

“You hold bitcoin — we don't spend bitcoin.”

Built for long-term BTC holders who want **more BTC**, not more USD return. The strategy is BTC-denominated end-to-end: deposits, NAV and withdrawals all settle in physical Bitcoin. Designed for investors with a 3–5 year horizon who accept BTC-quantity volatility in exchange for convex BTC accumulation over the cycle.

INVESTMENT OBJECTIVE

The Atman Bitcoin Compounding Strategy is a **BTC-denominated accumulation vehicle** that seeks to grow the notional amount of Bitcoin held over time via systematic option-premium extraction combined with risk-managed long perpetual futures exposure. Returns are measured, settled and reported entirely in BTC.

Benchmark. The relevant comparison is BTC HODL in BTC terms, which is **0% by definition** — one bitcoin remains one bitcoin. The strategy targets cumulative BTC quantity growth over a full BTC cycle, accepting that BTC-quantity drawdowns can occur in adverse regimes.

STRATEGY

- **Convex BTC accumulator** — synthetic covered-call programme built on BTC perpetual futures. Premium income compounds the BTC base; perpetual futures provide directional accumulation through staggered dial-in tranches.
- **Premium engine** — short OTM puts (≤24h, ~25-delta) generate BTC premium. On exercise, strategy enters long perpetual futures at the dial-in price.
- **Hedge layer** — long protective puts 40–50% OTM always sit above the estimated liquidation price. Hedge cost ≈17% p.a. at full 2× capacity. The protective-put overlay has been in place since Phase 2; Phase 1 ran without it as a balanced-fund component.
- **Dynamic synthetic exposure** — leverage flexes through the cycle as tranches activate. Empirical range **1.1–2.0× BTC**, not a static figure.
- **Target yield 1.5–2% per month in BTC — gross of futures P&L.** Net NAV return per period varies with BTC pathway and can be negative when long perp positions carry MTM loss into recovery (see Table 2).

HOW ALPHA IS GENERATED

- 1 **Volatility Arbitrage** — BTC pricing inefficiencies, especially during market stress, create significant volatility arbitrage opportunities.
- 2 **Implied Volatility Premium** — Term-structure implied premium has remained elevated at **43%+** providing continuous idiosyncratic yield extraction opportunity.
- 3 **Theta Decay & Mean Reversion** — Duration (Theta) and reversion to mean generate uncorrelated returns that add yield and mitigate the cost of protection.

27

CALENDAR MONTHS LIVE
across 3 phases (with gaps)

1.5–2%

GROSS BTC PREMIUM TARGET
net varies — see Table 2

+97.3%

CUM. RETURN BTC, ALL PHASES
vs HODL 0% by definition

+362.8%

CUM. RETURN USD, ALL PHASES
reflects BTC price tailwind

HOW TO INVEST

SMA — Separately Managed Account

Available now

Minimum Investment	10 BTC
Management Fee	0%
Performance Fee	20% BTC-denominated, high-water mark
Lock-up Period	None
Setup Fee	\$5,000 one-time
Custody	Your Deribit sub-account (investor-controlled)
Read-only API	Available from day 1

STRATEGY KEY FACTS

Strategy Type	BTC Compounding / Accumulator
Denomination	BTC (deposit, withdraw & NAV in BTC)
Target Gross Monthly Yield	1.5–2% in BTC (Phase 3 mandate)
Synthetic Exposure	Dynamic 1.1–2.0× BTC via perp futures
Downside Protection	Long puts 40–50% OTM, always active (Phase 2+)
Hedge Cost	≈17% p.a. at full 2× capacity
Instruments	BTC Options & Perpetual Futures (Deribit)
Live Since	March 2023 (Phase 1, balanced-fund context)
Current Mandate	December 2025 — present (Phase 3)
Total Calendar Months Live	27 across 3 phases
Reporting	Monthly

STRATEGY PERFORMANCE — THREE PHASES, DIFFERENT MECHANICS

PHASE 1

MAR 2023 – AUG 2024 · 528 days

Balanced-fund context. BTC was one of 20 positions (≈10% allocation). **No protective puts;** cross-asset collateral. Target 5%/mo. Cumulative BTC: **+137.6%**. Not directly comparable to current pure-BTC mandate.

PHASE 2

DEC 2024 – APR 2025 · 151 days

Pure BTC fund transition. Protective puts introduced; high leverage; target 3%/mo. Cumulative BTC: **-8.8%**. Lessons learned on gamma behaviour and margin sensitivity informed Phase 3 design.

PHASE 3

DEC 2025 – PRESENT · 136 days

The current mandate. Pure BTC SMA, conservative leverage, OTM protective puts, target 1.5–2%/mo gross. Cumulative BTC: **-9.0%**. Recovery from MaxDD -22.8% (28 Feb) to -9.0% (30 Apr) supports the convex thesis.

MONTHLY GROSS OPTIONS YIELD (BTC GENERATED %)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2023	—	—	26.9%	17.2%	8.8%	14.1%	11.3%	4.3%	0.2%	4.8%	13.2%	9.9%	180.0%
2024	4.5%	6.2%	16.5%	7.2%	5.7%	3.4%	3.8%	1.5%	—	—	44.6%	18.7%	173.9%
2025	7.3%	3.7%	3.8%	6.7%	—	—	—	—	—	—	—	1.8%	25.5%
2026	4.7%	4.3%	—	—	—	—	—	—	—	—	—	—	9.2%

MONTHLY BTC NAV RETURN % — NET (OPTIONS YIELD + FUTURES P&L)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023	—	—	+19.8%	+14.2%	-12.5%	+28.7%	+2.3%	-36.6%	-15.2%	+80.0%	+15.4%	+11.1%	+95.6%
2024	-8.5%	+38.5%	+16.5%	-11.6%	+18.3%	-15.8%	+14.4%	-18.3%	—	—	—	-2.0%	+19.0%
2025	+17.3%	-30.2%	-2.5%	+16.7%	—	—	—	—	—	—	—	+1.5%	-5.5%
2026	-3.6%	-18.6%	+5.2%	+8.6%	—	—	—	—	—	—	—	—	-10.3%

Net NAV return = gross options yield (Table 1) + futures P&L on long perpetual positions. The latter can be materially negative in BTC drawdowns when long perps carry MTM loss. Gaps indicate no trading between phases.

KEY NAV METRICS BY PHASE (RECOMPUTED APRIL 2026)

METRIC	P1 BTC	P1 USD	P2 BTC	P2 USD	P3 BTC	P3 USD	ALL BTC	ALL USD
Trading Days	528	528	151	151	136	136	815	815
Cumulative Return	+137.6%	+545.9%	-8.8%	-10.6%	-9.0%	-19.9%	+97.3%	+362.8%
Annualised Return	+81.9%	+216.8%	-19.9%	-23.7%	-22.4%	-45.4%	+35.6%	+98.6%
Annualised Volatility	127.7%	145.1%	74.4%	103.0%	27.0%	54.0%	111.1%	130.8%
Sharpe Ratio	0.64	1.49	-0.25	-0.23	-0.83	-0.84	0.32	0.75
Sortino Ratio	0.94	2.31	-0.33	-0.31	-1.09	-1.11	0.47	1.13
Max Drawdown	-66.2%	-71.8%	-43.9%	-47.2%	-22.8%	-34.5%	-66.2%	-71.8%
Win Rate (days)	55.2%	54.8%	51.1%	52.8%	56.3%	48.7%	54.4%	53.6%
Profit Factor	1.23x	1.32x	1.02x	1.01x	0.88x	0.84x	1.13x	1.23x

Sharpe & Sortino use $R_f = 0\%$ (BTC-denominated strategy). All metrics annualised using 365 days. **Phase mechanics differ:** Phase 1 = BTC ≈10% of balanced multi-asset fund without protective puts; Phase 2 = first pure-BTC iteration with puts at higher leverage; Phase 3 = current pure-BTC mandate with conservative leverage and put overlay. Direct chaining of returns across phases reflects portfolio path but should not be read as one continuous strategy.

DISCLAIMER. This is a marketing communication. Please ensure a complete understanding of the risks and seek third-party advice including tax advice. If you are not a professional investor, please disregard this document. Recipients must inform themselves of and comply with any legal restrictions on distribution in their jurisdiction. **Past performance and figures shown do not guarantee future results.** Target returns are aspirational only. The 1.5–2% monthly target refers to gross options premium yield in BTC; net NAV return varies with BTC pathway and can be negative in drawdowns. **Benchmark.** The strategy is BTC-denominated; the relevant benchmark is BTC HODL in BTC = 0% by definition. Crypto assets involve significant risks including extreme volatility, potential total capital loss, and limited regulatory oversight. Long protective put overlay materially reduces but does not eliminate liquidation risk; it has been in place since Phase 2. Phase 1 returns were generated as part of a balanced multi-asset fund without protective put overlay and are not directly comparable to the current pure-BTC mandate.