

**Historical Returns of the DELGATTO Diamond Finance Cayman LTD**
**NAV Price:**

NAV Series 12-2018: \$1,322.96

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023	0.22	0.51	0.94										<b>1.68</b>
2022	0.58	0.56	0.52	0.51	0.20	0.45	0.42	0.60	0.66	0.44	0.33	2.04	<b>7.55</b>
2021	0.63	0.50	0.67	0.49	0.32	0.45	0.59	0.37	0.61	0.53	0.38	0.34	<b>6.03</b>
2020	0.48	0.51	0.82	0.72	0.62	0.58	0.53	0.56	0.41	0.49	0.61	0.57	<b>7.12</b>
2019	0.00	0.23	0.32	0.58	0.70	0.71	0.80	0.56	0.54	0.52	0.56	0.52	<b>6.20</b>
2018												0.29	<b>0.29</b>

**March 2023 Review**

Dear Investors,

The Co-Founders of the Del Gatto Diamond Finance Fund are pleased to announce a return of 0.94% for the month of March, the second best month in its history. This brings the return up to 1.68% for the year.

When the two Co-Founders developed the thesis for the fund in 2017, they understood that as DDFF grew they would be able to offer optionality to its clients, enabling them to both become more important to these borrowers, while concurrently creating additional streams of revenue.


Specifically, they knew the fund would make money in four different categories; 1. Option Fee/Interest Income. 2. Leverage. 3. Defaults 4. Commissions on sales. The DDFF model of physically holding their borrowers inventory lends itself to being asked for assistance in the sale of some of this collateral. Borrowers actually view this as a beneficial option for them. We are pleased to say that in April we had the inaugural sale, and the start of this 4th revenue stream. One of our long term borrowers recently opted into this program, and in this case gave additional items for the fund to market & sell. The fund was able to successfully execute a sale, resulting in a several hundred thousand gain.

We are pleased with this additional alpha lever to pull, and with the fact that a growing number of borrowers are beginning to opt into this program, which inevitably will lead to increased returns for our investors. Overall we feel we are at an inflection point where DDFF is now at a size where we are seeing both more of these requests, as well as a slightly higher percentage of profitable defaults on the horizon, as evidenced by the December 2022 default. These additional opportunities will allow DDFF to deliver returns that didn't exist prior to 2022.

If you have any questions, please feel free to reach. The Co-Founders of the fund will be traveling extensively in the month of May, with trips to London, Geneva, Zurich, Liechtenstein, and Dubai. If you are in any of these locales, please let us know. Would be nice to catch up.

**NAV Price Overview**
**NAV Series 12-2018**      \$1,322.96

<b>Subscriptions</b>	Monthly
<b>Min. Investment</b>	\$100,000 USD
<b>Management Fee</b>	2%
<b>Incentive Fee</b>	20%
<b>Dividend</b>	50% of Profit Quarterly
<b>Liquidity</b>	Monthly, with 90 day notice
<b>Gate</b>	5% Fund Level Gate
<b>Lock-Up</b>	1 Yr. soft lock with Penalty
<b>Fund Structure</b>	Cayman Island Feeder
<b>Administrator</b>	Apex Fund Services
<b>Attorney</b>	Mayer Brown
<b>Third Party Vault</b>	Ferrari Express Inc.
<b>Auditor</b>	Cohn Reznick

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<b>ISIN Number</b>	KYG2703W1087

## KEY COMPONENTS OF THE INVESTMENT STRATEGY

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Due to tightening capital restrictions, commercial banks are leaving the middle market segment for high-end diamond and jewelry companies. The DELGATTO Diamond Finance Fund (DDFF) is uniquely positioned to enter and fill this lending gap. DDFF is an institutional specialty finance firm, entirely focused on extending fully collateralized loans to the midstream diamond industry, which is defined as the 15,000 companies including wholesalers, cutters, among other participants. The midstream segment is the backbone of the industry and bears the financial burden of carrying inventory, meaning, it is often asset rich and cash poor.

## TEAM EXPERTISE

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- Chris Del Gatto is a pioneer for luxury market growth, specifically in the secondary marketplace with 30 years of experience in the diamond and fine jewelry field. As Founder of DELGATTO, he is widely regarded as one of the most important innovators in the modern jewelry industry.
- The DELGATTO team benefits from wide-ranging expertise in both the high-end jewelry business and traditional investment industries with years of proven experience.

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## IMPORTANT DISCLOSURES

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The information contained herein regarding the Funds is confidential and proprietary and intended only for use by the recipient. The performance information herein has been prepared by or on behalf of DG CAPITAL and has not been independently audited or verified except for certain year-end data.

As with any investment vehicle, past performance cannot assure any level of future results.

Performance information is shown net of a 2.00% per annum management fee and a 20% quarterly profit allocation payable to DG CAPITAL. Returns for each Fund reflect the reinvestment of dividends and other earnings. Market index information shown herein is included to show relative market performance for the periods indicated and not as standards of comparison since these are unmanaged, broadly based indices which differ in numerous respects from the portfolio composition of the Funds.

Market index information was compiled from sources that DG CAPITAL believes to be reliable. No representation or guarantee is made hereby with respect to the accuracy or completeness of such data. The information contained herein is provided for informational purposes only, is not complete, and does not contain certain material information about the Funds, including important disclosures and risk factors associated with an investment in the Funds, and is subject to change without notice. This document is not intended to be, nor should it be construed or used as an offer to sell, or a solicitation of any offer to buy, shares or limited partnership interests in the Funds.

Hedge Funds: (1) often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; (2) can be highly illiquid; (3) are not required to provide periodic pricing or valuation information to investors; (4) May involve complex tax structures and delays in distributing important tax information; (5) are not subject to the same regulatory requirements as mutual funds; and (6) often charge high fees. The domicile of the Fund is Cayman Islands. The Representative of the Fund in Switzerland is OpenFunds Investment Services AG, with its registered office at Seefeldstrasse 35, CH-8008 Zurich, Tel +41 44 500 31 08, [www.open-funds.ch](http://www.open-funds.ch). The Paying Agent in Switzerland is Società Bancaria Ticinese SA, Piazza Collegiata 3, 6501 Bellinzona, Tel. +41 91 821 51 21, Fax. + 41 91 825 66 18, "<http://www.bancaria.ch>" [www.bancaria.ch](http://www.bancaria.ch). The distribution of Shares of the Fund (the "Interests") in Switzerland must be made exclusively to Qualified Investors. The place of performance and jurisdiction for the Interests in the Fund distributed in Switzerland is at the registered office of the Representative. Publications to Swiss investors in respect of the Shares of the Fund are effected on the Representative.

Information concerning the investment terms and the risks associated with an investment. Past performance is not an indicator of future results. The potential for loss exists with this Investment.

**Disclosure: This information does not constitute an offer to sell, or a solicitation of an offer to invest in the Funds. Any such offer will be made exclusively to qualified investors on a private placement basis, and only by means of the Fund's private placement memorandum, which contains detailed information concerning the investment terms and the risks associated with an investment. Past performance is not an indicator of future results. The potential for loss exists with this investment.**

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. ALL INVESTMENTS IN SECURITIES INVOLVE THE RISK OF LOSS.**