



Liquidity

24/7 tradable on Trakx.io
Third party liquidity providers



Safety

Institutional grade
Secure storage



Diversification

Low correlation to
other asset classes



100% Asset-backed

Fully auditable
Collateralised assets

For professional investors only

Trakx NFT Metaverse

as of 01 Oct 2024

About Trakx

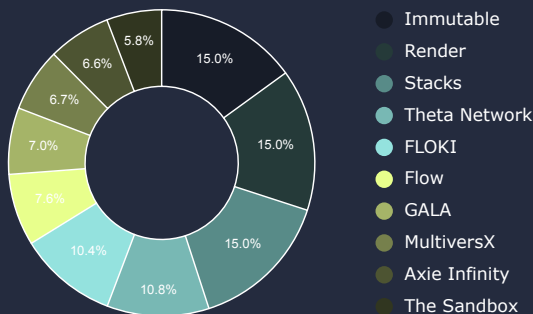
Trakx is a global fintech company creating new standards for digital asset investments. Through our trading platform, we offer thematic Crypto Tradable Indices (CTIs) and customised solutions, providing sophisticated investors a high degree of compliance, custody and liquidity. Trakx is registered with the French regulator (AMF).

About the CTI

This instrument is designed to replicate the leading Metaverse and Non-Fungible Tokens, currently disrupting the world of gaming, entertainment, and art. Both universes are intertwined: metaverse protocols create virtual social spaces where users may buy virtual lands, avatars, or other collectibles in the form of NFTs. Non-Fungible-Tokens are "one-of-a-kind" digital assets, each token being unique. Blockchain technology secures authentication of the ownership and is also an augmentative tool to create new mediums and styles for consumption.

The constituents are weighted according to their market capitalisations with a cap of 15%, to enhance diversification.

New Asset Allocation as of 01 Oct 2024



Benefits

Trakx NFT Metaverse gives exposure to the whole value chain and captures the revolutionary uptake of next gen business models:

- Gaming companies, sports leagues and associations are selling digital collectibles
- Virtual-reality environment where users can interact with others in a purely digital space, metaverse being qualified as next generation of the internet
- Artists may take back control by selling copyrights directly to their fans outside regular record companies. They can attach stipulations to ensure they benefit if their work increases in value and also may innovate/alter the format of their piece of art.
- NFTs are currently reshaping the art and the collectible industry but might also redesign entire sectors of the economy such as real estate, land, and car ownership. The index is rebalanced every months to always follow the latest disruptions in the market.

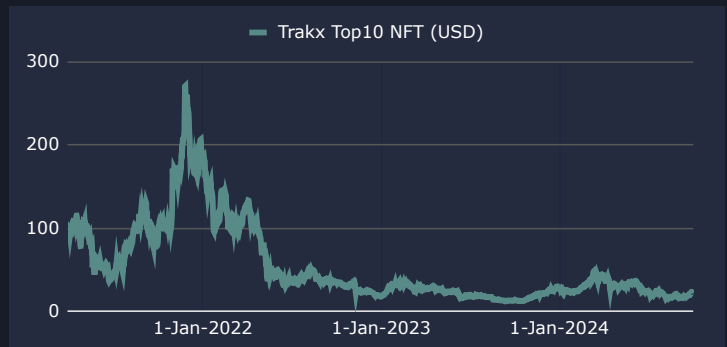
Risks

NFT and Metaverse projects are very volatile by nature given the market is still at its infancy. Their business models have yet to prove their disruptive power. Even though the NFT metaverse CTI is a diversified investment among the most promising protocols, the high volatility of its components impacts the overall volatility of the index.

Historical Performances

Index returns and statistics are for illustration only. Index returns do not reflect any transaction costs or Expenses. Past performance does not guarantee future results.

Source: Coingecko



	1 month	Since 31 Mar 2021
Index Returns (USD)	19%	-78%
Annualized Volatility	67%	100%
Index Sharpe Ratio	3.25	-0.22
Bitcoin Sharpe Ratio	2.27	0.042
Max. drawdown	-15.14%	-95.38%
Correlation to S&P 500	0.40	-0.01
Correlation to a 60/40 pfi*	0.18	-0.01
Constituents Market Cap	\$14,584 million	

*simulated portfolio of 60% Equities (S&P500) and 40% of bonds (Long Term US Treasury bonds ETF)

Key Facts

CTI (investment instrument)	
Sponsor	Trakx SAS
Product Ticker	LIMC10NFT
Investment Objective	Capture the evolution of a basket of the leading NFT and Metaverse protocols
Eligible Investors	Professional investors in EEA and Switzerland Not to be offered to US clients or in the US
Currency	USDc
Management Fee	2%
Performance Fee	0%
Inception Date	31 March 2021
Expiry Date	Open-Ended

Underlying Index	
Name	Trakx NFT Metaverse Index
Nb of constituents	up to 10
Leverage	1
Rebalancing	Monthly
Weighting	Market Capitalisation with a cap of 15%
Bloomberg ticker - FIGI	TRXMETA - BBG0169XQYL7
Data source	Kaiko, Coingecko
Custodians	Coinbase Custody, Fireblocks



Risk Factors of the Product

Prospective investors should ensure they fully understand the nature of this product and the extent of their exposure to certain risks. They should consider the suitability of this product as an investment based on their own personal circumstances and financial situation, investment experience, and investment objectives. This product could involve a high degree of risk. Potential investors should be prepared, in certain circumstances, to sustain a total loss of their invested capital. Prospective investors should also consider the following important risk factors below and discuss this investment with their trusted advisors to help verify this product is suitable for their portfolio. Note, the terms and conditions of this product are subject to change during the lifetime of the product.

Market Risks

The general market performance of this instrument is dependent on various endogenous and exogenous factors. Market disruptions such as trading or exchange interruptions, the discontinuation of trading, or other unforeseeable occurrences concerning the respective instrument and/or its underlying assets, the exchanges, market participants, and other factors may take place during the life of this product. Such occurrences can influence the timing of redemption and/or on the market value of this product. Past performance is not a reliable indicator of future performance.

No Dividend Payment

Investors should have no expectation of influence over Trakx's shareholders' general meetings as well as no rights to Trakx's earnings nor other interests in the company, such as dividends.

Termination Risk

Trakx may terminate the product if it doesn't meet the requirements of our clients. In any case, Trakx will announce the delisting thirty (30) days prior to the end date. On the last day, all relevant customer positions on "to-be" delisted CTI will be sold at their NAVs and converted to USDc onto the customers' wallets.

Liquidity Risk

At rebalancing, Trakx only includes constituents that meet minimum liquidity requirements. Trakx is not responsible for the liquidity shortage on the platform, if there is insufficient liquidity on certain constituents, customers may choose to redeem their CTI at a lower price than the NAV. Digital assets may have limited liquidity which may make it difficult or impossible for you to sell or exit a position when you wish to do so. This may occur at any time, including at times of rapid price movements.

Tax Implication

There may be a tax implication on investing in this product. Trakx does not provide any tax opinion. Any Investors should consult with their own tax advisor prior to investing in the product. In addition, investors should be aware that taxation, with respect to the underlying(s) and therefore this product, may (adversely) change over the lifetime of this product.

Foreign Exchange Risk

The investor in the product is exposed to foreign exchange rate risk if the currency of the underlying and settlement currency are not identical.

Volatility of Crypto-Assets

The value of crypto-assets may change significantly, even on an intraday basis. As the volatility of crypto-assets may currently be higher than traditional assets, changes and advances in technology, increases/decreases in fraud, theft, cyberattacks, regulatory changes, and other factors, further stress the potential of exaggerated investment gains or losses in this product. In addition, crypto-assets lack the historical track record of other traditional financial assets, thus increasing performance uncertainty.

Disclaimers

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Investment in digital currency carries a high degree of risk and volatility and is not suitable for every investor; therefore, you should not risk the capital you cannot afford to lose.

Risks include loss of all capital, liquidity, absence of regulations, execution, counterparty and many more as these are still very experimental technologies. Please consult an independent professional financial or legal advisor to ensure the product meets your objectives before you decide to invest.

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The historical backtested performance of the Trakx Digital Asset Index was calculated by retroactively applying the index methodology (a financial model, or set of rules for calculating index constituents and weightings) to a historical set of data in order to arrive at hypothetical index performance. This performance history is not the performance of any actual account, but rather the result of applying a set of mathematical rules to a set of historical data in order to arrive at the hypothetical results of how the Index would have performed if it had, in fact, been in existence during the historical period. Actual returns from live baskets will differ materially from the backtested, hypothetical Index returns. Hypothetical returns do not reflect the macroeconomic risks of using an investment strategy in a different time period or the financial risk of executing trades in a live contract which include the potential market impact on cryptocurrency prices caused by buying or selling that could cause the model's buy or sell prices to differ from the frictionless trades of the back-tested model. As the backtested returns simulate the historical hypothetical performance of an index, hypothetical investment fees associated with investing in a smart-contract tracking this hypothetical index (including trading commissions, brokerage fees, management fees, or other fees) have not been included in (by reducing) the historical performance. Although the information on this fact sheet provides some idea of the historic risks involved in investing in a smart-contract designed to track the index, past hypothetical performance is not a guarantee of future returns. Backwards-looking performance cannot predict how any investment strategy will perform in the future.

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