 2025 +3.27%	NOV 2025 +0.51%	DEC 2025 +2.38%

SECTION 05 · TRADE TRANSPARENCY (ILLUSTRATIVE)

WHCG, LP — January 2026 Monthly Trading Activity

POSITION-LEVEL DETAIL FROM THE PREDECESSOR FUND · PFS1 HAS NO TRADING HISTORY

WHCG, LP · JANUARY 2026

Net Realized P&L

NET P&L

+$1,106,358

CLOSED TRADES / WIN RATE

26 · 42%

OPENED → CLOSED	ASSET	TYPE	ENTRY	EXIT	RESULT
Jan 1 → Jan 1, 2026	Bitcoin BTC	Sell (Short)	$88,095.20	88,330.50	× −16,210.79
Jan 1 → Jan 2, 2026	Bitcoin BTC	Sell (Short)	$88,484.60	89,276.00	× −56,322.97
Jan 2 → Jan 2, 2026	Bitcoin BTC	Sell (Short)	$89,947.10	90,038.00	× −6,949.23
Jan 6 → Jan 6, 2026	Bitcoin BTC	Buy (Long)	$92,127.60	92,144.80	× −8,828.20
Jan 6 → Jan 18, 2026	Bitcoin BTC	Buy (Long)	$92,355.40	94,775.30	✓ +1,176,626.77
Jan 10 → Jan 13, 2026	Zcash ZEC	Buy (Long)	$387.51	402.10	✓ +27,804.65
Jan 13 → Jan 13, 2026	Zcash ZEC	Buy (Long)	$389.80	390.57	✓ +755.73
Jan 13 → Jan 13, 2026	Ethereum ETH	Sell (Short)	$3,187.98	3,188.13	× −732.68
Jan 12 → Jan 13, 2026	PUMPUSDT	Buy (Long)	$0.002478	0.002542	✓ +10,613.21
Jan 13 → Jan 14, 2026	PUMPUSDT	Buy (Long)	$0.002668	0.002740	✓ +18,956.95
Jan 14 → Jan 15, 2026	Bitcoin BTC	Sell (Short)	$96,884.70	96,289.00	✓ +6,163.61
Jan 16 → Jan 16, 2026	Ethereum ETH	Buy (Long)	$3,291.85	3,270.88	× −3,678.21
Jan 16 → Jan 16, 2026	Bitcoin BTC	Buy (Long)	$94,750.70	94,791.90	× −113.91
Jan 16 → Jan 17, 2026	XRP XRP	Buy (Long)	$2.05	2.08	✓ +3,331.39
Jan 20 → Jan 20, 2026	Bitcoin BTC	Buy (Long)	$89,654.10	88,174.20	× −76,890.92
Jan 20 → Jan 20, 2026	XAUUSDT	Sell (Short)	$4,756.99	4,799.06	× −4,987.69
Jan 20 → Jan 21, 2026	Bitcoin BTC	Buy (Long)	$88,587.60	89,256.10	✓ +20,912.65
Jan 21 → Jan 24, 2026	Ethereum ETH	Buy (Long)	$2,985.80	2,952.04	× −26,789.91
Jan 21 → Jan 24, 2026	Bitcoin BTC	Buy (Long)	$89,789.50	89,370.20	× −9,118.08
Jan 22 → Jan 23, 2026	Solana SOL	Buy (Long)	$127.73	128.64	✓ +4,833.06
Jan 24 → Jan 24, 2026	Hyperliquid HYPE	Sell (Short)	$23.37	23.54	× −4,043.52
Jan 24 → Jan 27, 2026	Cyber CYBER	Buy (Long)	$0.79	0.78	× −13,531.86
Jan 25 → Jan 25, 2026	Kaspa KAS	Buy (Long)	$0.04	0.04	× −10,521.58
Jan 25 → Jan 27, 2026	Rose ROSE	Buy (Long)	$0.02	0.02	✓ +54,371.47
Jan 27 → Jan 28, 2026	XAUUSDT	Sell (Short)	$5,258.40	5,263.18	× −1,221.72
Jan 28 → Jan 28, 2026	Bitcoin BTC	Buy (Long)	$89,164.80	89,875.40	✓ +20,929.66

SECTION 06 · ILLUSTRATIVE GROWTH (HYPOTHETICAL, GROSS)

Illustrative Growth of Capital Using WHCG, LP Annual Returns

HYPOTHETICAL · FOR ILLUSTRATION ONLY · GROSS OF FEES

The examples below illustrate how a hypothetical investment could have grown using WHCG, LP's annual returns from 2023–2025, assuming reinvestment and compounding. Returns are gross of fees; fees and expenses would reduce these results materially.

Initial investment	Year 1	Year 2	Year 3
$100,000 INITIAL INVESTMENT	+$48,310 2023 profit	+$192,833 2024 profit, compounded	+$219,354 2025 profit, compounded

$100,000 → OVER 3 YEARS **≈ $560,497**

Initial investment	Year 1	Year 2	Year 3
$500,000 INITIAL INVESTMENT	+$241,550 2023 profit	+$964,165 2024 profit, compounded	+$1,096,770 2025 profit, compounded

$500,000 → OVER 3 YEARS **≈ $2.80M**

Initial investment	Year 1	Year 2	Year 3
$1,000,000 INITIAL INVESTMENT	+$483,100 2023 profit	+$1,928,330 2024 profit, compounded	+$2,193,540 2025 profit, compounded

$1,000,000 → OVER 3 YEARS **≈ $5.60M**

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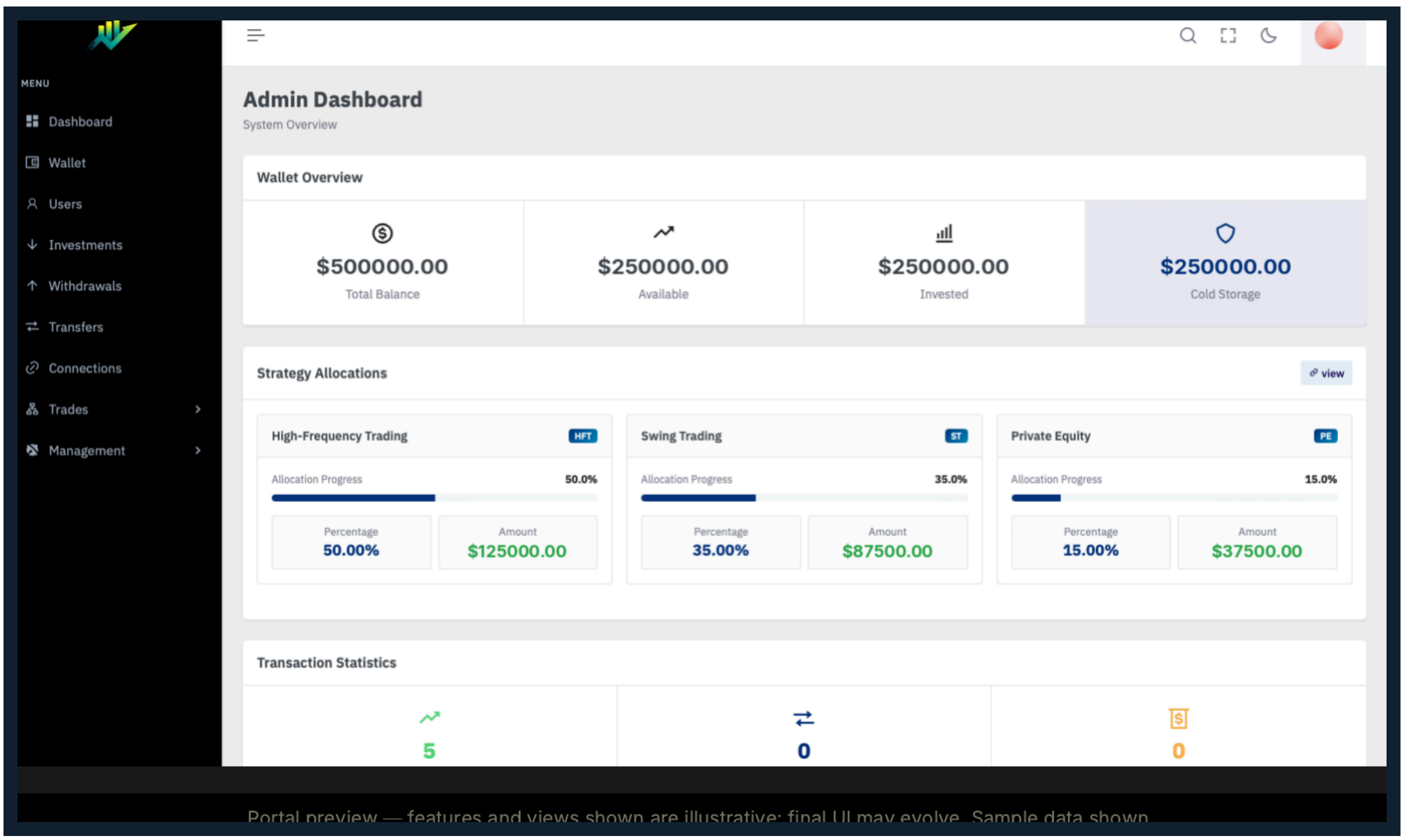
These examples are hypothetical and gross of fees — they do not reflect management fees, performance fees, expenses, or taxes, all of which would reduce actual investor results materially. Hypothetical returns are subject to inherent limitations: they are designed with the benefit of hindsight, do not reflect actual trading or the impact of material economic and market factors on decision-making, and do not account for individual tax, subscription, or redemption circumstances. PFS1 has no operating history and may produce results that differ materially from WHCG, LP. Past performance is not indicative of future results.

SECTION 07 · LP EXPERIENCE

Investor Portal

A DIRECT LINE INTO THE FUND

Every limited partner sees their own capital in one place — total balance, available cash, deployed capital, and cold storage — alongside live strategy allocations and a complete record of contributions, distributions, and reporting.



Illustrative LP dashboard — sample figures shown. Final UI may evolve.

WALLET OVERVIEW

Capital at a glance

Total balance, available cash, deployed capital, and cold-storage holdings — updated as activity posts. The LP sees exactly what the GP sees.

STRATEGY ALLOCATIONS

Where the capital sits

Live allocation by strategy — percentage and dollar amount — so every LP can tell at a glance how the book is positioned.

REPORTING

One source of truth

Monthly NAV statements, quarterly attribution, and capital activity — versioned, timestamped, and delivered through the same secure surface.

SECTION 08 · SUMMARY OF TERMS

Paradigm Fund Series 1, LP — Summary of Principal Terms

SUMMARY ONLY · QUALIFIED IN ITS ENTIRETY BY THE PPM AND LPA

STRUCTURE

ISSUER / FUND

Paradigm Fund Series 1, LP (Texas limited partnership)

GENERAL PARTNER

Paradigm Capital Group, LLC

OFFERING EXEMPTION

Rule 506(b) of Regulation D

INVESTMENT CO. STATUS

Section 3(c)(1) of the Investment Company Act

ELIGIBLE INVESTORS

U.S. Accredited Investors who are also Qualified Clients, with whom the GP has a pre-existing substantive relationship

TARGET FUND SIZE

$25,000,000

MINIMUM COMMITMENT

$100,000 (net of any Conversion Fee). GP may, in its sole discretion, accept a lesser amount or waive the minimum for any investor.

ECONOMICS & LIQUIDITY

MANAGEMENT FEE

2.0% per annum of NAV, accrued and paid monthly. GP may, in its sole discretion, waive or reduce the Management Fee for any LP.

PERFORMANCE ALLOCATION

Tiered — 30% / 20% (GP discretion). Per-LP high-water mark, loss carryforward, monthly crystallization.

HURDLE / PREFERRED RETURN

None

INITIAL LIQUIDITY RESTRICTION

30 days from admission (waivable by GP in its sole discretion)

REDEMPTION

After the 30-day restriction, on 30 days' prior written notice; subject to gating provisions in the LPA

TERM / DISTRIBUTIONS

As set forth in the LPA — no guarantee of liquidity

FUND DOCUMENTS

PPM · LPA · Subscription Agreement (the "Offering Documents")

SECTION 09 · TEAM

The People Behind the Strategy

A TRADER, AN OPERATOR, AND AN ALLOCATOR

Paradigm is built by three people who view fund management as a fiduciary craft — building the kind of vehicle each would want their own family invested in. Each runs a defined function with accountability to the others.

01

Chris Runnels

FOUNDER · GENERAL PARTNER · CHIEF TRADING OFFICER

The architect of the strategy.

A clinician's pattern recognition and a competitor's nerve. Pre-med background and collegiate baseball — performance built on repetition and discipline. Drives a data-first approach to digital assets with isolated risk on every position.

"The market doesn't reward conviction. It rewards process."

chris@paradigmcapitalgroup.io

02

Beau Sullivan

GENERAL PARTNER · CHIEF OF OPERATIONS

The bridge between performance and the people who depend on it.

Economics degree (University of Houston) and a Master's in Communications. Runs operations and investor education, ensuring every partner understands what we own and why. Father of four; serious golfer.

"Faith, family, friends, and fun — then the work serves all four."

beau@paradigmcapitalgroup.io

03

Austin Timmons

PARTNER · STRATEGIC RELATIONSHIP OFFICER

Five years U.S. Army. A decade building businesses.

Runs the partner side of the fund — capital formation, investor relationships, and the work that turns interest into committed capital. Fiduciary mindset: clear communication, no surprises, every dollar of LP capital treated like family money.

"Transparency builds trust. Do what you say you're going to do."

austin@paradigmreserves.com

SECTION 10 · IMPORTANT DISCLOSURES

Important Disclosures

PLEASE READ CAREFULLY BEFORE CONSIDERING AN INVESTMENT

Confidentiality. This document is confidential and intended solely for the named recipient. It may not be reproduced, distributed, or disclosed, in whole or in part, to any other person without the prior written consent of Paradigm Fund Series 1, LP (the "Fund") and its general partner. By accepting this document, the recipient agrees to return it upon request.

Not an offer. This document is for informational and discussion purposes only. It does not constitute an offer to sell, or a solicitation of an offer to buy, any security or interest in the Fund. Any offer of interests will be made solely to qualified investors by means of a Private Placement Memorandum (the "PPM"), the Fund's Limited Partnership Agreement, and a Subscription Agreement (collectively, the "Offering Documents"), which describe the material terms of an investment and risks involved.

Regulation D, Rule 506(b). Interests in the Fund are being offered in reliance on the exemption from registration under Section 4(a)(2) of the Securities Act of 1933 and Rule 506(b) of Regulation D thereunder. The offering is limited to (i) accredited investors as defined in Rule 501(a) of Regulation D and (ii) a limited number of non-accredited investors who, alone or with their purchaser representative, possess sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of the investment. No general solicitation or general advertising is being made in connection with this offering.

Accredited / qualified-client status. Each prospective investor will be required to represent and warrant their accredited investor and, where applicable, qualified client status in the Subscription Agreement. The Fund relies on such representations and does not separately verify investor income, net worth, or other qualification criteria.

Predecessor performance. Performance figures shown reflect WHCG, LP, a predecessor fund managed by the same principal, and not Paradigm Fund Series 1, LP, which has no operating history. The predecessor fund and the Fund may differ in structure, fees, expenses, strategy parameters, and capital base. Predecessor performance is not necessarily indicative of results that the Fund will achieve. Past performance does not guarantee future results.

Performance reporting. Monthly returns reflect the sum of position-level realized profit and loss for the applicable month. Annual totals shown are arithmetic sums of monthly returns and do not reflect compounding. Returns are manager-reported, unaudited, and gross of management and performance fees. Net-of-fee returns will be materially lower. Illustrative growth scenarios are hypothetical, assume no withdrawals, and are presented only to demonstrate the arithmetic effect of stated annual return assumptions; they are not projections, forecasts, or guarantees of future performance.

Risk of loss. An investment in the Fund involves a high degree of risk, including the risk of substantial or complete loss of capital. Risks include, without limitation: extreme volatility of digital assets; counterparty, custody, and exchange risk; regulatory and legal uncertainty surrounding digital assets; concentration risk; leverage and short-selling risk; operational and cybersecurity risk; tax complexity; lack of liquidity; reliance on key personnel; and absence of an established secondary market for Fund interests. The Fund is suitable only for sophisticated investors who can bear the loss of their entire investment.

Liquidity and transfer restrictions. Interests in the Fund are illiquid. There is no public market for Fund interests and none is expected to develop. Transfers are restricted under federal and state securities laws and the Fund's governing documents. Withdrawal and redemption rights, if any, are limited and described in the Offering Documents.

Index and benchmark comparisons. References to Bitcoin (BTC) and the S&P 500 are provided for context only. The Fund is not managed to track, replicate, or outperform any index. Comparisons reflect price returns of the referenced asset or index, do not include dividends or income where applicable, and are unmanaged. An investor cannot invest directly in an index.

Forward-looking statements. Statements herein that are not historical facts are forward-looking and involve known and unknown risks, uncertainties, and assumptions. Actual results may differ materially. The Fund undertakes no obligation to update any forward-looking statement.

Tax and legal. Nothing in this document constitutes legal, tax, accounting, or investment advice. Each prospective investor should consult their own advisors regarding the legal, tax, and financial implications of an investment in the Fund.

No FDIC or SIPC protection. Interests in the Fund are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Securities Investor Protection Corporation, or any other governmental or private entity.

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Manager & contact. Paradigm Fund Series 1, LP is managed by its general partner. For questions regarding this document, the Offering Documents, or the subscription process, contact austin@paradigmreserves.com.