

Newsletter December 2025

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▲ + 0,71 %

The trading portfolio of the Atlantis Private Algorithmic Hedge Fund is realized with a daily frequency of trading in high liquidity markets. The objective of the fund is to provide an absolute return with a moderate risk profile and low correlation of the underlying assets. The Fund seeks to achieve its objectives by developing, testing, and implementing a portfolio of systematic and algorithmic trading models. The trading portfolio includes several market assets in metals, currency instruments, indices, and energy assets. Execution of individual trades takes place in regulated, centralized, and derivative markets.

The strategy executes long and short positions to benefit from the identified short, medium, and seasonal trends and trends resulting from repetitive patterns, price formations. The system can apply a hedge trading approach in critical situations and high volatility. The goal of the portfolio, which is calibrated from ~ 50 logically different trading systems, is to provide profit each month. Our risk management is strictly based on clearly defined rules of a dynamically changing portfolio that constantly adapts to market conditions. We rely on an attractive return-to-risk ratio and stability.

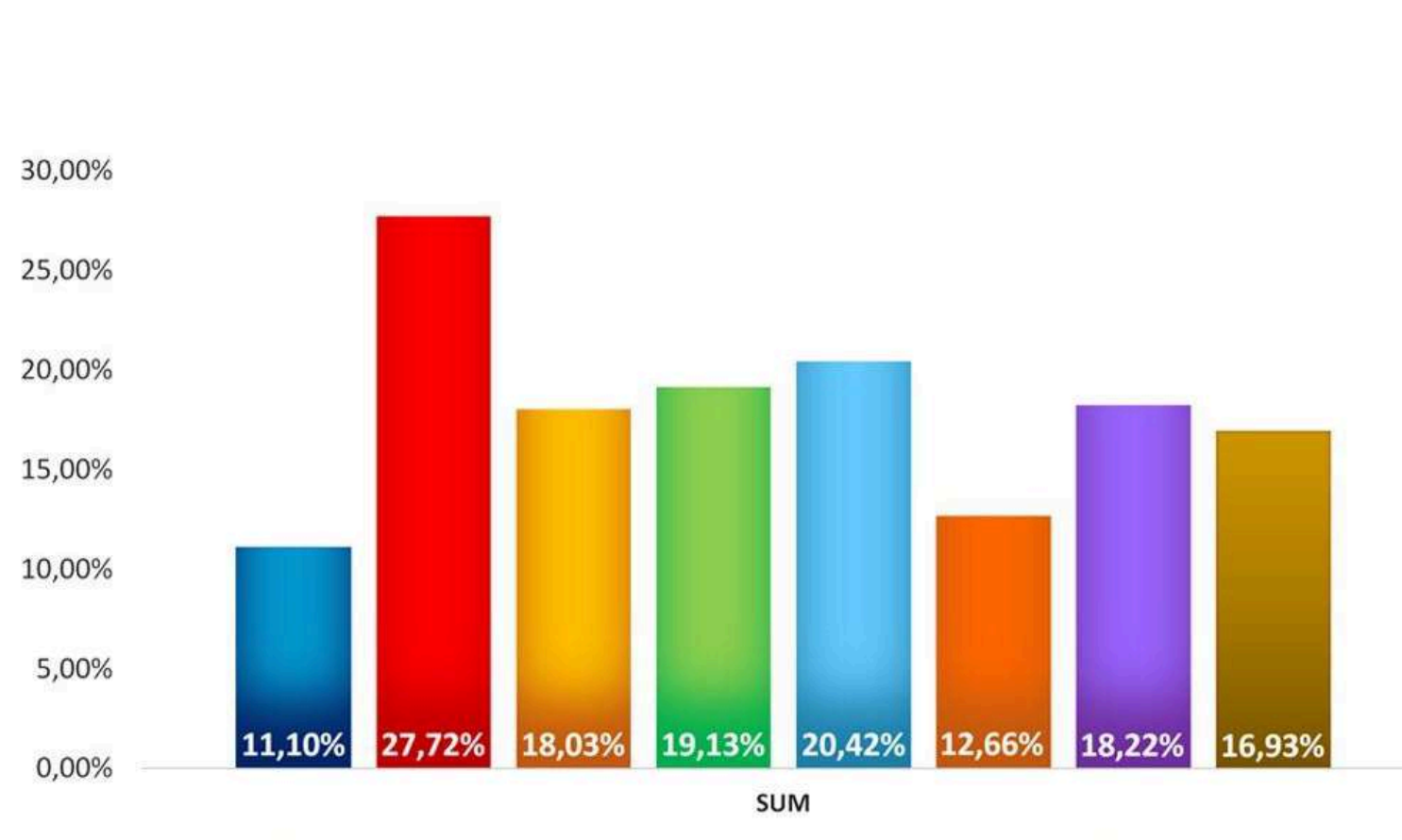
Hedge fund

FUND STATISTICS

Last month's result	Max. drawdown from peak
+ 0,71 %	2,04 %
Returns since model live trading	Sharpe ratio
▲ + 144,21%	0,50
Last 12 months return	Profit factor
▲ + 16,93 %	1,29
Number of trades during this month	Positive trades
104	64,5 %

HEDGE FUND

DECEMBER 2025



Trading result

Year	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	SUM
2018								2,26 %	2,96 %	2,04 %	1,90 %	1,93 %	11,10 %
2019	2,61 %	1,61 %	5,63 %	3,57 %	1,20 %	2,69 %	2,74 %	2,33 %	0,87 %	3,23 %	1,85 %	-0,61 %	27,72 %
2020	0,89 %	-1,19 %	2,11 %	2,31 %	1,91 %	0,54 %	2,13 %	1,86 %	1,97 %	2,28 %	1,73 %	1,49 %	18,03 %
2021	1,57 %	2,14 %	2,05 %	1,91 %	2,43 %	-0,42 %	3,04 %	1,13 %	-0,83 %	2,15 %	2,33 %	1,63 %	19,13 %
2022	2,17 %	3,06 %	3,14 %	3,40 %	1,76 %	2,07 %	-1,14 %	1,43 %	3,42 %	1,14 %	0,64 %	-0,67 %	20,42 %
2023	0,96 %	1,25 %	2,81 %	0,56 %	-1,18 %	2,14 %	1,15 %	2,38 %	-0,70 %	3,11 %	-0,36 %	0,54 %	12,66 %
2024	1,21 %	1,39 %	3,08 %	2,10 %	1,27 %	0,38 %	3,02 %	1,08 %	4,07 %	0,43 %	1,15 %	-0,96 %	18,22 %
2025	1,10 %	1,28 %	0,41 %	2,32 %	2,85 %	0,63 %	-0,81 %	0,80 %	3,12 %	2,38 %	2,14 %	0,71 %	16,93 %

New Year's Address – Strategic Direction of the Fund in 2026

Dear Clients,

I would like to wish you all a successful and peaceful year 2026.

I am writing this address in my capacity as Portfolio Manager, CEO, and owner of the company in one person. The reason is the large number of fundamental developments and decisions that I consider important to communicate to you openly and transparently.

The end of 2025 and the beginning of 2026 represented an exceptionally pivotal period for me, as I gained a substantial amount of new information and insights. Many long-term situations we had been working on became clearer, research processes were concluded, and individual findings were consolidated into a coherent whole. All of this led to comprehensive strategic decisions regarding the future direction of the company and the fund—specifically how we will operate going forward and where we are heading in the future.

At the same time, it was once again confirmed how essential it is, in portfolio management, to have deliberate recovery windows. Space in which I can calmly process information, answer key questions, clear my mind of market noise, and restore mental energy. These moments provide structural clarity and protect against being overwhelmed by the volume of data, tasks, and stimuli coming from financial markets.

Key Developments and Changes in the Portfolio

In 2025, several fundamental events occurred in the area of portfolio management that have a direct impact on the portfolio structure in 2026 as well as on its long-term future.

Capital allocation and the weightings of individual strategies will change dynamically in 2026 depending on market developments, geopolitics, and global tensions. It is important to emphasize that such an environment suits us well. We are able to adapt quickly and enter and exit markets flexibly, which I consider one of our greatest advantages compared to statically managed funds that often lack effective protection against unexpected situations and are largely dependent on passive waiting.

A New Stabilizing Element in the Portfolio

A significant new element will be added to the portfolio—secured securities. We have used similar instruments in the past, but never at the current level of security and return profile.

We had been searching for this solution for a long time; however, it only began to take concrete shape in the final quarter of 2025. At the beginning of 2026, a strategic partnership was concluded that allows us to systematically incorporate this instrument into the overall portfolio structure.

Its importance lies primarily in the fact that it:

- provides a high level of stability with no risk of financial loss,
- represents a diversified, multi-instrument solution,
- generates a stable base level of return,
- relieves pressure on liquidity,
- enables more efficient capital allocation into other strategies,
- supports growth toward the target of EUR 100 million in assets under management.

New and Expanded Strategies

Another important step will be the introduction of an actively managed MIDCAP strategy (mid-cap equities), into which we will gradually allocate a portion of capital throughout 2026. The pace of allocation will depend on market development, the strategy's ability to generate alpha, and its overall contribution to the portfolio.

Importantly, this strategy will not be dependent exclusively on me, which is one of the key elements of our long-term strategic decisions. I will manage this strategy in cooperation with a colleague whom I consider my protégé—he has gone through my mentoring and demonstrated very strong results in the MIDCAP segment over the past year.

I would also like to specifically mention the Gold Enigma strategy. This strategy represents the culmination of our accumulated knowledge and understanding of financial markets. It combines my long-term experience, the ability to read markets down to the finest details, and a deep understanding of intraday dynamics across global exchanges. The strategy was developed over nearly two years and, during the past six months, was executed with a smaller amount of capital, where it clearly confirmed its strength, stability, and quality. It will be executed directly by me, with the objective of delivering meaningful alpha to the portfolio.

(Alpha represents the degree to which our investment outperforms standard market benchmarks, or the added value generated by the portfolio manager.)

Fund Development and Management Philosophy

The fund is now nearly eight years old. Over this period, we have developed a dynamic way of working, the ability to adapt to changing conditions, and the discipline to actively respond to situations brought by the markets. In the early phase, algorithmic strategies accounted for approximately 50% of all executions; today, their share has declined to around 10%.

The reason is straightforward—the market has gradually adapted to automated strategies and made their effective operation significantly more difficult. At the same time, in the context of current geopolitical tensions and increased market unpredictability, we prefer safer assets and greater flexibility in decision-making. Despite living in the era of artificial intelligence, I remain convinced that a fully competent human decision-maker is still able to respond to new market situations more effectively than rigid algorithms.

Conclusion

Based on all calculations, models, and available data, I can state with confidence that we have never had such high-quality tools at our disposal as we do today. The portfolio is of significantly higher quality than ever before, and its current structure allows us to increase annual returns by several percentage points.

A fundamental shift is also the fact that the fund's performance is no longer fully dependent solely on me. The fund has gained new, solid pillars of stability, return generation, and long-term sustainability. This allows me to say with confidence that the fund is well positioned to operate successfully over the long term and to continue delivering value to clients in the future.

To summarize the key points:

- high-quality strategies and instruments,
- partial independence of the fund from my personal presence,
- a long-term objective of full substitutability without loss of continuity,
- substantial room for growth in assets under management.

On a personal level, an important element for me is the sense of inner calm—knowing that the fund does not rely exclusively on a single individual. This creates the conditions for long-term, sustainable operation, high-quality decision-making, and further development of areas that are essential to the future of the fund.

Yours sincerely,
 Dr. Luboš Žuffa