

SYSTEMATIC DLT FUND

ACTIVE LONG/SHORT

OCTOBER 2022



CRYPTO FINANCE
DEUTSCHE BÖRSE GROUP

MONTHLY COMMENT

The Systematic DLT performed 3.3% throughout October and was able to capitalize on the Ethereum price hike by being positioned long ETH futures. Its year-to-date performance stands at -22.4%, whereas the crypto market is down over 60% YTD. The picking system took long exposure in three coins in late October.

We are still in a macro environment characterized by high inflation. The FED must respond to high consumer price index numbers, which was done by aggressive rate hikes throughout the year. Furthermore, we have experienced a strong US dollar this month.

The crypto world was fortunate to enjoy a sharp rise in the price of Ethereum. From a low in the middle of the month, the Ethereum price has climbed over 30%.

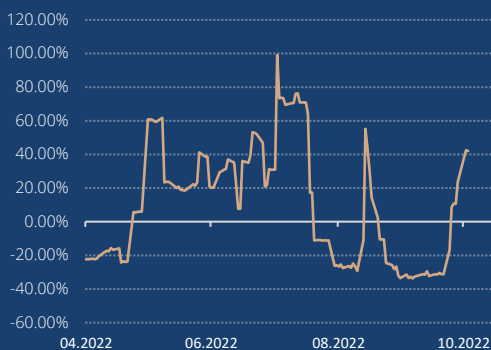
STRATEGY

The Fund performance demonstrates the automated trading system, based on an algorithmic approach with long and short indicators. This system is limited to a maximum of 25% short exposures. Investment decisions are made through generic, algorithmic filter analysis, which reduces the volatility of daily prices. This process allows trends to be identified and exploited without additional subjective analysis parameters from the portfolio management team.

The trend following strategies are stabilised by further quantitative methods, which include features of the price development. The model consists of a variety of different technical methods, such as trend following and mean reversion. The model further relies on additional short only indicators with the effect of efficiently reducing long exposure in a bearish market environment.

FUND EXPOSURE

Average exposure (daily)* 51.81%



*17 Jan 2019 to date

THE SYSTEMATIC DLT FUND

The investment objective of the Systematic DLT Fund is to maximise returns, regardless of the overall market performance of crypto assets. The actively-managed approach allows both long and short positions.

The Systematic DLT Fund, an alternative investment fund (AIF) regulated in Liechtenstein, pursues a systematic, quantitative approach based on daily market prices of crypto assets. To fulfill its investment objective in the most secure and transparent way, the Fund invests into the Bitcoin and Ether futures at the CME. The investment strategy can be extended to other crypto assets as they become eligible for investment.

KEY BENEFITS



Professional FINMA regulated asset manager



Diversification from traditional investments



Regulated custodian



Weekly liquidity



Upside benefit, downside protection



Invest directly with fiat currency

FUND PAST PERFORMANCE



MONTHLY PERFORMANCE (%)⁽¹⁾

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	12.7	-13.1	-7.6	0.1	6.0	-10.	-6.8	-2.2	-5.0	3.3			-22.4
2021	-29.3	50.6	-15.1	-2.6	-18.7	-12.6	-2.6	7.5	-4.1	25.8	-6.2	-17.9	-34.2
2020	18.2	6.0	-8.8	-0.1	16.3	-2.9	0.7	0.0	3.4	17.0	17.3	9.5	103.9
2019					37.2	27.4	14.1	-3.6	6.8	-4.1	-8.0	-5.0	74.1

MONTH END NAV

A	B	C	E	F	G	H
EUR 264.30	EUR 236.03	EUR 100.00	EUR 100.18	EUR 100.00	EUR 100.00	EUR 100.00
USD 100.00	USD 129.86	USD 91.93	USD 89.11	USD 80.85	USD 100.00	USD 100.00
CHF 224.70	CHF 181.23	CHF 100.00	CHF 70.62	CHF 100.00	CHF 100.00	CHF 100.00

RISK METRICS (%)

	Fund
Sharpe ratio (weekly)	0.59
Volatility (p.a., weekly data)	43.5
Maximum drawdown	45.06
Correlation to bitcoin (monthly)	0.62
Correlation to equities - MSCI World (monthly)	0.19

CUMULATIVE PERFORMANCE (%)

	Fund
Last month	3.3
Last 3 months	-4.0
Last 6 months	-14.8
YTD	-22.4
Since inception*	81.2

*29 April 2019

(1) The actual Fund past performance shown is of the Class B CHF unit class

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ABOUT CRYPTO FINANCE

Die Crypto Finance Group wurde im Juni 2017 gegründet und bietet transformative Finanzdienstleistungen im Bereich Krypto- und Blockchain-Technologie für institutionelle Kunden. Die Gruppe bietet eine umfassende Palette an professionellen Finanzdienstleistungen für digitale Vermögenswerte:

- Asset Management
- Brokerage
- Storage Infrastructure & Tokenisation

Unsere Vermögensverwaltung ist der erste FINMA-regulierte Krypto-Vermögensverwalter für kollektive Anlagen und ermöglicht es traditionellen Anlegern, sich mit einem professionellen, sicheren, liquiden und transparenten Engagement an der aufstrebenden digitalen Anlageklasse zu beteiligen. Das regulierte Krypto-Engagement wird über traditionelle Anlageinstrumente bereitgestellt: Alle Produkte der Crypto Finance (Asset Management) AG erfüllen die Sorgfaltspflichten traditioneller Fonds, und die Anleger profitieren von mehreren einzigartigen Vorteilen, darunter ein einfacher und sicherer Zugang und die Marktführerschaft in diesem Sektor.

RISK AND REWARDS

The Fund is considered to be a high-risk investment as the average return volatility is above conventional assets. Furthermore, crypto assets are based on a new technology that brings disruptive potential, but also unconventional risks. This requires a corresponding risk tolerance and capacity. The value of the Fund unit may fall below the purchase price. Legal, structural and market participant changes have an effect on the value of the portfolio. The Fund exclusively invests in less liquid assets that may be difficult to sell in distressed markets. Crypto assets are considered as carrying high risk profiles. A detailed and comprehensive list of risk descriptions can be found in the Prospectus available upon request.

CONTACT US

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Systematic DLT Fund is an alternative investment fund in the form of a collective trusteeship established under Liechtenstein law and authorized for distribution to professional investors in Liechtenstein by the Liechtenstein Financial Market Authority ("FMA"). CAIAC Fund Management AG is an investment fund management undertaking established under Liechtenstein law and authorized as an alternative investment fund manager ("AIFM") by FMA under the Liechtenstein Law on Alternative Investment Fund Managers ("AIFM Act"). It acts as the alternative investment fund manager of the Systematic DLT Fund. Crypto Finance (Asset Management) AG is an asset manager of collective investment schemes authorized by the Swiss Financial Market Supervisory Authority ("FINMA") under the Swiss Collective Investment Schemes Act ("CISA") and acts as the portfolio manager of the Systematic DLT Fund. The Trust Agreement and Prospectus, the Investors Information as per Article 105 AIFM Act as well as the Annual Report of the Fund may be obtained free of charge from the AIFM or the Custodian of the Fund and online under www.lafv.li.

The state of the origin of the fund is Liechtenstein. In Switzerland, this document may only be provided to qualified investors within the meaning of art. 10 para. 3 and 3ter CISA. In Switzerland, the representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.O. Box, CH-8024 Zurich. The basic documents of the fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge from the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. Past performance does not guarantee future results. No guarantee is given by the Fund, the Alternative Investment Fund Manager and the Portfolio Manager that the investment objective of the Fund will be achieved. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

	Unit Class B	Unit Class C	Unit Class E	Unit Class F
Subscription Frequency	Weekly	Weekly	Weekly	Weekly
Minimum Subscription	EUR/USD/CHF 10,000	EUR/USD/CHF 1,000,000	EUR/USD/CHF 500,000	EUR/USD/CHF 1,000,000
Currencies Available	EUR/USD/CHF Exposure: USD	EUR/USD/CHF Exposure: USD	EUR/USD/CHF Exposure: USD	EUR/USD/CHF Exposure: USD
Management Fees	2.00%	1.00%	1.50%	1.25%
Subscription Fees	1.50%	1.00%	0.00%	0.00%
Redemption Fees	1.50%	1.00%	0.00%	0.00%
Performance Fees	20% above HWM ⁽¹⁾	20% above HWM ⁽¹⁾	15% above HWM ⁽¹⁾	15% above HWM ⁽¹⁾
Total Expense Ratio	2.86% ⁽²⁾	1.81% ⁽²⁾	2.36% ⁽²⁾	2.07% ⁽²⁾
Subscription Notice	Valuation day, 12 p.m.	Valuation day, 12 p.m.	Valuation day, 12 p.m.	Valuation day, 12 p.m.
Redemption Notice	2 Business Days	2 Business Days	15 Calendar Days	15 Calendar Days

(1) The performance fee is a percentage of the difference between the net asset value per unit before calculation of the performance fee and the last high watermark achieved by the fund, multiplied by the number of units at the start of the current valuation period, and are charged to the fund as cost. (2) TER excludes performance fees, trading fees and is based on USD unit classes.

	Class B	Class C	Class E	Class F		Bloomberg	
ISIN	EUR LI0448059159	LI0448059183	LI0494766004	LI0494766012	Class B EUR	SDLTAE LE	
	USD LI0448059167	LI0448059191	LI0489845466	LI0489845482		Class B USD	SDLTUS LE
	CHF LI0448059175	LI0448059209	LI0489845474	LI0489845490			
VALOR	EUR 44805915	44805918	49476600	49476601	Class B CHF	SYDLTBC LE	
	USD 44805916	44805919	48984546	48984548			
	CHF 44805917	44805920	48984547	48984549			
WKN	EUR A2PB7R	A2PB7U	A2PQS2	A2PQS3			
	USD A2PB7S	A2PB7V	A2PN6X	A2PN6Z			
	CHF A2PB7T	A2PB7W	A2PN6Y	A2PN60			

DETAILS

Manager Type: Single Manager	Domicile: Liechtenstein	Valuation Day: Monday
Investment Process: Active	Regulator: Financial Market Authority	Valuation Frequency: Weekly
Investment Strategy: Systematic, Quant	Financial Year-end: 31.12	Risk Currency: USD
Status: Open-ended	Fund Inception: 17.01.2019	Accounting Currency: EUR
Structure: Alternative Investment Fund		

SERVICE PROVIDERS

Alternative Investment Fund Manager: CAIAC Fund Management AG (Liechtenstein)
Depository, Executing Broker: Bank Frick & Co. AG (Liechtenstein)
Portfolio Manager: Crypto Finance (Asset Management) AG (Switzerland)
Auditor: ReviTrust Grant Thornton AG (Liechtenstein)
Swiss Representative: ACOLIN Fund Services AG (Switzerland)
Swiss Paying Agent: NPB Neue Privat Bank AG (Switzerland)