

01 // INVESTMENT REPORT - FIRST ISSUE

Crypto Hedge Capital 2020 Annual Report

Multi-Strategy Algorithmic Fund

DECEMBER 1ST, 2019 - DECEMBER 1ST, 2020

We are proud to successfully conclude the first issue of Crypto Hedge Capital, with a gross return of **+61.00%** against US dollars despite the uncertainty and adversities presented in all markets during the investment period. The fund ended with a positive performance and outperformed the S&P 500 by **+47.75%** and the Nasdaq 100 by **+20.30%**, positioning the fund as a significantly more profitable alternative than passively investing in American indices.

2020 radically changed the macroeconomic landscape as investors and hedge funds adopted cryptocurrencies as a shelter against the financial crisis caused by the COVID-19 pandemic. Although the March selloff greatly affected cryptocurrency prices – Bitcoin reached a low of \$3,998 on March 13th – Crypto Hedge Capital captured the recovery through systematic trend-following and algorithmic allocation across BTC, ETH, and correlated alt-coins. The DeFi boom and the launch of Ethereum 2.0 created event-driven opportunities that the fund's algorithms were positioned to exploit. The hedge fund industry, by contrast, reported its worst average year since 2008 at **-4.61% year-to-date**.





Bitcoin's buy-and-hold return over the same twelve-month period was approximately **+170%**. The fund's gross return of **+61.00%** reflects a deliberate focus on **capital preservation and volatility management** – not passive market capture. The algorithmic framework filtered out high-volatility regimes and sized positions based on trend quality, resulting in significantly lower drawdowns than the underlying asset class.

MANDATE ATTRIBUTION - JARE INVESTMENTS CONTEXT

José Andrés Ruiz Elizondo served as **Head of Operations and Algorithmic Contributor** at Crypto Hedge Capital. The systematic trend-following algorithms and volatility-filtering execution frameworks he designed formed a core component of the fund's quantitative approach. This report is a condensed summary of the original fund document, preserved for the purpose of documenting the performance track record of these strategies – which are the direct predecessors of the JARE Investments methodology. Crypto Hedge Capital was an independent fund with multiple partners; this is not a sole-ownership record.

02 // PERFORMANCE ANALYSIS

The following compares the equivalent return of the investment in the fund against other alternatives over the same time period, followed by a breakdown of gross returns, management fees, incentive fees, and net returns. All figures are based on a \$100,000 reference portfolio.

INVESTMENT VEHICLE	PERCENTAGE AMOUNT	US DOLLAR AMOUNT
 Crypto Hedge Capital	+61.00%	\$ 61,000.00
 Bitcoin (BTC)	~+170.00%	\$ 170,000.00
 Nasdaq 100	+40.70%	\$ 40,700.00
 S&P 500	+13.25%	\$ 13,250.00

03 // FEE STRUCTURE & NET RETURNS

CONCEPT	PERCENTAGE AMOUNT	US DOLLAR AMOUNT
Initial Capital (AUM)	100.00%	\$ 100,000.00
Gross Return	+61.00%	\$ 61,000.00
Management Fee (3.5% on AUM)	-3.50%	\$ (3,500.00)
Gross Return after Management Fee	57.50%	\$ 57,500.00
Incentive Fee (30% on returns 41%-80% tier)	-18.30%	\$ (18,300.00)
Net Return	+39.20%	\$ 39,200.00
Capital Distribution (Initial + Net)	139.20%	\$ 139,200.00

* Incentive fee applies on gross returns exceeding the 20% hurdle rate. Returns in the 41%-80% tier are split 70% / 30% (investor / fund). Taxes are assessed individually per investor jurisdiction and are not reflected above.

Jorge Abel Ruiz Espín
Chief Investment Officer
Crypto Hedge Capital

Ariel Mizrahi Levy
Head of Public Relations
Crypto Hedge Capital

José Andrés Ruiz Elizondo
Head of Operations
Crypto Hedge Capital

DISCLAIMER: This document is a condensed summary of the original Crypto Hedge Capital First Issue report, prepared by JARE Investments for archival and track-record documentation purposes. Crypto Hedge Capital was an independent fund. Past performance is not indicative of future results. All returns are presented on a \$100,000 reference portfolio basis. Individual investor returns may vary based on entry date, capital amount, and applicable tax jurisdiction. This document does not constitute financial advice or an offer to invest.