



Dear Investors,

The end of May 2025 marked the one-year anniversary of RS Crypto Income Fund. While our plan going forward is to send semi-annual letters, we wanted to take this opportunity to share our results from the fund's first year of performance. Since our launch, RS Crypto Income Fund has delivered a net return of 37% to our investors.

When we first established RS Crypto Income Fund, our goal was to implement the same core strategy as our first fund, RS Low Beta Opportunity Fund, but within a more volatile asset class. One of the key drivers of option pricing is implied volatility, and the Bitcoin ETF's offer some of the highest levels of implied volatility in the listed options market. Similar to our approach with RS Low Beta Opportunity Fund, we do not employ leverage and always sell puts on a notional basis. This allows us to generate income with a fraction of the risk of direct exposure to the underlying asset. RS Crypto Income Fund generates a high level of income while also mitigating a significant amount of downside risk.

RS Crypto Income Fund represents a strategic opportunity for investors seeking continuous income, who are also comfortable with having potential exposure to the underlying asset at a discounted price. This strategy will always mitigate the risk of owning Bitcoin outright, and while returns will not necessarily be linear, we expect the next few years to be like our first year, in which we generate 2.25-3.25%/month of income for our investors. The strategy also targets a buffer of at least 3%/month protection on the downside. As an example, if Bitcoin were to decline 25% over a 12-month period, our strategy would still have a profitable performance over that same period.

We are excited to include RS Crypto Income Fund into the RS Fund family. Following six years of RS Low Beta Opportunity Fund delivering steady and consistent returns with a fraction of the equity market's risk, we now have a complementary portfolio that we anticipate will yield returns multiple times greater than those of our original fund. This strategy does not supersede that of RS Low Beta Opportunity Fund; rather, it offers an alternative risk-return profile employing a similar options-based approach.



As a reminder, please see our return profile for different market scenarios below. We feel confident in the upcoming year that we will be within this range given the return parameters of the underlying asset on the left axis.

Bitcoin ETF	Low End*	High End*
30%	35%	60%
20%	35%	55%
10%	30%	50%
0	30%	45%
-10%	25%	45%
-20%	15%	25%
-30%	5%	15%

Thank you to all who have joined us in the first-year journey, and we look forward to you not only passing along the successes to your friends and family, but also us continuing to grow exceptional returns on your original investment.

We appreciate your trust and as always, please do not hesitate to reach out to us with any comments or questions.

David Rosenblum & Brian Shapiro