STRATEGY OVERVIEW · PRE-LAUNCH · QUALIFIED INVESTORS ONLY

Algotoria Spike Diversified — Algotoria Spike on a diversified, systematically managed collateral base

The Algotoria Spike engine, unchanged, margined against a managed basket of tokenised gold, US equity index exposure and yield-bearing stablecoins rather than stablecoins alone. The engine waits for the rare days worth trading; the basket keeps working while it waits.

FROM	AUDIENCE	STATUS	DATE
Algotoria Limited BVI Approved Investment Manager	Qualified investors under evaluation	Pre-launch research complete, gate pending	21 September 2026

1. What it is, and why it exists

The engine, in two sentences. Algotoria Spike is a deliberately dormant, multi-asset neural spike-capture strategy: it trades seven high-liquidity perpetual swaps at mid frequency, opens positions only when model conviction clears a threshold set high in research and then frozen, and holds no positions on the great majority of days. Time-weighted, roughly 99% of the capital behind it is sitting still.

See **Algotoria Spike — strategy overview** for the engine itself: signal construction, entry and exit rules, the frozen configuration, the registered forward gate and the full simulated record. This document does not restate them.

What Algotoria Spike Diversified changes. One thing only: what the account holds while the engine waits. The idle balance sits in a systematically managed basket of tokenised gold, tokenised US equity index exposure and yield-bearing stablecoins rather than in stablecoins alone. The signal, the instruments traded, the exposure caps and the exit logic are untouched.

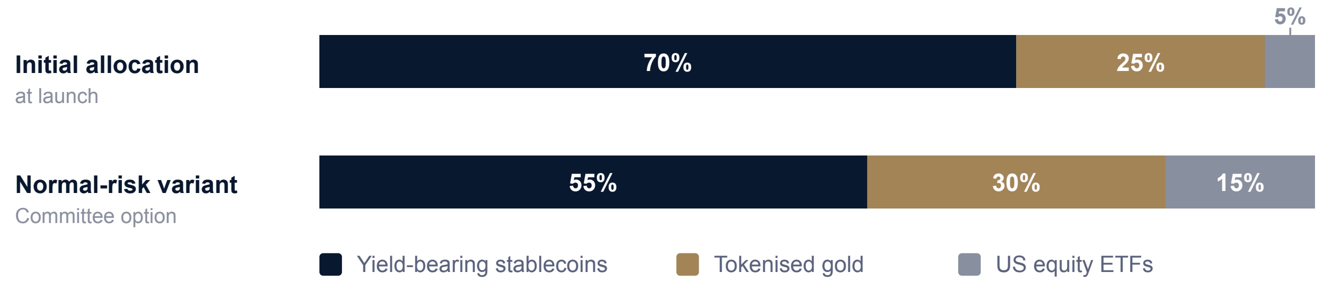
Why this is worth doing. Not for the collateral's return, which is single-digit and modest next to what the engine contributes on a deployment day, but for the *shape* of that return. The collateral is what the account's equity curve does between deployments, and a basket whose own drawdowns are shallow and short keeps making new highs while the engine waits.

And a second reason. A 100% stablecoin base is entirely dollar-denominated and, through the reward-paying tokens, backed by short-dated US Treasury bills. Holding gold and equity exposure alongside it is intended to reduce that concentration in the US dollar and in US Treasuries — a *partial* hedge against currency debasement rather than a protection from it.

> **The headline.** On the simulated record the longest drawdown falls from **81 days** on Algotoria Spike to **55 days** at launch and **41 days** on the normal-risk variant (Section 4). **What is being optimised.** The **Calmar ratio** of the combined book, subject to a hard constraint: **no drawdown longer than 100 days**. Drawdown budget **20%**.

2. The collateral basket

Three tiers, each with a distinct job. Every instrument is live on OKX Spot and accepted by the venue as collateral, so the basket is held in the same account that margins the trading book rather than in a separate custody arrangement.



TIER	AT LAUNCH	VARIANT	INSTRUMENTS	WHAT IT IS THERE FOR
Yield-bearing stablecoins	**70%**	55%	RLUSD, USDG	The base. Reward-paying balances backed by short-dated US Treasury bills; carries the margin the engine needs and earns while it is unused. Non-yield-bearing USDT and USDC also sit here, uncapped within the tier: investors capitalise in them, the basket is bought over time, and trading profits arrive in them.
Tokenised gold	**25%**	30%	XAUT, PAXG	The diversifier. Gold's drawdowns are shallow and short relative to equity, and its good periods have not historically been the engine's bad ones. It is also the leg that reduces the concentration in the US dollar and in US Treasuries that the stablecoin tier carries in full.
US equity ETFs	**5%**	15%	xSPY, xQQQ, split evenly	The growth leg. Tokenised broad-index wrappers listed on OKX, split evenly between a broad-market and a technology index. Deliberately small.

At launch is the allocation the strategy starts on. **Variant** is the normal-risk allocation the mandate also permits, adopted by Committee decision (Section 3).

What the basket does not hold

- **No Bitcoin at launch.** Bitcoin was tested as a collateral leg at every dose rather than excluded on principle, and it lowered the combined Calmar ratio at every one: a 5% leg deepened both the combined and the sleeve's own maximum drawdown, roughly doubled the collateral's loss in 2022 and tripled turnover. The mandate still permits up to **30%** — the ceiling Algotoria Diversified uses — so that it need not be reopened if Bitcoin becomes less volatile, or less correlated with the engine, than it has been. The weight at launch is **0%**, and the Investment Committee must re-run the drawdown-budget analysis on any proposed weight first.
- **No crypto-linked equities.** The tokenised shares of crypto-exposed companies stay at 0% of the basket.
- **No leveraged or inverse wrappers.** The basket carries no embedded leverage; all leverage in the strategy sits in the trading book, where it is capped and monitored.
- **No single-stock concentration.** Equity exposure is index exposure.

3. How the basket is managed

The collateral is managed by Algotoria under the same systematic, non-discretionary discipline as the trading book. The rules below are set in advance and applied mechanically; they are not re-decided each quarter on a view of the market.

REBALANCING	**Quarterly**, at the quarter-end close. Weights drifting inside the band are left alone — turnover is a cost, not a virtue. In addition, the Investment Committee may call an **on-demand rebalance** between quarters: to switch between the two allocations, to correct a breach of a concentration limit, or to respond to a change in what the venue lists. It runs the same band and staging rules as a scheduled one.
TOLERANCE BAND	**±20% relative** per leg. A leg is traded back to target only once it has drifted more than a fifth of its own weight away from it.
EXECUTION	Staged against venue liquidity: no single day's trade in any instrument exceeds **10%** of that pair's 30-day median turnover on OKX. Any remainder is carried forward to the following day until it clears.
OVERSIGHT	The Investment Committee reviews the basket, its constituents and the concentration limits **each quarter**, and approves any change to the instrument list before it is traded.
ACCOUNTING	NAV-Based Method. Deposits and withdrawals are in USDT.

Concentration limits

Hard caps, checked at every rebalance. They bind the basket regardless of what the optimiser or the Committee would otherwise prefer.

EXPOSURE	LIMIT	BASIS
Yield-bearing stablecoins	≥ 40%	Floor. Keeps a liquid margin base in the account at all times.
Tokenised gold	≤ 30%	Aggregate across all gold wrappers.
Broad equity ETFs	≤ 40%	Aggregate, and **≤ 25%** in any single ETF.
Single stocks	≤ 5%	Each, and **≤ 15%** in aggregate. None are held at launch.
Bitcoin	≤ 30%	**0% at launch.** Permitted by the mandate, held only on an Investment Committee decision taken after the drawdown-budget analysis has been re-run.
Crypto-linked equities	0%	Tokenised shares of crypto-exposed companies. No exceptions.
USDT and USDC	no cap	Within the stablecoin tier. They pay no reward, so a balance held in them is a cost, but they are how investors capitalise and how trading profits arrive.
Single issuer or wrapper	≤ 50%	Limits counterparty concentration across the whole basket.
Daily trade size	≤ 10%	Of the pair's 30-day median OKX turnover, staged over days where it binds.

The normal-risk variant

A second, pre-specified allocation is held ready and defines the mandate's ceiling for the risk sleeve: **gold 30%, equity ETFs 15%, yield-bearing stablecoins 55%**. The Investment Committee may switch to it without a mandate change. It buys some of the combined book's Calmar ratio — 25.8 against 23.7 on the simulated record in Section 4 — and a shorter worst drawdown, at the cost of a markedly less well-behaved collateral sleeve: the sleeve's own maximum drawdown over the long stress history is 8.1% rather than 5.5%, and it lost money in 2022 where the initial allocation did not. The strategy launches on the quieter book.

> **A note on the optimum.** The variant sits on its gold cap: the search would have put more in gold had the limit allowed it. Algotoria reports this rather than presenting the weights as a free optimum, because a corner solution tells the reader that a constraint, not the data, chose the number. The initial allocation sits below that cap, at 25%.

4. Simulated performance

SIMULATED · BACKTESTED · NOT A LIVE TRACK RECORD

Every figure in this section and the next is the result of a historical simulation. No client capital has been managed under Algotoria Spike Diversified, the strategy is pre-launch, and a simulated result is not a return any investor received.

Combined book, 1 January 2024 – 30 September 2025

The engine is identical in every row. The only difference is what the account holds while the engine is flat: the managed basket in either of its two permitted allocations, or yield-bearing stablecoins alone — the last being Algotoria Spike as it stands today, and the honest control for this comparison. The strategy launches on the initial allocation, shown in bold.

COST BASIS	COLLATERAL	CALMAR RATIO	MAXIMUM DRAWDOWN	LONGEST DRAWDOWN
20 bps	**Algotoria Spike Diversified** — initial allocation	**23.7**	**5.7%**	**55 days**
20 bps	Same, normal-risk variant	25.8	5.6%	41 days
20 bps	Stablecoin collateral (control)	17.2	6.7%	81 days
25 bps	**Algotoria Spike Diversified** — initial allocation	**21.9**	**6.0%**	**55 days**
25 bps	Same, normal-risk variant	24.0	5.7%	41 days
25 bps	Stablecoin collateral (control)	15.9	6.9%	81 days

20 bps is the registered round-trip cost calibration and the primary basis. The 25 bps rows are an approximation reconstructed from the same run rather than an independent re-simulation, and are shown to demonstrate that the ranking does not depend on the cost assumption. Calmar is CAGR divided by the absolute maximum drawdown of the same curve; drawdown is peak to trough on daily closes, applied identically to both rows (the Algotoria Spike overview reports drawdown on its adjusted basis, so its figures are not directly comparable with this table).

The result in one line. The same engine, on the same days, with the same trades, gives up nothing in depth and cuts by a third how long the investor spends waiting to get back to the previous high: **55 days against 81**. The Calmar gain, from 17.2 to 23.7, comes from a shallower maximum drawdown and the basket's own return on top of the engine's; the shorter duration is a separate benefit. The normal-risk variant is better again on both counts on this window — 41 days and 25.8 — and the Committee may adopt it; the strategy launches on the quieter allocation because the variant's own collateral sleeve is the more volatile of the two, as the next table and Section 5 show.

The collateral sleeve on its own

What the basket does with no trading book attached, measured over the full available history of its constituents.

SLEEVE	CAGR	VOLATILITY	MAXIMUM DRAWDOWN
Initial allocation	**5.3%**	**4.0%**	**5.5%**
Normal-risk variant	7.3%	5.5%	8.1%

Single-digit return, single-digit volatility. This is the intended profile: the sleeve is there to hold its value and keep making new highs, not to compete with the engine.

A worked episode — January to March 2025

The clearest single illustration in the simulated window. Over the two months from 15 January to 15 March 2025, the engine deployed into a sequence of trend days while the basket was also rising. The combined book returned **+14.6%** on the initial allocation against **+11.7%** for the same engine on stablecoin collateral, and did so on a shallower drawdown — 5.7% against 6.7%. The normal-risk variant returned +14.7% on a 5.5% drawdown over the same two months.

What the simulation does and does not price

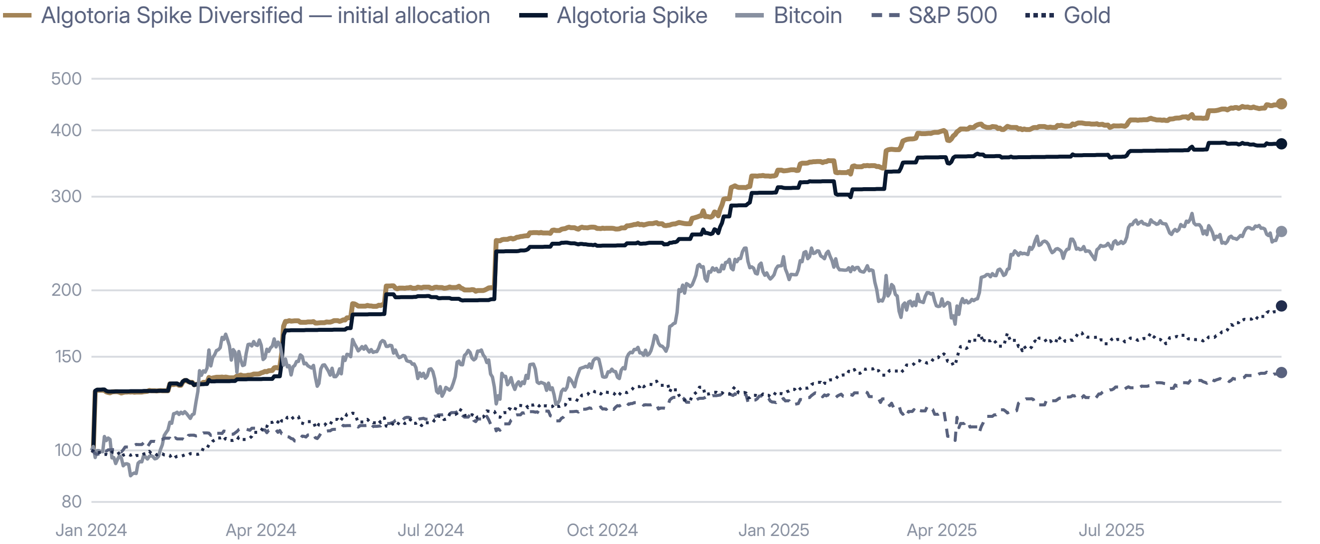
Three limitations matter enough to state on their own page rather than in a footnote. None of them is fatal to the result; all of them would change it at the margin.

- **The wrappers are younger than the window.** The tokenised gold and equity instruments the strategy will actually hold listed on OKX in **July 2026**, well after the end of the simulated period. The simulation therefore prices the *underlying* assets — gold, and the two US equity indices — not the tokens. Wrapper tracking error, premium or discount to net asset value, issuer risk and the fact that a token trades 24/7 against an index that does not are all outside the model. Dividends on the equity wrappers are reinvested by the issuer into the token balance, net of US withholding tax of up to 30%; there are no cash distributions, so the total-return basis used here slightly overstates the wrappers by the withheld portion.
- **The yield leg is a rate, not an instrument.** In the simulation the stablecoin tier earns the **3-month US Treasury bill rate**, taken from the published series. In production it will earn whatever RLUSD and USDG actually pay through OKX's reward programme. Those rates are **currently in the range 3.5% to 4.2%** — current, not contractual. They are set by the issuers and the venue, they move, and they can be withdrawn. Redemption cost, lock-up terms and de-peg risk are not modelled.
- **The window ends on 30 September 2025.** Everything after that date was deliberately withheld from the research and has not been looked at. It is reserved as an independent read on a configuration that was already fixed — the only honest way to find out whether the result survives data the design never saw. That read is pending.

Against the benchmarks

The same simulated window, 1 January 2024 to 30 September 2025, with the four reference series an investor is most likely to hold instead: Algotoria Spike on stablecoin collateral as published, Bitcoin, the S&P 500 and gold. Growth of 100, logarithmic scale. Data after 30 September 2025 is withheld pending the hold-out read.

Growth of 100 — 1 January 2024 – 30 September 2025



Growth of 100, simulated, logarithmic scale. Algotoria Spike Diversified is the initial allocation combined with the Algotoria Spike engine; Algotoria Spike is the published simulated track, gross of fees; benchmarks are total-return tracks held flat on non-trading days.

TRACK	TOTAL RETURN	CAGR	VOLATILITY	MAXIMUM DRAWDOWN	LONGEST DRAWDOWN	CALMAR
Algotoria Spike Diversified — initial allocation	**+348.7%**	**+136.0%**	**33.2%**	**−5.7%**	**55 days**	**23.72**
Algotoria Spike Diversified — normal-risk variant	**+376.0%**	**+144.1%**	**33.3%**	**−5.6%**	**41 days**	**25.80**
Algotoria Spike	+277.3%	+113.7%	33.4%	−6.7%	81 days	16.92
Bitcoin	+158.1%	+72.0%	48.4%	−28.1%	238 days	2.56
S&P 500	+40.2%	+21.3%	16.8%	−19.0%	128 days	1.12
Gold	+87.0%	+43.0%	16.3%	−8.1%	92 days	5.33

Window 1 January 2024 – 30 September 2025, the day before the research hold-out boundary. **The two Algotoria Spike Diversified rows and the Algotoria Spike row are simulated**, gross of Algotoria's performance fee; no client capital has been managed under Algotoria Spike Diversified. The Spike Diversified books price basket trades at 20 bps and earn the 3-month US Treasury bill rate on the stablecoin sleeve (4.9% realised over the window); the published Algotoria Spike track assumes a flat 4%/yr idle yield, so the two conventions differ slightly. Drawdown is peak to trough on daily closes for every row; the Algotoria Spike overview reports drawdown on its adjusted basis. Benchmarks: Bitcoin BTC-USDT; S&P 500 SPY; Gold PAXG with an XAU/USD backfill.

> **Why the control is the right comparison.** The comparison in Section 4 is not Algotoria Spike Diversified against a market index or against a competitor. It is the same frozen engine against itself, differing in one variable. That is the only construction in which the collateral's contribution can be read off cleanly, and it is also the least flattering: the control is a real strategy with a real simulated record, not a straw man.

5. Stress and long-window behaviour

SIMULATED · BACKTESTED

The simulated window in Section 4 contains no equity bear market and no gold crash. To see what the basket does under those conditions, the sleeve was run on its own across the three worst stretches in the available history of its constituents.

STRESS WINDOW	WHAT HAPPENED	INITIAL ALLOCATION RETURN / MAX DRAWDOWN	NORMAL-RISK VARIANT RETURN / MAX DRAWDOWN
2018 (full year)	Global equity drawdown, rising rates	**+0.9% / 2.7%**	+0.6% / 3.2%
February–April 2020	Pandemic crash, correlated liquidation	**+1.3% / 4.3%**	+0.6% / 7.6%
2022 (full year)	Simultaneous bond and equity bear market	**+0.1% / 5.5%**	−3.0% / 8.1%

Sleeve only, with no trading book attached. In March 2020 gold sold off with everything else for roughly a fortnight before recovering, which is where both 2020 drawdown figures come from; both baskets still finished that window positive. 2022 is the one window in which a basket lost money, and it is the normal-risk variant that lost it.

What the diversification costs, stated plainly

Stablecoin collateral has no drawdown of its own. A diversified basket does. Over a long window containing 2018, 2020 and 2022, the collateral's own losses consume part of the investor's drawdown budget before the trading book has done anything at all, and there are stretches in which the sleeve is below its previous high for quarters rather than weeks even where the loss itself is small. That is the trade being made, and it is the reason the budget for this strategy is **20%** rather than the **10%** that governs Algotoria Spike on stablecoin collateral.

The budget is not padding. It is sized so that the combined book has room for a collateral drawdown and a trading drawdown arriving together, which is what a 2020-style correlated liquidation would produce. On a long-window reconstruction that repeatedly deploys the engine across the full history — a construction, not a backtest — the combined book's maximum drawdown lands around **8%** on the median path for the initial allocation and around 10% for the normal-risk variant; no path in the exercise reached the 20% budget on either. A reader should expect the strategy to use a meaningful fraction of the budget in a bad year, and should size the allocation on that basis rather than on the 5.7% of the simulated window.

> **Read the two numbers together.** The 5.7% maximum drawdown in Section 4 is what happened over a benign 21-month window for the collateral. The figure to carry away is the one above: in a long history containing real crashes, a combined drawdown of roughly a twelfth of the account is the central case for the allocation the strategy launches on, and the budget is set well above it.

6. Risk management

DRAWDOWN BUDGET	**20%** of net asset value, peak to trough on the account's margin balance. It is a monitoring and governance figure, not a guarantee and not a contractual floor.
STAGE 1	Two-thirds of the budget — **13.3%**. The Investment Committee is notified and votes on the exposure. It may reduce gross delta-adjusted exposure at its discretion at any time, before or after this level; no reduction is promised to investors, because a forced cut at two-thirds of the budget shortens depth but lengthens drawdowns and lowers the Calmar ratio, which most investors weigh more heavily.
STAGE 2	The full budget — **20%**. Mandated review: restore within 24 hours, or reduce gross delta-adjusted exposure to zero and halt trading.
ACCOUNTING	**NAV-Based Method.** Net trading profit is the change in the aggregate USDT-equivalent net asset value of the account, adjusted for net inflows and fees. The collateral's gains and losses are inside the performance measure, not beside it — which is the correct treatment when Algotoria is the one managing the collateral.
DEPOSITS AND WITHDRAWALS	In **USDT** only. Algotoria converts into and out of the basket; the investor never has to source or dispose of a basket constituent.
MARGIN TREATMENT	The basket assets are accepted by the venue as margin for the futures book at venue-set haircuts, so holding them does not reduce the engine's capacity to deploy. Haircuts are set by the exchange and can be changed by it.
LIQUIDITY	Rebalances are staged against measured venue turnover (Section 3). At the sizes modelled, the basket rebalances inside one day at smaller account sizes and carries a residual forward on a small minority of rebalance days at larger ones, with no measurable effect on the combined result.
CUSTODY	Separately Managed Account. The investor retains custody throughout and may withdraw at any time under the terms of the Asset Management Agreement.

What this framework does not cover

- **Issuer risk on the tokenised assets.** Each wrapper is a claim on its issuer. A failure, a suspension of redemptions or a regulatory action against an issuer is not a market risk the drawdown budget is designed to absorb. The 50% single-issuer cap limits the size of the exposure; it does not remove it.
- **Stablecoin de-peg.** The yield tier is the largest single holding. A sustained break in a stablecoin's peg, or a suspension of its reward programme, would hit the basket and the margin base at the same time.
- **Wrapper tracking.** A tokenised instrument can trade away from the asset it references, particularly when the underlying market is closed and the token is not. This is not modelled anywhere in Section 4.

7. Status and next steps

Algotoria Spike Diversified is **pre-launch**. The collateral research is complete and the allocation, the limits and the management rules described here are settled. Three things stand between this document and a launchable product, and all three are stated rather than deferred.

1 · ENGINE GATE	Algotoria Spike is itself under a pre-registered out-of-sample forward gate running **September to November 2026**, with readings in early October and early December. Algotoria Spike Diversified inherits that gate: if the engine does not pass, there is no product to put a basket underneath.
2 · HOLD-OUT READ	The period from **1 October 2025** onward was withheld from the collateral research and remains unread. It will be scored once, on the allocation exactly as published here, and the result reported whichever way it falls.
3 · INSTRUMENT CONFIRMATION	The wrapper terms — redemption mechanics, reward-programme conditions and the venue's haircut schedule — are being confirmed with the issuers and the venue before any capital is committed.

As-of statement

The instrument list, the reward rates in Section 4, the venue turnover behind the liquidity staging rule and the concentration limits are all **as at 21 September 2026**. Rates and listings change; a figure in this document should not be relied on as current at a later date without asking.

Registering interest

Qualified investors evaluating Algotoria Spike Diversified may register interest with their usual Algotoria contact or through the firm's investor-relations address. Registered parties will be informed of the forward-gate outcome and of the hold-out result once it is scored. Commercial terms, minimums and the fee schedule will be set out in the applicable Asset Management Agreement at launch and are not stated here.

> **What this document is not.** It is not an offer, a solicitation or a term sheet, and it does not commit Algotoria to launching the strategy. If the gate fails or the hold-out read contradicts the research, the strategy will not launch and this document will be withdrawn rather than revised.

8. Important information

Risk warning. Past performance is not a guarantee of future results. Investing in crypto-assets involves the risk of total loss of capital. This document is distributed for informational purposes only and does not constitute investment advice or a recommendation to invest.

Simulated performance. Every performance figure in this document is a historical simulation of a strategy that has never been managed with client capital. Simulated results are prepared with the benefit of hindsight, do not reflect actual trading, and are subject to limitations that live trading is not: they cannot account for the effect of the orders themselves on the market, for the operational frictions of managing a real account, or for an investor's own decisions during a drawdown. Figures covering 1 January 2024 to 30 September 2025 price the underlying assets rather than the tokenised wrappers the strategy would hold, and model the yield tier as earning the 3-month US Treasury bill rate rather than the rates the instruments actually pay. The long-window figures in Section 5 are a reconstruction, not a backtest. Simulated and past performance are not indicative of future results.

No offer and no advice. This document is provided for informational and due-diligence purposes to qualified investors only. It does not constitute an offer, a solicitation or investment advice, and it is not a term sheet. Algotoria does not provide personalised investment advice. Nothing here is a forecast or a promise of any outcome, and no figure should be read as a target the firm undertakes to achieve. Commercial terms, if and when the strategy is launched, will be set out in the applicable Asset Management Agreement.

Risk of loss. Digital-asset derivatives trading involves substantial risk of loss, including loss of the entire allocated amount; leverage amplifies both gains and losses. The collateral basket carries market risk of its own: gold and equity exposure can fall, and can fall at the same time as the trading book. The tokenised instruments carry issuer, redemption, tracking and de-peg risk, and the yield rates quoted are current rather than contractual and may be reduced or withdrawn. The investor drawdown budget and the Stage 1 and Stage 2 thresholds are monitoring and governance figures, not guarantees or contractual floors; a drawdown can exceed them. Drawdown figures in this document are peak-to-trough on daily closes, a measurement convention rather than a limit on loss, and intraday marks can be deeper than any daily-close figure.

Status and naming. Algotoria Spike Diversified is the name of a pre-launch strategy that has not yet been offered. Its final parameters and its availability are subject to change, to the outcome of the pre-registered forward gate, and to the firm's sign-off. The allocation shown as initial may be changed to the normal-risk variant described in Section 3, within the stated limits, by decision of the Investment Committee. Nothing in this document commits Algotoria to launching the strategy.

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