



CRYPTO REPORT 22'-23'

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Letter to Stakeholders:

Dear B Capital Stakeholders,

The Crypto fund was opened in November 2022 simultaneously with our stock portfolio. The entire fund was managed by Antonio Zottoli, the Head of the department, which he ran until August 2023.

The fund started with an initial investment of 50 '000\$ and reached a return of +21,25% in August 2023.

Antonio and the team decided to liquidate the fund as we reached a solid and great performance in such a few months and Antonio wanted to dedicate himself to the macroeconomic analysis and research department with his colleague Lorenzo Tamburrino.

We are thankful to Antonio and his work because he implemented the knowledge of the team and diversified the fund, and we have no doubt that he will continue to contribute to his new department.

Sincerely,

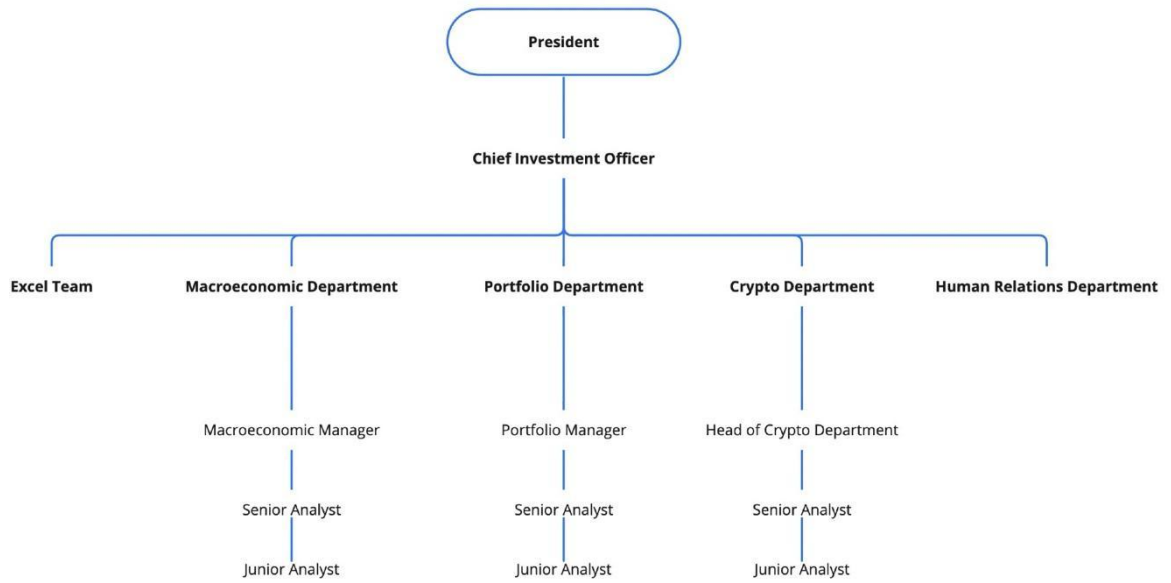
Roberto Restelli
President



Eraldo Bausano
Vice-president



Organizational Charts:



miro

Crypto Fund:

The fund started investing in January 2023 following the crisis in the sector due to the FTX scandal.

In 2023 our investment strategy was based with a primary emphasis on Bitcoin (BTC). We aim for Bitcoin to make up 60% of our open positions, with 20% composed of Ethereum and the remaining 20% split between other standard cryptocurrencies and high-risk cryptocurrencies.

The department decided to keep 10% of our portfolio liquid in USDT. We have established profit targets before opening each position to reduce the influence of market sentiment on our decisions.

In addition to the market sentiment strategy, we also employ a "core-satellite" investing approach. This involves dividing our investment portfolio into two parts: a "core" and a "satellite." The core portfolio consists of a larger, more stable portion of my investments, typically composed of well-established cryptocurrencies, such as BTC or ETH. The satellite portfolio, on the other hand, is a smaller portion of investments that are more volatile and higher risk.

In our case, the portfolio consists of 60% Bitcoin, 20% Ethereum, while the satellite positions consist of high-risk cryptocurrencies. This approach allows the fund to benefit from the stability and security of our core portfolio while also taking advantage of the potential for higher returns in the satellite portfolio. These well-established cryptocurrencies have a proven track record and a large user base, making them less vulnerable to market volatility. By holding a significant portion in these stable cryptocurrencies, we are able to reduce our overall investment risk.

In March BCapital's Cryptocurrencies' Portfolio was at a 19.62% unrealized profit.

It can be deduced that Bitcoin has passed a major credit bubble burst and bank stress test, and it broke above the February 2023 highs of \$25,200 due to market expectations regarding inflation data and as a non-correlated global hedging instrument similar to gold.

The department approached these two months with caution and implemented risk management strategies and thorough analysis in order to assess and optimize long-term risk-adjusted gains.

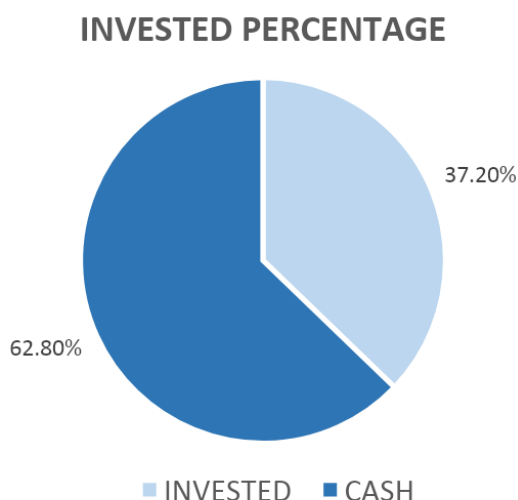
In April and May the department decided to wait and to see the movements of the market and to monitorate all the open positions to secure the profit to our stakeholders.

It also started to analyze new potential assets with strong due diligence and risk management strategies.

In June there were no trades executed with our assets, and we continue to maintain our position solely in Ethereum (ETH).

Our crypto fund remains invested solely in Ethereum (ETH).
We have not executed any trades with our assets during this month to secure the positive trend.

As a result, the fund's performance reflects the fluctuations in the price of Ethereum during this period.



(invested percentage of June)

In July the crypto market registered a period of deceleration but with signs of consolidation for major cryptocurrencies, BTC (\$29,000-\$31,000) and ETH (\$1,800-\$1,900).
Thanks to this favorable situation we could secure our portfolio and stabilize our assets.

Despite the major loss during the month of August in the market, the performance ended positively, and the department was satisfied as the stability of the portfolio has withstood against the market.

At the end of August, we decided to sell all positions and liquidate the fund, closing the department and strengthening the Macroeconomic department to enhance the stock portfolio.

Risks:

FOREIGN EXCHANGE MARKETS RISK

Restrictions imposed on trading limits or restrictions on the amount by which the price of certain Foreign Exchange rates may vary during a given period, the volume which may be traded, or restrictions or penalties for carrying positions in certain foreign currencies over time may prevent trades from being executed during a given trading period. Such restrictions or limits could prevent the Portfolio Manager from promptly liquidating unfavorable positions and therefore could subject the Fund to substantial losses.

SECURITIES RISK

Investments in securities involves the following risks: Market Price Risk, Currency Risk - Investments in non-listed securities may expose the Fund to the following additional risks: Lack of Regulatory Framework, Lack of a Formal Market, Pricing and Liquidity Risks, Difficulty to realize Profits.

OTHER RISKS

Investors are to refer to the risk warnings made under the section titled Specific Risk Factors in the Offering Supplement. These risks also include Allocation of Assets, Derivatives, Futures, Options, Leveraging using derivatives, Investment Vehicles and Funds, Insolvency, Volatile Markets, Illiquidity, Sector, Counterparty, Service Providers' Limitation of Liability and Indemnity and Conflict of Interest.

Please note B Capital is run by students and not by a professional trader team, so our lack of knowledge and experience could affect our performance and our current holdings. We are not responsible for any copy trading and their consequences.