**Investment Description and the Novum Edge**

**Research, Development & Data Supply**

Novum Alpha Pte. Ltd.

**Transfer Agent**

Bank Frick & Co. AG (Lichtenstein)

**Auditor**

KPMG Cayman Islands

**Tax Advisors**

PriceWaterhouseCoopers

(Singapore) Pte. Ltd.

**Digital Asset Custodian**

DAVOS Custody Pte. Ltd.

(Singapore)

**Fund Administrators**

Vistra Alternative Investments

(Singapore) Pte. Ltd.

**Lead Legal**

Simmons & Simmons JWS Pte. Ltd.

(Singapore)

**Cayman Legal**

Ogier (Hong Kong)

**IT & Cybersecurity**

AdNovum (Singapore)

**Country of Incorporation**

Cayman Islands

**Type of Fund**

Open-ended, monthly

**ISIN**

(tbc)

**Base Currency**

USD

**Subscription Currencies**

AED, AUD, CHF, CNY, EUR, GBP,

HKD, JPY, RUB, SAR, SGD, USD

**Management Fee (p.a.)**

3.0%

**Performance Fee (High Water Mark)**

30.0%

**Subscription / Redemption Details**

NAV Calculation last day of month

Redemption Notice 10 days

Subscription Notice 3 days

**Subscription / Redemption Fee**

1.00%

Novum Digital Asset Investor trades in only the most liquid digital assets in a low frequency strategy that applies proprietary data science tools, AI and deep learning, to generate returns uncorrelated to broader digital asset market conditions. Machine learning models filter out the abundant noise in digital asset markets to generate consistent risk-managed returns. Our firm has a strong technical, finance, legal, business and digital asset background with experience building institutional-quality portfolios. We use proprietary digital asset risk assessment models to exclude participation in certain digital assets while leveraging our automated, quantitative trading algorithms and deep learning tools to leverage volatility inherent in digital asset markets.

| Strategy | September2018 – October 2019 |
| --- | --- |
| Novum Digital Asset Alpha Fund SP | **856.54%** |
| Bitcoin / U.S. Dollar | **39.44%** |
| S&P 500 | **3.25%** |

**Unaudited Performance September2018 – October 2019**

**Investment Objectives and Trading Parameters**

* Using proprietary rules-based data science and deep learning strategies, digital asset trade entry and sizing are based on algorithmically-generated trade signals.
* Low frequency, highly scalable digital asset trades are sized based on signal strength and conviction.
* The firm only trades in the most liquid digital assets and does not allocate to digital assets with a market cap of less than US$1 billion.
* The firm strategically manages counterparty risk by utilizing multiple regulated digital asset exchanges and digital asset pairs.
* Digital asset positions are analyzed on a per-minute basis and long positions can be reversed to short positions using low latency execution strategies.
* All digital asset positions are actively hedged and derivatives are used extensively to minimize downside risk as well as to maximize upside capture.

**US$1,000**

**invested**

**US$9,565**

**returned**

**9.5X**

**return on investment**

**856%**

**total return**

**0.21**

**correlation S&P500**

**Novum Digital Asset Investor Backtested Returns**

|  |  |  |  |
| --- | --- | --- | --- |
| **Comparative Returns** | **Backtested**  **Strategy** | **Bitcoin Index** | **S&P500** |
| Period Returns | 1,098.76% | 900.21% | 37.90% |
| Sharpe Ratio | 1.45 | 1.14 | 0.75 |
| Max. Drawdown  (Peak-to-Trough) | -25.89% | -83.37% | -15.88% |

By using data science and deep learning tools to filter out data noise in digital asset markets, the Company believes that the portfolio can deliver better, risk-managed performance than a similar portfolio of unmanaged digital asset positions. The hypothetical example below shows how utilizing the Company’s highly scalable, low frequency strategy could have improved performance when compared to a passive holding of digital assets and includes the timeframe which captures the highest peak to trough in digital asset markets.

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