

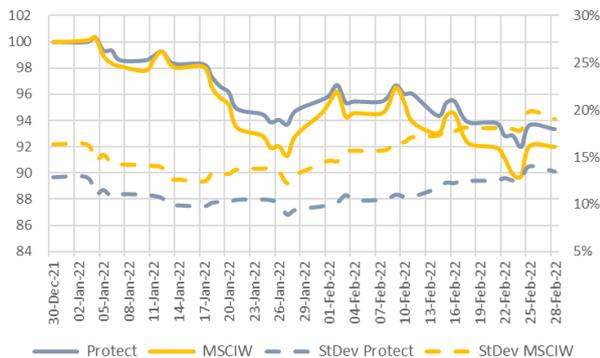
**PROTECT**

*Crescit Protect uses equity derivatives to expose investors to equity returns over an economic cycle. The goal is to create MSCI World-like returns with lower volatility. Currently, the fund has an allocation of 100%. Current protection level is 105, currently trading at 127.51.*

The monthly return was -2.31 % in February, compared to benchmark over the same period, MSCI World index, return of -2.7 %.

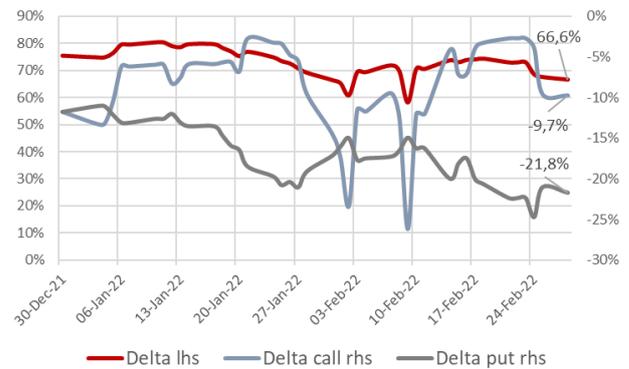
After a tense start of the year focusing on inflation, all eyes shifted towards the Russian invasion of Ukraine in February. Volatility levels increased from already stressed levels, affecting the term structure along with it. Currently Protects trading, selling short dated calls against buying long dated protection, has a positive carry in this environment and the spot move decreases correlation of the fund. Standard deviation of MSCI W is 20% and continuously increasing, Protect risk peaked at 14% and has plateaued, with decreasing delta we expect the standard deviation to decrease further from these levels.

**Graph 1**



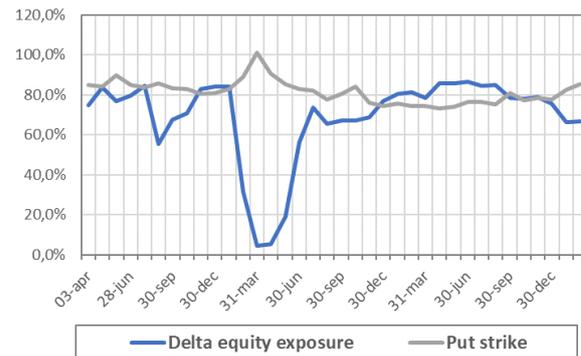
Delta levels in the fund has decreased during the month as the equity market decreased. Current delta is 66.6 %, but the hedge contribution has tilted more towards puts, see gray lines in graph 2. Call delta is more volatile as the call book has a high turn over rate.

**Graph 2**



The defensive characteristic of the fund is becoming more and more obvious, delta and average put strike is at October 2020 levels. Nikkei has only 50% delta whilst Europe and US trade around 70% delta.

**Graph 3**



Heading into March there is a fine balance in the fund, calls have been sold on high volatility levels and put strikes looks even more attractive with each day. Delta levels are decreasing and we expect the positive carry to remain as long as current volatility environment persists.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	-	-	-	1,48%	-4,92%	4,32%	1,03%	-3,01%	1,14%	0,25%	2,50%	2,62%	5,20%
2020	-1,51%	-4,75%	1,59%	0,83%	0,99%	0,63%	2,64%	4,97%	-2,48%	-3,00%	7,84%	2,60%	10,12%
2021	-0,06%	2,68%	2,46%	3,23%	0,57%	0,96%	1,61%	2,18%	-3,26%	3,77%	-0,64%	3,30%	17,91%
2022	-4,44%	-2,31%											-6,65%