



DeFi: One of the Fastest-Growing Segments in Crypto

Decentralized finance (DeFi) is one of the most powerful and fastest-growing applications of cryptoassets.

DeFi assets use software to disrupt and automate traditional financial services like market making, lending, asset management, and insurance. Powered by blockchains, these technologies can execute a broad range of financial services in a much more efficient, transparent, and accessible fashion, with little or no reliance on centralized institutions like banks, notaries, or auditors.

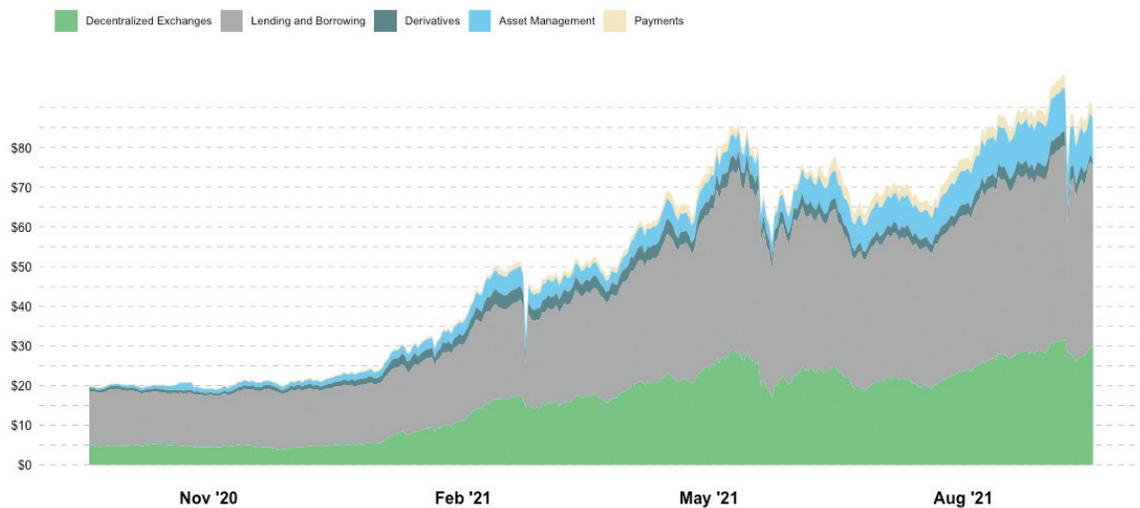
1

The capital flowing into DeFi is growing exponentially

DeFi is one of the fastest-growing areas of crypto: There is more than \$55 billion of capital allocated to DeFi applications today, up from less than \$2 billion only one year ago. This capital provides the base liquidity for DeFi services such as exchanges, lending/borrowing, derivatives, and asset management.

Leading Use Cases of Decentralized Finance (DeFi) Protocols by Total Value Locked (TVL) in USD Billions

Data from September 2020 to September 2021



Source: Bitwise Asset Management. The returns on this chart do not represent the returns of any Fund or account managed by Bitwise or its affiliates. Please see important disclosures at the end of this document. Past performance does not guarantee future results.

2

The use of DeFi protocols already rivals many traditional financial services

DeFi isn't a promise for tomorrow; it's here today. Although DeFi gets almost no mainstream media coverage, many DeFi applications today rival their better-known centralized peers. For example, Uniswap — the largest decentralized exchange — now regularly supports over \$1 billion in trading volume per day, challenging the largest centralized crypto exchanges.

Bitwise®

Bitwise provides expert and targeted exposure to DeFi

The Bitwise Decentralized Finance Crypto Index includes the 10 largest cryptoassets dedicated to decentralized finance, weighted by market capitalization. The index builds upon the industry-leading methodology developed for previous Bitwise crypto indexes, and contains new criteria developed specifically for the decentralized finance industry. The Bitwise Decentralized Finance Crypto Index is supported by an advisory board that includes many of the most knowledgeable investors and data providers in the DeFi ecosystem.

ELECTRIC CAPITAL

PARAFI
CAPITAL

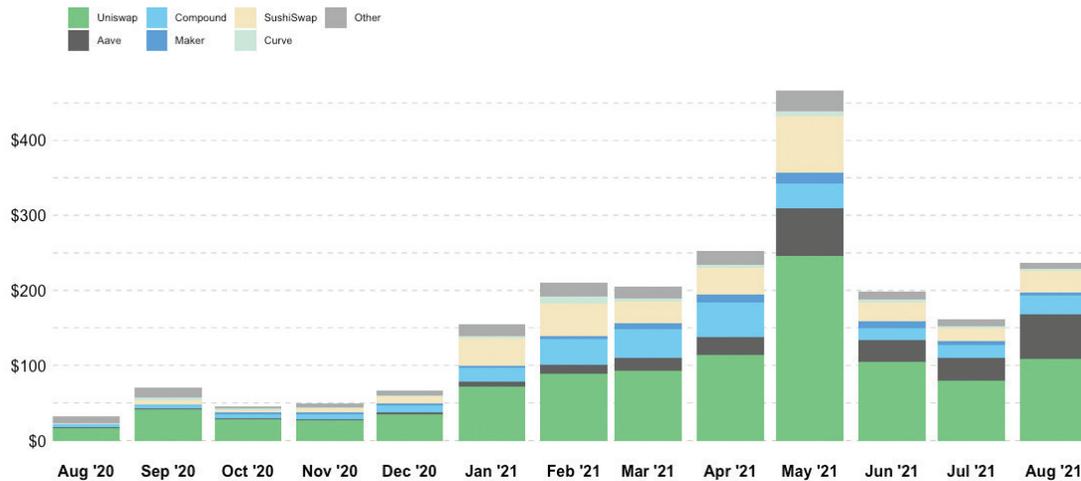
DEFI PULSE

framework

BLOCKCHAIN
CAPITAL

Monthly Revenue of Select DeFi Protocols

Data from August 2020 to August 2021



Source: Bitwise Asset Management with data from The Block. Nothing contained herein is intended to predict the performance of any investment. Past performance does not guarantee future results. Please see important disclosures at the end of this document.

Important Disclosures

Bitwise Asset Management, Inc. and its affiliates (collectively, the "Manager") have produced and distributed this Information for informational purposes only and in relation to a potential opportunity to subscribe for interests ("Interests") in any of several Funds offered only to certain Accredited Investors by the Manager, including the Bitwise 10 Crypto Index Fund; the Bitwise 10 ex Bitcoin Crypto Index Fund; the Bitwise 10 Crypto Index Fund (non-OTC Trust); the Bitwise DeFi Crypto Index Fund; the Bitwise Bitcoin Fund; the Digital Asset Index Fund, LLC; the Bitwise 10 Index Offshore Fund, Ltd.; the Bitwise Aave Fund; the Bitwise Uniswap Fund; and the Bitwise Ethereum Fund, LLC. Any offer to sell or the solicitation of an offer to buy Interests in those Funds will solely and exclusively be made through definitive offering documents, identified as such, in respect of each Fund and in compliance with the terms of all applicable securities and other laws. Such definitive offering documents, if any, will describe risks related to an investment in the Funds (including loss of the entire investment) and will qualify in their entirety the information set forth in this Information.

Prior to making any investment decision with respect to any Fund, each investor must undertake their own independent examination and investigation of the Fund, including the merits and risks involved in an investment in the Interests, and must base their investment decision — including a determination whether Interests would be a suitable investment for the investor — on such examination and investigation, and must not rely on the Manager or the Fund in making such investment decision. Prospective investors must not construe the contents of this Information as legal, tax, investment, or other advice. Each prospective investor is urged to consult with its own advisors with respect to legal, tax, regulatory, financial, accounting, and similar consequences of investing in the Fund, the suitability of the investment for such investor, and other relevant matters concerning an investment in the Fund. The summary set forth in this Information does not purport to be complete, and is qualified in its entirety by reference to the definitive offering documents relating to the Fund. Do not place undue reliance on this Information. Performance information is provided for informational purposes only. Actual performance of any Fund may vary substantially from the performance provided in this Information.

Certain of the Bitwise investment products may be subject to the risks associated with investing in cryptoassets, including cryptocurrencies and crypto tokens. Because cryptoassets are a new technological innovation with a limited history, they are a highly speculative asset. Future regulatory actions or policies may limit the ability to sell, exchange or use a cryptoasset. The price of a cryptoasset may be impacted by the transactions of a small number of holders of such cryptoasset. Cryptoassets may decline in popularity, acceptance or use, which may impact price.

Backward-looking performance cannot predict how any investment strategy will perform in the future. Additionally, each Fund will have losses, liabilities and expenses that will offset its income and gains and therefore the Fund's performance may be below the Index's performance. The performance of the Fund and the Index will vary due to other factors such as imperfect correlation between the Fund's investments and Index composition, regulatory restrictions, high portfolio turnover rate, rounding of prices and timing differences associated with additions to and deletions from the Index and the Fund.

The Units of the Funds (the "Interests") have not been registered under the Securities Act of 1933, the securities laws of any state, or the securities laws of any other jurisdiction, nor is such registration contemplated. The Interests will be offered and sold under the exemption provided by Section 4(a)(2) of the Securities Act of 1933 and Rule 506 of Regulation D promulgated thereunder and other exemptions of similar import in the laws of the states and jurisdictions where the offering will be made. The offer and sale of the Interests have not been registered with or approved or disapproved by the Securities and Exchange Commission (the "SEC") or the securities commission or regulatory authority of any state or foreign jurisdiction.

Diversification may not protect against market risk. Diversification does not ensure a profit or protect against a loss in a declining market.

Bitwise®