

July 2018

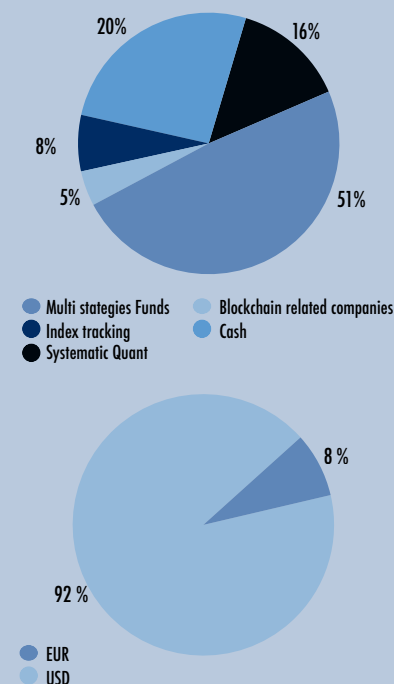
Key Fund Facts

Fund Name: **Blockchain Strategies Fund**
 Fund Manager: **Block Asset Management**
 Admin.: **Banque de Patrimoines Privés**
 Bank: **Banque de Patrimoines Privés**
 Auditor: **Mazars Luxembourg**
 Legal: **Eversheds Sutherland**
 Dealing / Liquidity: **Monthly**
 Currencies: **USD / EUR**
 Registration: **CSSF Luxembourg**
 Fund type: **Open ended**
 Incorporation: **Luxembourg**
 Management Fee: **2.5%**
 Performance Fee: **25% (10% Hurdle)**
 Redemption Fee: **5% (in first 12 months)**
 ISIN USD: **LU1738364063**
 ISIN EUR: **LU1738363925**
 Bloomberg Ticker USD: **BLCSUSD LX**
 Bloomberg Ticker EUR: **BLCSEUR LX**
 Lipper ID: **68478095**

NAV 2018 (as of July 31, 2018)

NAV	Jan	Feb	Mar	Apr	May	Jun	July
BSF-USD	99.69	93.97	74.86	87.76	82.07	67.63	68.18
BSF-EUR	98.35	94.46	74.56	89.04	86.05	70.83	71.39

Portfolio (as of July 31, 2018)



Market commentary

Strong divergences within the crypto space during the month of July.

Bitcoin was up 21.8% in July while all other crypto currencies were down. Ethereum lost 4.7%, Ripple 7.1% and Litecoin 2.8%. This leads us to a year-to-date return of -43.9% for Bitcoin, -41.7% for Ethereum, -65.2% for Litecoin and -78.0% for Ripple as of end of July. (date, source: cryptocompare).

July appears to have been a missed opportunity. The Bitcoin rally experienced during the month failed to gain traction across crypto assets. However, in spite of a negative investor sentiment and the continuation of uninspiring market conditions, prices continue to hover around or above levels touched last February. This is a constructive market development as we start seeing positive divergences and a more established support area within the 6000/6500 pts range for Bitcoin, the crypto benchmark.

At odds with a rather sober investor demand for cryptos, fundamentals around the crypto eco system have continued to improve behind the scene. More than 24 countries invest into blockchain technology today, including the US, the UK, China and Russia. In the US alone, more than 90 banks are working on blockchain integration projects for example. Finally higher mining costs means that the value of crypto assets has increased too.

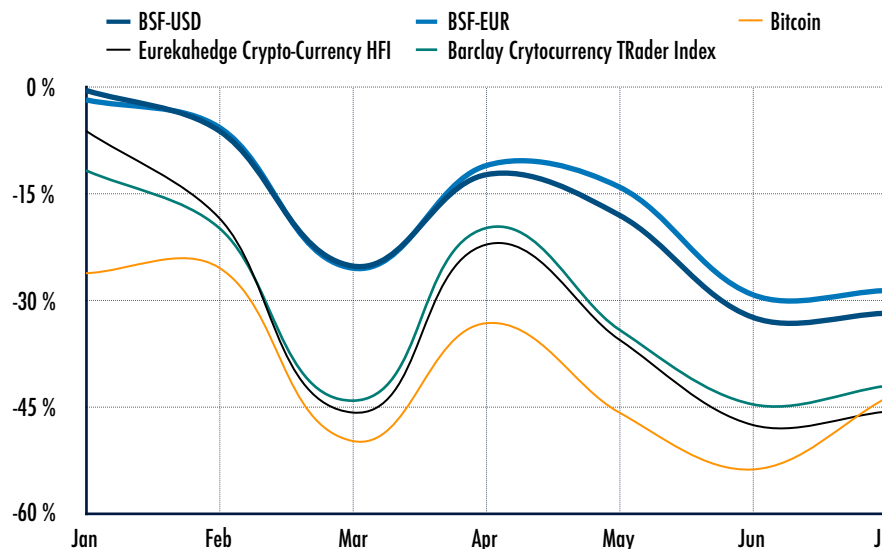
Performance (as of July 31, 2018)

Source: BlockAssetManagement, EurekaHedge CCHF, Barclay Hedge, Crypto Compare
Past performance is not an indicator of future performances.

	Jan	Feb	Mar	Apr	May	Jun	Jul	YTD
BSF-USD	-0.31 %	-5.74 %	-20.34 %	17.23 %	-6.48%	-17.59%	0.81%	-31.82 %
BSF-EUR	-1.65 %	-3.96 %	-21.07 %	19.42 %	-3.36%	-17.69%	0.79%	-28.61 %
Bitcoin	-26.16 %	1.04 %	-32.80 %	33.19 %	-18.88 %	-14.89%	21.77%	-43.86 %
EurekaHedge Crypto-Currency HFI	-6.04 %	-13.11 %	-33.67 %	43.80%	-17.20%	-18.71%	3.55%*	-45.73 %
Barclay Cryptocurrency Trader Index	-11.63 %	-9.21 %	-30.42 %	43.68%	-17.86%	-16.04%	4.69%**	-42.09 %

* EurekaHedge Crypto-Currency Hedge Fund Index : estimated performance based on funds which have reported July 2018 returns as at 30 August 2018.

** Barclay Cryptocurrency Traders Index : estimated performance for June 2018 calculated with reported data from 29 funds, estimated performance for July 2018 calculated with reported data from 26 funds as at 30 August 2018.



(as of July 31, 2018)
Past performance is not an indicator of future performances.

Portfolio commentary

Blockchain Strategies Fund achieved a small gain in July, with a +0.82% monthly return for its USD Share Class and +0.79% for the EUR Share Class. The Fund's year-to-date performance stands now at -31.8% and -28.6% for its USD and EUR unit classes as of end of July.

On the bright side Blockchain Strategies Fund kept volatility in check and has managed to outperform all major crypto currencies for 2018 (YTD), beating the average crypto fund manager as well (the EurekaHedge Crypto Currency hedge index and Barclay Cryptocurrency trader index are down 45.7% and 42.1% as of end of July - based on August 30th data).

In terms of investment strategy, the Blockchain Strategies Fund continued to maintain a rather high cash exposure at 20%. A new systematic short term quant strategy focused on Bitcoin was also added to the portfolio. This new strategy is focusing on absolute returns and will improve the fund's risk / return profile going forward. For the foreseeable future we will continue to focus on multi strategies rather than participation strategies & ICOs.

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Key Benefits

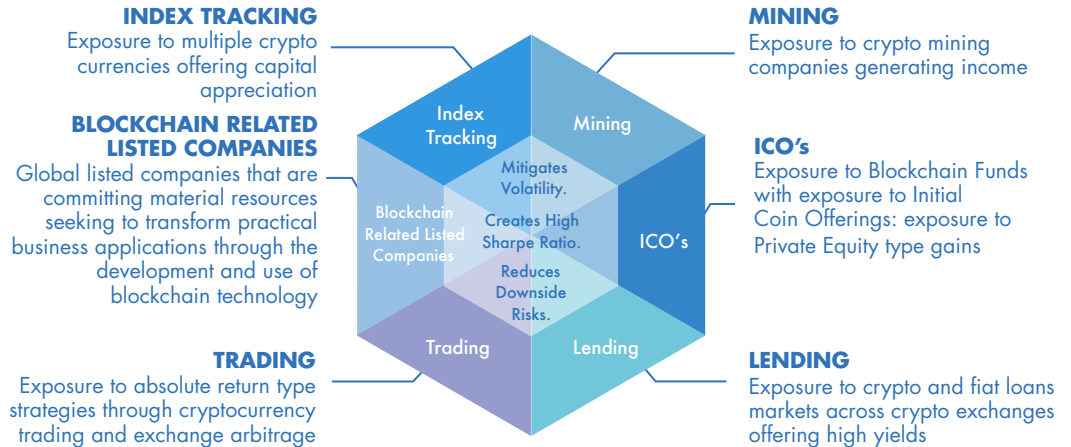
- Blockchain Strategies Fund offers a diverse and broad access to the blockchain technology and crypto currencies. The Block Asset Management team includes experts with over 100 years combined experience in the fund & asset management industry (Credit Suisse, Citibank, Societe General, UBS, Barclays & Lloyds).
- The Fund bridges the gap between fiat and crypto asset classes by applying proven risk management techniques and customizing them to the emerging crypto asset class. Via the Fund, investors gain diversified exposure to this dynamic new asset class by way of the funds unique six-prong investment approach.
- Maximum drawdowns can be reduced applying active Risk Management to a diversified portfolio of underlying Funds/cryptocurrencies thus creating a smoother investment journey (less volatility).
- Blockchain Strategies Fund has strict fund concentration, strategy allocation and liquidity rules limiting maximum exposure single manager, single fund, single exchange & single currency.
- Block Asset Management is registered as AIFM with the CSSF in Luxembourg. The Fund has an independent Administrator, Bank & Auditor. The Funds legal advisor is Eversheds Sutherland.
- Whilst the Fund of Funds is a new launch and has no current track record the underlying funds do have an established track record ranging from 3 years to 7 years. The combined AUM of the underlying funds is over \$1bn.
- Whilst the Funds is still within its first year of trading the underlying funds do have an established track record ranging from 1 to 3 years. The combined AUM of the underlying funds is over \$1bn.

Investment Program

Blockchain Strategies Fund (BSF) is the world's first fund of funds focusing on blockchain technology investment opportunities such as Funds focusing on all aspects of digital currencies and listed companies using blockchain technology. The Fund has been designed to offer investors full access to the world's newest and fastest growing asset class with the benefits of sound risk management and portfolio diversification to reduce volatility.

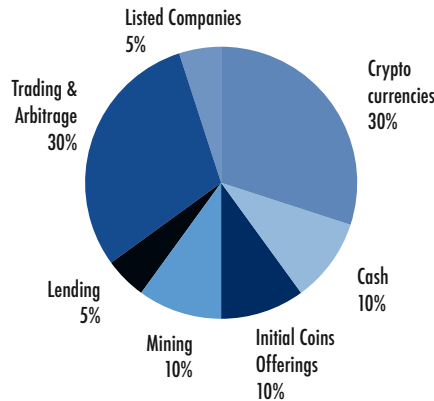
Investment Strategy

By combining exposure to multiple cryptocurrencies together with Trading, Mining, Lending, Private Equity (ICO) and Blockchain related listed companies' strategies, the Fund aims to create better risk/return profile by reducing volatility.



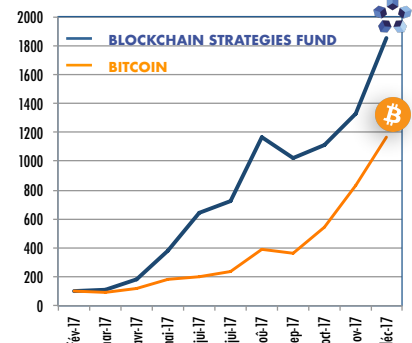
A MULTI STRATEGY DIVERSIFYING INTO VARIOUS MARKETS, MANAGERS AND BLOCKCHAIN INVESTMENT STYLES.

Model Portfolio



2017 Performance

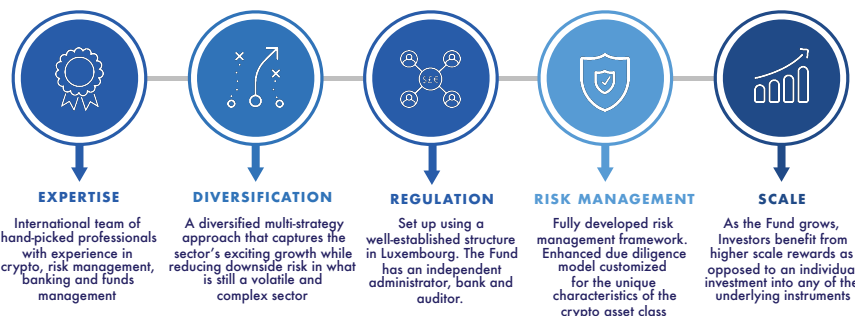
(Back-testing illustration as from Dec 2017)



Source: Block Asset Management Sàrl

Your Specialist Asset Manager

The Fund bridges the gap between fiat and crypto asset classes by applying risk management techniques and customizing them to the crypto emerging asset class.



Disclaimer

This document does not constitute an offer of investment advisory services by Block Asset Management S.a.r.l. nor does it constitute an offering of limited partnership interests in the Fund; any such offering will be made solely pursuant to the Funds private placement memorandum. An investment in the fund is suitable only for qualified investors that fully understand the risks of such investment and only in jurisdictions in which such an offer is lawful. Interests in the Fund are speculative and involve a high degree of risk. You should be aware that you could lose all, or a substantial amount, of your investment in the Fund. Crypto-currencies can be extremely volatile and subject to rapid fluctuations in price, positively or negatively. Investment in one or more crypto-currencies may not be suitable for even a relatively experienced and affluent investor and independent financial advice should be sought where applicable.

Team

A team of seasoned professionals with experience in crypto, risk management, banking and investment funds.

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