



Asset Management SA

TRACKER ON WAVE BITCOIN INCOME & GROWTH OVERVIEW

The tracker managed by Cryptonite Asset Management, providing Bitcoin exposure and income through Covered Call strategy, holding BTC while selling Call options monthly. Targeting 1% monthly dividend (12% pa), while capturing most of the upside of Bitcoin.

ISIN Number: **CH1100420673**

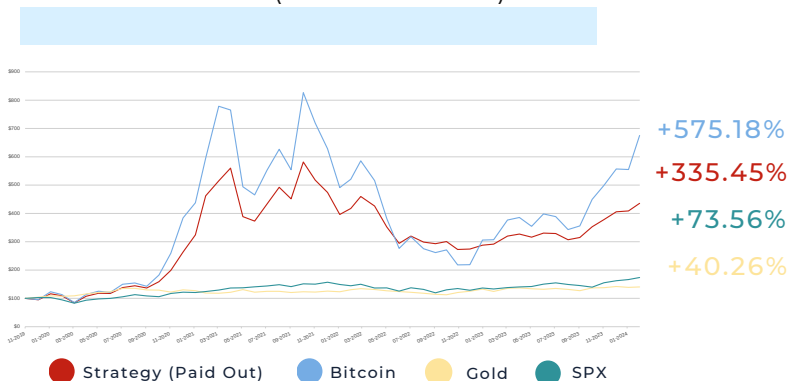
PRICE INFORMATION

N.A.V \$ (as of 23.02.24) **646.08**

KEY FIGURES

Sharpe Ratio 0.61
Sortino 3.45
Max Drawdown -46.14%

PERFORMANCE (SINCE 01.12.19)



PERFORMANCE OF STRATEGY(01.12.19)**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVG. DIV.	YTD	LTD	LTD ANN	
2020	Income (Dividend)	1.51%	1.59%	1.61%	1.65%	1.38%	1.51%	1.50%	1.51%	1.49%	1.52%	1.53%	1.81%	1.55%	23.44%*		
	Total Performance (Div Paid)	21.49%	-7.90%	-25.15%	27.46%	9.21%	-1.93%	17.95%	3.45%	-7.59%	17.07%	27.01%	34.40%		181.02%**	163.77%**	167.53%**
	Bitcoin	29.37%	-8.11%	-24.92%	34.09%	9.94%	-3.35%	23.78%	3.06%	-7.72%	27.92%	42.32%	48.00%		303.36%	284.08%	246.31%
2021	Income (Dividend)	1.92%	2.59%	1.81%	1.69%	1.68%	1.62%	1.71%	1.43%	1.53%	2.15%	1.16%	1.61%	1.74%	32.91%*		
	Total Performance (Div Paid)	23.13%	44.06%	10.57%	7.88%	-35.35%	-6.46%	17.82%	14.95%	-11.34%	33.12%	-14.19%	-11.92%		87.51%**	374.12%**	126.65%**
	Bitcoin	13.93%	36.00%	30.79%	-1.68%	-35.43%	-5.81%	18.72%	13.37%	-11.48%	49.05%	-13.00%	-12.57%		63.68%	528.68%	141.68%
2022	Income (Dividend)	1.50%	1.50%	1.55%	1.53%	1.53%	1.54%	1.76%	1.78%	1.73%	1.74%	1.75%	1.70%	1.63%	11.99%*		
	Total Performance (Div Paid)	-22.40%	5.80%	12.37%	-11.42%	-25.83%	-27.38%	14.12%	-13.13%	-5.36%	3.19%	-19.42%	-0.30%		-53.77%**	174.32%**	31.46%**
	Bitcoin	-21.85%	6.01%	12.45%	-11.84%	-26.12%	-27.49%	14.83%	-13.28%	-4.93%	3.53%	-19.55%	0.39%		-65.17%	118.96%	28.94%
2023	Income (Dividend)	1.10%	1.72%	1.62%	1.56%	1.51%	1.54%	1.53%	-	1.00%	-	1.24%	1.47%	1.19%	18.19%*		
	Total Performance (Div Paid)	+9.46%	+0.94%	+18.68%	+2.67%	-7.98%	7.76%	-2.41%	-13.35%	4.70%	24.95%	12.22%	11.64%		103.23%**	305.64%**	47.74%**
	Bitcoin	+39.79%	+0.39%	+22.60%	+2.41%	-8.18%	12.37%	-2.31%	-11.78%	3.73%	26.41%	11.02%	11.53%		154.33%	456.86%	52.28%
2024	Income (Dividend)	1.45%	0.97%											1.21%	2.42%*		
	Total Performance (Div Paid)	-0.13%	10.40%												12.67%**	335.48%**	49.65%**
	Bitcoin	-0.28%	21.60%												21.26%	575.25%	56.74%

Performance above reflects the performance of the Offshore Feeder Fund for investors in the Reinvest and Dividend strategies. Performance (Dividend Investors) (approximately 80% of the Master Fund) is calculated by including the change in NAV versus the prior period, or since inception, as applicable, as well as the gains from income (dividends) received by investors, with no reinvestment of cash nor interest paid on cash. Performance (Reinvest Investors) (approximately 20% of the Master Fund) reflects the change in NAV versus the prior period, or since inception, as applicable. Performance figures are net of all fees and expenses. One investor in the offshore fund to date have paid a finders' fee (equal to 2% of their total investment) that is not included in the performance chart above because the finders' fee is specific to that investor. The nature and impact of the fee was disclosed to the investor prior to investment. From Nov. 19 - Aug. 21, Bitcoin prices, and therefore the Fund's performance, were quoted by Coinmarketcap.com using month-end close prices. From Sep 2021 - present, Bitcoin prices, and therefore the Fund's returns, are quoted by an OTC as of 9AM PT on the last Friday of themonth. *Annual dividend is calculated based on the dollar amount of the cumulative dividend (as the numerator) and the year-beginning NAV (as the denominator.) Further detail regarding the calculations in this chart is available upon request. Past performance is not an assurance of future returns. 2019 - 2021 return figures presented above are audited at the master fund level. Financials from 2022 - 2024 are unaudited and subject to change.

The fund returned ~60% during Q4 2023. Volatility picked up to 50 - 60's. This helped ease last quarter's problem when volatility dropped to historical lows, and expected premiums were not worth the risk. This time, however, we decided to write call options and capture enhanced premiums.

The recent selloff has driven down volatility. Since January 10th, the DVOL, the volatility index as published by Deribit, the exchange we typically trade on, has moved from 62% to 46% vol, which is a significant move of 16%. (See the chart on the following page.) This volatility movement will continue to make it more challenging to write options with higher strikes and/or higher premiums compared to the higher volatility environment.

Fundamentally, we believe that the historically low volatility is a temporary phenomenon and should correct in the future.

The fund has transitioned its fund administrator from StoneGate Global to NAV Consulting, an award-winning service provider in the funds space. The engagement with NAV Consulting commenced in January 2024, and the transition process is currently underway.

In accordance with the Private Placement Memorandum (PPM) stipulation, "For accounting purposes, an end-of-year NAV will be calculated if the last Friday of December is not the end of the year." The fund has collaborated with NAV Consulting to calculate an additional Net Asset Value (NAV) as of December 31st, 2023. This calculation is completed for accounting purposes and is in preparation for upcoming audits.

Due to these changes, investors in the fund will observe a slightly different beginning NAV in their January 2024 statement compared to the ending NAV in their December 2023 statement.

The US Securities and Exchange Commission (SEC) approved the first spot BTC ETF on January 10, 2024. This historical event took place about 10 years after the first application. Although institutional interest will more than likely not be significantly impacted by this decision, we believe that retail investor capital inflows in spot BTC ETF products will definitely be increasing in the near term. These investor flows should help improve BTC's overall backdrop by stabilizing volatility and further enhancing its related derivative markets. Bitcoin has dropped close to 7% after the SEC's approval through January 29, 2024. BlackRock's BTC ETF was the first one to surpass the \$2 billion mark in capital inflows.

MASTER DATA

- Name of Certificate Wave BTC Income & Growth
- Target Dividend Rate 1% of NAV per month (12% p.a.), paid out monthly
- Management Fees 1% per annum of NAV and 5 % of option premium traded
- Minimum investment USD \$50,000
- Subscription / Redemption Monthly subscription, monthly buybacks at managers' discretion. Subscriptions need to be done at the latest on the 15th of each month.
- Custody Copper.co/Fidelity Digital Assets (crypto), Silicon Valley Bank (USD)
- Tracker based on Wave Bitcoin Income & Growth.

SERVICE PROVIDERS

- Issuer: CRI-ptonite Limited (Guernsey)
- Paying Agent: ISP Securities AG (Switzerland)
- Strategy Manager: Wave Financial (US)
- Depositary & Crypto Asset storage Provider: Copper Technologies (UK) Ltd; Fidelity Assets (US)
- Clearance Institution / Clearing Code: SIX SIS AG / ISP 116441
- NAV Calculation: GenTwo Digital AG (Switzerland)

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