



ACTIVELY MANAGED CERTIFICATE  
ON WAVE NFT FUND

**GENERATING RETURNS BY  
INVESTING IN COLLECTIBLES,  
PLATFORMS & PROTOCOLS**

---

CRIPTONITE ASSET MANAGEMENT

## NFT 101

---

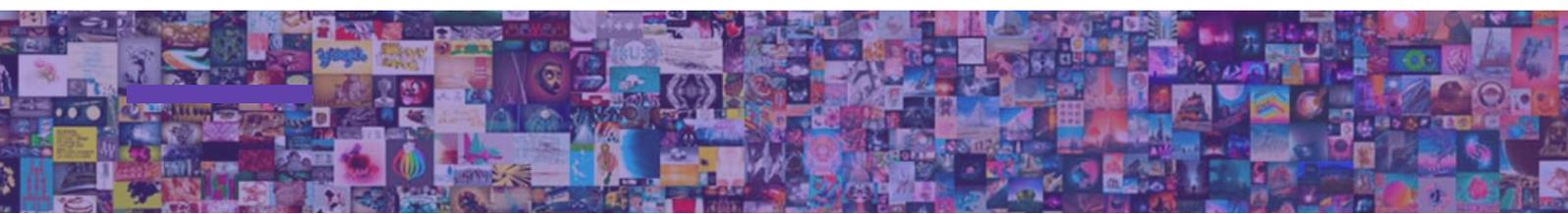
- **Non-fungible tokens (NFTs)** are digitized, blockchain-authenticated objects represented by pictures, music, or video.
- NFTs use the **same blockchain technology that underpins cryptocurrencies**, like bitcoin, to track ownership and create scarcity.
- NFTs are **non-fungible** because they are **not interchangeable**. Though there can be series of the same items, no two NFTs have identical codebases.
- The simple **concept of digital ownership** made possible with blockchain-enabled mechanisms led to the **emergence of a bustling market** centered around collectors.



**Crypto Punks**



**Women Rise**



## LANDSCAPE OF NFTS

### NOTABLE PROJECTS

- The NFT space is **incredibly diverse**, consisting of **projects** that create NFT-enabled metaverses, social communities, blockchains & ecosystems



### PLATFORMS & MARKETPLACES

- A large amount of the total transaction volume in the primary & secondary NFT market is concentrated in the following platforms:



Open

Semi-Open

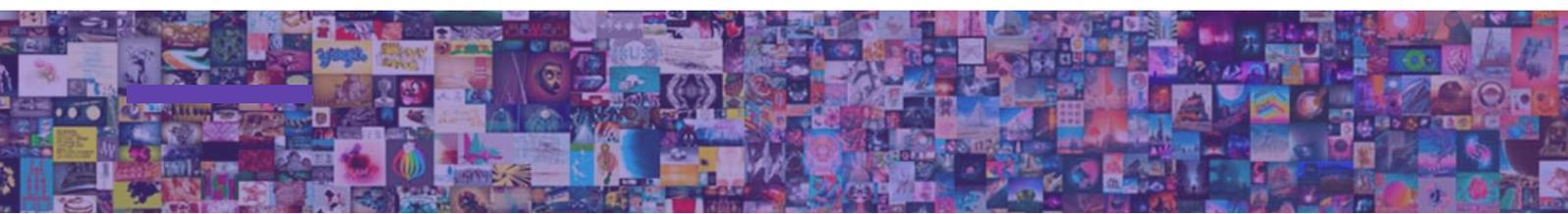
Closed

#### Open marketplaces

have little to no curation process, allowing anyone to list their NFTs.

#### Closed marketplaces

are exclusive, vetting & controlling content listed on their platform.



## WHERE ARE WE TODAY?

### 2021-2022



#### MUSIC RELEASES

Music artists began releasing **NFTs of songs & digital art**. EDM artist Steve Aoki sold on NFT release for \$888,888.88.



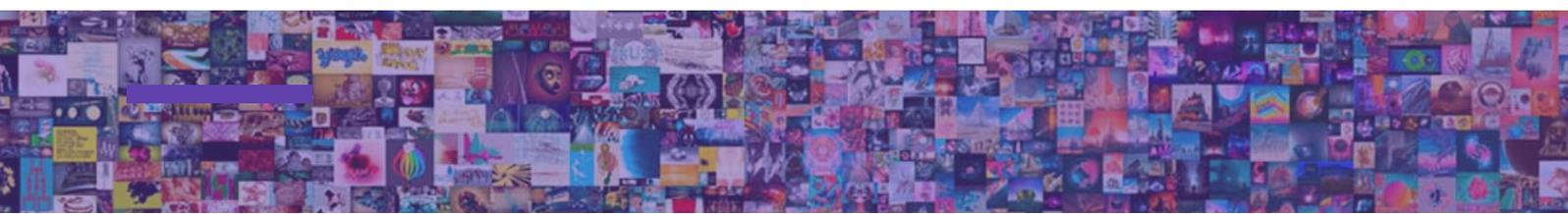
#### PHYSICAL RELEASES

**Companies started issuing physical items with NFTs**. In an offer exclusive to CryptoPunk owners, RTFKT Studios sold NFT sneakers that came with a physical pair of sneakers.



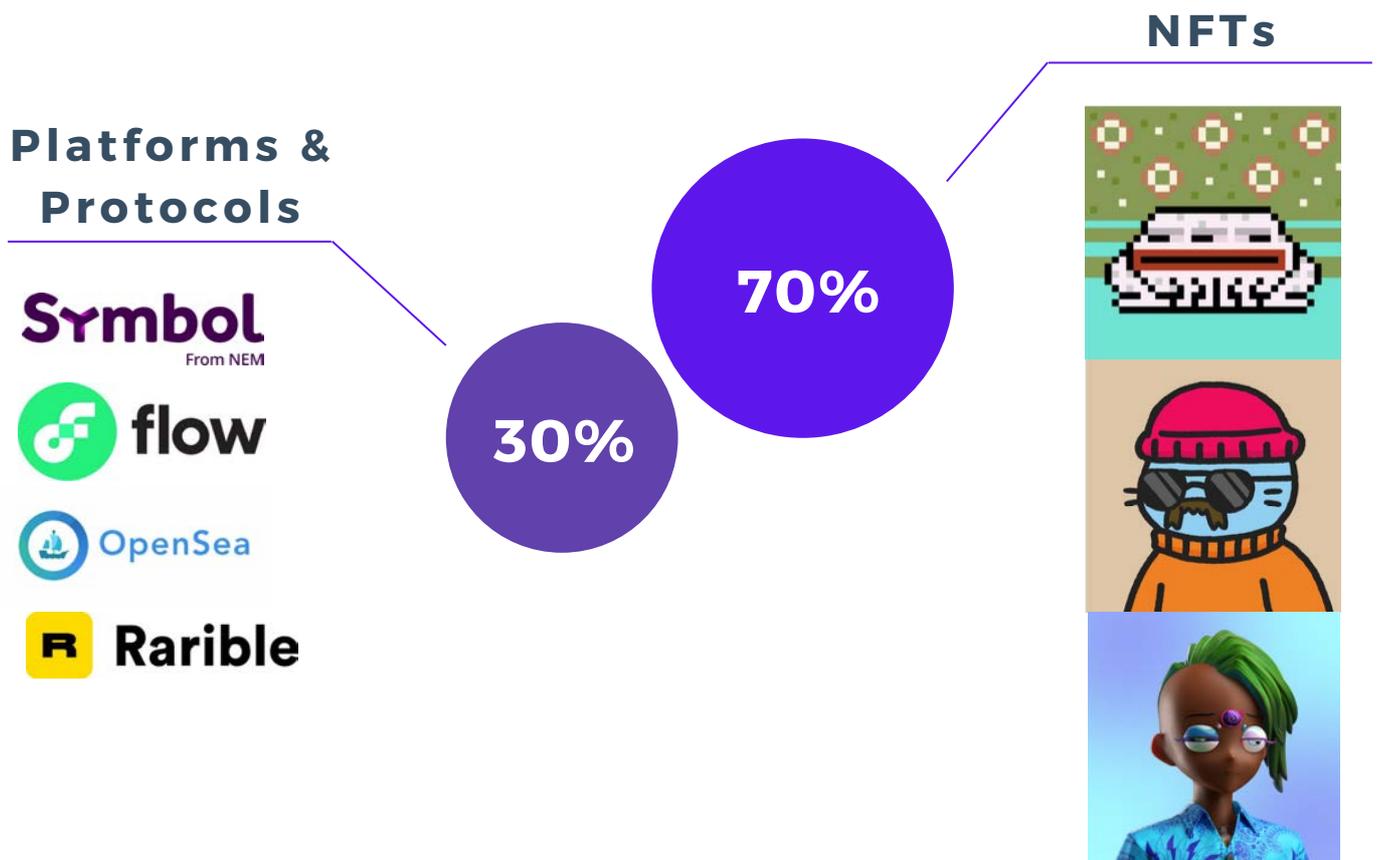
#### NFT VOLUME EXPLODES

Driven by a number of PFP drops like BAYC, Cool Cats, & Gen Art like Art Blocks, OpenSea **NFT volume exploded in 2021**.

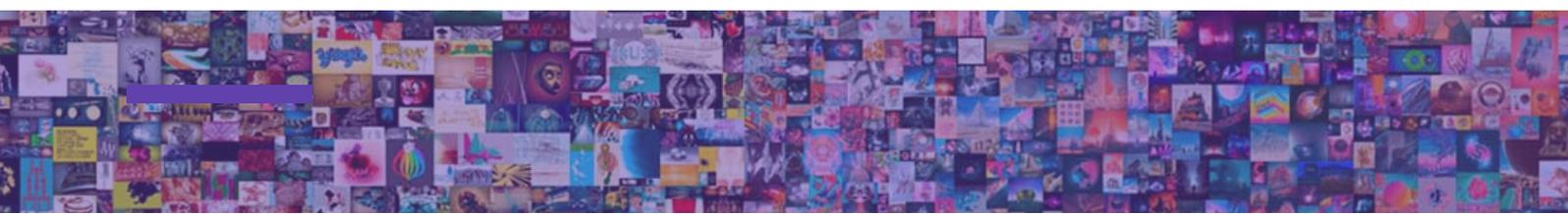


## THE INVESTMENT STRATEGY

- The fund generally allocates its assets in a **70/30** split across **collectibles** and **platforms/protocols**.



- Investments take a broad variety of forms that include, without limitation, a portfolio of cryptocurrencies. Unused funds may be kept in Ethereum & tokens of other NFT protocols.
- The fund engages in staking and lending activities unsecured or collateralized by digital assets.



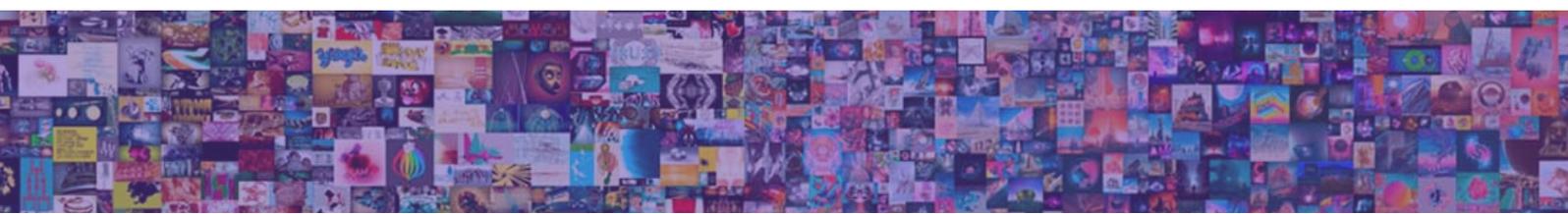
## HOW WE INVEST

- The fund evaluates NFTs with an **analytical approach**.



<p><b>BACKGROUND</b></p> <p>Orange</p> <p>13% have this trait</p>	<p><b>CLOTHES</b></p> <p>Wool Turtleneck</p> <p>3% have this trait</p>
<p><b>FUR</b></p> <p>Zombie</p> <p>3% have this trait</p>	<p><b>HAT</b></p> <p>Trippy Captain's Hat</p> <p>3% have this trait</p>
<p><b>EYES</b></p> <p>BloodShot</p> <p>8% have this trait</p>	<p><b>MOUTH</b></p> <p>Jovial</p> <p>3% have this trait</p>

- The Fund Managers strive to carve out an **informational advantage in an inefficient, fragmented market**. **Deep relationships** with artists, developer teams, founders, entertainers and corporate influencers is a key element to this objective.
- The Fund **values NFTs based on three factors**: exclusivity/collectibility, utility (a broad measure of value to the holder of the asset), & the founding team's capabilities and defined roadmap for the project being evaluated.
- The Fund may use **machine learning** to formulate **pricing and valuation models for NFTs** by studying on-chain transaction data. The Fund managers believe it can determine the value of rare traits over time and the **main value drivers** for an NFT



## WHAT MAKES THIS PRODUCT UNIQUE

- Highly **experienced** management team.
- The team is made of **early NFT investors, collectors, creators, active participants** in communities & **contributors** to major NFT drops.
- **Accessibility** to **unique projects** due to the strong knowledge of the team.

## PERFORMANCE

The NFF has come out with a strong start, outperforming Ethereum since inception. This comparison is relevant as ETH is the most widely use base currency for NFTs.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	LTD
2022 <b>Non-Fungible Fund</b>	-15,46%												-15,46%	87,41%
<b>Ethereum</b>	-29,19%												-29,19%	-15,70%
2021 <b>Non-Fungible Fund</b>										-1,75%	43,98%	56,71%	121,7%	
<b>Ethereum</b>										43,51%	3,55%	-19,89%	19,05%	

## DETAILS

**ISIN Number: CH1160072927**

- Currency: USD
- Minimum Subscription: \$ 100'000.-
- Management fees: 2% (At fund level)
- Performance Fees: 20% (At fund level)
- Secondary market: Yearly after lock-up (See Termsheet conditions)
- Lock-up: 5 years

