

OUR ALPHA

The **ART** strategy is designed to deliver high absolute return on investment by combining two proven methods for accessing alpha. These are a:

- short-term, systematic momentum strategy, and a
- dynamically hedged, option selling strategy.

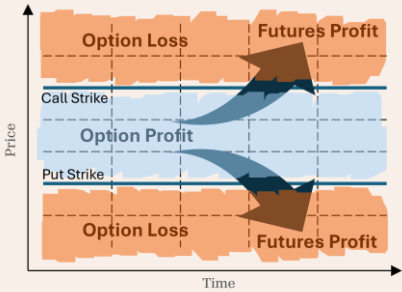
Each component profits from a well-known human behavioral bias. Short-term momentum benefits from the herding effect where people will often trade in the same direction, especially during market selloffs. Similarly, the option selling strategy benefits from a tendency to overestimate risk, leading to certain options being generally overpriced.

The advantage of combining these components is that one profits when markets move while the other profits when markets are stable.

By having them run simultaneously, we can help investors achieve relatively smooth monthly returns with low correlation to underlying equity or CTA indices.

Risk is further managed on the options side via multiple lines of defense, including dynamic delta hedging as well as long gamma / long vega hedging protocols which cap the maximum loss. To increase returns, our team have spent over 14 years conducting proprietary research into short term trends in futures markets, which has yielded actionable insights as well as big datasets which we use to train our models.

Presented here are the adjusted returns of the Defensive version, which are calculated as the live returns from the ART fund divided by the ratio of the target volatilities.



MONTHLY PERFORMANCE (net of all fees – 1% Management; 20% Performance o.h.w.)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2026	-4.19%	4.19%	-0.81%	-1.03%	-1.41%								-3.38%
2025	-3.00%	3.12%	1.29%	-7.12%	3.09%	-1.69%	-0.17%	1.60%	2.83%	1.58%	2.16%	0.88%	4.13%
2024	0.04%	2.46%	5.13%	0.64%	-2.48%	1.63%	5.43%	5.05%	-2.83%	3.11%	0.85%	5.54%	26.95%
2023												5.70%	5.70%

These are hypothetical results. The returns are taken from a fund account sub-advised by AAA running the ART Strategy and adjusted to an annualized target volatility of 12%. Please see full details below.

Return	
Return Since Inception annualized	12.8%
Win Months. %	66.7%
Average return in a winning month	2.8%
Risk	
Volatility	10.7%
Lose Months. %	33.3%
Average loss in a losing month	-2.5%
Max Drawdown Depth	-7.1%

Time Widow Analysis			
Best Three Months	5.7%	5.5%	5.4%
Worst Three Months	-7.1%	-4.2%	-3.0%
Reward / Risk	Sharpe Ratio	1.03	
	Sortino Ratio	1.66	

Trading futures involves substantial risk of loss and is not suitable for all investors. Carefully consider the suitability based upon your experience, objectives and financial resources. Past performance is not indicative of future results. There can be no guarantee that the investor will recover the capital invested. This factsheet is intended for US based Qualified Eligible Persons (QEPs) only. **These are hypothetical results. Please see the Disclaimer on page 2.**

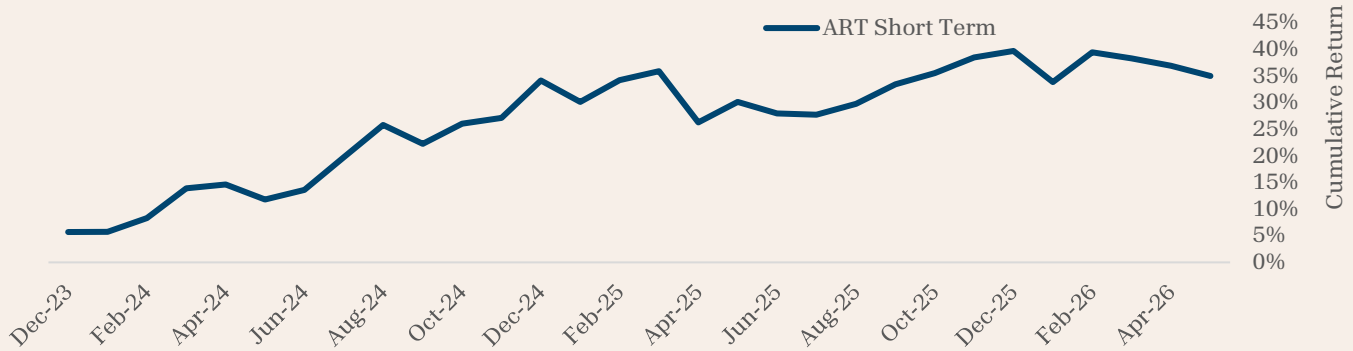
MANAGED ACCOUNT INFORMATION

The ART Short Term Defensive Strategy is available to US QEPs as a Separately Managed Account (SMA). The SMA would be managed by Advanced Alpha Advisers, LLC. Clients can choose their preferred target volatility within the range of 5% to 45% p.a.. The minimum account size for an SMA with 16% p.a. target volatility is \$1mio. Clients can choose their preferred FCM. For reference, the fund account is currently with Marex.



Risk and Return Profile

The strategy is classified as category 3 (out of 7) because the unpredictable, fluctuating performance involves a moderate risk of loss. Risk of loss may be higher in high volatility or gapped markets. There is also a small chance that a severe reversal in market prices may lead to a large one-day loss. This risk indicator is based on hypothetical data. A clear prediction for future developments is therefore not possible.



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DISCLAIMER

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

Material Assumptions

The Defensive version was designed to have lower volatility and tighter risk management controls than the ART Strategy. These controls were implemented in the main ART fund in December 2023. Since then, the only difference between the two versions is the target volatility. The returns above therefore are the live returns from the ART fund adjusted by a scaling factor equal to the ratio of the target volatilities of the two accounts. There is no guarantee that a live account running the Defensive version will achieve the same results. There are currently no accounts running this strategy live.

The performance of any new accounts managed by Advanced Alpha Advisers, LLC could conceivably differ from the track record shown for the following reasons, trading and platform fees (new accounts could face potentially higher or lower fees than those reflected in these performance figures); target volatility (clients can select any target volatility between 5% and 45%) and minimum account size (\$1m for all accounts with 16% target volatility). Other accounts that traded different versions of this strategy are not included in these results. Profits are always reinvested. **For more information on the ART fund, its fee schedule and performance calculation please see the live tear sheet "ART Short Term Systematic Strategy | Live Results".**

The data is provided by Advanced Alpha Advisers, LLC, a New York based Commodity Trading Advisor. The ART Strategy began live trading as of July 2023. The total AUM for the strategy is currently \$4.2m.

ADVANCED ALPHA ADVISERS

Advanced Alpha Advisers, LLC. is registered as a Commodity Trading Advisor with the Commodity Futures Trading Commission and is a Member of National Futures Association. NFA ID: 0505193. The firm was created to advise and invest in uniquely specialized alternative strategies in managed futures for our family office and QEP investors.

Advanced Alpha Advisers, LLC. aims to offer its client-investors access to our blended portfolio of quality sourced emerging managers that can meet the client's needs for wealth creation and preservation objectives.