

November 2018

Market commentary

Last month, key 6,000 / 6,500 support area broke to the downside for Bitcoin. This triggered a massive wave of selling across all crypto assets. The 2018 bear market extended with a double-digit decline for November: Ethereum dropped 43%, Litecoin, 35.9% and Bitcoin 36.7%. In this context, Ripple outperformed, with a more limited but still sizeable 19.8% drop. (source: cryptocompare).

As a result, volatility skyrocketed during the month, putting an end to a multi-month narrowing of price swings following an initial down-leg in Q1 2018.

The November results lead us to a year-to-date return of -71% for Bitcoin, -85% for Ethereum, -86% for Litecoin and -82% for Ripple. (source: cryptocompare).

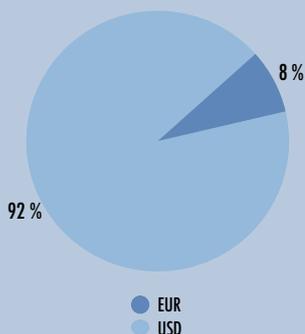
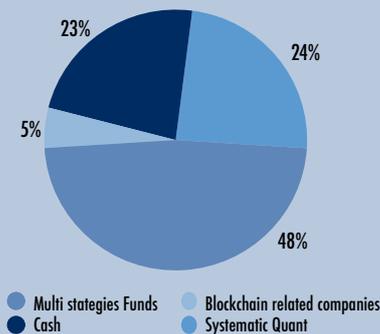
NAV November

(as of November 30, 2018)

NAV	November
BSF-USD	48.82
BSF-EUR	52.86

Portfolio

(as of November 30, 2018)



Portfolio commentary

Blockchain Strategies Fund's USD and EUR unit class declined respectively 12.4% and 12.5% in November, reflecting the extremely negative market environment experienced on crypto asset prices. As a result, the Fund's updated year-to-date performance stands now at -51.2% and -47.1% for its USD and EUR unit classes.

The performance delivered so far this year is undeniably very disappointing to us given the long term prospects of the crypto asset class. While risk management measures and sound diversification techniques have allowed us to do better than the typical crypto currency and most fund managers, we could not avoid the November set-back - as the Fund's strategy is to provide long term exposure to crypto assets. In other words, a positive alpha was not enough to produce absolute returns.

The Fund continues to outperform the average crypto fund manager (source: Eurekahedge Crypto-Currency Hedge Fund Index) with a 8.2% and 14.5% outperformance respectively for November and year-to date. (Performance benchmarked against the Eurekahedge Crypto Currency hedge index). The Fund also delivered on the initial promise to provide participation to crypto assets at a lower risk than a comparable investment in a crypto currency or single fund manager (as per the maximal monthly loss and maximal drawdown incurred in 2018 for the Fund vs Eurekahedge Crypto-Currency Hedge Fund Index).

As long-term investors in Crypto assets, we understand that the 2018 bear market has taken its toll on investors' psychology. We have been there in the past. Truth is... bubbles are easy to identify after the fact but nearly impossible to spot in advance. Those avoiding the previous cyclical crypto bear markets avoided the roller coaster but missed x100 gains. Short term vs long term. And no free lunch: high expected returns do not come without a high volatility.

In this context, we increased our asset allocation on systematic strategies focusing on absolute returns, fully exited the remaining investments following replication strategies and raised back our cash exposure to roughly a quarter of the portfolio. Those decisions were in line with the risk management strategy highlighted last month and provided partial cushion against the November sell-off.

Overall, we believe that our portfolio of investments is still well positioned to continue generating alpha to our investors. The current cyclical bear market is now getting closer to drawdown levels consistent with previous market bottoms, therefore offering, in our opinion, interesting long term entry points for investors willing to build exposure on the crypto asset class.

Performance

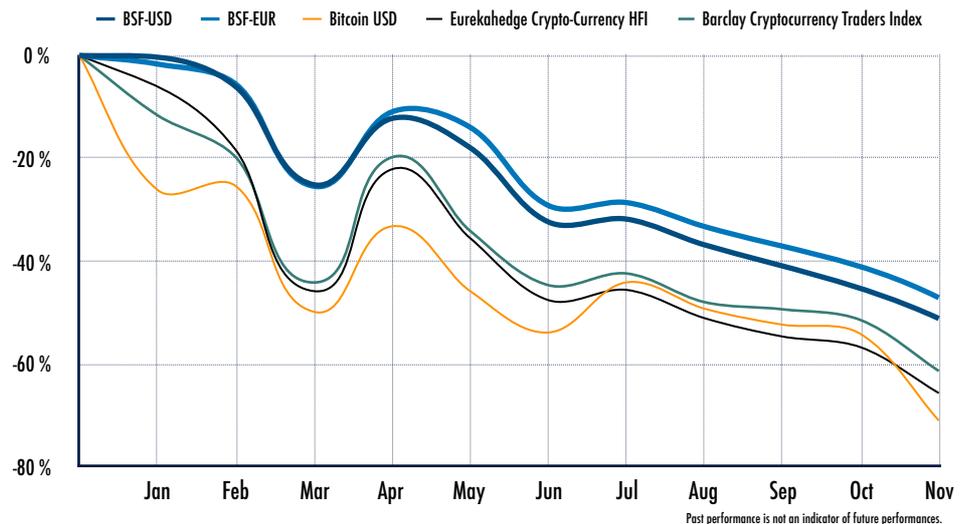
(as of November 30, 2018)

Source: BlockAssetManagement, Eurekahedge (CHFI, Barclay Hedge, Crypto Compare)
Past performance is not an indicator of future performances.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	YTD
BSF-USD	-0.31%	-5.74%	-20.34%	17.23%	-6.48%	-17.59%	0.81%	-7.36%	-5.91%	-6.17%	-12.44%	-51.18%
BSF-EUR	-1.65%	-3.96%	-21.07%	19.42%	-3.36%	-17.69%	0.79%	-6.54%	-5.94%	-3.69%	-12.54%	-47.14%
Bitcoin USD	-26.16%	1.04%	-32.80%	33.19%	-18.88%	-14.89%	21.14%	-9.16%	-6.15%	-3.83%	-36.78%	-71.05%
Eurekahedge Crypto-Currency HFI	-6.04%	-13.11%	-33.67%	43.80%	-17.20%	-18.39%	3.11%	-11.22%	-6.63%	-3.86%	-20.68%*	-65.70%
Barclay Cryptocurrency Traders Index	-11.63%	-9.21%	-30.42%	43.68%	-17.86%	-16.04%	4.10%	-8.37%	-6.47%	-3.24%	-19.17%**	-61.40%

* Eurekahedge Crypto-Currency Hedge Fund Index : estimated performance based on 75.00% of funds which have reported November 2018 returns as at 31 December 2018.

** Barclay Cryptocurrency Traders Index : estimated performance for November 2018 calculated with reported data from 20 funds, estimated performance for November 2018 calculated with reported data from 27 funds as at 31 December 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
Swiss Representative: OpenFunds
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)
Eligibility: Qualified Investors
ISIN USD: LU1738364063
ISIN EUR: LU1738363925
Bloomberg Ticker USD: BLCUSD LX
Bloomberg Ticker EUR: BLCSEUR LX

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/crypto-currencies 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 AFM with the CSSF in Luxembourg. The Fund has an independent Administrator, Custodian & Auditor. The Funds legal advisor is Eversheds Sutherland.
- 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.

Executive Board Block AM

Manuel E. De Luque Muntaner
 Founder & CEO
Kevin Ballard
 CCO & Head Investor Relations
Daniel Vegue Domínguez
 Partner & Chief Strategy Officer
Yannis Georgandelis
 Advisor
Antonio Llabrés
 Partner & CMO
Juan Carlos Serrano
 COO

Advisory Board Block AM

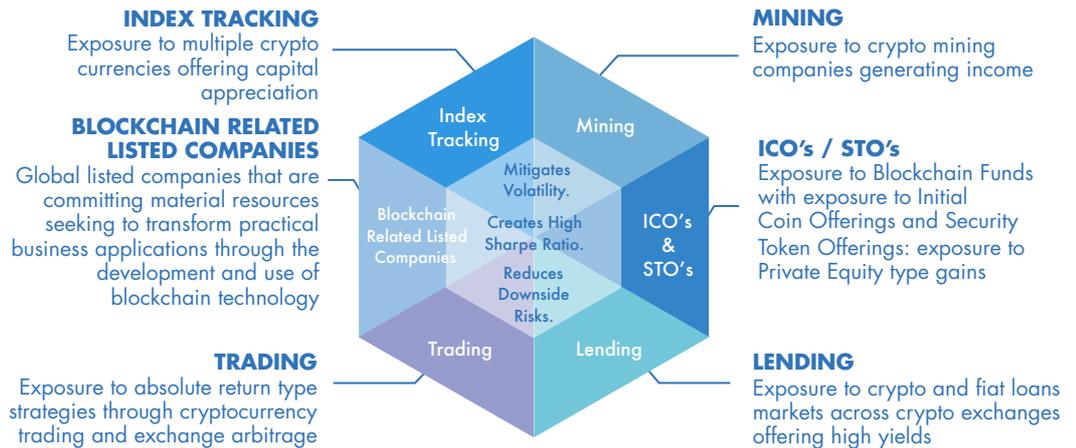
Manuel E. De Luque Muntaner
 Founder & CEO Block AM
Ryan Radloff
 CEO Coinshares
 Blockchain/Crypto Advisor
Marco Abele
 Founder & CEO Tend Swiss
 Blockchain & ICO Advisor
Peter Kambolin
 CEO Systematic Alpha Advisor

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.

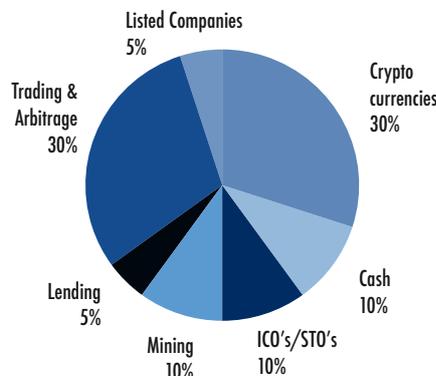
Investment Strategy

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.



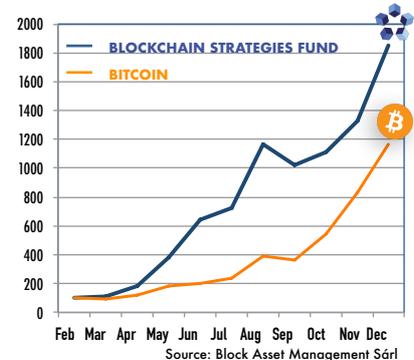
A MULTI STRATEGY DIVERSIFYING INTO VARIOUS MARKETS, MANAGERS AND BLOCKCHAIN INVESTMENT STYLES.

Model Portfolio



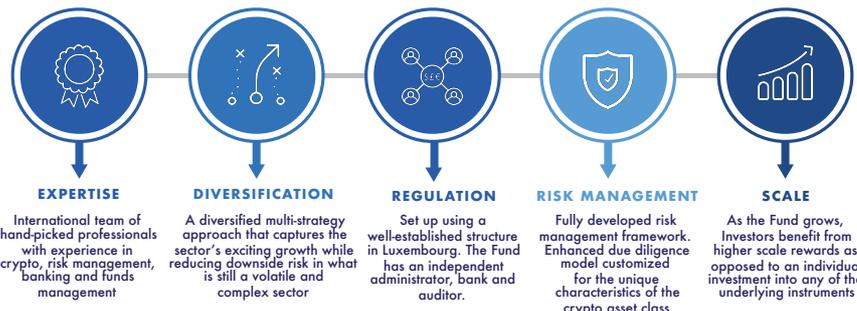
2017 Performance

(Backtesting illustration as from Feb to Dec 2017)



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.

The domicile of the Fund is Luxembourg. The Representative of the Fund in Switzerland is OpenFunds Investment Services AG, with its registered office at Seefeldstrasse 35, CH-8008 Zurich, Tel +41 44 500 31 08, www.open-funds.ch. The Paying Agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona (Tel: +41 (0) 91 821 51 21, http://www.bancaria.ch/). The distribution of Units of the Fund in Switzerland must be made exclusively to Qualified Investors. The place of performance and jurisdiction for the Units of the Fund distributed in Switzerland is at the registered office of the Representative. Publications to Swiss investors in respect of the Interests in the Fund are effected on the electronic platform www.fundinfo.com.