



BLOCKCHAIN STRATEGIES FUND

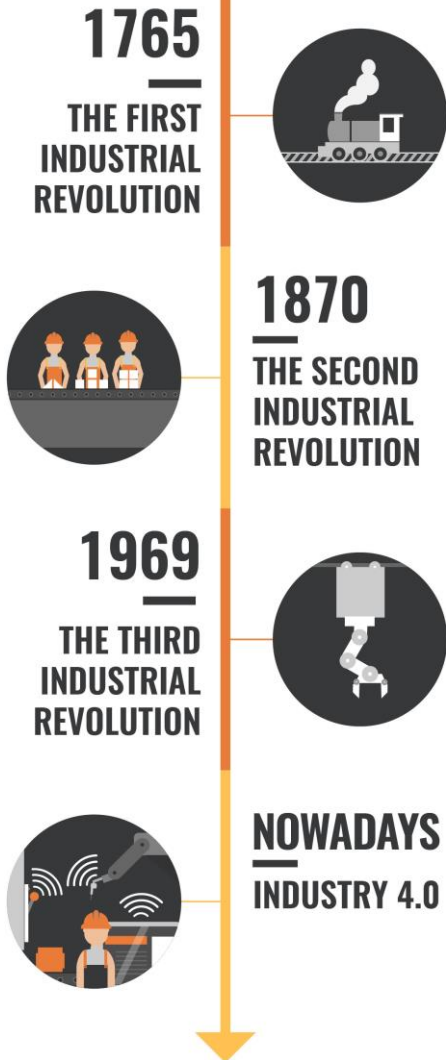
World's First Blockchain & Digital Assets Fund of Funds

Luxembourg's first digital assets focussed alternative investment fund manager (AIFM).

Block Asset Management Sarl (BAM) are a Luxembourg AIFM registered with the regulator (CSSF). BAM were created in 2017 by a team of financial services experts (with experience working for Credit Suisse, Julius Baer, UBS & Societe Generale) that shared a common interest in Blockchain technology & digital assets. BAM's aim is to provide thorough due diligence & risk management within the digital assets space and created...**the world's first digital assets fund of funds.**

BAM realised that, at the time of creation (2017), there were many funds in the digital assets space but very few were marketable to well informed investors as so few would pass meaningful due diligence. We were also aware that investors were seeking more diversification than was on offer within this new, niche & high risk/reward asset class. For this reason Blockchain Strategies Fund was created. A fund of funds focussing on blockchain technology investment opportunities & digital assets. The Fund has been designed to offer investors full access to the worlds fastest growing asset class with the benefits of thorough due diligence, sound risk management and portfolio diversification to reduce volatility.

4 The INDUSTRIAL REVOLUTIONS



1. 4th Industrial Revolution. Why Everyone Must Get Ready For The 4th Industrial Revolution

1. 18th Century: Mechanisation, Vapor Power.
2. 19th Century: Electricity, Gas and industrial production.
3. 20th Century: Nuclear energy, electronics and biotech. Internet 1.0.
4. NOW: Cloud / Big Data, IOT, AI, blockchain & Decentralisation...

Nobel Prize winner in Economic Sciences Milton Friedman predicted the rise of digital currencies like Bitcoin in 1999.

Friedman is considered one of the most influential economists and thinkers of the 20th century. Heading the Chicago School of Economics, he was a strong advocate of economic liberty, free markets and free enterprise

in an interview conducted by NTU/F in 1999, Friedman said: (Video Link)

“The one thing that’s missing, but that will soon be developed, it’s a reliable e-cash. A method where buying on the Internet you can transfer funds from A to B without A knowing B or B knowing A. The way in which I can take a 20 dollar bill and hand it over to you and there’s no record of where it came from. And you may get that without knowing who I am. That kind of thing will develop on the Internet.”

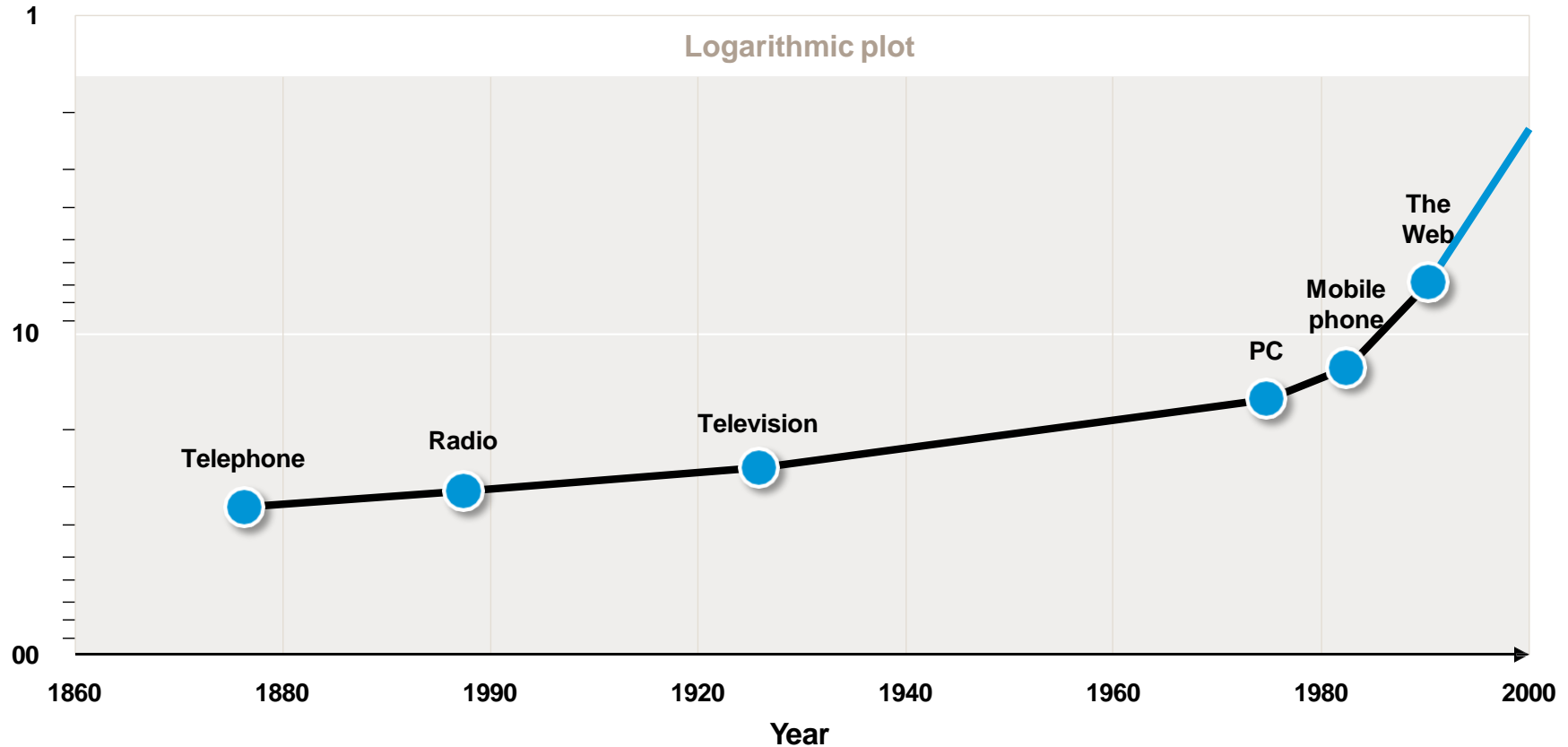


Yo dudo que alguien esté pagando impuestos por algo de eso.

3. Internet. Mass Adoption and Accelerating Shifts

- 1. Technological changes are adopted at much more rapid pace
- 2. Internet took few years compared to TV, Radio or Telephone

Mass use of inventions Years until use by ¼ US population

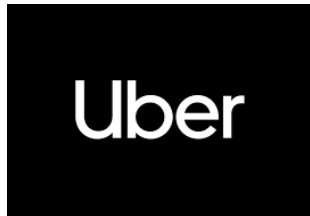


The fastest growing currency (digital) in the world by user adoption, is decentralized (no government control).



The world's fastest growing currency by user adoption, **has no branches or employees**

The world's largest taxi company by market share **own no cars**



The world's most popular media owner by market cap, **creates no content**



The world's most valuable retailer by revenue, **has no inventory**



The world's largest accommodation provider by market share, **owns no real estate**



BITCOIN

La crisis financiera y el surgimiento del Bitcoin.

- 15 de Septiembre de 2008 Lehman Brothers presenta la declaración formal de quiebra. Crisis de liquidez.
- 25 de Octubre de 2008 Caída mundial de los los índices bursátiles.
- 31 de Octubre Satoshi Nakamoto publica un escrito de 9 carillas llamado, “Bitcoin: a peer to peer electronic cash system” en un foro público.

ALTCOINS

A partir de Bitcoin...



...más de 5.580 Altcoins -criptomonedas y tokens-
(junio 15 de 2020)

Introduction to Blockchain

Blockchain technology is a new market opportunity

The blockchain is run by miners, who use powerful computers that verify transactions by solving difficult mathematical equations. Completed transactions are recorded onto the blockchain ledger. The first miner to solve the puzzle (verified by the network as proof of work) is paid in cryptocurrency.

Blockchain provides a protocol that for the first time enables financial transactions without the need for central verification, significantly reducing transaction costs and processing delays.

Initially, investment was restricted to the tech community or some early stage VC tech investors. However, we have now seen the successful launch of dozens of investment funds focusing on the blockchain/crypto investment field.

Blockchain technology is an open, transparent, peer to peer, decentralised ledger system (or database) secured by cryptography.

Transactions are recorded chronologically and publicly, creating a permanent, un-editable and un-hackable record of all transactions. This enables the digital transfer of value/assets on a trusted network.

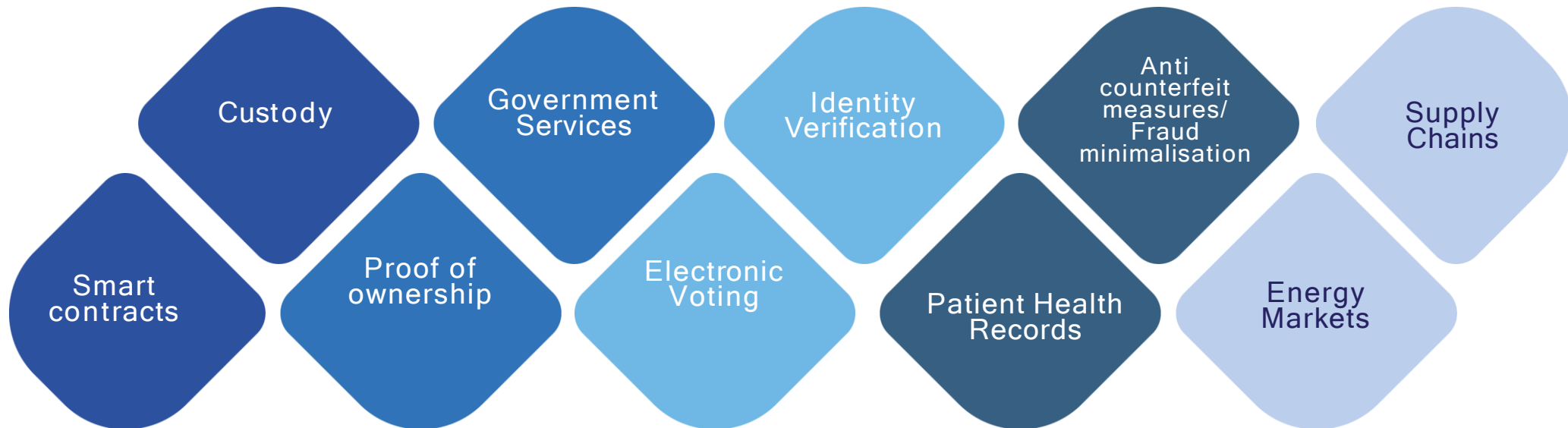
Blockchain assets are liquid, scarce, open source, and secured by cryptography.

Blockchain technologies represent one of the largest investment opportunities in a generation. The value created through these networks will eclipse both the PC and internet eras.



Applications of blockchain

Blockchain technologies have already gone beyond digital payments and transfers. The security features of blockchain technology offer immense potential in the following fields:



“Algorithms that enable the creation of distributed ledgers are powerful, disruptive innovations that could transform the delivery of public and private services and enhance productivity through a wide range of applications”

Mark Walport
UK Government Chief Scientific
Adviser

Big Names

Entering Blockchain

Financial Institutions



Tech



Endowments



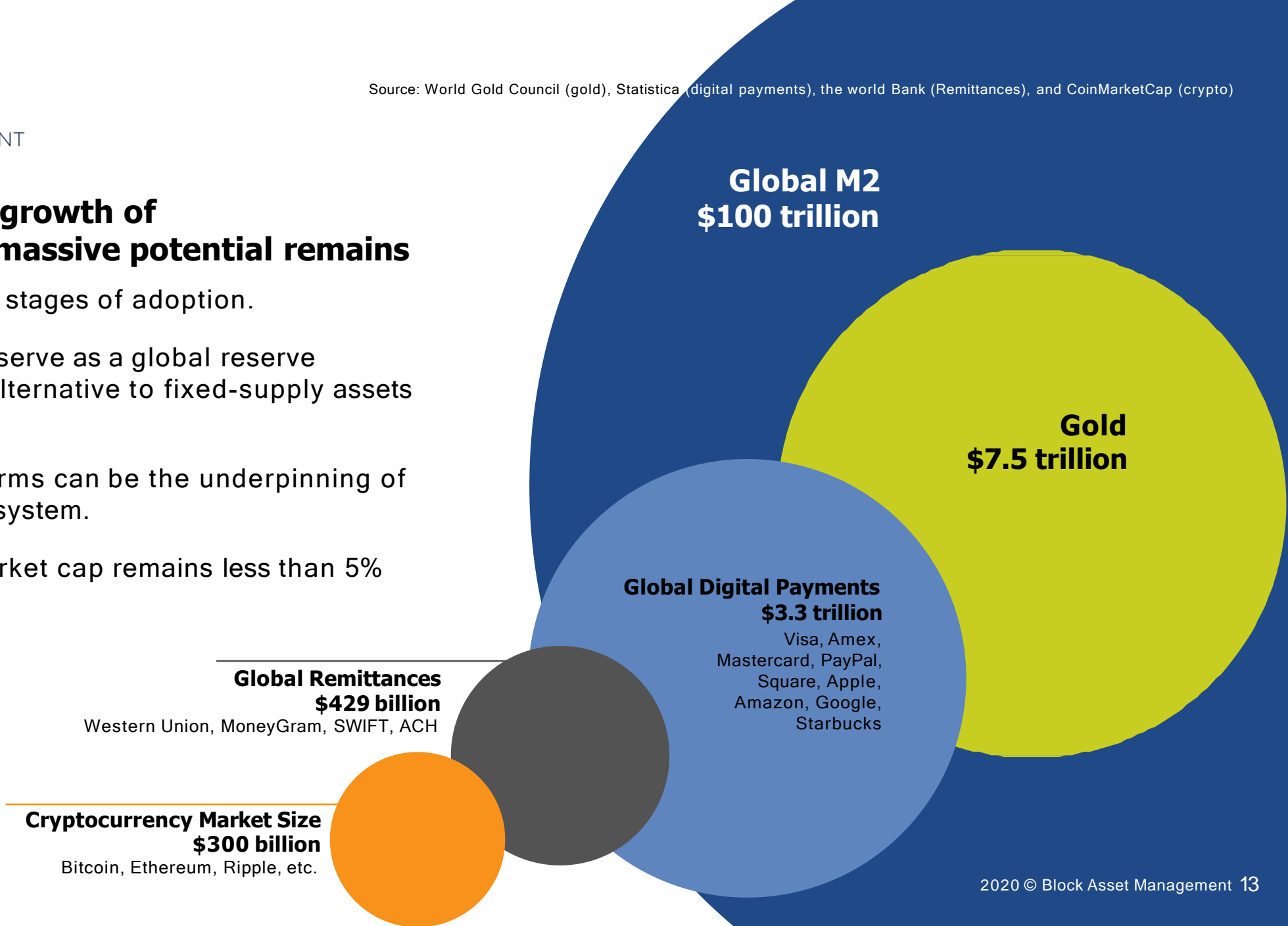
Despite the rapid growth of cryptocurrencies massive potential remains

We're still in the early stages of adoption.

Cryptocurrency may serve as a global reserve currency or a viable alternative to fixed-supply assets like gold.

Smart contract platforms can be the underpinning of a new open financial system.

<5% digital assets market cap remains less than 5% of gold.



MARKET

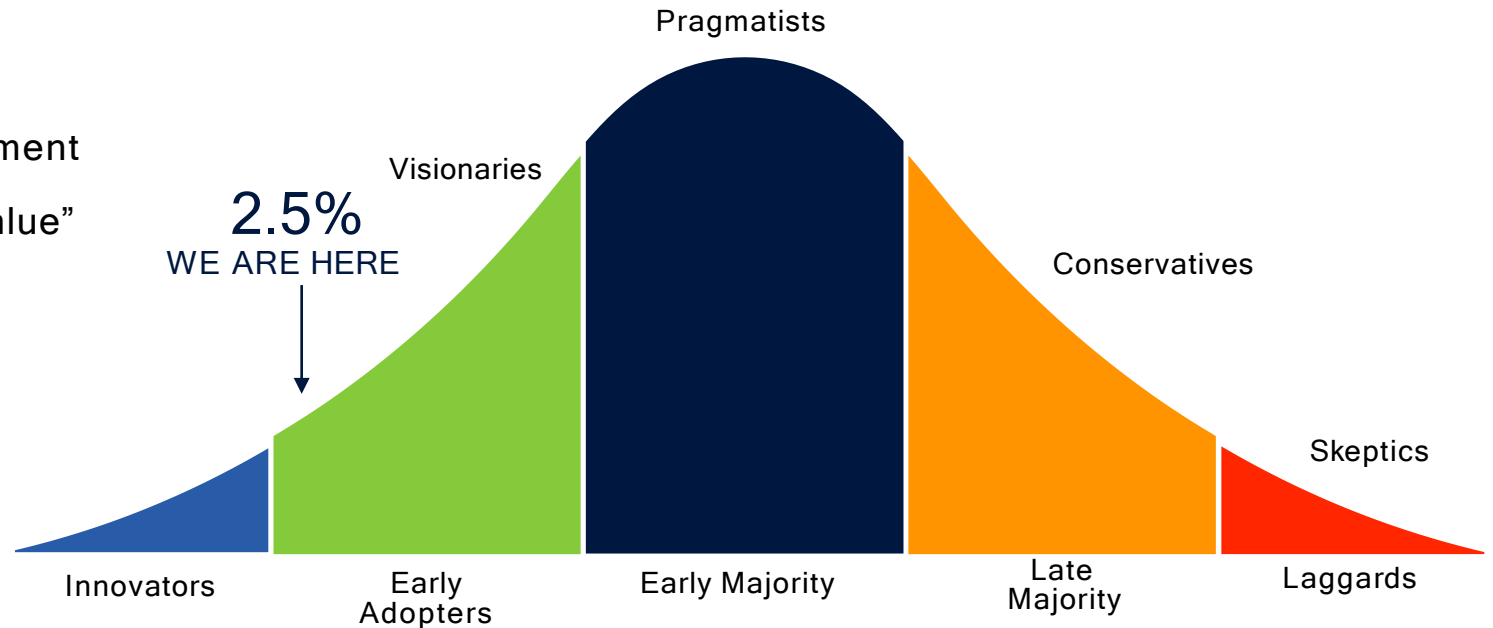
Blockchain / crypto assets

The early adopters phase. Much has been written about the adoption of new technology, specifically that it follows a predefined curve. This bell curve has 5 distinct areas of adoption volume, and as it applies to cryptocurrency world the prevailing theory is that we have just entered the beginning of the Early Adopters phase. It could potentially be many years before we reach Late Majority. For all of the noise in the media, the level of general public participation in cryptocurrency is still extremely low and subsequent investment opportunity.

Product Adoption Curve

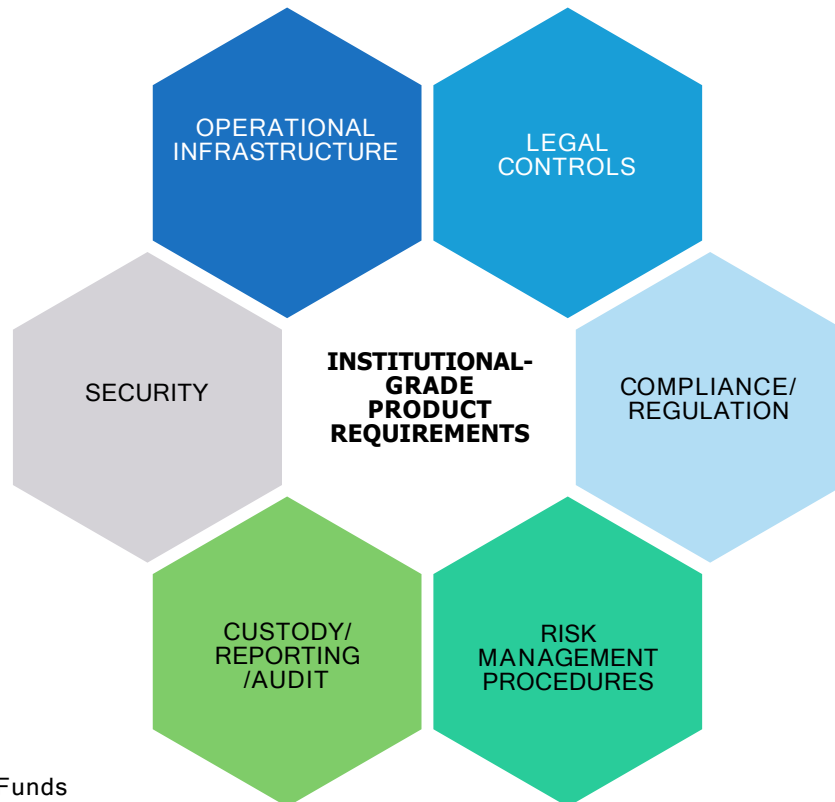
“Bitcoin is a remarkable cryptographic achievement and the ability to create something that is not duplicable in the digital world has enormous Value”

StartFragment
Eric Schmidt, CEO of Google



Marked need

The lack of investable products with necessary risk management, reputable counterparts (administrator, auditor, custodians, etc) and reporting standards are preventing institutional investors from confidently entering the crypto asset class



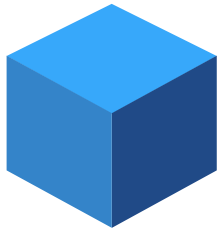
However, times are changing. The market is evolving.



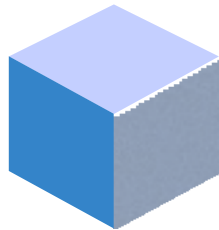
Why Block Asset Management & Blockchain Strategies Fund?

Investment professionals such as HNWI, Asset Managers, Family Offices and Private Banks have the same issues: one of wanting exposure to this exciting new market (comparable only with the .com boom) but not quite understanding the asset class.

Common fears



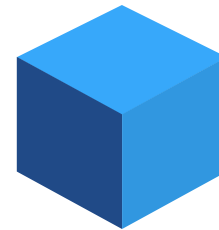
Too volatile



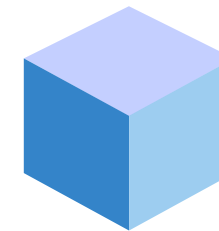
Does fund pass meaningful DD



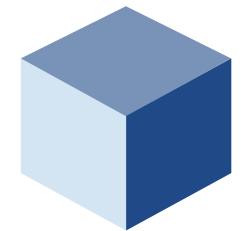
Funds are too niche?



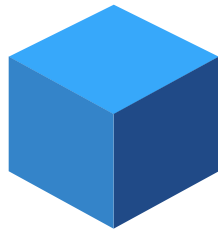
Which is the right
Cryptocurrency to
invest?



How can we achieve
diversified exposure to this
new Asset Class



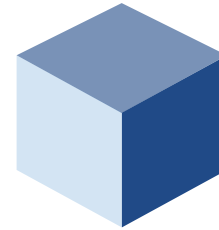
Single/unknown
manager risk



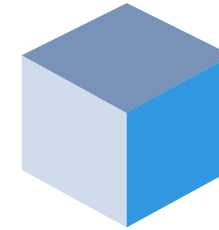
Exchange hacks



High minimum
entry



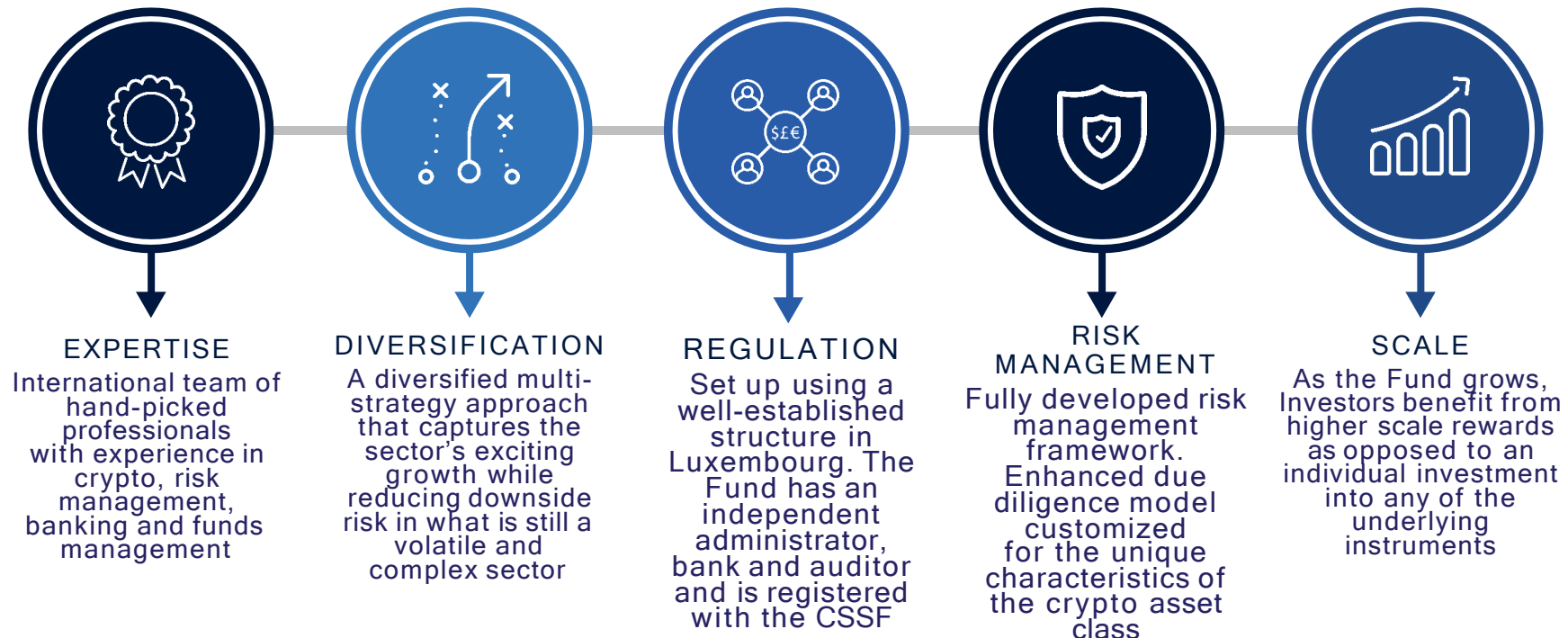
Lock in period



Why Block Asset Management & Blockchain Strategies Fund? (III)

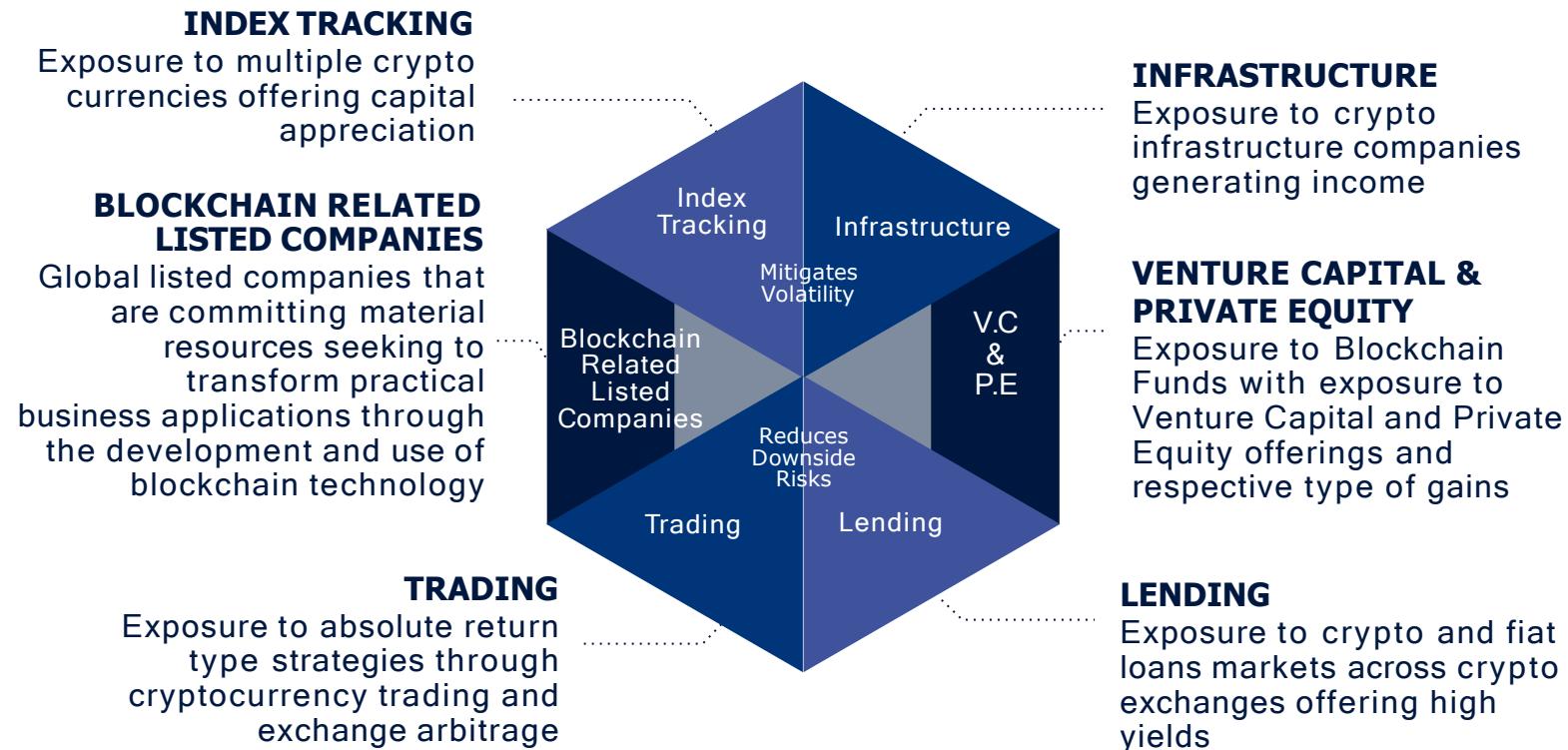
Blockchain Strategies Fund has been created to offer a diverse and broad access to those looking to access the world's fastest growing asset class.

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



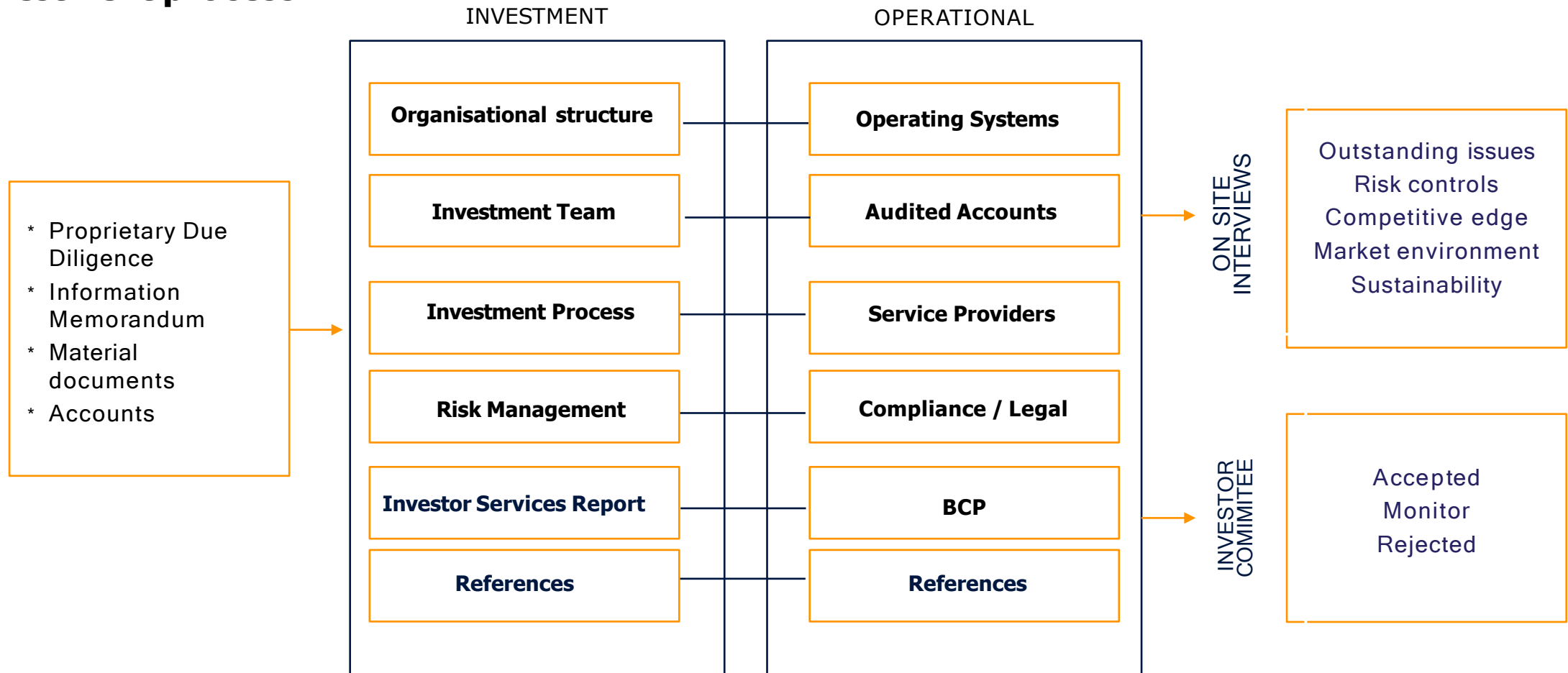
Diversified exposure

By combining exposure to multiple cryptocurrencies together with Trading, Mining, Lending, Private Equity (V.C/P.E) and Blockchain related listed companies' strategies, the Fund creates a better risk / return profile by reducing volatility



* Fiat currency is legal tender whose value is backed by the government that issued it.

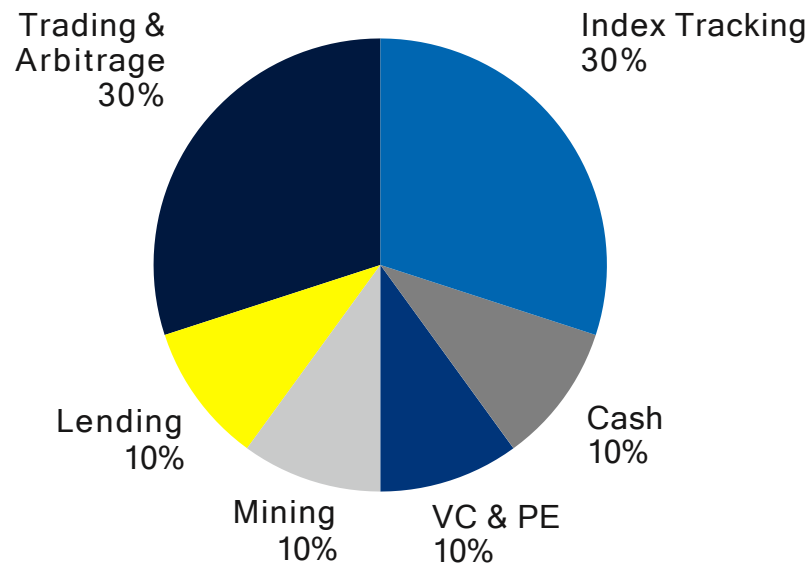
Investment process



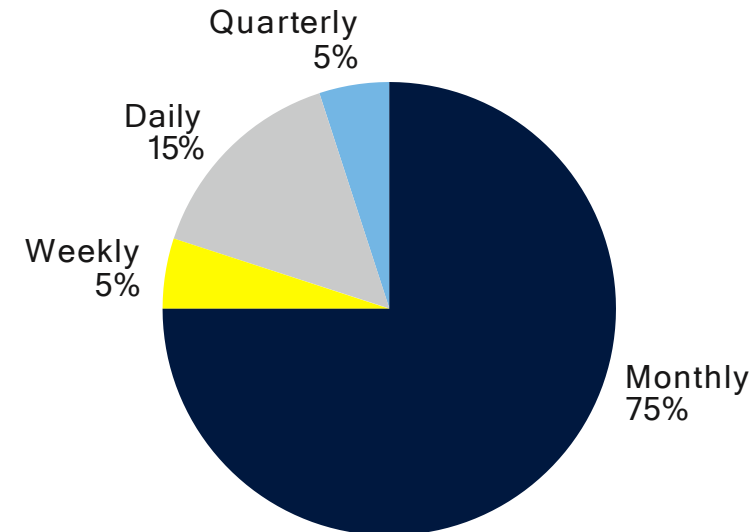
A multi strategy diversifying into various markets, managers and blockchain investment styles

The Fund seeks to achieve its investment objective by investing in a diverse selection of Blockchain/Crypto Funds and other investment vehicles.

Sample Portfolio - Breakdown by strategy



Portfolio - Breakdown by liquidity



A selection of our largest holdings

BAM's unique selection of funds provides diversification and diligence with the aim of providing the best risk-adjusted returns in digital asset investing.

PANTERA

 ALTANA
WEALTH

 ALPHABIT

 BKCM
LLC

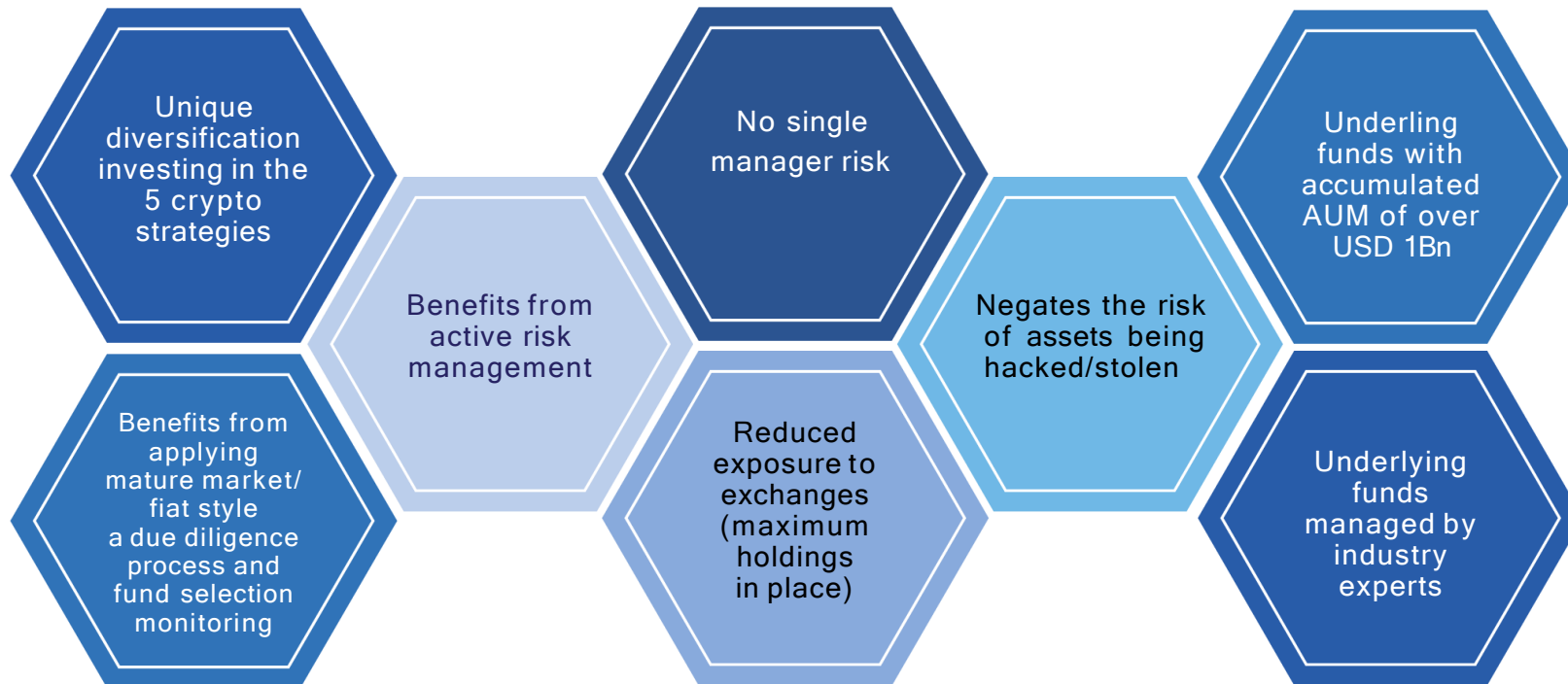
 SWISSREX


arca

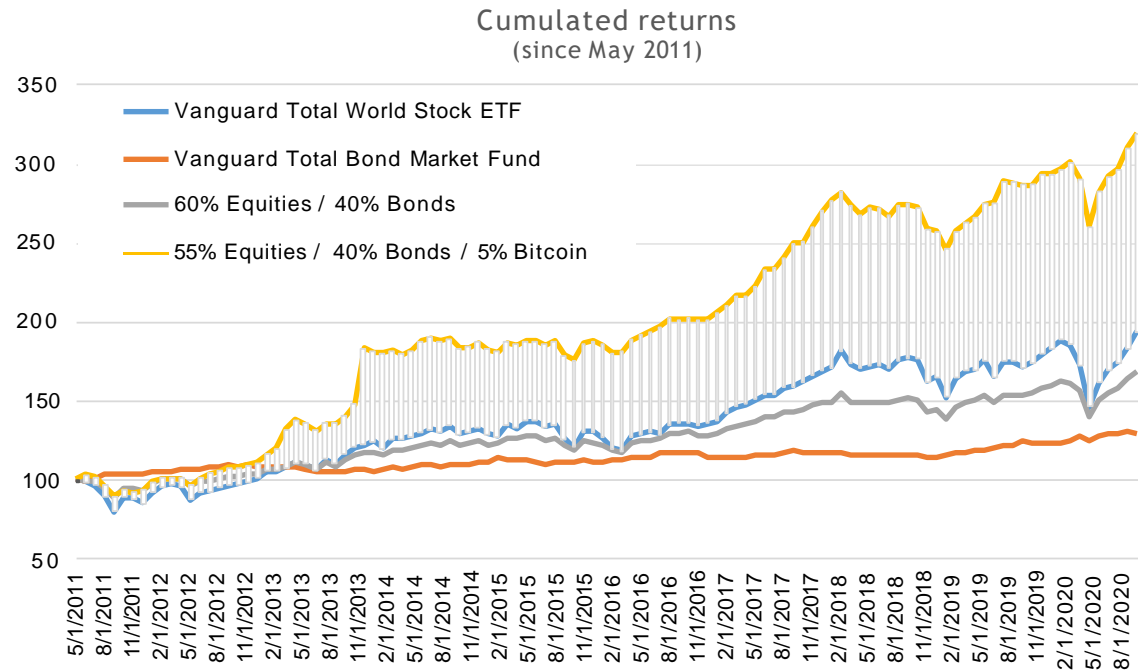
DAF
DIGITAL ASSET FUND

MULTICOIN CAPITAL

Blockchain Strategies Fund offers



Diversifying outside precious metals improves the risk/return profile of an equity risk portfolio.



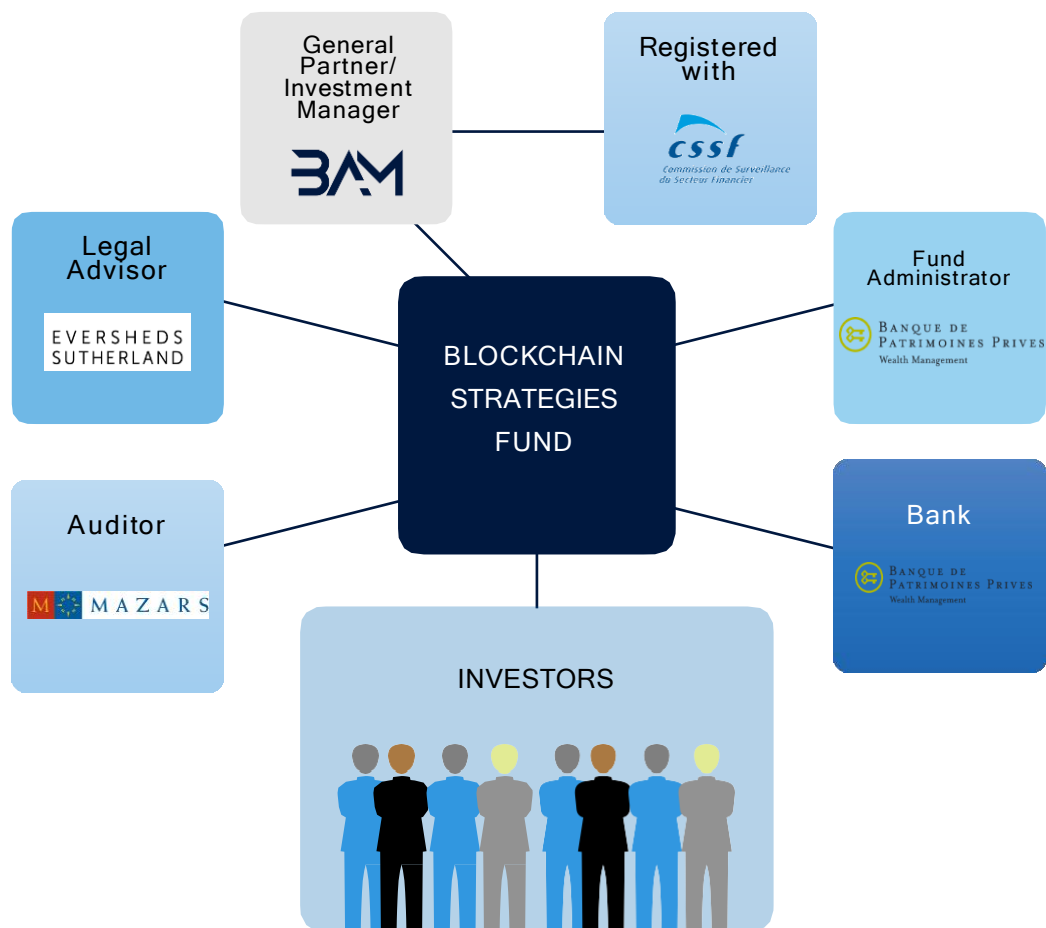
Note: monthly rebalancing, returns and volatility are annualized based on monthly prices. Equities are represented by the Vanguard Total World Stock ETF and Bonds are represented by the Vanguard Total Bond Market Fund. Calculation period: 31/05/11 - 31/08/20.

A mere 5% exposure of Bitcoin (as a proxy to crypto assets) would have allowed a 55% / 40% / 5% Bitcoin diversified portfolio outperform a traditional 60% equities / 40% equities (without Bitcoin) by a staggering 9.4% annual return since May 2011.

	Maximal Drawdown	Return	Volatility	Sharpe ratio
100% equities	-22.5 %	7.4%	14.5%	0.50
60% equities / 40% bonds	-14.4%	5.8%	8.8%	0.65
55% equities / 40% bonds / 5% Bitcoin	-16.1%	13.2%	23.4%	0.56

Past performance is not indicative of future returns
Low correlation with other traditional assets

Fund Structure



Key facts

Jurisdiction:	Luxembourg
Registered Office:	30, bd Royal, L-2449, Luxembourg
Legal Form:	Special Partnership
Regulation:	General Partner is a registered AIFM
Type Of Fund:	Open Ended Fund of Funds
Initial Subscription:	USD/EUR 25,000 minimum
Target Fund size:	\$ 100 Million
Investment Strategy:	To deliver capital appreciation through the active management of a diverse portfolio of Blockchain/Crypto Asset funds.
NAV:	Monthly
Management fees:	2.5%
Performance fees:	25%
Hurdle:	10%
Redemption Fee:	5% Year 1
ISIN USD:	LU1738364063
ISIN EUR:	LU1738363925
Bloomberg Ticker USD:	BLCSUSD LX
Bloomberg Ticker EUR:	BLCSEUR LX

BLOCKCHAIN STRATEGIES FUND · Key Benefits/USP's

Pioneers - The world's first dedicated Digital Assets Fund of Funds providing the most diverse single investment into the crypto asset class.

Experienced team - 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, Julius Baer).

Due Diligence - Only invest in the most reputable and secure digital assets funds that have passed our dual layered (traditional and crypto focussed) due diligence.

Actively managed/Risk management - Actively managed by Luxembourg's first digital assets Alternative Investment Fund Manager (AIFM) to be registered with the regulator (the CSSF). Monthly rebalancing!

Reduced Volatility - Drawdowns can be significantly reduced applying active Risk Management to a diversified portfolio of underlying Funds/cryptocurrencies thus creating a smoother investment journey (less volatility).

Diversification - Investing in 6 identified strategies within the digital assets space; Trading & Arbitrage, Tracking/long exposure, Infrastructure (mining), Lending, VC/PE funds & Blockchain related listed companies.

Institutional benefits without institutional terms (Liquidity) - Underlying institutional funds have reduced minimum investment (usually \$500k to \$1m) to \$100k and any lock in period (often 12months) has been reduced to fit with our monthly dealing requirements.

Track record - Blockchain Strategies Fund launched in January 2018 and therefore has an extensive track record within the sector.

Industry recognition/Awards - Block Asset Management was awarded as a 2020 WealthTech100 company and shortlisted for the WealthBriefing Awards 2020

Disclaimer

The material being provided (the 'Material') including all information relating to the Block Asset Management S.à.r.l. range of funds and strategies (each a "Fund", together the "Funds") is confidential and is intended solely for the use of the person or persons to whom it is given or sent and may not be reproduced, copied or given, in whole or in part, to any other person. The Material is not approved for the public and is only intended for recipients who would be generally classified as "qualified," "professional," "accredited" or "institutional" investors. The Material is not designed for use in any jurisdiction or location where the publication or availability of the Material would be contrary to local law or regulation. If you have access to the Material it is your responsibility to be aware of and to observe all applicable laws and regulations of any relevant jurisdiction and it is recommended an investor first obtain appropriate legal, tax, investment or other professional advice prior to acting upon the Material. The Material is for information only and does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase an investment in the Funds, nor shall it or the fact of its distribution form the basis of, or be relied upon in connection with, any contract for investment in the Funds. Any such offer shall only be made pursuant to the offering material regarding the Funds. The Funds are subject to management, administration and performance fees. Past performance is not necessarily a guide to future performance. Investors may not receive back the full amount invested and may suffer capital loss. Investments in the Funds may not be readily realizable. Opinions expressed in this document may be changed without notice at any time after publication. Nothing in this document shall constitute advice on the merits of buying and selling an investment. All income, capital gains and other tax liabilities that may arise as a result of participating in this investment structure, remain that of the investor.



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