

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

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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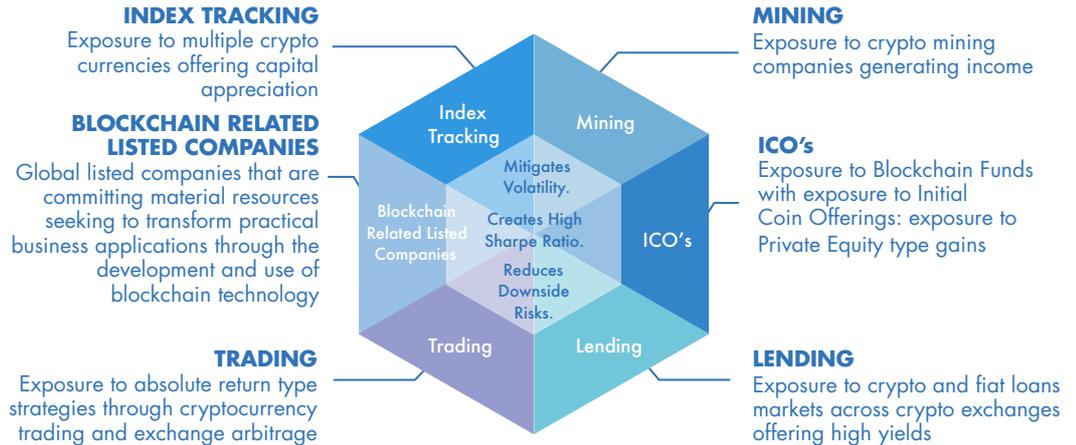
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Investment Program

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.

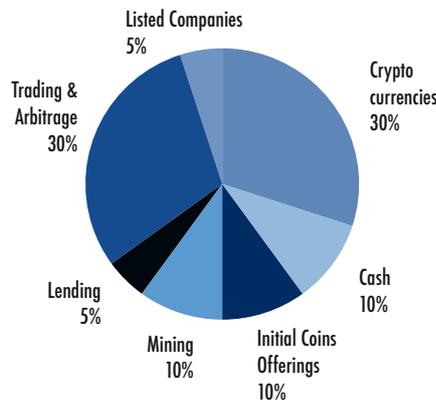
Investment Strategy

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.



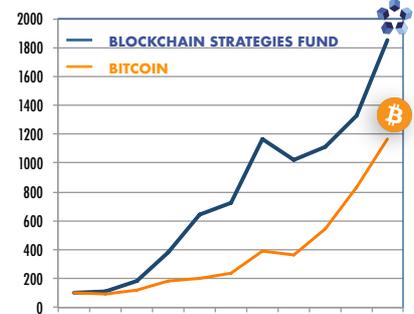
A MULTI STRATEGY DIVERSIFYING INTO VARIOUS MARKETS, MANAGERS AND BLOCKCHAIN INVESTMENT STYLES.

Model Portfolio



2017 Performance

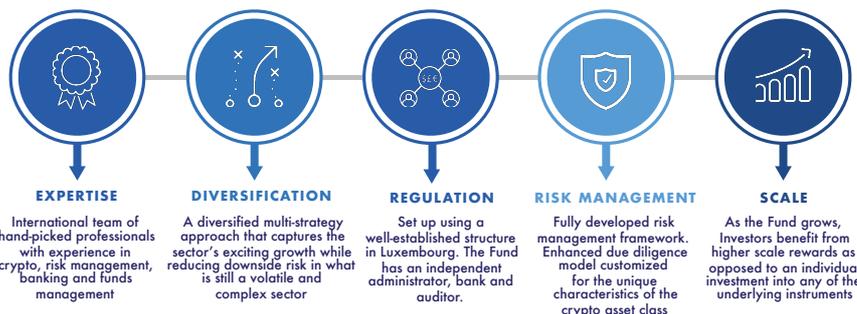
(Back-testing illustration as from Dec 2017)



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.

March 2018

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NAV 2018 (as of March 31, 2018)

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

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Market commentary

Most sectors of the blockchain investment universe experienced another very challenging month, with Bitcoin falling 32.8% in March (source: cryptocompare). Is there a near bottom to be expected for this cyclical bear market? Two major technical factors continue to weigh on the crypto markets: tax driven selling and technical outflows related to ICO pay-outs being used to finance projects paid in fiat currencies. Those two factors are driven by short term dynamics.

We currently see a market with a lack of buyers and a lot of technical sellers. Speculative demand is low. Weak hands such as late 2017 private investors buying into Bitcoin at near record highs of near \$20,000 (or buying on the dip at \$15,000 or \$12,000 for example without realizing just how low it would go) are waiting for a rebound to reduce their positions.

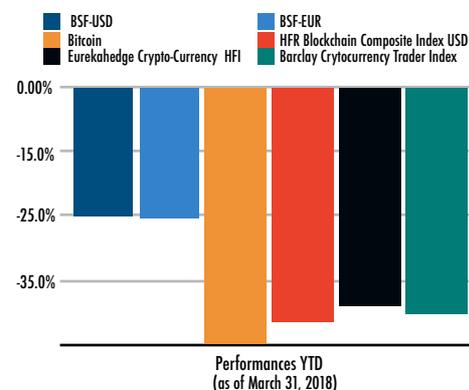
This creates a short-term cap, an absence of support from private & institutional investors. On the bright side, the long term macro picture has actually improved this year while longstanding concerns regarding the safekeeping of crypto assets have started to be addressed by the financial industry. We view this as a key element for institutions to participate in the emerging crypto asset.

Performance

(as of March 31, 2018)

	Jan'18	Feb'18	Mar'18	YTD
BSF-USD	-0.31 %	-5.74 %	-20.34 %	-25.14 %
BSF-EUR	-1.65 %	-3.96 %	-21.07 %	-25.44 %
Bitcoin	-26.16 %	1.04 %	-32.80 %	-49.87 %
HFR Blockchain Composite Index USD	-4.55 %	-13.19 %	-34.72 %	-45.91 %
Eurekahedge Crypto-Currency HFI	-6.04 %	-13.11 %	-29.88 %	-42.76 %
Barclay Cryptocurrency Trader Index	-11.63 %	-9.21 %	-30.42 %	-44.18 %

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



Portfolio commentary

The Blockchain Strategies Fund is down respectively 20.34% and 21.07% for its USD and EUR unit classes for March. Considering the above, the Blockchain Strategies Fund managed to limit losses, outperforming the average fund (as per the HFR Blockchain composite index) by roughly 15% in March and by a sizable 26% YTD. The Blockchain Strategies Fund's outperformance was achieved through portfolio diversification and a flexible asset allocation across various blockchain strategies. The decision to maintain a higher than usual cash exposure (20%) and the right selection of several diverse but complimentary funds contributed to this outperformance.

In terms of investment strategy and portfolio positioning, we recognize the risks associated with a negative market trend and adverse short term technical factors. As a result, the Blockchain Strategies Fund plans to focus on strategies benefiting from a high volatility environment rather than increased exposure to buy & hold directional strategies, which require higher prices to produce a positive return. Cash levels will be also kept higher to keep our powder dry if the current decline extends into the second half.

While we understand the disappointment related to the negative return year-to-date, we remain confident in our strategy which aims to produce risk-adjusted long term returns for our investors. The current market conditions give Block Asset Management the chance to evidence that the Blockchain Strategies Fund can deliver a much lower drawdown than the average crypto fund and a smoother investment journey. Finally, we consider that the current bear market presents an opportunity for long terms investors to enter the crypto asset class at more attractive levels. We will keep posted on our next initiatives very soon.

Portfolio

(as of March 31, 2018)

