

## Investment Objective and Philosophy

Kryptomach Intelligent Systems runs AI-driven and quant-led investment strategies that seek to consistently deliver best-in-class returns independent of market cycles. We are committed to excellence for our partners and investors by adhering to rigour, integrity and discipline, which form the core values of our investment philosophy.

Our proprietary strategies use a complex array of statistical tools and quantitative techniques to invest in liquid index options, employing a technology-centric approach. Rigorously tested algorithms are deployed through a completely automated execution engine to successfully identify and capture market opportunities.

## Key Reasons to Invest

- ▶ Promoted by Aashish Pitale - former JP Morgan, Standard Chartered Bank, ICICI. Over 30 years of international markets experience
- ▶ Strong alignment of interests - significant capital invested by principals
- ▶ Consistent strong returns with relatively low risk: 85% positive months, 20% gross annualized return
- ▶ An extremely liquid and high-end proprietary product, now available to a wider investor base
- ▶ Unique avenue to generate superior alpha by sweating existing debt or equity investments, low cash requirement
- ▶ Absolute return product with minimum linkages to traditional asset classes: Correlation Nifty50 Index 0.05; Nifty500 Index 0.08
- ▶ 3-year track record: Sharpe Ratio 3.7, Volatility 6.5% p.a., Max Drawdown 3%

## Capital and Investment Structure

Investment is in two parts - cash and post hair-cut collateral in the ratio of 1:9. For instance 10 crore total investment will need 1 crore cash and 9 crore post hair-cut collateral in any underlying asset. The asset will be pledged with the National Stock Exchange. Investors will need to maintain net value of the available margin at or above 9 crore at all times in addition to Rs. 1 crore which is required for mark-to-market purposes.

### Investment Structure

Investor Type	Individual/LLP/HUF/Pvt Ltd
Investment Holdings	Reliance Industries Ltd
Current Value	INR 11 crore
NSE Haircut	18%
Pledge Value	INR 9 crore (11 x 82%)
Cash Requirement	INR 1 crore
Total Available Capital	INR 10 crore
Return Computation	Net of exchange costs
Minimum Investment	INR 10 crore, multiples
Management Fee	1% pa
Performance Fee	TBD
High Watermark	Yes
Hurdle Rate	Not Applicable
Subscription	Monthly
Liquidity	Monthly, 5-days notice
Redemption Fee	NIL

### Key Performance Metrics\*

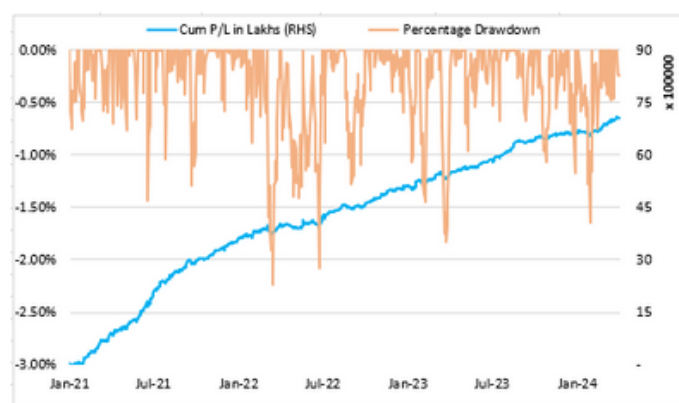
Metric	Strategy	Nifty50	Nifty500
3Y Avg. Return	21.97	14.54	18.47
Std Dev	6%	20%	21%
Sharpe Ratio	3.67	0.73	0.90
Max DD	-2.67%	-22%	-18%
Positive months	86%	63%	66%
Calmar	4.05	0.66	0.74
Returns Correl	-	0.05	0.08

\*Performance represents the net returns of Kryptomach's systematic strategies on the proprietary capital of Principals. The firm implements the same strategy on investor portfolios as well. Returns shown above are net of transaction costs but exclude management fees and performance fees.

## Monthly Returns and Drawdowns

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2021	0.19%	3.87%	5.01%	1.49%	3.24%	5.91%	4.66%	2.50%	2.23%	2.12%	1.68%	3.25%
2022	0.27%	2.25%	1.47%	-1.09%	1.20%	1.59%	2.21%	1.04%	0.94%	1.88%	1.91%	1.33%
2023	1.07%	1.36%	0.47%	2.29%	0.25%	1.99%	2.35%	3.07%	0.17%	0.84%	1.08%	0.63%
2024	-0.77%	2.79%	2.04%									

YEAR	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2021	9.07%	10.63%	9.39%	7.04%
2022	4.00%	1.70%	4.20%	5.12%
2023	2.90%	4.53%	5.58%	2.55%
2024	4.06%			



Since 2020, our automated strategies have been running at a mean gearing of 2.5-3x with maximum permissible leverage being 6x at the portfolio level. Trade level stop losses are adaptive and dynamic, programmed to keep the maximum tolerable drawdown below the 5% mark.

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