

## Investment Description

The Crypto Alpha Strategy ETI follows an actively managed and diversified crypto strategy. The aim is to participate in the positive market development in the long term and, with the help of fully systematic trading systems, to cushion negative periods or to avoid them in the positioning. Thereby, transactions in liquid crypto coins, derivatives, as well as (fiat) currencies are executed fully automated based on state-of-the-art Artificial Intelligence (AI) technologies. AI technology-based trading allows to act, react, and adapt to changing market conditions in an efficient, prompt, and professional manner.

The Crypto Alpha Strategy offers volatility dampening with the aim of maintaining or improving the market return. Overall, the strategy's risk-adjusted return is expected to be significantly better than that of the overall market or benchmark. Strict portfolio and operational risk management rules are applied to address general and specific crypto asset risks.

Key service providers are regulated as follows: BAADER BANK is fully regulated by BAFIN, and BELVOIR CAPITAL AG is a FINMA authorised Manager of Collective Assets.

## Product Specification

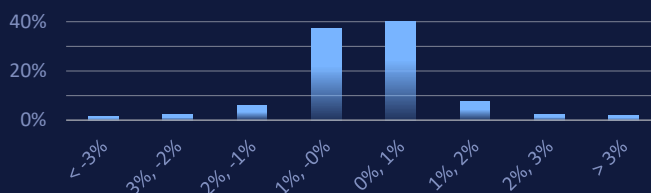
|                                      |                                  |
|--------------------------------------|----------------------------------|
| ISIN                                 | DE000A3GQF18                     |
| Valor                                | 110304963                        |
| WKN                                  | A3GQF1                           |
| Price in EUR                         | 838                              |
| AuM                                  | 8.2m                             |
| Structure                            | Exchange Traded Instrument (AMC) |
| Investment Manager                   | Belvoir Capital AG               |
| Underlying Issuer                    | iMaps ETI AG                     |
| Administrator                        | iMaps Capital Markets            |
| Custodian                            | Baader Bank                      |
| Technology Provider                  | SpeedLab AG                      |
| Stock Exchange                       | Stuttgart Exchange (EUWAX)       |
| Management Fee                       | 2% p.a.                          |
| Performance Fee                      | 20% (HWM)                        |
| Base Currency                        | EUR                              |
| Offering                             | Public                           |
| Minimum Initial Investment           | 1 Unit (EUR 1'000)               |
| Liquidity/Pricing                    | Daily (EUWAX)                    |
| Inception Date                       | March 2021                       |
| Registration for public distribution | D, A, CH, I, FL, IRE, LUX, UK    |

## Performance

Live performance of an institutional account from January 2020 to April 2021 and thereafter of the certificate: 92% with a maximum drawdown of -36.1%\*.

|                                    | 3 MONTHS | YTD   | 1 YEAR | LIVE STRATEGY |
|------------------------------------|----------|-------|--------|---------------|
| Performance                        | 1.5%     | 9.6%  | -1.9%  | 91.9%         |
| Volatility (annual)                | 7.2%     | 8.4%  | 11.1%  | 19.3%         |
| Max. Drawdown                      | -1.5%    | -1.5% | -14.1% | -36.1%        |
| Correlation with Bitcoin (daily %) | 0.78     | 0.86  | 0.66   | 0.18          |

Distribution of Daily Returns since January 2020



| YEAR | JAN   | FEB   | MAR   | APR   | MAY   | JUN   | JUL  | AUG   | SEP   | OCT  | NOV   | DEC   | TOTAL  |
|------|-------|-------|-------|-------|-------|-------|------|-------|-------|------|-------|-------|--------|
| 2020 | 5.3%  | -1.4% | 1.7%  | 4.2%  | -3.4% | -1.2% | 4.8% | 32.7% | 15.2% | 0.7% | 3.7%  | 22.6% | 115.3% |
| 2021 | 4.2%  | 7.9%  | -5.4% | 2.3%  | 0.5%  | -3.8% | 6.2% | 1.6%  | 3.4%  | 4.5% | 2.4%  | -8.5% | 14.9%  |
| 2022 | -9.4% | -2.0% | 0.1%  | -0.9% | -6.3% | -4.0% | 2.3% | 1.6%  | -7.2% | 1.1% | -8.8% | 0.6%  | -29.2% |
| 2023 | 6.0%  | 2.0%  | 2.9%  | -1.1% | -0.4% |       |      |       |       |      |       |       | 9.6%   |

\*The performance is shown after fees. From January 2020 to April 2021, the track record shown is based on the performance of an institutionally managed account based on data provided by SpeedLab AG. Since April 2021, stock market prices of the certificate are used. Specific account limitations, size, risk parameters, and currency fluctuations may result in significant tracking errors between different accounts. Past performance is not a guarantee of future results and may not be repeated. The investments discussed may fluctuate in value and investors' capital may be lost entirely.

## Monthly Comment

In May 2023, the cryptocurrency market experienced a consolidation phase, with Bitcoin prices ranging between approximately USD 26,000 and just under USD 30,000. The previous month's highs could not be reached, and volatility decreased. The cryptocurrency market was also heavily influenced by the discussion surrounding the US debt ceiling, as a potential US default poses a significant risk. On May 25th, Bitcoin reached a monthly low of USD 25,900 as an agreement on increasing the US debt limit appeared to be failing. Towards the end of the month, the situation calmed down, and the quieter summer period was expected to prevail in the cryptocurrency market as well.

Specifically related to cryptocurrencies in May, it is worth mentioning that Hong Kong has explicitly legalized the holding and trading of crypto for individuals. This is important because cryptocurrencies have been banned multiple times in China, and Hong Kong could potentially reopen the door to cryptocurrencies in the long term.

Furthermore, the MiCA (Markets in Crypto Assets) regulation has been adopted in the EU. This is particularly significant as it creates much greater legal certainty within the EU and strongly promotes investments. Venture capital investments in blockchain projects in the EU have increased tenfold compared to the previous year.

The Crypto Alpha Strategy ETI ended the month of May with a slight loss of -0.4% and has been up 9.6% since the beginning of the year. The portfolio was invested 7.4% in BTC and 8.8% in ETH at the end of the month. The largest short positions at the end of the month were Doge and Matic, each with 1.17% and 1.13%, respectively. The maximum positions in May were around 40% of net assets, and there are plans to further increase them. Reduced volatility is a significant factor supporting this decision.

## Performance Objectives

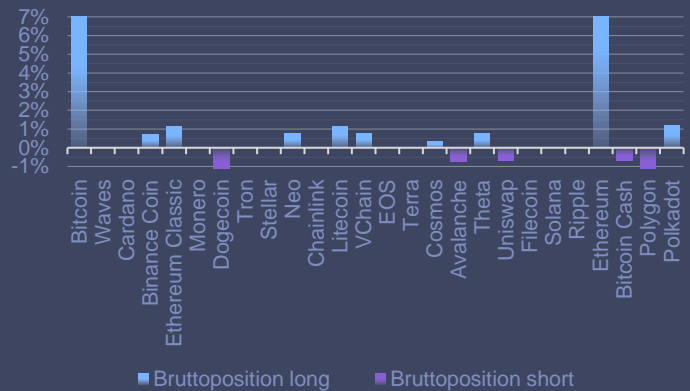
|   |  |   |   |
|---|--|---|---|
| <b>Strategy</b><br>long / short market neutral,<br>non-corr. to Bitcoin | <b>Managed by</b><br>20 AI agents<br>100% computer-automated | <b>Aimed Return</b><br>> 60% p.a.           | <b>Max. Exposure</b><br>gross < 200%<br>net < 100%                        |
| <b>Sharpe Ratio</b><br>> 2  | <b>Max. Drawdown</b><br>< 20%                                | <b>Edge</b><br>AI<br>Reinforcement Learning | <b>Approach</b><br>100% driven by proprietary<br>self-directed technology |

## Current Investment Universe



...and many more in R&D and to be added in the future.

Asset Allocation as of May 31, 2023\*



\*The bars in the chart represent the positions (in % of the total portfolio, long or short) in the respective coin as of the reporting date. If no bar is shown, no position is held as of the reporting date. The total of the positions represents the net exposure of the total portfolio.

### Investment Aim



Construct dynamic & balanced portfolio



Uncorrelated to other asset classes



Non-directional & mainly market neutral



Generate Alpha in any market condition

### Key Attributes



Applied Artificial Intelligence for over 7 years



Highly experienced team & ahead of other market participants



Reinforcement Learning applied to crypto market delivers outstanding returns



Highly trained agents by reinforcement learning



Cooperation with world leading university in this field



AI meets crypto -> high tech applied to emerging (crypto) market = high profitability

### Your Crypto Alpha Team



**Steffen Bauke**  
Chief Executive Officer



**Adrian Marcu**  
Head of Investment Solutions



**Ioannis Poimenidis**  
CEO SpeedLab AG

### Our Technology Provider



- Swiss FinTech alternative investment firm
- Proprietary provider of quantitative AI technology for institutional clients
- 100% in-house developed end-to-end software
- Founded in 2014
- Based in Cham, Switzerland

For queries regarding investments in the AMC, please get in touch with us - Belvoir Capital AG in Zurich, Switzerland - using the contact details below or order at your bank.

The prospectus and the basic information sheet for the issuance programme of Exchange Traded Instruments in the form of derivative securities got approved by FMA Liechtenstein and can be downloaded free of charge from the website [www.imaps-capital.com/etis](http://www.imaps-capital.com/etis)

This document is marketing/advertising material. The information contained in this document is expressly not aimed at persons, whose nationality or place of residence prohibit access to such information due to the applicable legislation. This document is exclusively addressed to persons who are residents of Switzerland, Germany, Austria, Italy, Ireland, Luxembourg and Liechtenstein. In United Kingdom, Norway, Iceland and all other, not previously mentioned EU-countries, the information is explicitly addressed to Professional Investors only. The document is not directed to persons from all other countries, especially not to U.S. persons and/or U.S. residents.

This document is for your information only and does not constitute an offer, an offer or an invitation to make an offer and/or to buy or sell investment products. This information does not address individual circumstances of a potential investor. Interested investors may purchase the investment products on the stock exchange through their bank or broker. This document may not be forwarded, published, reproduced or duplicated in whole or in part without written consent. The information contained therein has been obtained from reliable sources. Nevertheless, BELVOIR CAPITAL AG disclaims any contractual or tacit liability for incorrect or incomplete information. All information and opinions are subject to change without notice.

## CONTACT DETAILS

BELVOIR CAPITAL AG

Beethovenstrasse 9

CH-8002 Zürich

+41 (0) 44 206 30 40

[cryptoalpha@belvoircapital.com](mailto:cryptoalpha@belvoircapital.com)

