

April 2018

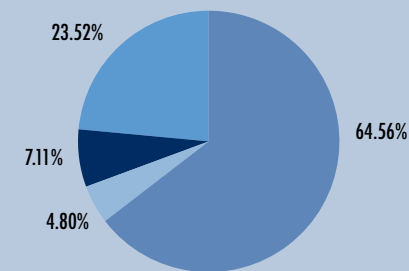
Key Fund Facts

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 (pending)**
 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: **BLCUSD LX**
 Bloomberg Ticker EUR: **BLCSEUR LX**
 Lipper ID: **68478095**

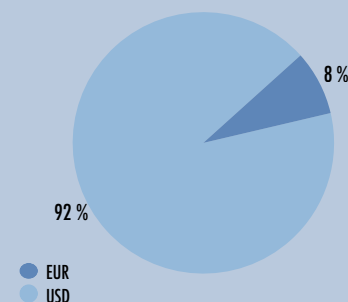
NAV 2018 (as of April 30, 2018)

NAV	Jan	Feb	Mar	Apr
BSF-USD	99.69	93.97	74.86	87.76
BSF-EUR	98.35	94.46	74.56	89.04

Portfolio (as of April 30, 2018)



● Multi strategies Funds ● Blockchain related companies
 ● Index tracking ● Cash



● EUR
 ● USD



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Market commentary

Crypto currencies experienced an impressive V-shaped recovery during the month of April. Bitcoin rallied 33%, Ethereum 70% and Ripple 66%. The rally occurred at a critical time, as most cryptocurrencies were on the verge of experiencing another capitulation wave from investors. The rally serves to remind us that the crypto asset class is unique in its ability to offer the potential for such spectacular gains.

Last month, we commented that we saw a market with a lack of buyers and a lot of technical sellers. The surge in April was actually, largely driven by a short squeeze coming from those technical sellers anticipating another downwards move and being caught on the wrong side of the trade. They had to cover their short positions very fast, adding fuel to the recovery and pushing prices higher. As a result, the number of short Bitcoin positions has halved as of end of April.

Sentiment also improved greatly during the month. The Chairman of the CFTC, J. Christopher Giancarlo said that "Bitcoin and a lot of its other virtual currency counterparts really have elements of all of the different asset classes, whether they're meeting payment or whether it's a long-term asset," This is strong recognition that the emerging crypto asset class is gaining traction within the financial industry.

Performance

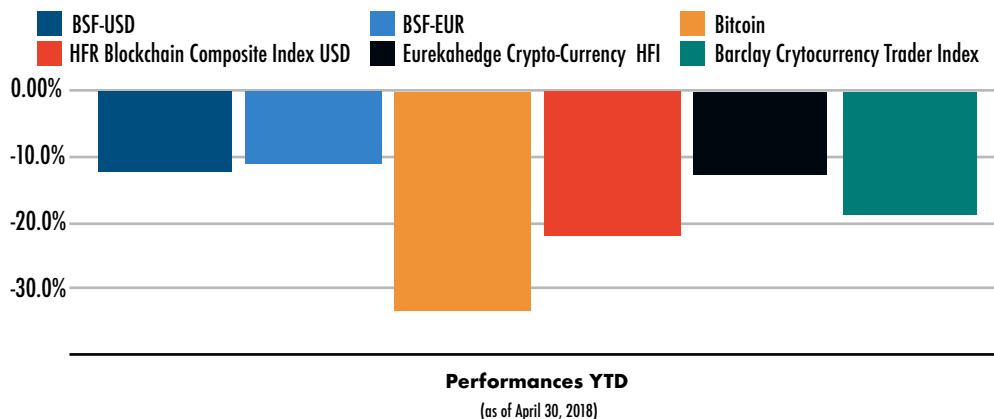
(as of April 30, 2018)

Source: BlockAssetManagement, Hedgefundresearch, Eurekahedge*, Barclay Hedge**, Crypto Compare

	Jan'18	Feb'18	Mar'18	Apr'18	YTD
BSF-USD	-0.31 %	-5.74 %	-20.34 %	17.23 %	-12.24 %
BSF-EUR	-1.65 %	-3.96 %	-21.07 %	19.42 %	-10.96 %
Bitcoin	-26.16 %	1.04 %	-32.80 %	33.19 %	-33.23 %
HFR Blockchain Composite Index USD	-4.55 %	-13.19 %	-34.72 %	44.46 %	-21.86 %
Eurekahedge Crypto-Currency HFI	-6.04 %	-13.11 %	-29.88 %	52.78%*	-12.54 %
Barclay Cryptocurrency Trader Index	-11.63 %	-9.21 %	-30.42 %	45.67%**	-18.68 %

* Eurekahedge Crypto-Currency Hedge Fund Index: estimated performance based on 75% of funds which have reported April 2018 returns.

** Barclay Cryptocurrency Traders Index: estimated performance for April 2018 calculated with reported data from 26 funds.



Portfolio commentary

Technically speaking, the strength of the current rally as well as the double-bottom experienced last month bodes well for the coming months! It might be indeed indicative that the recent bear market is over. This would pave the way for significant gains for the next bull cycle, the next step being a return to previous highs. Having said that, it remains to be seen if ICO pay-outs used to finance projects in fiat currencies can be met by increasing investor demand. Higher valuations might provide weak hands with a relief exit too, putting a cap on the current advance. Those technical factors are therefore likely to favor a high volatility environment in the coming months.

The Blockchain Strategies Fund is up respectively +17.23% and +19.42% in April for its USD and EUR unit classes. This means that Blockchain Strategies Fund has almost fully recouped the drop experienced in March! The Fund's performance was mainly driven by a strong performance contribution coming from several of our selected underlying managers. The decision to maintain a slightly higher than average cash exposure helped us reduce considerable downside risk during the storm but also inevitably acted as a small drag to the April performance. Overall, the Fund has proved that it can weather extreme market conditions and keep its performance drawdown in check whilst importantly deliver returns as the market recovers. We are now closer to a break-even return for the year, which is quite an achievement given the huge sell-off and deep losses experienced by some market participants that still remain in double digit negative performance.

In terms of investment strategy and portfolio positioning, the Blockchain Strategies Fund will continue to overweight strategies benefiting from a high volatility environment or those allowing the Fund to harvest higher yields through crypto assets lending activities rather than just increase exposure to directional strategies. Cash holding will also be reduced as the market shows signs of stable growth. Finally, we feel that crypto asset valuations still remain low and therefore present an opportunity for long term investors to enter the crypto asset class at more attractive levels.

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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 & Iloyds).
- ▶ 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 in the process of being a registered AIFM. 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 months. The combined AUM of the underlying funds is over \$1bn.

Team

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

Manuel E. De Luque Muntaner
Founder & CEO

Kevin Ballard
CCO & Head Investor Relations

Ryan Radloff
Blockchain/Crypto Advisor

Yannis Georgandelis
COO & Head of Risk Management

Daniel Vegue
Partner

Antonio Llabrés
Partner

Maria De Juan
Digital Marketing & Research

Pierre Ivorra
Advisor

Emiliano Cordoba
Of Counsel



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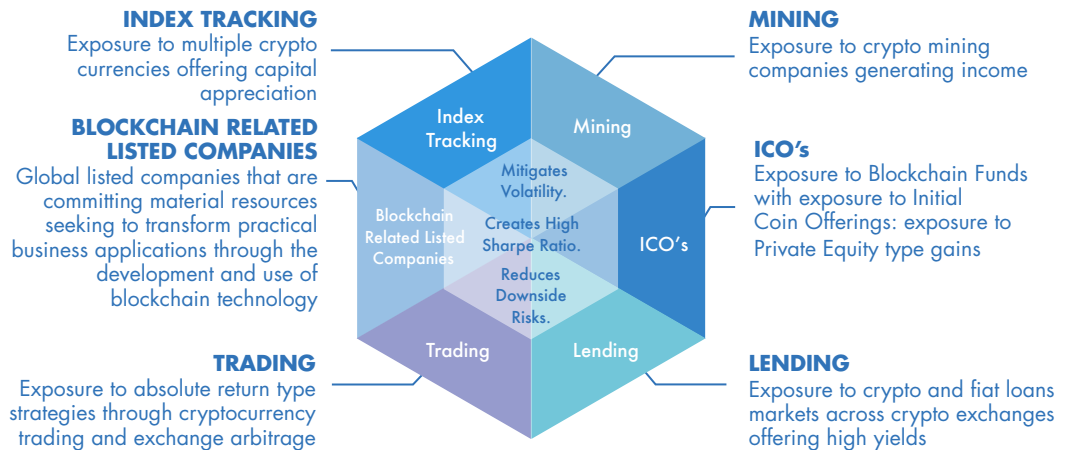
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Investment Program

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.

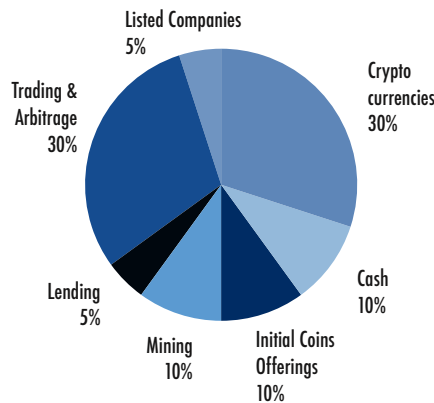
Investment Strategy

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.



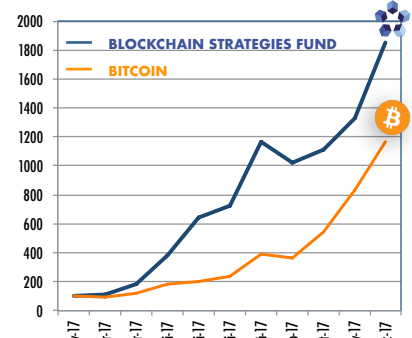
A MULTI STRATEGY DIVERSIFYING INTO VARIOUS MARKETS, MANAGERS AND BLOCKCHAIN INVESTMENT STYLES.

Model Portfolio



2017 Performance

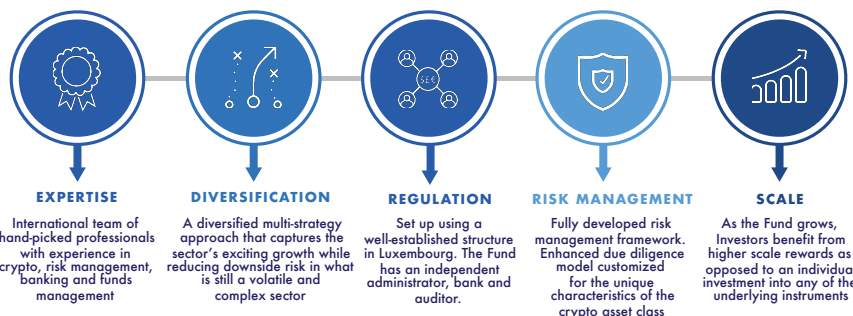
(Back-testing illustration as from Dec 2017)



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.