

Blockchain Strategies Fund (BSF)

World's First Blockchain & Digital Assets Fund of Funds

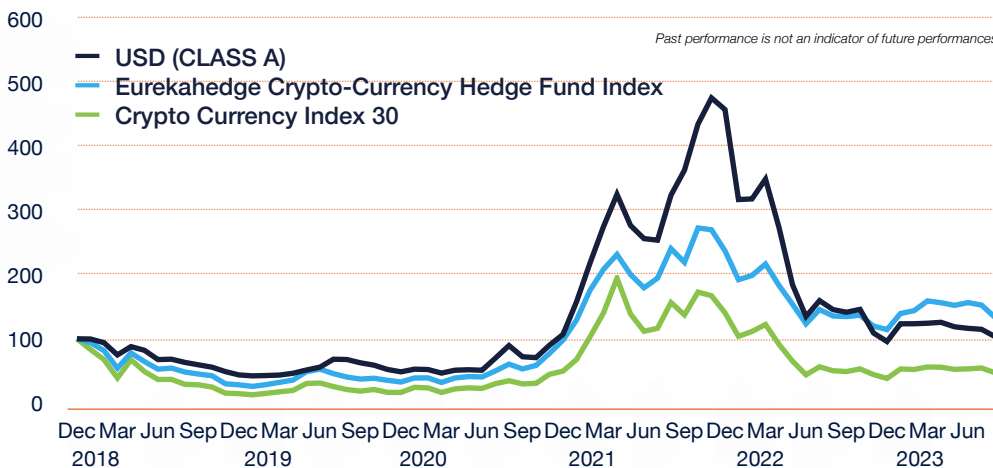
NAV
USD 103.40

FUND OBJECTIVE

Blockchain Strategies Fund (BSF) is a specialist blockchain and digital assets focused Fund of Funds, providing investors participation to the digital asset investment class with a diversified approach. The Fund focuses on reducing unnecessary risk and volatility via institutional-grade due diligence (selecting the “best-in-class” fund managers) and investing across four identified core strategies. The Fund is actively managed, with allocation and weighting reviewed monthly.

MONTHLY PERFORMANCE (CLASS A)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	25.19%	0.06%	0.64%	1.17%	-5.58%	-2.04%	-1.26%	-9.95%					4.89%
2022	-30.68%	0.31%	9.71%	-21.63%	-32.61%	-26.90%	18.39%	-8.77%	-2.81%	3.13%	-25.22%	-9.62%	-78.45%
2021	47.49%	38.30%	26.57%	17.93%	-14.90%	-7.42%	-0.95%	27.64%	12.05%	19.78%	9.39%	-3.81%	328.25%
2020	8.49%	-1.05%	-10.60%	9.62%	1.37%	-1.45%	37.27%	27.88%	-19.54%	-1.89%	27.34%	18.75%	120.25%
2019	-3.33%	1.22%	1.73%	6.42%	10.99%	8.67%	22.23%	-0.70%	-7.62%	-5.84%	-11.35%	-7.09%	11.11%
2018	-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%



STATISTICS (As of August 2023)

	Class A
3 Months Rolling	-12.90%
6 Months Rolling	-16.26%
9 Months Rolling	-5.20%
12 Months Rolling	-28.94%
Annualised Return	0.59%
Return Since Inception	3.40%

RISK / RETURN

	Class A
Annualised Standard Deviation	56.31%
Downside Deviation	30.71%
Upside Deviation	43.62%
Maximum Drawdown	-79.27%
Best Monthly Return	47.49%
Worst Monthly Return	-32.61%

PORTFOLIO COMMENTARY

Blockchain Strategies Fund (BSF) declined in August by -9.95% and -7.28% in USD and EUR respectively. BSF's performance YTD is now respectively +4.89% and +4.68% for its initial USD and Euro share classes.

During the month, our Fixed-Income strategy delivered another positive return which helped mitigate the negative contribution from the trading and PE/VC strategies. Most funds were down within the -9% to -12% range, affected by the general decline in Bitcoin (BTC) (-11.29% for the month) and 'altcoin' prices. Our recently added funds, employing a Quantitative/Systematic trading strategy, demonstrated resilience amid the broader market's decline, delivering a slight negative return, thus providing a degree of protection and ultimately outperforming the broader market.

The digital asset market is now entering its 6th month of trading sideways, with no clear direction. In this context, long only fundamental managers have not been able to generate alpha. Therefore, we have decided to complement our existing portfolio with new sources of returns. We are currently working to invest into underlying funds that follow systematic and AI based mid-frequency trading strategies. We also want to keep a strong recovery profile as we transition towards the best part of the cycle (Bitcoin halving).

Consequently, we remain overweighted in altcoins and plan to add an early-stage fund to our Fund, focusing on PE/VC strategies to capitalize on current low valuations (and the potential to seize opportunities at attractive prices).

We are encouraged by the fact that we are seeing the broader market at levels consistent with previous significant upswings in altcoins.

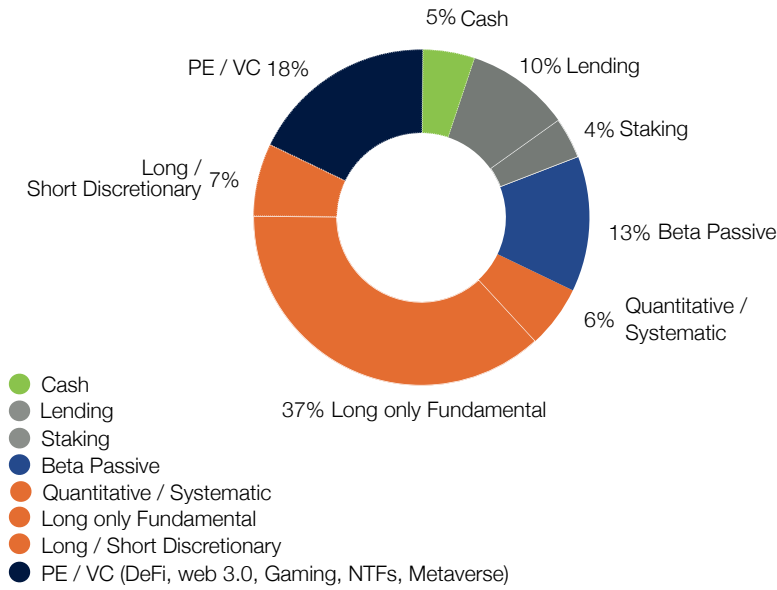
At month-end, the portfolio was neutral on Cash, underweighted Beta Passive and overweighted Trading, through long-only and Quantitative funds.

To conclude, whilst August was mostly disappointing, it was a continuation of a quiet summer period. We continue to see the crypto market slowly transitioning from an accumulation phase to the next bull market. Our Fund is expected to significantly outperform BTC in this new phase. Despite the lack of positive movement, most technical indicators have now confirmed that the cycle low is in.

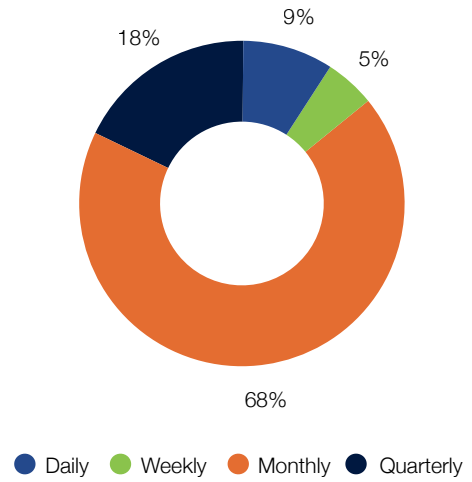
We have taken the opportunity to consolidate and quietly accumulate during the bear market and this has positioned the fund well for the eventual turn in the market.

PORTFOLIO ALLOCATION

Current Portfolio allocation by Sub-Strategies

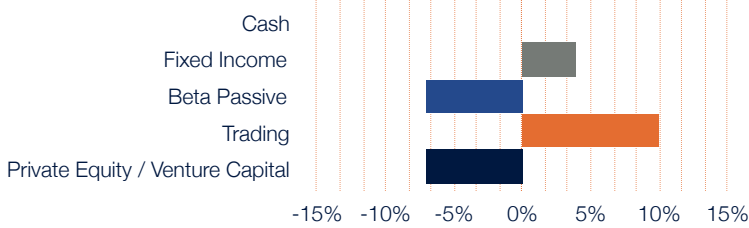


Liquidity of underlying funds

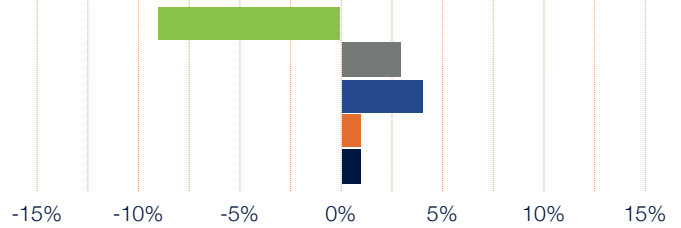


TACTICAL ASSET ALLOCATION

Current Tactical Asset Allocation



Change in Asset Allocation YTD



TOP 10 HOLDINGS

Rank & Core	Manager Location	AuM (M)	Investment strategy
1 ●●●	Australia	>50	Conviction positions within large cap protocol assets but flexibility retained to capitalize selectively on high-quality small caps.
2 ●●●	USA	>1000	Venture capital-style investing with public market liquidity : early-stage portfolio of digital assets(the most promising protocols).
3 ●●●	Switzerland	>100	Active management with a flexible allocation to a diversified basket of security tokens.
4 ●●●	USA	>1000	Diversified portfolio of strategic, early-stage digital assets utilized by promising technology platforms and protocols.
5 ●●●	USA	<50	Seeks to achieve a positive monthly return by implementing lending strategies within the crypto space.
6 ●●●	USA	>100	Actively managed exposure to bitcoin and other digital currencies, aiming at taking advantage of volatility to increase returns rather than passively benchmark.
7 ●●●	Malta	<50	Long-only systematic trading fund with an automated trend-following strategy (Top 100 universe).
8 ●●●	USA	>1000	Multi-Strategy fund investing in liquid and private markets through 10 different Portfolio Managers.
9 ●●●	Switzerland	<50	Seeks to invest in a physically backed diversified crypto currency portfolio while optimizing overall risk by applying advanced quantitative methods.
10 ●●●	Australia	>100	Seeks to invest in crypto assets that are powering a new financial infrastructure.

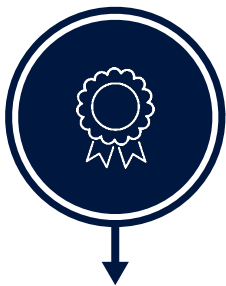
KEY FUND FACTS

Name: Blockchain Strategies Fund SCSp
 AIFM: Block Asset Management S.à r.l.
 Fund type: Open-ended
 Registration: CSSF Luxembourg
 Subscription: Monthly (cut-off 20th)
 Redemption: Monthly (30 days notice; cut-off 20th)

Fund Admin.: Banque de Patrimoines Privés, Luxembourg
 Bank: Banque de Patrimoines Privés, Luxembourg
 Auditor: Mazars, Luxembourg
 Legal Advisor: Eversheds Sutherland, Luxembourg
 Swiss Representative: OpenFunds
 Settlement: Allfunds / Clearstream / Euroclear

Class	CCY	ISIN	Minimum Investment	Mgmt. Fee	Perf. Fee	Hurdle Rate	High Watermark
Class A	USD	LU1738364063	USD 10,000	2.50%	25.00%	2.5% / Quarter	n.a.
Class B	EUR	LU1738363925	EUR 10,000	2.50%	25.00%	2.5% / Quarter	n.a.
Class C	USD	LU2521015862	USD 100,000	2.00%	20.00%	n.a.	Yes
Class D	EUR	LU2587354049	EUR 100,000	2.00%	20.00%	n.a.	Yes
Class I	USD	LU2521015946	USD 500,000	1.50%	15.00%	n.a.	Yes
Class J	EUR	LU2587354122	EUR 500,000	1.50%	15.00%	n.a.	Yes

YOUR SPECIALIST ASSET MANAGER



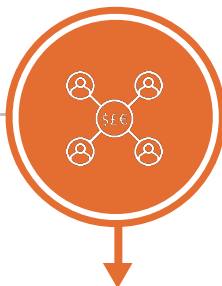
EXPERTISE

International team of hand-picked professionals with experience in crypto, risk management, banking and funds management



DIVERSIFICATION

A diversified multi-strategy approach that captures the sector's exciting growth while reducing downside risk in what is still a volatile and complex sector



GOVERNANCE

Set up using a well-established structure in Luxembourg. The Fund has an independent administrator, bank and auditor and is registered with the CSSF



RISK MANAGEMENT

Fully developed risk management framework. Enhanced due diligence model customized for the unique characteristics of the crypto asset class



SCALE

As the Fund grows, Investors benefit from higher scale rewards as opposed to an individual investment into any of the underlying instruments

EXECUTIVE BOARD BLOCK ASSET MANAGEMENT

Manuel E. De Luque Muntaner
 Founder & CEO

Kevin Ballard
 Co-Founder & COO

Juan Carlos Serrano
 Partner & COO

Daniel Vegue Domínguez
 Partner & CSO

Yannis Georgandelis
 Partner & CIO

DISCLAIMER

This document does not constitute an offer of investment advisory services by Block Asset Management S.à 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 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.