

Hilbert Group - Update on Asset Management

Hilbert Group advancing and on track towards its SEK 1.5 billion 2023 year-end AUM objective

Hilbert Group AB (NASDAQ: HILB B) - an update:

- Hilbert Capital (Hilbert Group's asset management branch) has so far been approved by 10 institutional investors for investment in its funds in 2023.
- More than SEK 1 billion in investments and commitments currently to the Hilbert funds in 2023.
- Hilbert Capital has executed a clear and focussed plan centred on further improvements to its investment solutions and trading technology to enable institutional investors to scale their investments in the Hilbert funds.

Richard Murray, CEO of Hilbert Capital, joined Hilbert Group in the middle of crypto winter on 1st July 2022, comments:

"Hilbert has an elite team of quant PhDs, a powerful trading tech stack and investment strategies which are coherent, repeatable, and scalable. We have seen that a compelling and credible value proposition attracts institutional capital regardless of what's happening to the market. We are at a point where Hilbert has traded through its second crypto winter and has continued to focus on maintaining an extremely high rate of improvement across trading and operations. We have been approved by a large number of institutions which are now starting to deploy capital with us and we look forward to developing those important relationships."

Dr. Niclas Sandström, CEO of Hilbert Group, says: *"Richard Murray and Bruce Terry [Hilbert Senior Advisor] have done an absolutely fantastic job of building institutional investor partnerships globally since they joined. They have also been instrumental in finding the right market positioning for our products and elevating the Hilbert brand"*.

Hilbert has successfully executed a clear and focussed plan to manage through the crypto winter and position itself as a partner for institutions who are allocating to crypto-currency markets:

1. In addition to the 10 institutions that have now approved Hilbert for investment, there are a further 20 groups across North America, EMEA and Asia conducting due-diligence for investments.
2. Hilbert has over the past 6 months progressed from being a Long-Only trading strategy firm to being Long-Short. Hilbert Long-Short significantly reduces expected drawdowns and the correlation of the portfolios to the crypto market. A leading North American digital asset institution seed-funded Hilbert Long-Short.
3. Focus capital allocation on investment in quantitative intelligence and technology. Hilbert has attracted a number of senior investment professionals, including:

-Dr. Thierry Pudet as Senior Quant. Strategist. Formerly Chief Risk Officer of Citadel, Europe

-Nick Yannakoyorgos as Senior Quant. Developer. Formerly lead programmer at JPMorgan for 23 years.

4. Following the Hilbert motto: “*Risk Manager First, Crypto Investor Second*”, Hilbert has avoided many of the painful experiences which have impacted crypto-currency funds during the crash. For example, Hilbert Capital had no exposure to FTX. Half of Hilbert’s six-person investment team each have more than 15 years’ experience in risk management and modelling across digital and advanced markets.

5. Develop the investment offering to accommodate institutional portfolio needs. Hilbert has opened two new hedge funds (Hilbert V1 and Hilbert V30) in the last year and now has three offerings which share the same DNA – across quantitative R&D, risk management, trading systems – while having differentiated investment objectives:

- Hilbert V1 Fund is a Market Neutral strategy which generates consistent trading alpha with zero correlation to the cryptocurrency market.

- Hilbert V30 Fund is Convex Upside strategy which captures a high level of the cryptocurrency market upside while limiting drawdowns to a fraction of the market.

- Hilbert V100 is a Recovery strategy which is positioned to generate outsized returns as the crypto-currency market recovers continues.

While early investors in Hilbert funds have benefitted from lower fees of 1% management fee and 10% performance fee, from 1st October 2023 the funds move to a 2% management fee and 20% performance fee offering.

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About Us

Hilbert Group AB is an investment firm with sole focus on digital assets, primarily cryptocurrencies and blockchain technologies. The business model is diversified into four verticals – asset management, proprietary trading, equity investments and data & analytics.

Hilbert Group’s vision is to be a world class digital asset investment firm with the ambition to provide first class services to its clients and shareholders, to help accelerate the technological revolution that is digital assets, and to expand people’s knowledge of this emerging asset class.

Hilbert Group is listed on Nasdaq First North Growth Market (ticker HILB B) with Eminova Fondkommission (phone +46 8 684 211 10 | adviser@eminova.se) as Certified Adviser.

Attachments

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