



SPiCE
VENTURE CAPITAL

**SPiCE Venture Capital Fund Quarterly NAV
Per Token – Q1 2023, Management Notes**

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Executive Summary

SPICE VC is a tokenized Venture Capital Fund focused on investments in Blockchain companies and in the tokenization ecosystem.

This document is an add-on to the quarterly Net Asset Value (**NAV**) per token calculation. The report reflects the NAV per token as assessed by Spice Venture Capital Fund (**SPICE VC, the Fund or we**) management and fund managers as of March 31, 2023.

This document includes management and fund managers' discussion and analysis about portfolio companies and related trends.

Disclaimer

The information contained herein is confidential information regarding Spice VC (the "Fund"). By accepting this information, the recipient agrees that it, and its officers, directors and employees will use the information only to evaluate its holdings and potential interest in the Fund and for no other purpose and will not divulge such information to any other party. Any reproduction of this information, in whole or in part, is prohibited. The information contained herein has been prepared solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any securities or any interest in the Fund or any other Fund or to participate in any trading strategy. If any offer to purchase any interest in the Fund is made in due course it shall be made only pursuant to a definitive Offering Document prepared by or on behalf of the Fund which would contain material information not contained herein and which shall supersede this information in its entirety. Any decision to invest in the Fund should be made only in compliance with and subject to the limitations imposed by applicable laws applying to the ability to offer these securities to prospective investors in their relevant jurisdictions and after reviewing the definitive Offering Document, conducting investigations as deemed necessary by the investor and consulting the investor's own investment, legal, accounting and tax advisors in order to make an independent determination of the suitability and consequences of an investment in the securities.

With the exception of approved Accredited Investors who have been directly approached under Rule 506 (c) of Regulation D of the United States Securities Act of 1933 the Fund will not accept investments from any US person and this presentation is not for use by any US person other than those who have been specifically approved by the Fund. No registration statement has been filed with the United States Securities and Exchange Commission or any U.S. State Securities Authority with respect to the shares of the Fund. None of the Shares in the Fund have been or will be registered under the United States Securities Act of 1933, as amended (the "1933 Act"). Except as noted above none of the Shares in the Fund may be offered, sold, transferred, assigned or delivered, directly or indirectly, in the United States of America, its territories and possessions, any State of the United States of America or the District of Columbia (the "United States"), or to any U.S. Person as defined herein. In addition, the Fund has not been and will not be registered under the United States Investment Fund Act of 1940, as amended (the "1940 Act"). None of the Shares in the Fund may be offered, sold, transferred, assigned or delivered, directly or indirectly, to any person in circumstances which might result in the Fund incurring any liability to taxation or suffering any other pecuniary disadvantages which they might not otherwise incur or suffer, or would result in them being required to register under the 1940 Act.

All performance, investment strategies, and risk targets contained herein are subject to change without notice. There can be no assurance that the Fund will achieve any targets or that there will be any return on capital. Historical returns are not predictive of future results. The Fund is intended to be a specialist vehicle for investment in the early-stage technology sector and digital assets. Investments in early-stage technology and digital assets carry greater risks and may be considered high risk and volatile. There is a risk of total loss of the principal and interest invested – please refer to the definitive Offering Document for a full list of risks.

Note that the Net Asset Value and related information discussed in this document is based on estimate and should not be treated as accurate facts.

The NAV report has not been audited or reviewed by the Company's auditor.

Calculated NAV Results (Unaudited)

As of March 31, 2023, not all of the funds invested in SPICE VC were invested in portfolio companies. The calculated NAV Per Token reflects the net appreciation in the portfolio assets, as well as the changes in the value of currencies in which funds are held, less any fees, expenses and dilutions.

The NAV Per Token remains **\$3.53**.

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Note that the above NAV Per Token is based on the NAV calculation principals in accordance with the organizational documents and offering documents of the Fund and were applied for calculating the NAV of each portfolio holding, as appropriate for each relevant asset class, and are not necessarily equivalent to generally accepted accounting principles and is considered a non-GAAP measure.

Changes in the valuation of investment portfolio, which is mainly investments in companies, tends to happen typically based on external events to the company (like an additional investment round creating a new valuation) or major change in the company's financials, etc. Or in the case of tokens, a distinct change in token value range.

Note that the change in NAV per Token vs. the offering price of the SPiCE token is not an indication for similar performance in the future.

About the NAV Calculation Method

The **NAV Per Token** is calculated by dividing the total value of SPiCE VC's portfolio investments, plus cash and other assets (including crypto currencies and tokens) less any liabilities (including accrued expenses) (**Portfolio Value**), by total number of tokens outstanding (**Live Tokens**).

$$NAV \text{ per Token} = \frac{\text{Portfolio Value}}{\text{Live Tokens}}$$

The NAV Per Token is denominated in USD.

The NAV Per Token is calculated in accordance with the value of the Fund as provided and is consistent with the organizational documents and offering documents of the Fund and were applied for calculating the NAV of each portfolio holding, as appropriate for each relevant asset class. Generally, we value the Fund's assets using market values when market quotations for those assets are "readily available" and, when a market quotation for an asset is not readily available, by using the fair value of that asset, as determined in good faith by the Manager of the Fund.

The Portfolio Value was calculated in USD. The defining rate for converting crypto currencies as of March 31, 2023, was based on the exchange rate to USD, on March 31, 2023, as published on coinmarketcap.com as "Close".

For early-stage Venture Capital investments and non-traded (or traded with low frequency/volume) assets and tokens the valuation is based on various relevant methodologies that attempt to estimate the asset's fair value under current market conditions. However, the results of such valuations may not necessarily reflect the actual values of these assets that might be obtained had there been orderly transactions in these assets between market participants.

What is the Meaning of NAV Per Token

The NAV Per Token is a quarterly assessment of the underlying assets of the SPiCE VC Fund. As the Token grants each Token holder economic rights (based on their relative holding to the total live Tokens, as detailed in the SPiCE VC Information Memorandum dated 29 October 2019) related to the

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performance of the underlying portfolio, the NAV Per Token can be viewed as a guideline to the value of the Token at the date calculated.

However, it is important to remember that Token price (since the SPiCE VC Tokens started trading on security Token exchanges(s)) are set by market supply and demand and not by the calculated NAV Per Token.

The market may value the token at a premium or discount to the published NAV Per Token at any given time based on many variables.

Period Assessed

This report addresses NAV Per Token as of March 31, 2023.

SPiCE Investment Strategy

Domains We Invest In

Since SPiCE VC launched in late 2017, it has seen a major shift in the market towards tokenizing assets and ownership. SPiCE VC expects this industry to continue growing, something that will require major growth in the supporting ecosystem. Due to this, and due to SPiCE VC's competitive advantage given its "pioneer status" in the industry, it has chosen to focus on investing in the DLT/tokenization ecosystem.

SPiCE invests globally in platforms and ecosystem providers enabling access to capital markets, banking, real estate, and other industries enhanced through DLT/Blockchain technologies. We seek companies who stand to benefit the most from the massive growth of the industry.

Investment Stage

SPiCE tends to make the first investment in Post-seed or A series round, with capital left aside for follow-on investments.

Selection Factors

As a VC fund SPiCE invests for the longer run. We have a well-defined investment strategy and structured investment process that includes multiple parameters we consider when making an investment decision. Some of them include:

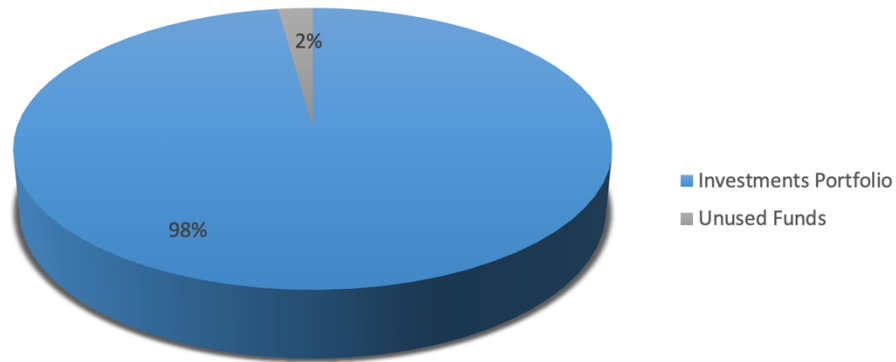
- The stage of the company
- Its leadership team
- The ability of the company to become a major player in the market
- Company's business model and it's assessed probability to generate major returns (exit or otherwise) within the fund's investment horizon (under 7 years)

SPICE VC Q1 2023 NAV PER TOKEN

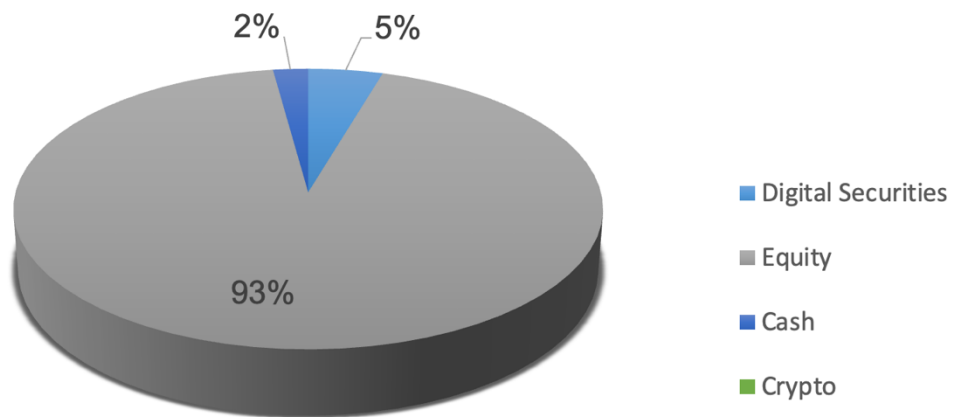
Current Assets, Investment Portfolio and Management Discussion

Net Assets Under Management (AUM) and Distribution

As of March 31, 2023, Net Assets Under Management equaled \$42,320,655 (post second payout distribution). The distribution between unused funds and the investment portfolio was as follows:

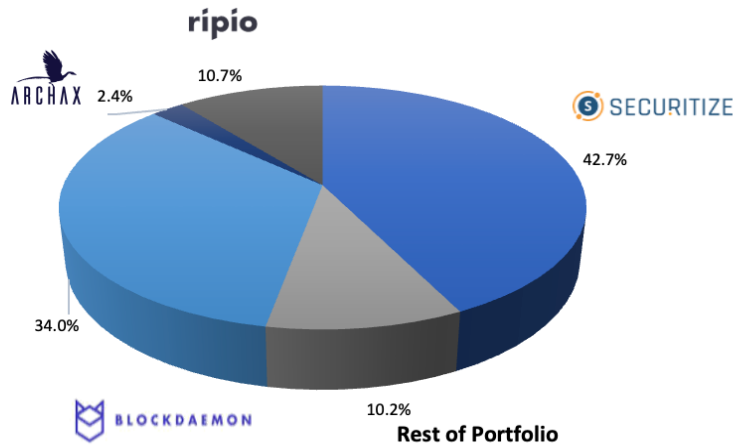


Overall distribution across asset classes was as follows:



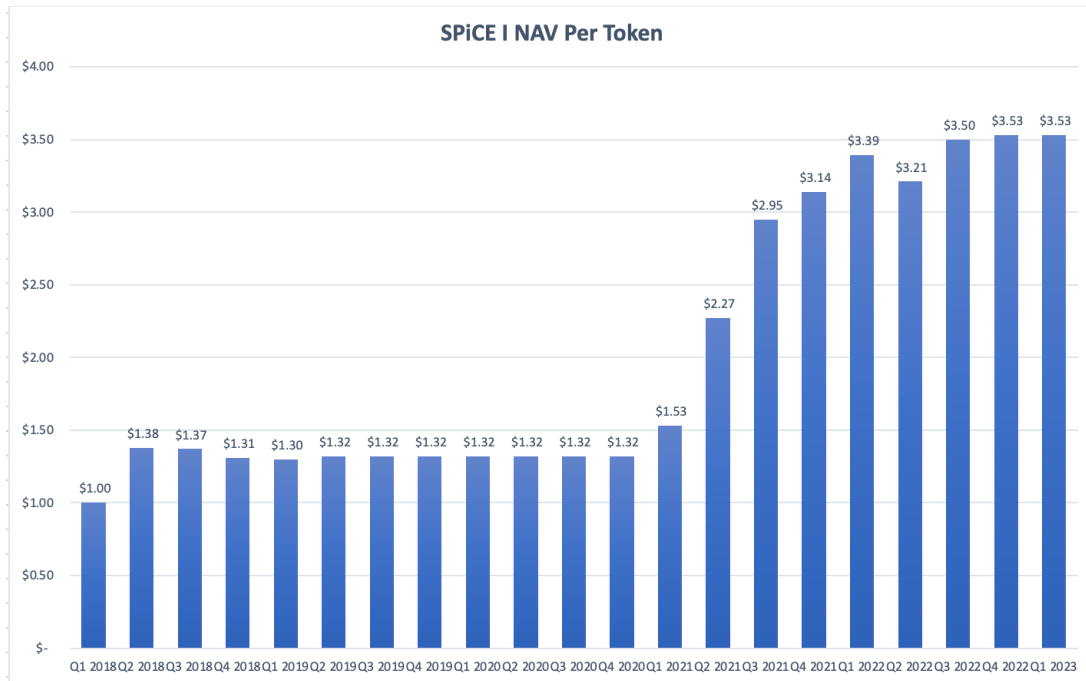
SPICE VC Q1 2023 NAV PER TOKEN

Investment portfolio distribution by contribution to the NAV is:



NAV Per Token Change Over Time

Change over time in NAV Per Token published can be seen in the following graph:



Investment Portfolio

SPICE's investment portfolio can be viewed [here](#).

Investment Portfolio Updates



ARCHAX announced the launch of a new tokenization engine, which enables the creation of tokens backed by any regulated or unregulated real-world or traditional asset. Leveraging the benefits of Web 3.0 and blockchain technology, Archax can now roll out token representations of existing assets, starting with blue-chip UK traditional equities and funds to trade alongside new cryptoassets. They have also announced a joint venture with Trili, a blockchain research & development hub and completed two new issuances on their Primary Market.



Blockdaemon, in partnership with MetaMask Institutional, has created a revolutionary institutional staking marketplace, designed to simplify and grant unmatched access to institutional staking.



In Q1 2023, Bakkt decided to focus more on B2B technology solutions, having acquired the trading infrastructure provider, Apex Crypto, in a \$155 million deal. Apex Crypto is a solution for execution, clearing, custody, cost basis, and tax services in order to streamline the delivery of frictionless crypto investing in more than 30 tokens. By acquiring Apex, Bakkt will manage the company's almost 6 million crypto-enabled accounts, 30 enterprise clients, and USD 12.5 billion worth of crypto trades.

By switching gears, Bakkt will now focus on providing business-to-business-to-consumer (B2B2C) strategy. With Apex Crypto on board, Bakkt plans to expand into overseas markets as some of Apex Crypto's clients already operate internationally.



Investax, has raised a Series A funding. Led by Coinbase Ventures, Gate Ventures, Token Bay Capital, Sustainability Exchange Group, Global Blockchain Ventures, and others, the company intends to use the fund to expand operations and its business reach.



Polygon and Ripio have entered into a partnership to target crypto users in Latin America. In this mutually beneficial deal, Polygon will integrate Ripio's swap & wallet products while Polygon Labs will assist Ripio with building its own B2B blockchain.



Since the end of January, individual investors can access leading private markets investment firm Hamilton Lane's flagship \$2.1 billion direct equity fund, **Equity Opportunities Fund V** through a new Securitize feeder fund tokenized on Polygon. The new tokenized fund will significantly increase access to this historically high-performing asset class, with minimum investments reduced from an average of \$5 million traditionally to \$20,000.

During the 1st Quarter Securitize also launched Streitwise, a RegA+ implementation Real Estate Investment Trust (REIT), that pays regular dividends and is available to retail investors via a yearly RegA+ offering. Streitwise features the option to invest more in the same offering, invest recurrently, or participate on a dividend reinvestment process. This new roll out is new to Securitize, specifically launched for Streitwise, and showcases the growing capabilities of the platform.

Fund Updates

SPiCE is currently accepting investments for its second fund, SPiCE II. If interested in details about the fund, please contact invest@spicevc.com.