

Protective Put Hedge Analysis: APLD

Analysis Date: November 16, 2025

Portfolio Overview

| | | | |
|----------------|---------|--------------------|---------|
| Current Price: | \$23.65 | Expected Low: | \$1.84 |
| Shares Held: | 100 | Expected High: | \$24.39 |
| Budget Target: | \$75 | Annual Volatility: | 128.5% |

90% Price Decline Scenario Analysis

| | | |
|-------------------------|----|---------------------------|
| Unhedged Portfolio P/L: | \$ | -2,128 |
| Hedged Portfolio P/L: | \$ | 1,042 |
| Hedge Benefit: | \$ | 3,170 (148.9% protection) |

Recommended Hedge Positions

Optimal Put Options Strategy for APLD

| Strike | Premium | Contracts | DTE | Expiration | Cost | ITM Prob | Efficiency |
|---------|---------|-----------|-----|------------|------|----------|------------|
| \$18.00 | \$0.14 | 1 | 5d | 2025-11-21 | \$14 | 92.2% | 1505.3 |
| \$19.00 | \$0.43 | 1 | 12d | 2025-11-28 | \$43 | 73.9% | 498.8 |
| TOTAL | - | - | - | - | \$57 | - | - |

Strategy Summary

Total Investment: \$57
Total Contracts: 2
Average DTE: 8 days
Average Efficiency Score: 1002.0
Portfolio Coverage: 200%

Note: These recommendations are based on current market conditions and volatility analysis. Options strategies involve risk and may not be suitable for all investors.

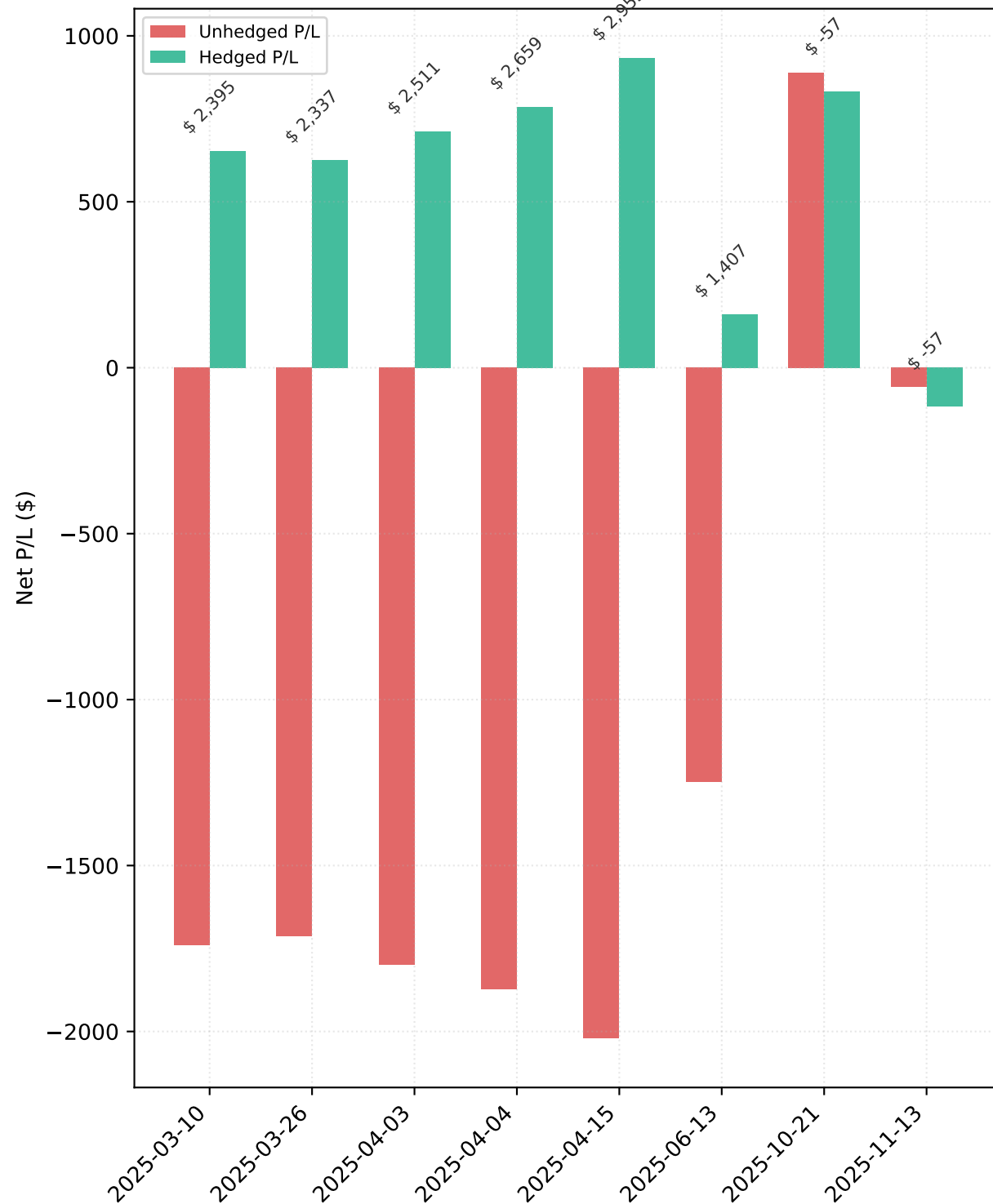
Portfolio Risk Assessment

Value at Risk & Position Analysis

| Risk Metric | Value |
|--------------------------|------------|
| Portfolio Value | \$2,365 |
| Position Size | 100 shares |
| Daily Value at Risk (1σ) | \$191 |
| Expected Loss (90% drop) | \$2,128 |
| Hedge Budget | \$75 |
| Budget as % of Portfolio | 3.17% |

Backtest of Hedge Performance on Worst Daily Drawdowns

Historical Drawdown Backtest



| Date | % Chang | Price | Unhedged | Hedged | Benefit | Protectio |
|------------|---------|---------|----------|--------|---------|-----------|
| 2025-03-10 | -14.05% | \$6.24 | \$-1,741 | \$654 | \$2,395 | 137.6% |
| 2025-03-26 | -12.23% | \$6.53 | \$-1,712 | \$625 | \$2,337 | 136.5% |
| 2025-04-03 | -9.29% | \$5.66 | \$-1,799 | \$712 | \$2,511 | 139.6% |
| 2025-04-04 | -13.07% | \$4.92 | \$-1,873 | \$786 | \$2,659 | 142.0% |
| 2025-04-15 | -35.94% | \$3.44 | \$-2,021 | \$934 | \$2,955 | 146.2% |
| 2025-06-13 | -10.63% | \$11.18 | \$-1,247 | \$160 | \$1,407 | 112.8% |
| 2025-10-21 | -9.36% | \$32.54 | \$889 | \$832 | \$-57 | 0.0% |
| 2025-11-13 | -12.68% | \$23.06 | \$-59 | \$-116 | \$-57 | -96.6% |

Downside Scenario Analysis

Hedge Performance Across Multiple Price Declines

| Scenario | Price | Unhedged P/L | Hedged P/L | Benefit | Protection |
|-------------|---------|--------------|------------|---------|------------|
| 10% Decline | \$21.28 | \$ -236 | \$ -293 | \$ -57 | -24.1% |
| 25% Decline | \$17.74 | \$ -591 | \$ -496 | \$96 | 16.2% |
| 50% Decline | \$11.82 | \$ -1,182 | \$96 | \$1,278 | 108.1% |
| 75% Decline | \$5.91 | \$ -1,774 | \$687 | \$2,461 | 138.7% |
| 90% Decline | \$2.36 | \$ -2,128 | \$1,042 | \$3,170 | 148.9% |

Figure 1: APLD Price History with Forward Projections & Put Strikes

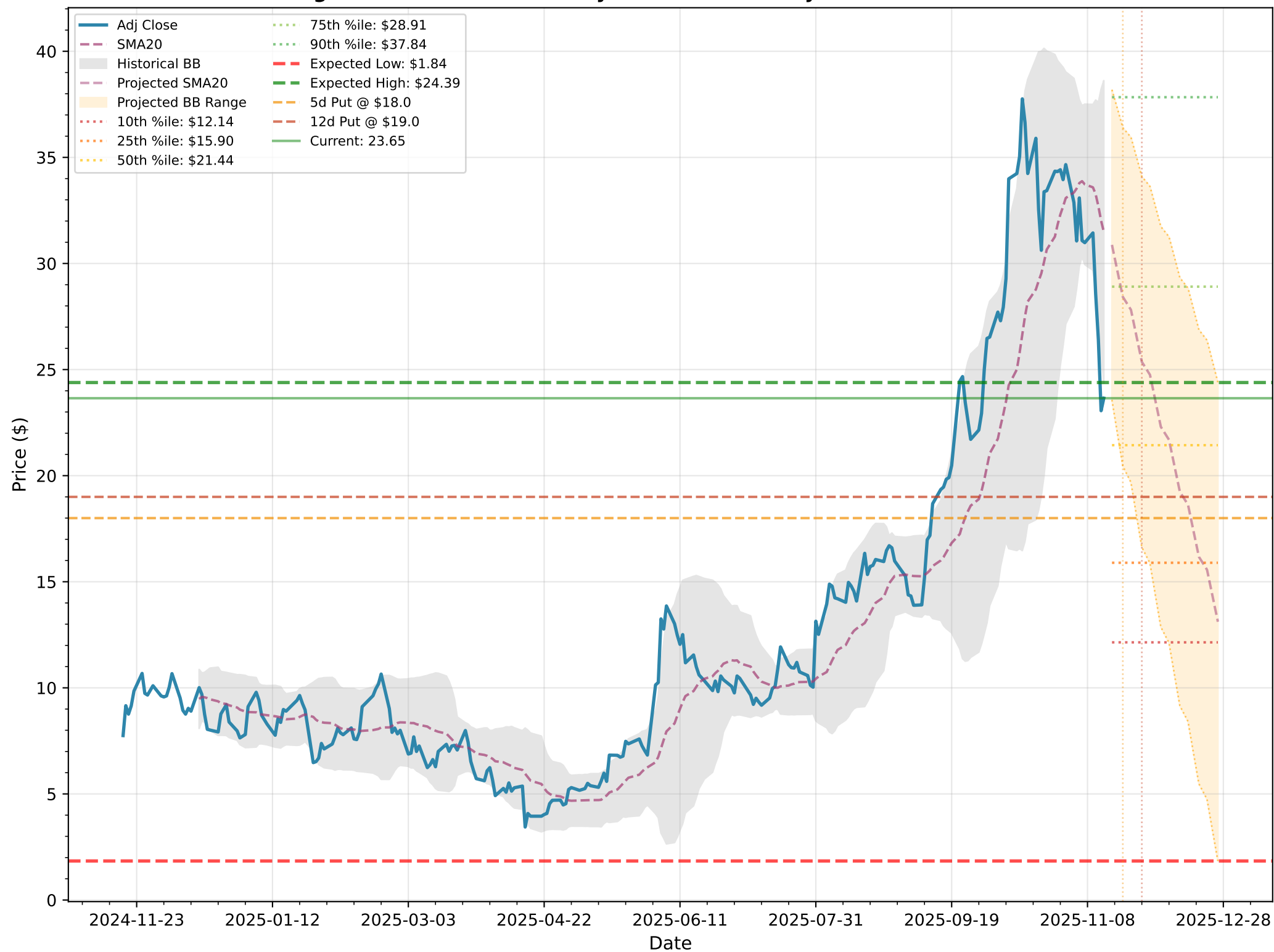


Figure 2: P/L Comparison: Hedged vs Unhedged

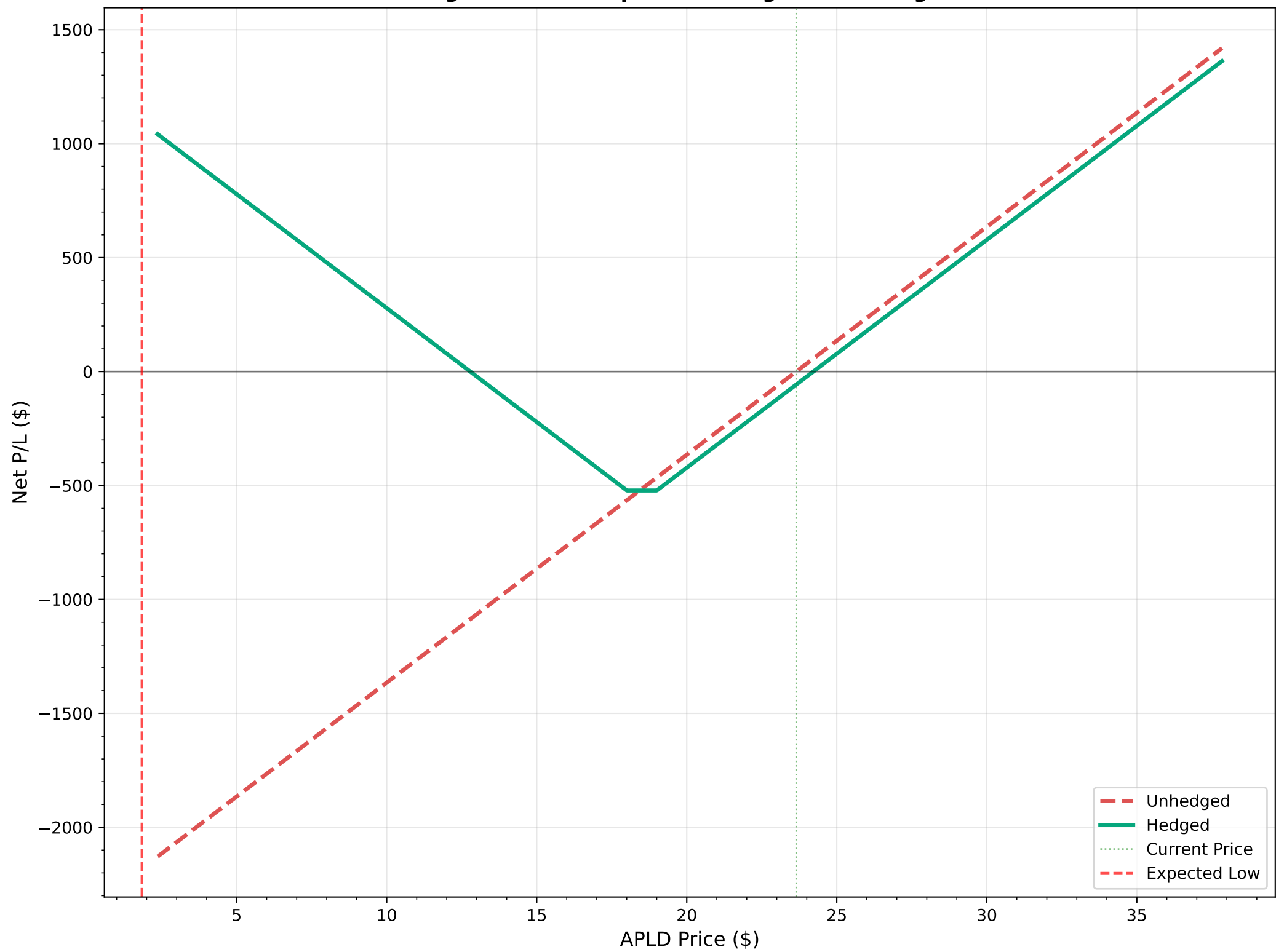


Figure 4: Put Options Efficiency Analysis

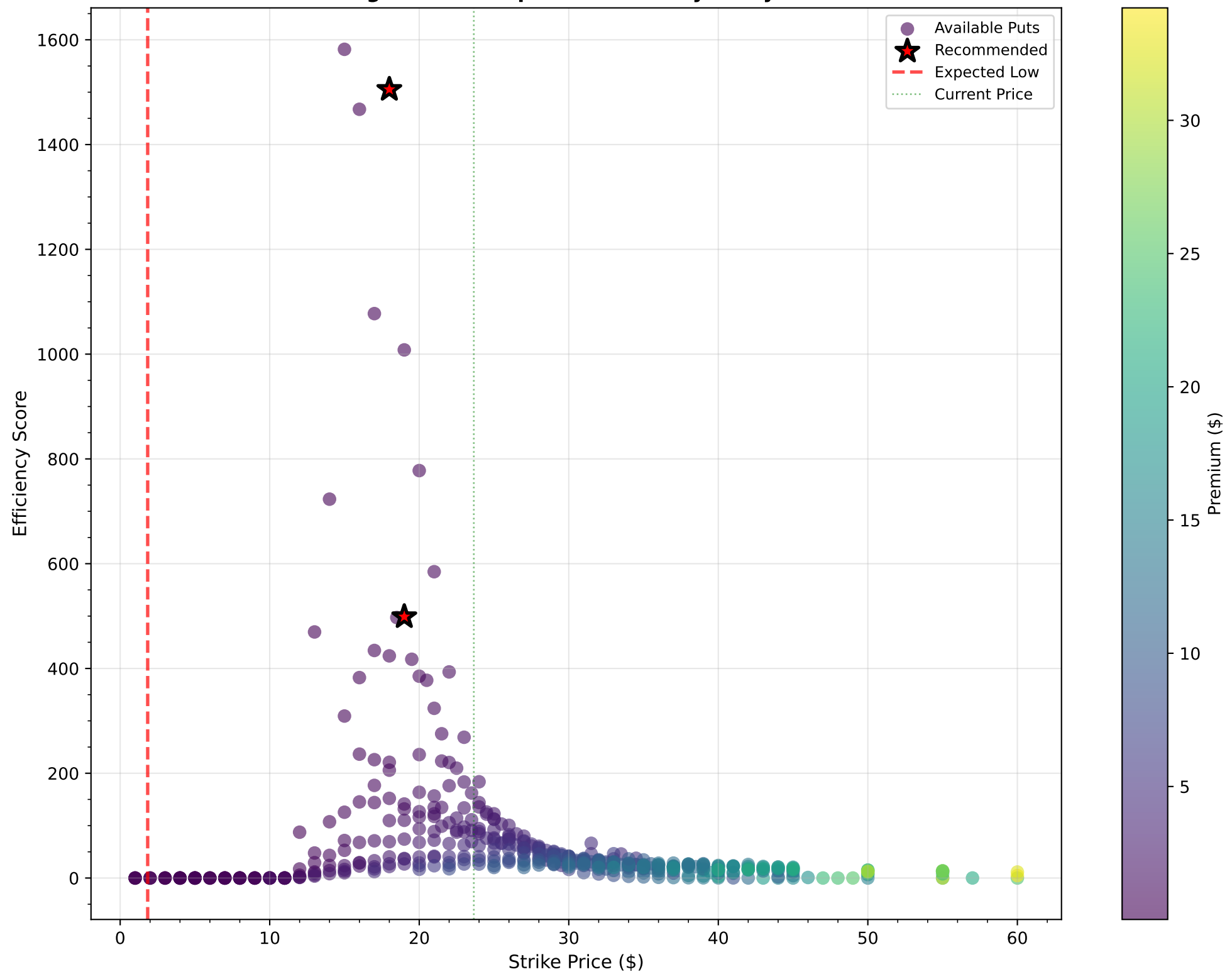
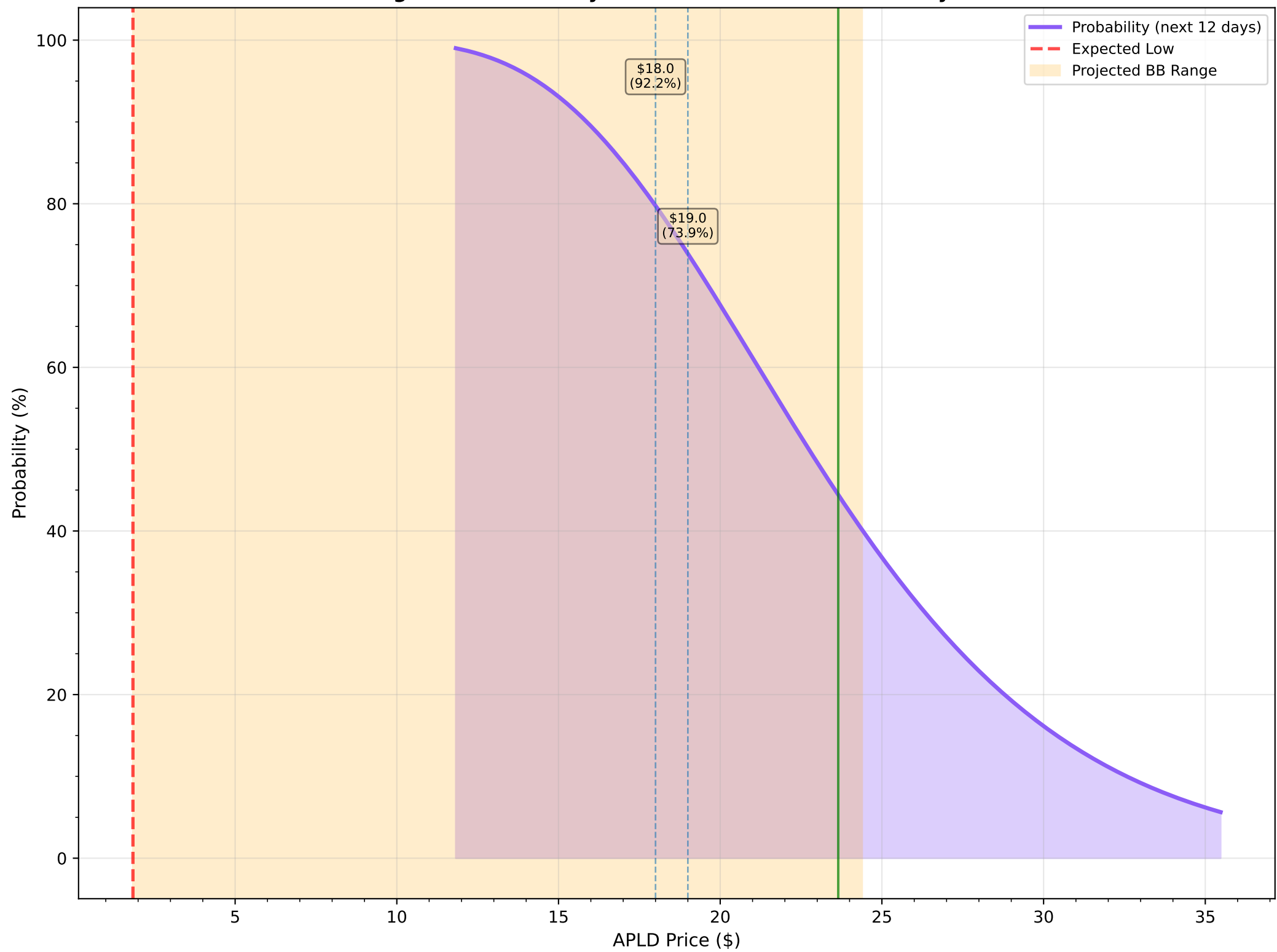


Figure 5: Probability Distribution & Put Strike Analysis



Hedge Positions: Detailed Analysis

Position-by-Position Breakdown & Performance Metrics

Position Details

| Pos | Strike | Expiration | DTE | Contracts |
|-----|---------|------------|-----|-----------|
| P1 | \$18.00 | 11/21/25 | 5d | 1 |
| P2 | \$19.00 | 11/28/25 | 12d | 1 |
| TOT | - | - | - | 2 |

Financial Metrics

| Pos | Premium | Cost | ITM% | Value@90% | ROI% |
|-----|---------|------|------|-----------|---------|
| P1 | \$0.14 | \$14 | 92.2 | \$1,550 | 11067.9 |
| P2 | \$0.43 | \$43 | 73.9 | \$1,621 | 3768.6 |
| TOT | - | \$57 | - | \$3,170 | 5561.4 |

Portfolio Summary Statistics

Total Premium:

\$57

Hedge Benefit (90% drop):

\$3,170

Protection Level:

148.9%

Annual Volatility: 128.5% | Analysis based on 365-day historical data