

BLOCKCHAIN STRATEGIES FUND

www.blockassetmanagement.com

June 2019

NAV	Jun 2019
USD Class	55.77
EUR Class	60.06

Market commentary

June 2019 was the fifth month in a row showing positive returns. Bitcoin rallied 25.94% and Ethereum 8.5%. Ripple was at odds with other cryptos as it fell 10.2%. (source Cryptocompare). We are in the midst of a bull market, however, its important to note, at time of writing we are experiencing a significant pullback, making now an excellent entry point.

The Eurekahedge Cryptocurrency Hedge Fund Index, representing crypto hedge funds' performance, was up 8.72% for June (source Eurekahedge.com as of 3rd August).

By far the biggest announcement in June was that of social media giant Facebook launching its own digital token 'Libra'. Libra is very important to the crypto ecosystem (the term 'Libra effect' is being used when explaining June's surge in crypto prices and investment) as it has the potential to bring the concept of "digital assets" to the world on a scale that other cryptos could not. This announcement was a confirmation of the endorsement of cryptos and the blockchain technology by mainstream companies.

Global monetary policy and the negative interest rates are also key factors positively influencing the crypto markets. The prospect of negative interest rates and high levels of inflation was a key topic of conversation at Bitcoin 2019, with many referring to the combination of these macro-economic factors and bitcoin's upcoming halving event as a "perfect crypto storm". Over the next 18 months, there will be an incredible increase in demand, and while the total supply remains fixed, the new daily supply will soon be decreased by 50%. This halving event in May 2020, occurs every four years and has historically triggered a huge bitcoin price increase. Halving also occurs in some other cryptos. Litecoin's halving being imminent. Every 840,000 blocks, Litecoin production is halved. This is expected to occur around 6th August 2019, where block rewards will go from 25 LTC to 12.5 LTC.

Portfolio commentary

Blockchain Strategies Fund's USD and EUR share class increased in June by +8.67% and +7.23% respectively. As a result, the Fund's cumulated performance in 2019 (as of end of June) stands at +27.76% and +28.58% for its USD and EUR share classes. The funds diversified strategy translates to lower volatility, our objective being to mitigate risk, reduce volatility and provide diversification by investing into carefully selected funds. Therefore providing investors with a smoother investment journey. This was evident in 2018 when the Fund USD class outperformed the Eurekahedge Crypto HFI by 11.03% & Bitcoin by a substantial 16.59%.

Blockchain Strategies Funds June return of +8.67% was a mere 0.05% below the Eurekahedge Cryptocurrency Hedge Fund Index June return of 8.72%.

We continue focusing our efforts on increasing the "alpha" generated by our fund selection, while keeping volatility under control. While year-to-date gains seem impressive, crypto markets remain at drawdown levels offering interesting long-term entry points for investors willing to build exposure on the crypto asset class, however a diverse portfolio with exposure to multiple cryptocurrencies and strategies is advised, exactly what Blockchain Strategies Fund provides.

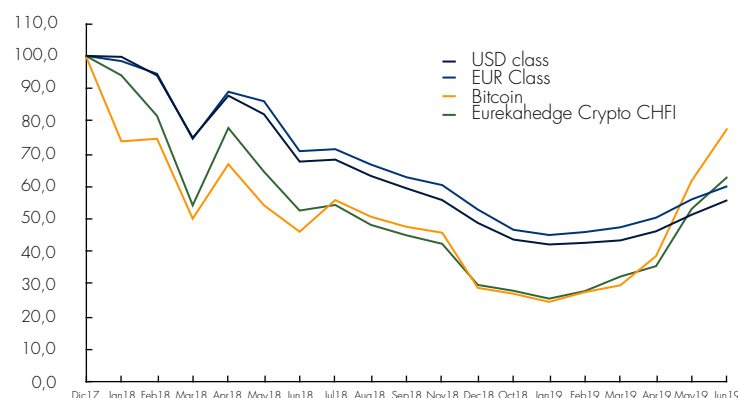
Performance

(as of June 30, 2019)

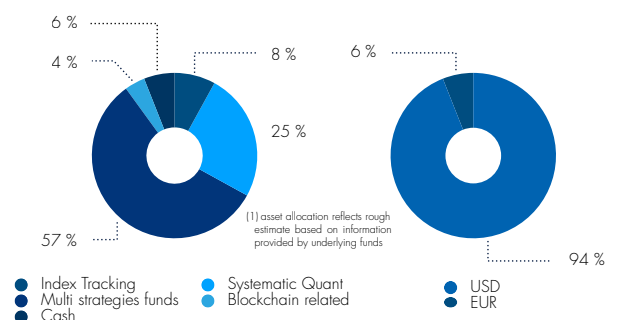
Past performance is not an indicator of future performances.

2018	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Since Inception
BSF USD (Class A)	-0.31%	-5.74%	-20.34%	17.23%	-6.48%	-17.59%	0.81%	-7.36%	-5.91%	-6.18%	-12.45%	-10.59%	-56.35%	-56.35%
BSF EUR (Class B)	-1.65%	-3.96%	-21.07%	19.42%	-3.36%	-17.69%	0.79%	-6.54%	-5.94%	-3.70%	-12.54%	-11.63%	-53.29%	-53.29%
Bitcoin (BTC)	-26.16%	1.04%	-32.80%	33.19%	-18.88%	-14.89%	21.14%	-9.16%	-6.15%	-3.83%	-36.78%	-6.54%	-72.94%	-72.94%
Eurekahedge Crypto CHFI	-3.82%	-13.95%	-28.38%	44.20%	-17.12%	-17.88%	3.03%	-10.37%	-5.88%	-5.16%	-28.09%	-5.39%	-67.38%	-67.38%
2019														
BSF USD (Class A)	-3.33%	1.22%	1.73%	6.42%	10.99%	8.67%							27.76%	-48.68%
BSF EUR (Class B)	-3.38%	1.88%	3.24%	6.19%	11.11%	7.23%							28.58%	-43.99%
Bitcoin (BTC)	-8.92%	12.02%	7.57%	30.10%	59.81%	25.94%							187.37%	-22.25%
*Eurekahedge Crypto CHFI	-6.95%	9.90%	13.10%	9.34%	40.23%	8.72%							92.81%	-37.10%

* Eurekahedge Crypto-Currency Hedge Fund Index : Based on 93.33% of funds which have reported June 2019 returns as at 3 August 2019 (please note that those figures are estimates and will be revised when all funds have reported their performance, and published by the Index provider).



Portfolio
(as of June 30, 2019) (1)

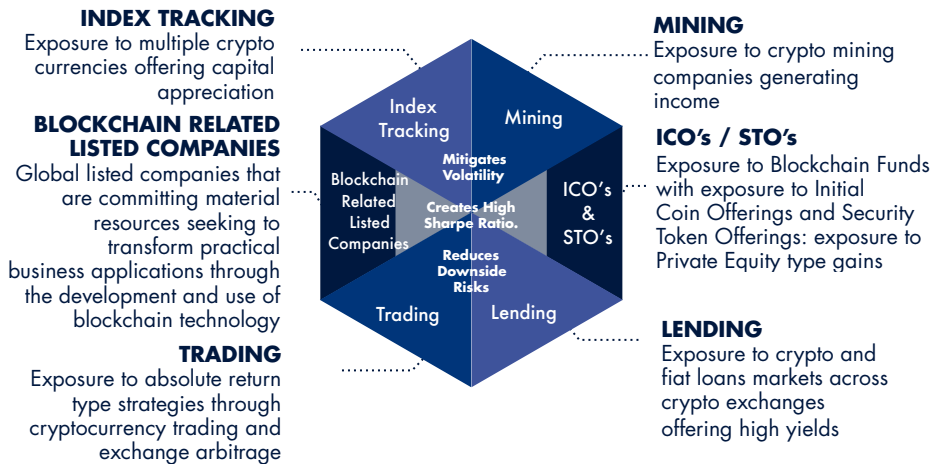


Investment Program

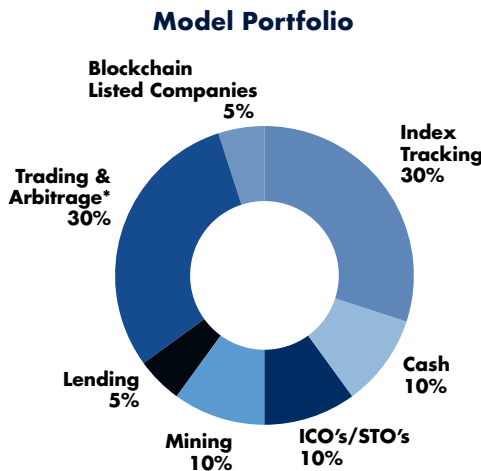
Blockchain Strategies Fund (BSF) is the world's first fund of funds focusing on blockchain technology investment opportunities such as Funds focusing on all aspects of digital currencies and listed companies using blockchain technology. The Fund has been designed to offer investors full access to the 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.



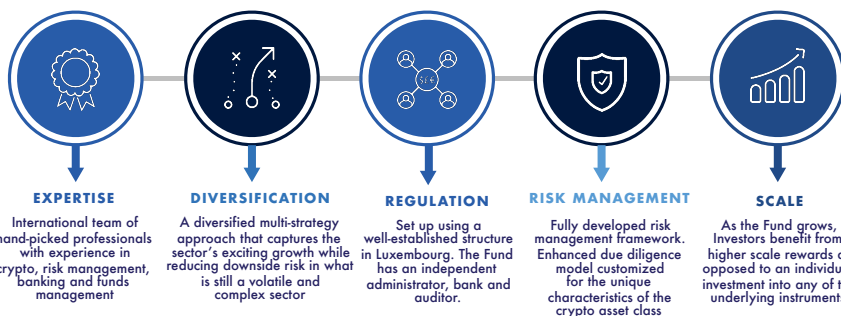
A MULTI STRATEGY DIVERSIFYING INTO VARIOUS MARKETS, MANAGERS AND BLOCKCHAIN INVESTMENT STYLES.



*Including systematic strategies

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. Cryptocurrencies 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.

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: **BLCSUSD LX**
 Bloomberg Ticker EUR: **BLCEUR 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/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, 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 \$1 bn.

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

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 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