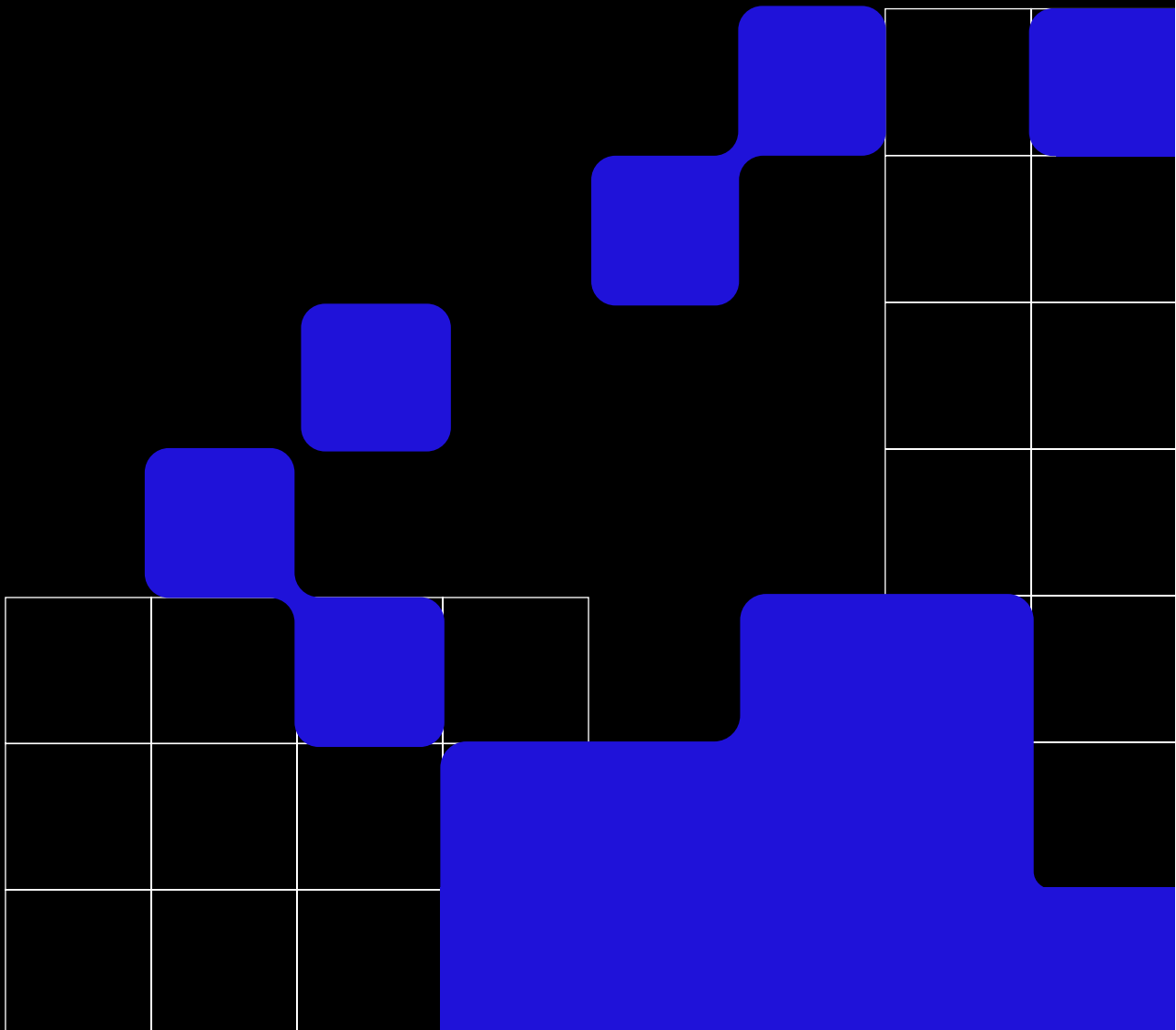


coinshares.com

CoinShares

Q4 2024 REPORT

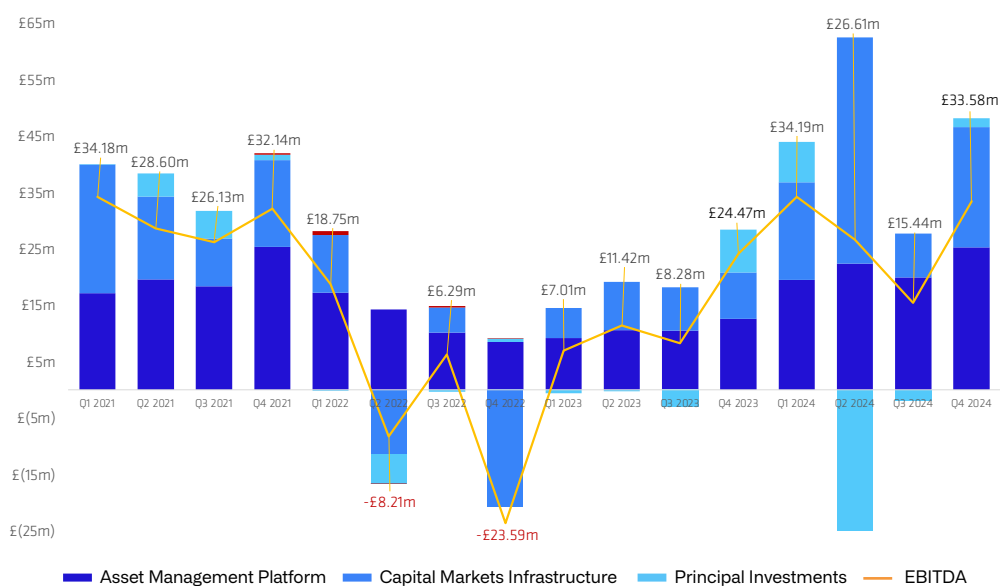


EXECUTIVE SUMMARY

Q4 EBITDA of £33.6 million bringing full year performance to £109.8 million, representing the Company's second-best year on record after 2021

- Revenue for Q4 2024 of **£25.4 million** (Q4 2023: £12.3 million)
- Gains and other income for Q4 2024 of **£22.9 million** (Q4 2023: £19.3 million)
- Net profit for Q4 2024 of **£31.9 million** (Q4 2023: £23.5 million)
- EBITDA for Q4 2024 of **£33.6 million** (Q4 2023: £24.5 million)

Segmental Split of Revenue, Gains and Other Income & EBITDA (GBP)

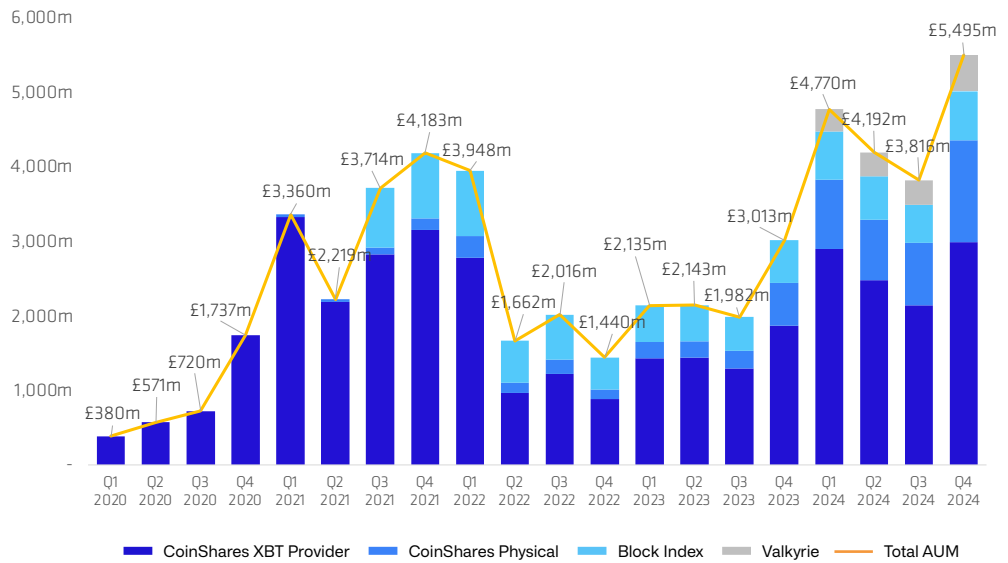


Alternative Performance Measures (APMs)

- Combined **Revenue, Gains and Other Income** for the quarter of **£48.3 million** (Q4 2023: £31.6 million). *Continued strong performance from the core business of the Group, bolstered by strong price action in the quarter with BTC prices peaking at \$108k in mid-December;*
- **Asset Management** fees from the Group's ETPs and Index for the quarter of **£25.3 million** (Q4 2023: £12.6 million). *Strongest quarter for Asset Management on record, with December 2024 being the Group's single best month with management fees in excess of £9.7 million;*
- **Capital Markets** activities resulted in net gains/income of **£21.2 million** (Q3 2023: £11.4 million). *Strongest quarter of the year with solid performance across all activities.*
- **Principal Investments** generated a small gain in Q4 of **£1.8 million** (Q4 2023: £7.6 million). *Small gains on various digital asset holdings have contributed to a small reduction in the cumulative loss for the year;*
- **EBITDA** for Q4 totalled **£33.6 million** (Q4 2023: £24.5 million). *Year-to-date performance following the quarter of £109.8 million; and*
- **EPS** (basic) for Q4 of **£0.48** (Q4 2023: £0.35); EPS (diluted) for Q4 of **£0.45** (Q4 2023: £0.34).

Please refer to page 10 for the full EBITDA calculation of the Group and narrative on the performance for the quarter, page 31 for definitions and pages 33–35 for reconciliations of the Group's APMs.

TOTAL GROUP AUM (GBP)



01

02

03

04

05

06

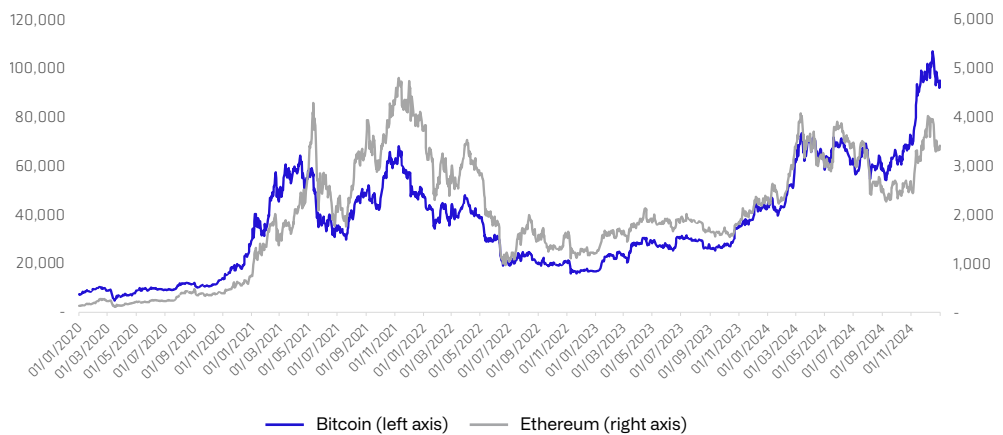
07

08

- Total AUM of the Group as at 31 December 2024 of £5.50 billion, of which £4.36 billion is held on the balance sheet in relation to the Group's ETPs issued by CoinShares XBT Provider and CoinShares Digital Securities Limited. The remaining amount of £1.14 billion is attributable to the BLOCK index and the suite of Valkyrie products;
- The AUM figure has shown a significant increase over Q4 of 44% and over the full year of 82%, giving a closing AUM that is the highest in the Group's history;
- The diversification seen across our Asset Management platform continues to evolve, with the Group becoming less reliant on CoinShares XBT Provider over time. Percentage of overall AUM represented by CoinShares XBT Provider now stands at 54%, compared to 62% as at the start of 2024.

BTC & ETH (USD)

Bitcoin and Ethereum price fluctuations over the same period:



Change in Accounting Policy for Digital Assets

As announced in Q3, there has been a significant change to the Group's accounting policy for digital assets. Historically, the Group classified its digital asset holdings as intangible assets. This classification resulted in large movements in "Other Comprehensive Income" to reflect the change in fair value of the Group's holdings, which resulted in significant distortion of the Group's profit after tax figure on the face of the Statement of Comprehensive Income.

Following a revised assessment of the Group and its activities, we are satisfied that a change in accounting policy to classify its digital asset holdings as either inventory or assets held for hedging is now justified. This change results in all fair value movements in the Group's digital asset holdings to be taken through profit and loss. This, in turn, results in a profit after tax figure that is:

- An accurate reflection of the financial performance of the Group;
- Readily understandable by a wide range of users;
- Remains presented in accordance with IFRS; and
- Easily reconcilable to the Group's EBITDA figure.

Further information has been included within the notes to the interim financial statements uploaded to the Company website, inclusive of the restatement of relevant prior periods.

There has been no change in the Group's approach to calculating its EBITDA figure or other Alternative Performance Measures as a result of this change.

Key Events During the Quarter

- On 3 October 2024, the Company completed a special dividend distribution to its shareholders in light of the sale of the Group's FTX claim. The special dividend of \$31,410,210, represented approximately 86% of the total funds received in respect of the sale. It was distributed together with Group's third instalment of the dividend in respect of the financial performance for 2023.
- On 31 October 2024, the appointment of Lisa Avellini as Group General Counsel was announced.
- On 5 December 2024, the Company announced that the CoinShares Physical Bitcoin ETP (BITC) had become Europe's largest Bitcoin Physical ETP by AUM.

Key Events Following Quarter End

- On 7 January 2025, the fourth and final instalment of the dividend in respect of the financial performance for 2023 was paid to shareholders.
- On 14 January 2025, The Company announced a reduction in the management fees for BITC from 0.35% to 0.25%. This strategic move was made to reinforce BITC's position as Europe's largest Bitcoin physical exchange-traded product (ETP) by assets under management (AUM) and aligns the fee structure with the Company's US-listed CoinShares Valkyrie Bitcoin ETF (NASDAQ: BRRR).
- On 20 January 2025, BTC reached a new all-time high of \$109k.

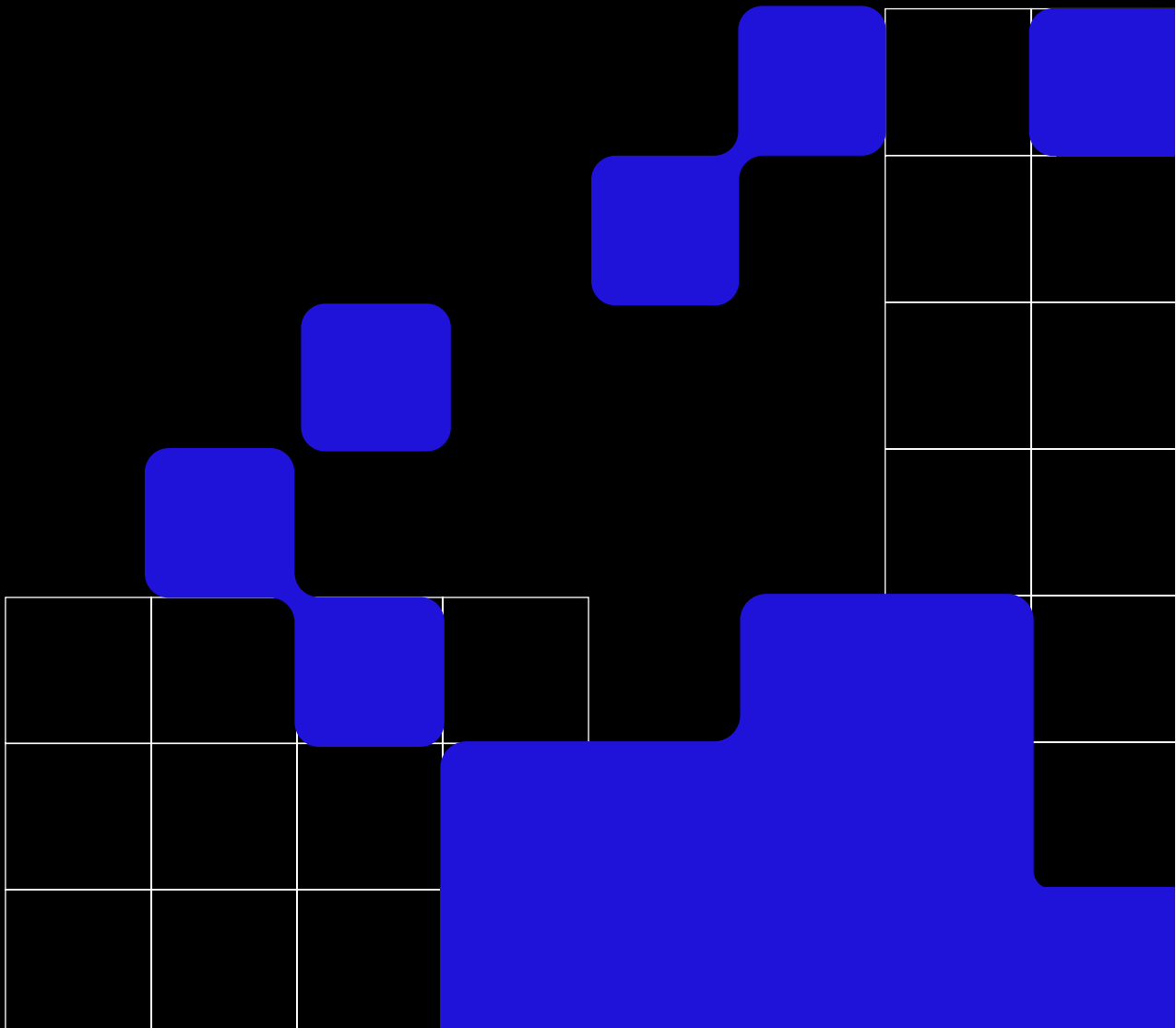
Forthcoming Financial Calendar*

- 30 April 2025 – 2024 Annual Report
- May 13, 2025 – Q1 2025 Earnings Report
- May 30, 2025 – Annual General Meeting
- August 5, 2025 – Q2 2025 Earnings Report
- November 11, 2025 – Q3 2025 Earnings Report
- February 17, 2026 – Q4 2025 Earnings Report

**Dividend dates will be added to the Group's financial calendar once the forthcoming dividend has been proposed by the Board in conjunction with the release of the Group's 2024 full annual report.*

TABLE OF CONTENTS

- 1 - Executive Summary
- 2 - Message from the CEO
- 3 - Board Endorsement
- 4 - Group Performance & APMs
- 5 - Condensed Financial Information (IFRS)
- 6 - Other Information
- 7 - Definitions and APM Reconciliations
- 8 - Historical Quarterly Data



Q4 2024

MESSAGE FROM THE CEO

Q4 2024 has emerged as arguably the most transformative quarter in the history of digital assets, marked by paradigm-shifting policy developments. This was also one of CoinShares' strongest quarters since inception, with our company's performance reflecting this extraordinary momentum. Our EBITDA reached £33.6 million for Q4 (2024 £109.8 million), representing an increase of 37% compared to Q4 2023, and a year-on-year increase versus 2023 of 116%.

Q4 2024 and the beginning of 2025 was probably the most exciting and dynamic time in our industry since its inception, as the United States embarked upon a dramatic policy shift that has fundamentally reshaped the digital asset landscape. The election outcome marked the beginning of a series of transformative developments in Q1 2025: the end of Operation Choke Point 2.0, the groundbreaking Bitcoin Strategic Reserve proposal, the appointment of David Sacks as crypto czar with a dedicated committee, and a new SEC leadership implementing a crypto 2.0 task force led by Senator Lummis. Most notably, the executive order aiming to position the U.S. as a global hub for crypto and AI has fundamentally reshaped the digital asset landscape, culminating in Bitcoin reaching its all-time high.

These developments, alongside the successful launch and performance of Bitcoin and Ethereum ETFs in the U.S. in 2024, validate what I have consistently emphasised in my articles, CEO letters, and op-eds: that the industry would soon be dominated by the U.S., even when sentiment was extremely bearish about crypto adoption by major U.S. players. Maurice Gourdault-Montagne, the former French Ambassador and diplomatic advisor to French presidents, knows the U.S. intimately. In his latest book "The Others Don't Think Like Us" (*Les Autres ne pensent pas comme nous*), he explains that America's extraordinary strength lies in its ability to accomplish complete shifts—and to "execute violently", as General Patton would say—when decisions are made at the highest levels of state.

This is precisely what we are witnessing in the U.S., with profound global implications. Just as Paris and Bernard Arnault's "made in France" influences global fashion, the U.S. dictates new financial paradigms. We are experiencing a fundamental paradigm shift in how crypto is perceived, and this transformation is spreading globally. The recent surge in \$TRUMP and \$MELANIA memecoins, regardless of one's personal views, further exemplifies this paradigm shift and reinforces a clear reality: tokens and tokenisation are eating the world (for a deeper analysis of these trends, I invite you to read my monthly commentary in our new weekly newsletter, to which you can [subscribe on our website](#)).

While there is clearly a zeitgeist favoring Bitcoin and digital assets in general, maintaining perspective is crucial. As market enthusiasm and a sense of urgency grip the industry, CoinShares—with our decade-plus experience spanning multiple market regimes—must continue to plan ahead and position ourselves as a semaphore for investors, both retail and institutional, navigating these transformative times.

This philosophy is reflected in our new brand tagline, "Delivering reason to digital asset investing"—a statement that encapsulates our DNA. The only way to achieve this is to embrace and provide reason, helping our clients navigate with a higher degree of certainty through peaks and troughs. Our mission is to provide the best products, with significant embedded value, make them the most accessible, and deliver unparalleled expertise to help our clients navigate this new asset class. In sum, we add value to this industry by being both a voice of reason and a best-in-class investment company.

After this extensive but important introduction during these extraordinary times for our industry, let us examine our business performance in what has been an equally rich quarter for CoinShares.

Asset Management

Q4 2024 was CoinShares' Asset Management's best quarter ever, generating £25.3m in revenue and closing the year with a record £87.1m. Our CoinShares Physical platform saw \$30m in net inflows this quarter, largely driven by our CoinShares Physical Staked Ethereum and CoinShares Physical XRP ETPs, while total platform assets grew 54% to \$2.3bn. CoinShares XBT faced continued outflows but was offset by strong price appreciation, bringing certificate AuM up 30% to \$3.74bn. In the U.S., net flows for the CoinShares-Valkyrie business were positive at \$19m.

Capital Markets & Hedge Fund Solutions

CoinShares' Capital Markets team delivered another solid quarter, generating gains and other income of £21.2m to bring the full year top-line performance to £57.4m. The final three months of the year were the strongest for the team with excellent results across the various activities undertaken. The trading activities delivered returns of £4.7m, benefiting from market volatility following President Trump's re-election and in anticipation of a favourable environment under pro-crypto policies; for similar reasons, Liquidity Provisioning activity surged towards year-end, contributing £3.5m, while our lending book remained stable at £2.1m. As with the remainder of 2024, staking income has been the largest contributor at £5.6m.

As has been previously announced, we have elected to build a BTC treasury position. While the gains and losses thereon have been recognised within Capital Markets to date (captured within "other gains"), these will be tracked separately moving into 2025. It is important that we report clearly the recurrent revenue generated by the Capital Markets team across a range of market conditions to ensure that business line attracts the multiple it deserves, with performance not being impacted by passive gains or losses on our growing treasury position which now stands at 163 BTC.

Principal Investments

The Group's Principal Investment portfolio increased slightly by £1.8m in Q4, mainly driven by digital asset price movements, particularly Solana. While this marginally reduced the year's cumulative loss, the portfolio remains impacted by the Q2 FlowBank write-down. Komainu, now the largest investment in the portfolio, secured a \$75m strategic investment from Blockstream, reinforcing its growth plans and supporting the carrying value of our holding. With the conclusion of that round of funding, it was an appropriate time for me to step down from their board.

Investor Relations

CoinShares' stock surged by 45.87% in Q4, closely tracking Bitcoin's performance—a correlation not seen in recent years—while daily trading volume jumped from tens to hundreds of thousands of shares dramatically increasing liquidity in the stock. Our strategic treasury accumulation of 163 bitcoins has resonated with investors seeking direct digital asset exposure. Growing market recognition has also driven institutional interest, with increasing engagements from professional investors beyond Sweden and Europe.

Final Thoughts

Over the past three years, we have methodically built robust foundations for our business, establishing strong platforms in both Europe and the United States. These foundations now serve as launchpads for our next phase of growth.

The time has come to fully leverage these platforms through new product offerings and strategic growth initiatives. Our infrastructure is ready, our teams are aligned, and our market positioning has never been stronger.

We find ourselves at what the ancient Greeks called a 'kairos moment—a critical instant when opportunity and preparation meet. The paradigm shift we're witnessing with regards to digital assets presents an unprecedented opportunity, one that rarely occurs in business. As CEO, I recognise my responsibility to seize this moment for our shareholders. The rapid transformation of our industry, coupled with our careful preparation over the years, positions us uniquely to capitalise on this historic moment.

Jean-Marie Mognetti
CEO of CoinShares

01

02

03

04

05

06

07

08

BOARD ENDORSEMENT

The Board and the CEO declare that this report provides a true and fair overview of the Group's operations and its position and describes the material risks and uncertainty factors faced by the Group.

Board of Directors

Daniel Masters - Chairman of the Board
Christine Rankin
Johan Lundberg
Carsten Køppen
Viktor Fritzen

Chief Executive Officer

Jean-Marie Mognetti

REVIEW OPINION

The consolidated condensed interim financial statements for the period ended 31 December 2024 have not been subject to review by the Group's auditors.

A full audit opinion will form part of the Group's 2024 annual report, scheduled for release on 30 April 2025.

01
02
03
04
05
06
07
08

GROUP PERFORMANCE & APMS

Please note that the overview of the Group's performance and business unit performance as disclosed on pages 12 to 16 comprise a number of APMs derived from the Groups Consolidated Statement of Comprehensive Income on page 17. Reconciliations of these APMs are included on pages 33 to 35.

GBP	Quarter ended 31 December 2024	Quarter ended 31 December 2023	Year ended 31 December 2024	Year ended 31 December 2023
Asset management revenue	25,280,414	12,618,787	87,115,045	42,954,234
Capital markets gains & income	21,193,575	11,433,181	57,422,613	29,664,153
Principal investments gain/(loss)	1,778,705	7,555,734	(17,747,225)	3,693,062
Total revenue, gains and other income	48,252,694	31,607,702	126,790,433	76,311,449
Direct costs	(5,892,555)	(1,467,828)	(13,379,248)	(5,687,494)
Administrative expenses	(8,781,414)	(5,673,755)	(32,367,897)	(19,753,544)
Exceptional items	-	-	28,787,099	-
EBITDA	33,578,725	24,466,119	109,830,386	50,870,411
<i>EBITDA (%)</i>	<i>70%</i>	<i>77%</i>	<i>87%</i>	<i>67%</i>
Depreciation/amortisation	(577,754)	(358,542)	(2,360,134)	(3,202,933)
EBIT	33,000,971	24,107,577	107,470,252	47,667,478
Finance expense	(840,888)	(458,811)	(2,379,354)	(504,978)
Taxation	(217,182)	(137,572)	(716,875)	(573,670)
Net Profit	31,942,902	23,511,194	104,374,023	46,588,830
<i>Net profit (%)</i>	<i>66%</i>	<i>74%</i>	<i>87%</i>	<i>67%</i>
Currency translation differences	14,731,820	(7,739,541)	3,167,809	(8,192,795)
Total comprehensive income	46,674,721	15,771,653	107,541,832	38,396,035

Following a Q3 that saw a return to stability, Q4 has built upon this momentum, with the core parts of the business continuing to generate strong performance, enhanced materially by the price action we saw moving towards the end of the year.

Combined revenue, gains, and other income for Q4 stand at £48.3 million, bringing the year-to-date total to £126.8 million. Excluding the loss seen within Principal Investments, the topline split between Asset Management and Capital Markets is roughly 60/40, a trend that we have seen consistently over the years. This is a good reflection of the ability of the Group's Capital Market's team to successfully leverage the balance sheet of the Group over time, regardless of market conditions.

The Group's Asset Management platform delivered its best quarter on record in Q4, with revenue reaching £25.3 million (Q4 2023: £12.6 million). December alone marked the best-ever month in the platform's history, generating £9.7 million (December 2023: £4.5 million). XBT Provider contributed 74% of quarterly revenue and 77% of the year's total (2023: 90%), continuing to represent a significant portion of the business unit's performance. However, the ongoing proportional decline in XBT's contribution underscores the success of our diversification strategy within the platform.

This performance was achieved despite the competitive fee structures of our newer products and a backdrop of net XBT outflows. While price action obviously played the key role in this success, inflows into CS Physical & Valkyrie products also emerged as key contributors.

Capital Markets activities delivered a total contribution of £21.2 million in Q4, marking the best quarter of the year. The strong performance was driven by solid results across all activities.

We have recognised a small gain within our Principal Investments portfolio for the quarter (which is the net result of multiple movements) although performance for the year is still materially negative following the sizeable write-down of FlowBank seen during Q2 2024.

While our underlying cost base has remained relatively stable, various one-off items in Q4 have resulted in an increase in both direct costs and admin expenses.

Direct costs have shown an increase due to increased custody fees on higher AUM, increased trading fees due to higher levels of trading and also due to the reallocation of issuer costs for Valkyrie of circa £1.3m following the completion of the integration of these activities into the wider Group.

Additionally, direct costs were impacted by the establishment of a £1.5 million Expected Credit Loss (ECL) provision, introduced at year-end in response to the growth in the Group's lending activities. The recognition of this provision has resulted in a notable impact on the P&L, but now it has been established the ongoing P&L impact of its increase/decrease will be less material in nature.

Administrative costs have also risen significantly in Q4. This was primarily driven by a bonus accrual of £2.5 million, reflecting the Group's strong performance.

The Group delivered EBITDA of £33.6 million for Q4, bringing the year-to-date total to £109.8 million, a significant achievement for 2024.

Similarly, net profit for Q4 stood at £31.9 million, resulting in a year-to-date net profit of £104.4 million.

Additionally, favourable movements in the USD/GBP exchange rate during Q4 reversed the cumulative loss recognized as of the end of Q3 and resulted in a small gain of £3.2 million at year-end.

Further analysis of both the Asset Management platform and the Capital Markets activities are included on pages 12 and 14 respectively. Additionally, a breakdown of the core holdings within the Group's Principal Investments portfolio has been included on page 16.

(I) ASSET MANAGEMENT PLATFORM

GBP	Quarter ended 31 December 2024	Quarter ended 31 December 2023	Year ended 31 December 2024	Year ended 31 December 2023
CoinShares XBT Provider	18,680,158	11,882,240	67,098,615	39,527,681
CoinShares Physical	5,497,268	407,690	16,608,418	2,029,732
Block index	439,182	328,857	1,736,117	1,396,821
Valkyrie funds	663,806	-	1,671,894	-
Total	25,280,414	12,618,787	87,115,045	42,954,234
Direct costs	(3,428,379)	(889,784)	(7,522,442)	(3,203,771)
Gross profit	21,852,034	11,729,003	79,592,603	39,750,463
<i>Gross profit margin</i>	<i>86%</i>	<i>93%</i>	<i>91%</i>	<i>93%</i>
Administrative expenses	(2,464,532)	(1,200,802)	(6,781,256)	(4,288,454)
Operating profit	19,387,503	10,528,201	72,811,347	35,462,009
<i>Operating profit margin</i>	<i>77%</i>	<i>83%</i>	<i>84%</i>	<i>83%</i>

Total management fees of £25.3 million (Q4 2023: £12.6 million). As previously noted, we have seen our strongest quarter on record and, within this period, our strongest month on record. This has contributed to our full year performance of £87.1 million (2023: £43.0 million), which is also the strongest rolling 12-month period since inception.

This improved performance is primarily driven by price action but is also obviously aided by the ongoing expansion/diversification of the product offering within the Group. We continue to move towards our goal of placing less reliance on CoinShares XBT Provider as the primary source of management fees for the Group. It now represents 77% (2023: 92%) of overall fees within the business unit.

The profit margin of the Asset Management Platform as a whole remains very healthy, although has declined marginally vs. 2023, particularly within Q4. This is due to increased issuer costs as a result of the Valkyrie acquisition, totalling £1.4 million for the year. The platform itself is therefore now profitable at the gross margin level (having generated fees of £1.7 million in the period since acquisition).

Admin costs have shown a year-on-year increase due to growth of the team (again, primarily due to the addition of Valkyrie) and certain associated costs, but still remain low compared to our peers, demonstrating the lean nature of the costs base and scalability of the overall platform.

CoinShares XBT Provider

XBT fees for the quarter amounted to £18.7 million (Q4 2023: £11.9 million). The level of outflow we saw on the products over Q4 amounts to \$369.8 million, bringing total annual outflow to \$774.1 million. We have observed the usual trend of increased outflow during periods of price appreciation, with XBT holders redeeming to realise significant gains. Still, however, the underlying unique number of holders continues to grow as more people enter the product at smaller volumes than those redeeming.

Total AUM for CoinShares XBT Provider still saw a material increase over the quarter, despite these outflows, of 33.5% from \$2.81 billion (£2.14 billion) to closing AUM of \$3.75 billion (£2.98 billion).

CoinShares Physical

CoinShares Physical has posted its strongest quarter on record, with management fees (inclusive of revenue generated from staking fees) of £5.5 million (Q3 2023: £0.4 million). A core driver for this performance (as previously mentioned) was the introduction of staking capabilities on the CS Physical Ethereum product, which has brought a material benefit to both CoinShares and noteholders alike.

This performance has also been aided from ongoing inflow into the product suite, amounting to \$35.4 million (£28.2 million) in the quarter, bringing the total inflow for 2024 to \$164.9 million (£131.4 million).

The flows for both of our ETP product suites and those of our key competitors are published in our Weekly Digital Funds Flows Report available on our website.

Additionally, the level of AUM held within each of our products is disclosed and subject to daily attestation by LedgerLens, an independent firm's solution embedded into our website designed to provide additional transparency and comfort to all our stakeholders.

Valkyrie

Fees of £664k in the quarter have brought total management fees since the Group's Q1 acquisition to £1.7 million. These revenues, spread across the four ETFs within the Valkyrie product suite, have been aided (as with the wider Asset Management portfolio) by price action in the quarter, despite a small amount of net outflow of \$16.9 million (£13.5 million).

The closing AUM across these four ETFs as at the end of Q4 stands at \$606.2 million (£483.3 million).

Block Index

The Block Index has generated fees of £439k, which has been consistent over the course of 2024 and continues to perform well when compared to its peers.

The overall net flow seen on the Group's product suites, combined with price movements in the quarter have resulted in an increase in external AUM for the Group from £3.82 billion to £5.50 billion.

(II) CAPITAL MARKETS INFRASTRUCTURE

GBP	Quarter ended 31 December 2024	Quarter ended 31 December 2023	Year ended 31 December 2024	Year ended 31 December 2023
Liquidity Provisioning	3,515,809	428,530	7,470,067	1,446,479
Delta Neutral Trading Strategies	4,731,776	890,485	12,667,241	5,009,488
Digital Asset Lending	2,130,702	647,562	8,137,677	3,733,685
Staking	5,641,401	8,035,789	23,260,751	20,425,784
Other	5,173,886	1,430,815	5,886,880	(951,283)
Total	21,193,575	11,433,181	57,422,615	29,664,153
Direct costs	(2,448,283)	(174,075)	(5,793,419)	(1,282,456)
Exceptional items	-	-	28,787,099	-
Gross Profit	18,745,292	11,259,106	80,416,294	28,381,697
<i>Gross profit margin*</i>	85%	98%	90%	96%
Administrative expenses	(1,175,755)	(787,762)	(3,676,993)	(3,470,721)
Operating Profit	17,569,537	10,471,344	76,739,302	24,910,976
<i>Operating profit margin</i>	83%	92%	84%	84%

* YTD gross/operating profit margin excluding exceptional items

The topline performance of the Group's Capital Markets business unit in Q4 represents the strongest quarterly performance since Q1 2021, generating other income/gains of £21.2 million (Q4 2023: 11.4 million). The entirety of 2024 has evidenced the benefit that a diversification of activities can bring, and Q4 is no exception.

The strong Q4 performance has brought the YTD topline for Capital Markets to £57.4 million (2023: £29.7 million). This topline figure is exclusive of the exceptional item of £28.8 million which arose from the successful sale of the Group's FTX claim as announced during Q2 which in turn led to the special dividend that was paid at the end of Q3.

The largest contributor to the performance of the Capital Markets business unit remains our ETH staking activities, resulting in rewards for the quarter of circa £5.6 million, bringing the year-to-date total to £23.3 million (2023: £20.4 million). We stated within our Q3 report that we expected the full year staking yields to be in excess of that seen in 2023 and are happy to report that this is indeed the case.

Liquidity Provisioning started the year very strong due to the high levels of flow experienced on CoinShares XBT Provider. This decreased somewhat moving into Q2 and even more-so into Q3, but has shown a material increase during Q4, with gains during the quarter amounting to £3.5 million (Q4 2023: £0.4 million).

As these gains are ultimately driven by gross flows on XBT Provider, the price action during Q4 has led to high levels of gross flow on XBT and, in turn, increased liquidity provisioning opportunities.

While gross flows on the product represent a key component of this activity, the support provided to the product by the trading team is what ultimately allows the Group to benefit, while simultaneously ensuring sufficient support is provided to the XBT noteholders.

While Delta Neutral Trading Strategies saw muted opportunities during Q3, the volatility seen in the market presented a variety of opportunities that the Capital Markets team were able to successfully leverage, resulting in performance for the quarter of £4.7 million (Q4 2023: £0.9 million), bringing the full year performance to £12.7 million (2023: £5.0 million). This is a strong testament to the ability of the trading team when it comes to leveraging our balance sheet to the best of our abilities when the opportunity allows.

Digital asset lending has continued to show consistent performance with income of £2.1 million for Q4. This consistency arises from the fact that our digital asset lending capacity is largely driven by our risk framework which sets amounts in fiat regardless of digital asset prices (aside from in times of extreme volatility during which this amount is reduced). We continue to only interact with a small number of high-quality counterparties to mitigate counterparty risk.

Finally, it is noted as at the end of 2024 the previous BTC treasury position of 78 BTC as at the end of Q3 has now increased over 100% to 163 BTC as at the end of the financial year.

Gains/losses on the treasury BTC will be tracked separately from Capital Markets moving into 2025. It is important that we report clearly the recurrent revenue generated by the Capital Markets team across a range of market conditions to ensure that business line attracts the multiple it deserves, with performance not being impacted by passive gains or losses on our growing treasury position.

(III) PRINCIPAL INVESTMENTS – GAINS/(LOSSES)

GBP	Quarter ended 31 December 2024	Quarter ended 31 December 2023	Year ended 31 December 2024	Year ended 31 December 2023
Joint Venture Loss	-	(3,076,167)	(19,813,328)	(10,590,566)
Equity Principal Investments Gain/(Loss)	531,576	8,107,497	(737,430)	11,365,752
Digital Asset/SAFT/SAFE Gain	945,712	2,320,104	2,274,184	2,630,587
Other	301,418	(82,989)	529,349	-
Total	1,778,705	7,268,445	(17,747,225)	3,405,773

The Group's Principal Investment portfolio has shown an increase over Q4 of approximately £1.8 million.

The majority of this positive move has been driven by digital asset price movements on the holdings within the portfolio, namely Solana. The small positive move towards the end of the year has marginally reduced the cumulative loss for the year, which is due to the write-down on FlowBank seen during Q2 2024.

Despite no change to the carrying value, Komainu (which is now the largest investment within the portfolio) recently announced the completion of a fundraising round with a material strategic investment being made by Blockstream, totalling \$75 million subject to relevant regulatory approvals. The funding enables Komainu to accelerate its international strategic growth plans whilst adopting and integrating technologies developed by Blockstream to maximise efficiencies and enhance client services in collateral management and tokenisation. The funding round has served to provide further comfort over the carrying value of our holding.

EQUITY INVESTMENTS - 2024 MOVEMENTS

	1 January 2024	Additions/ (Disposals)	Gain/ (Loss)	Translation FX	31 December 2024
3iQ Digital Asset Management (3iQ)	4,396,991	(4,400,649)	3,658	-	-
WAO Fintech	3,794,065	-	(1,027,452)	36,204	2,802,817
Komainu Holdings Limited	11,017,996	-	-	-	11,017,996
FlowBank	19,755,297	-	(19,755,297)	-	-
CoinShares Fund II – carried interest*	5,429,067	(195,425)	(352,152)	-	4,881,489
Other holdings	530,791	186,861	578,728	(29)	1,296,352
	44,924,207	(4,409,214)	(20,552,514)	36,175	19,998,654

DIGITAL ASSET INVESTMENTS - 2024 MOVEMENTS

	1 January 2024	Additions/ (Disposals)	Gain/ (Loss)	Translation FX	31 December 2024
Solana	1,329,750	102,667	1,741,085	72,524	3,246,026
Goose FX	205,602	-	(189,877)	1,442	17,168
Arkadiko	208,088	6,693	(145,169)	3,502	73,113
Metaplex	164,824	(29,329)	(28,939)	(834)	105,722
RSS3	1,104,242	(1,124,463)	588,107	66,099	633,986
Other	1,511,452	(595,181)	(84,836)	10,529	841,965
	4,523,958	(1,639,613)	1,880,371	153,262	4,917,980

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The following information on pages 17 to 22 is presented in accordance with IFRS unless otherwise stated.

GBP	Quarter ended 31 December 2024	Quarter ended 31 December 2023	Year ended 31 December 2024	Year ended 31 December 2023
Revenue	25,396,175	12,330,586	87,332,805	43,082,721
Cost of sales	(5,892,555)	(1,467,828)	(13,379,248)	(5,687,494)
Gross profit	19,503,620	10,862,758	73,953,556	37,395,227
Administrative expenses	(9,359,168)	(6,032,297)	(34,728,031)	(22,956,477)
Other operating income	8,375,221	8,771,937	34,090,605	27,274,329
Gain on digital assets held as inventory	530,723,456	540,727,505	1,001,751,370	893,186,482
Gain on digital assets held for collateral purposes	682,612,952	273,067,447	917,939,568	393,430,630
Loss on certificate liability	(1,505,508,412)	(902,600,659)	(2,396,252,307)	(1,470,485,132)
Other operating gains through profit and loss	306,121,725	94,123,819	502,479,150	188,837,891
Operating profit	32,469,395	18,920,509	99,233,911	46,682,950
Impairment reversals	-	60,160	28,787,099	60,160
Fair value gain/(loss) on investments through profit and loss	531,576	8,344,598	(737,430)	11,365,752
Fair value loss on investments in joint ventures/associates	-	(3,076,167)	(19,813,328)	(10,590,566)
Finance costs	(1,828,930)	(2,107,951)	(9,021,684)	(6,902,019)
Finance income	988,042	1,600,964	6,642,330	6,397,041
Profit before tax	32,160,083	23,742,113	105,090,898	47,013,318
Taxation	(217,182)	(137,572)	(716,875)	(573,670)
Profit after tax	31,942,902	23,604,541	104,374,023	46,439,648
Other comprehensive income/(losses)				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	14,731,820	(7,739,541)	3,167,809	(8,192,795)
	14,731,820	(7,739,541)	3,167,809	(8,192,795)
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Fair value gain on financial assets through other comprehensive income	-	(93,347)	-	149,182
	-	(93,347)	-	149,182
Total other comprehensive income/(loss)	14,731,820	(7,832,888)	3,167,809	(8,043,613)
Total comprehensive income	46,674,721	15,771,653	107,541,832	38,396,035
Earnings per share (basic)	0.48	0.35	1.57	0.69
Earnings per share (diluted)	0.45	0.34	1.49	0.65

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

GBP	31 December 2024	31 December 2023
ASSETS		
Non-current assets		
Property, plant and equipment	2,408,065	3,065,552
Digital assets	-	1,331,614
Goodwill	2,247,287	941,507
Other intangible assets	8,858,113	9,716,511
Investments	19,998,654	25,110,879
Investments in joint ventures and associates	-	19,813,328
Trade and other receivables	1,256,818	328,614
Other non-current assets	894,377	2,211,742
	35,663,315	62,519,747
Current assets		
Cash and cash equivalents	19,859,572	25,507,944
Trade and other receivables	3,065,872	2,241,203
Digital assets held as inventory	1,772,302,078	1,568,409,229
Digital assets held for collateral purposes	1,854,666,995	807,441,130
Other current assets	1,112,162,513	266,093,775
	4,762,057,029	2,669,693,281
Total assets	4,797,720,344	2,732,213,028
LIABILITIES		
Current liabilities		
Certificate liability	(4,171,982,360)	(2,351,475,523)
Amounts due to brokers	(79,011,258)	(669,402)
Trade and other payables	(10,551,751)	(5,612,218)
Other current liabilities	(199,728,161)	(108,940,878)
Current lease liabilities	(583,820)	(563,633)
Current tax liabilities	(91,987)	(156,970)
	(4,461,949,337)	(2,467,418,624)
Net current assets	300,107,692	202,274,657
Non-current liabilities		
Non-current lease liabilities	(1,801,699)	(2,404,272)
Non-current loans	(19,654,267)	(23,145,127)
	(21,455,966)	(25,549,399)
Total liabilities	(4,483,405,303)	(2,492,968,023)
Net assets	314,315,041	239,245,005
EQUITY		
Share capital	33,006	33,667
Share premium	30,223,904	30,690,938
Other reserves & retained earnings	284,058,131	208,520,400
Total equity	314,315,041	239,245,005

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GBP	Share capital	Share premium	Other reserves	Retained earnings	Total equity
At 1 January 2023	33,766	30,781,210	22,136,272	150,789,862	203,741,110
Profit for the period	-	-	-	46,439,648	46,439,648
Other comprehensive (loss)/income for the period	-	-	(8,192,795)	149,182	(8,043,613)
Total comprehensive (loss)/income	-	-	(8,192,795)	46,588,830	38,396,035
Share buybacks	-	-	(4,216,180)	-	(4,216,180)
Share based payments	-	-	1,324,818	-	1,324,818
Share cancellations	(99)	(90,272)	551,399	(461,028)	-
Share options exercised	-	-	(20,610)	19,832	(778)
Total transactions with owners	(99)	(90,272)	(2,360,573)	(441,196)	(2,892,140)
Transfer of revaluation reserve	-	-	-	-	-
Total transfer of revaluation reserve	-	-	-	-	-
At 31 December 2023	33,667	30,690,938	11,582,904	196,937,496	239,245,005
At 1 January 2024	33,667	30,690,938	11,582,904	196,937,496	239,245,005
Profit for the period	-	-	-	104,374,023	104,374,023
Other comprehensive income for the period	-	-	3,167,809	-	3,167,809
Total comprehensive income	-	-	3,167,809	104,374,023	107,541,832
Share buybacks	-	-	(268,994)	-	(268,994)
Share option related charges	-	-	-	199,319	199,319
Share based payments	-	-	1,047,092	-	1,047,092
Share cancellations	(730)	(665,835)	3,863,258	(3,259,809)	(63,116)
Share options exercised	69	198,801	-	-	198,870
Dividends paid	-	-	-	(33,584,967)	(33,584,967)
Total transactions with owners	(661)	(467,034)	4,641,356	(36,645,457)	(32,471,796)
Transfer of revaluation reserve	-	-	-	-	-
Total transfer of revaluation reserve	-	-	-	-	-
At 31 December 2024	33,006	30,223,904	19,392,069	264,666,062	314,315,041

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

GBP	Year ended 31 December 2024	Year ended 31 December 2023
Cash flows from operating activities		
Profit after income tax expense	104,374,023	46,439,648
Adjustments for:		
Gain on digital assets	(1,919,690,938)	(1,286,617,112)
Loss on certificate liability	1,910,518,913	1,470,485,132
Depreciation & amortisation	3,992,396	3,202,933
Share-based payment expense	1,000,202	1,324,818
Net finance costs/(income)	2,379,354	(3,322,004)
Income tax expense	716,875	573,670
Other operating gains through profit and loss	(44,475,516)	(210,914,504)
Loss/(gain) on investments and joint ventures	20,433,395	(775,186)
Gain on foreign exchange	(17,241,651)	(3,156,213)
	62,007,053	17,241,182
Changes in working capital:		
Trade receivables and other assets	(344,398,261)	82,860,609
Trade payables and other liabilities	614,119	651,049
	(281,777,089)	100,752,840
Changes in operating activities:		
Net sales/(purchases) of digital assets	887,215,173	(62,412,704)
Net purchases of certificate liabilities	(666,292,213)	(137,854,204)
Cash used in operations	(60,854,129)	(99,514,068)
Finance costs paid	(8,577,981)	(6,614,612)
Movement in income tax payable	(249,110)	(650,644)
Net cash flow used in operating activities	(69,681,220)	(106,779,324)
Cash flows from investing activities		
Net purchase of intangible assets	(1,186,747)	(1,127,343)
Acquisition of subsidiaries	21,423	-
Disposal of investments	3,877,557	-
Net purchase of property, plant and equipment	(144,884)	(264,111)
Finance income	6,616,515	8,299,340
Net cash generated from investing activities	9,183,864	6,907,886
Cash flows from financing activities		
Issue of shares	247,348	-
Increase on net amounts due to brokers	76,839,497	669,401
Repayment of long term loan	(2,165,776)	(61,488)
Lease related payments	(586,905)	(666,353)
Share option liquidations	392,836	(14,307)
Share buybacks	(268,994)	(3,651,252)
Dividends paid	(32,813,569)	-
Net cash generated from/(used in) financing activities	41,644,437	(3,724,000)
Net decrease in cash and cash equivalents	(18,852,920)	(103,595,438)
Cash and cash equivalents		
At the beginning of the year	25,507,944	134,768,903
Effects of currency translation on cash and cash equivalents	13,204,547	(5,665,521)
At the end of the year	19,859,572	25,507,944
Cash and cash equivalents comprise		
Cash at bank	5,764,446	6,660,753
Amounts due from brokers	5,743,370	16,270,974
Amounts due from exchanges	8,351,756	2,576,217
At the end of the period	19,859,572	25,507,944

Q4 2024 - OPERATING SEGMENTS

GBP	Asset Management	Capital Markets	Principal Investments	Group Costs	Total
Revenue	25,280,414	-	115,761	-	25,396,175
(Loss)/gain on certificate liability	(1,505,508,412)	-	-	-	(1,505,508,412)
Gain on digital assets & financial instruments	1,505,508,412	13,004,010	945,712	-	1,519,458,134
Investment gains	-	-	531,576	-	531,576
Other operating income	-	8,189,565	185,656	-	8,375,221
Total revenue, gains & other income	25,280,414	21,193,575	1,778,705	-	48,252,694
Cost of sales	(3,428,379)	(2,448,283)	(15,892)	-	(5,892,555)
Exceptional items	-	-	-	-	-
Gross profit	21,852,034	18,745,292	1,762,813	-	42,360,139
Finance costs/income	-	-	-	(840,888)	(840,888)
Other admin expenses	(2,464,532)	(1,175,755)	-	(5,718,882)	(9,359,168)
Profit/(loss) before tax	19,387,503	17,569,537	1,762,813	(6,559,769)	32,160,083
Income tax expense					(217,182)
Exchange differences on translation of foreign operations					14,731,820
Total comprehensive income					46,674,721

Q4 2023 - OPERATING SEGMENTS

GBP	Asset Management	Capital Markets	Principal Investments	Group Costs	Total
Revenue	12,618,787	(288,201)	-	-	12,330,586
Loss on certificate liability	(902,600,659)	-	-	-	(902,600,659)
Gain on digital assets & financial instruments	902,600,659	2,904,660	2,320,104	-	907,825,424
Investment gains	-	-	5,268,431	-	5,268,431
Other operating income	-	8,489,764	282,173	-	8,771,937
Total revenue, gains & other income	12,618,787	11,106,223	7,870,708	-	31,595,719
Cost of sales	(889,784)	(578,044)	-	-	(1,467,828)
Exceptional items	-	60,160	-	-	60,160
Gross profit	11,729,003	10,588,339	7,870,708	-	30,188,051
Finance costs/income	-	-	-	(506,987)	(506,987)
Other admin expenses	(1,200,802)	(787,762)	-	(4,043,734)	(6,032,297)
Profit/(loss) before tax	10,528,201	9,800,578	7,870,708	(4,550,721)	23,648,766
Income tax expense					(137,572)
Exchange differences on translation of foreign operations					(7,739,541)
Total comprehensive income					15,771,653

2024 - OPERATING SEGMENTS

GBP	Asset Management	Capital Markets	Principal Investments	Group Costs	Total
Revenue	87,115,045	-	217,760	-	87,332,805
Loss on certificate liability	(2,396,252,307)	-	-	-	(2,396,252,307)
Gain on digital assets & financial instruments	2,396,252,307	23,332,008	2,585,773	-	2,422,170,088
Investment losses	-	-	(20,550,758)	-	(20,550,758)
Other operating income	-	34,090,605	-	-	34,090,605
Total revenue, gains & other income	87,115,045	57,422,613	(17,747,225)	-	126,790,433
Cost of sales	(7,522,442)	(5,793,419)	(63,387)	-	(13,379,248)
Exceptional items	-	28,787,099	-	-	28,787,099
Gross profit/(loss)	79,592,603	80,416,293	(17,810,612)	-	142,198,283
Finance costs/income	-	-	-	(2,379,354)	(2,379,354)
Other admin expenses	(6,781,256)	(3,676,993)	-	(24,269,782)	(34,728,031)
Profit/(loss) before tax	72,811,347	76,739,300	(17,810,612)	(26,649,137)	105,090,898
Income tax expense					(716,875)
Exchange differences on translation of foreign operations					3,167,809
Total comprehensive income					107,541,832

2023 - OPERATING SEGMENTS

GBP	Asset Management	Capital Markets	Principal Investments	Group Costs	Total
Revenue	42,954,234	128,487	-	-	43,082,721
Loss on certificate liability	(1,470,485,132)	-	-	-	(1,470,485,132)
Gain on digital assets & financial instruments	1,470,485,132	4,659,388	310,483	-	1,475,455,003
Investment gains	-	-	924,368	-	924,368
Other operating income	-	33,671,370	-	-	33,671,370
Total revenue, gains & other income	42,954,234	38,459,245	1,234,851	-	82,648,330
Cost of sales	(3,203,771)	(2,483,723)	-	-	(5,687,494)
Exceptional items	-	60,160	-	-	60,160
Gross profit	39,750,463	36,035,682	1,234,851	-	77,020,996
Finance costs/income	-	-	-	(6,902,019)	(6,902,019)
Other admin expenses	(4,288,454)	(3,470,721)	-	(15,197,302)	(22,956,477)
Profit/(loss) before tax	35,462,009	32,564,961	1,234,851	(22,099,321)	47,162,500
Income tax expense					(573,670)
Exchange differences on translation of foreign operations					(8,192,795)
Total comprehensive income					38,396,035

OTHER INFORMATION

Basis of Preparation

The condensed consolidated financial information included on pages 17 to 22 within this report has been prepared in accordance with IAS 34.

New IFRS accounting standards effective from 1 April 2024:

- Amendment to IFRS 16 – Leases on sale and leaseback
- Amendment to IAS 1 – Non-current liabilities with covenants
- Amendment to IAS 7 and IFRS 7 – Supplier finance
- Amendments to IAS 21 – Lack of Exchangeability

New IFRS accounting standards effective from 1 January 2025:

- Amendment to IAS21 - determining the exchange rate when a currency lacks exchangeability

The new standards will not have a material impact on the financial statements of the Group.

Change in Accounting Policy - Digital Assets

Please note - this change was actioned in the Group's Q3 earnings report but has been repeated here due to its material impact on the presentation of the Group's financial information.

Within the Consolidated Financial Statements, the Group has reflected a change in the accounting policy applied to digital assets.

This policy change has been made to allow for improved reliability and relevancy of the financial information within the Group's consolidated accounts, while remaining presented in accordance with IFRS aligning more closely to its conceptual framework.

Previously, digital assets held were treated as intangible assets through the revaluation model under IAS38. The digital assets held by the Group are now designated as either:

- Digital assets held as inventory
- Digital assets held for collateral purposes

Further information on these accounting policy changes are included within the Group's interim financial statements available on the Company website. The impact on profit/(loss) after tax as a result of the policy change has resulted in a change to the Group's EPS as per above. The combined effect of the policy leads to improved understandability of the Group's financial statements, financial performance and financial health.

Parent Company

Under Article 105(11) of the Companies (Jersey) Law 1991, the directors of a holding company need not prepare separate financial statements. Accordingly, these condensed interim financial statements present the consolidated results of the Group, headed by the Company.

Seasonal Variations

The Group's activities and financial performance are not impacted by seasonality. The activities of the Group are impacted by ongoing developments within the digital asset ecosystem, including (but not limited to) (i) digital asset price fluctuations, (ii) regulatory matters arising in a variety of jurisdictions, and (iii) competing products and services.

Personnel

The number of employees as at the reporting date was 91 (31 December 2023: 82).

Operating Segments

The Group comprises three core operating segments from which it earns both revenues/gains and incurs expenses, being:

- Asset Management
- Capital Markets
- Principal Investments

The Group does not monitor its assets and liabilities split by operating segment, but rather on a consolidated basis. This is the measure reported to the Group's Chief Executive, being the Group's chief operating decision maker, for the assessment of segment performance.

Operating segment performance is included on pages 21 and 22 of this report.

Revenue & Other Operating Income

GBP	year ended 31 December 2024	year ended 31 December 2023
Management fees	87,115,045	42,954,234
Other revenue	217,760	128,487
	87,332,805	43,082,721
Other operating income	34,090,605	27,274,329
Total revenue & other operating income	121,423,410	70,357,050

Cost of Sales

GBP	year ended 31 December 2024	year ended 31 December 2023
Trading expenses	3,108,691	1,494,707
Direct finance costs	1,487,322	-
Issuer fees	3,182,521	1,148,568
Custody fees	3,738,553	1,397,770
Direct salary costs	1,862,161	1,646,449
Total Cost of Sales	13,379,248	5,687,494

Administrative Expenses

GBP	year ended 31 December 2024	year ended 31 December 2023
Salary costs	10,662,374	8,289,331
Bonus accrual	6,334,334	2,391,973
Legal fees	980,634	765,124
Professional fees	2,458,639	2,201,172
Marketing	4,243,193	2,582,142
IT expenses	2,142,174	1,928,391
Depreciation of right of use assets	792,683	1,413,058
Amortisation of Block Index	1,395,344	1,563,972
Entertainment expense	172,671	107,559
Travel expense	939,999	718,549
Other expenses	4,605,987	995,206
Total administrative expenses	34,728,031	22,956,477

Digital assets held as inventory

GBP	year ended 31 December 2024	year ended 31 December 2023
Bitcoin	937,057,629	887,349,323
Ethereum	789,590,450	663,799,791
Other digital assets	45,653,999	17,260,115
Total digital assets held as inventory	1,772,302,078	1,568,409,229

Digital assets held as inventory represent digital assets held to either (i) trade in accordance with the Collateral Management Agreement in respect of the XBTP product suite, or (ii) as investments with a view to sell in order to generate realised gains.

Digital assets held for collateral purposes

GBP	year ended 31 December 2024	year ended 31 December 2023
Bitcoin	1,052,792,736	485,502,619
Ethereum	324,165,984	153,170,663
Solana	264,360,862	111,864,490
Other digital assets	213,347,413	56,903,358
Total digital assets held for collateral purposes	1,854,666,995	807,441,130
<i>Adjusted for:</i>		
Held by CSDSL in respect of product seeds	670,274,626	328,545,373
Digital assets held in respect of CSDS external noteholders	1,184,392,369	478,895,757

Digital assets held for collateral purposes are held to collateralise the exchange traded products issued by its wholly owned subsidiary CSDSL. The assets therefore have an equivalent liability owing to the holders of these products, which include amounts held by CSCMJL.

Investments

GBP	Investments in Associates	Investments in Listed Equities	Other Investments Through P&L	Other Investments Through OCI	Total
At 31 December 2023	19,813,328	611	19,681,201	5,429,067	44,924,207
Additions	-	-	659,011	-	659,011
Disposals	-	-	(5,068,224)	-	(5,068,224)
Transfers	-	-	5,429,067	(5,429,067)	-
Fair value gain through profit and loss	-	-	(739,186)	-	(739,186)
Fair value gain through other comprehensive income	-	-	-	-	-
Share of joint venture gains	(19,813,328)	-	-	-	(19,813,328)
Exchange differences	-	-	36,175	-	36,175
At 30 June 2024	-	611	19,998,043	-	19,998,654

The Group has classed investments under the fair value hierarchy as follows.

GBP	31 December 2023	Movements in equity	Gain/(loss) on investments	31 December 2024
Level 1	611	-	-	611
Level 2	5,429,067	(195,425)	(352,152)	4,881,490
Level 3	19,681,201	(4,213,789)	(350,859)	15,116,554
Total Investments held at fair value	25,110,879	(4,409,214)	(703,011)	19,998,654
Associates	19,813,328	-	(19,813,328)	-
Total Investments valued using the equity method	19,813,328	-	(19,813,328)	-
Total Investments	44,924,207	(4,409,214)	(20,516,339)	19,998,654

Level 1 and 2 valuations and inputs

The finance department performs quarterly valuations of the Group's investments that are classified as Level 1 and 2 within the fair value hierarchy, utilising market data (investments in listed equities) and observable inputs (CoinShares Fund II - carried interest and investments held at cost or price of recent investment that may subsequently be reclassified to Level 3). Discussions of valuation processes and results are held between the Chief Financial Officer, Audit & Risk Committee and the Board once every quarter, in line with the Group's reporting periods.

Level 3 valuations and inputs

The finance department performs quarterly valuations of the Group's investments that are classified as Level 3 within the fair value hierarchy, utilising a range of observable and unobservable inputs. Discussions of valuation processes and results are held between the Chief Financial Officer, Audit & Risk Committee and the Board once every quarter, in line with the Group's reporting periods.

The main Level 3 inputs used by the Group are derived and evaluated as follows:

- price of recent investment;
- earnings multiples, estimated based on market information for similar types of companies;
- AUM multiples, estimated based on market information for similar types of companies; and
- percentage ownership of net asset value of the investee company.

Trade Receivables & Other Current Assets

GBP	31 December 2024	31 December 2023
Trade receivables		
Accounts receivable	1,770,347	1,323,766
Amounts owed by related parties	32,396	33,875
Deposits paid	34,287	118,944
Prepayments	1,113,529	591,433
VAT receivable	115,313	173,185
Total trade receivables	3,065,872	2,241,203
Other assets		
Digital asset ETPs and funds	952,665,878	211,384,245
Other assets	159,496,635	54,709,530
Total other assets	1,112,162,513	266,093,775
Total trade receivables and other assets	1,115,228,385	268,334,978

Trade Payables and Other Current Liabilities

GBP	31 December 2024	31 December 2023
Other current liabilities		
Solana seed	165,734,008	92,117,829
OTC Trades	6,213,611	7,761,682
Algorand Foundation	-	2,734,526
Other borrowings	26,212,433	54,306
Amounts due to exchange	744,915	5,335,392
Fund liabilities to external investors	823,194	937,143
Total trade and other payables	199,728,161	108,940,878
Trade and other payables		
Accounts payable	1,126,248	1,004,360
Accrued liabilities	9,425,503	4,607,858
Total other current liabilities	10,551,751	5,612,218
Total trade payables and other current liabilities	210,279,912	114,553,096

Certificate Liability

	Q4 2024 Number	Y/E 2023 Number	Q4 2024 £	Y/E 2023 £
Certificate type				
Bitcoin Tracker One	2,713,492	3,468,999	966,606,753	537,280,975
Bitcoin Tracker Euro	332,913	432,477	1,182,787,868	666,988,025
Ether Tracker One	12,287,008	15,309,343	308,359,910	255,254,209
Ether Tracker Euro	2,119,967	2,487,963	529,835,462	413,056,557
CoinShares Physical Bitcoin	8,555,086	9,339,130	627,584,221	301,998,264
CoinShares Physical Staked Ethereum	2,803,190	1,718,953	226,743,566	91,269,305
CoinShares Physical Litecoin	607,000	401,500	9,482,593	4,470,073
CoinShares Physical XRP	1,831,780	874,300	117,143,738	16,404,468
CoinShares Physical Staked Polkadot	1,698,100	557,500	10,677,276	4,084,656
CoinShares Physical Staked Tezos	839,000	564,000	4,871,644	2,415,298
CoinShares Physical Staked Solana	6,181,100	3,652,100	105,548,344	31,071,177
CoinShares Physical Chainlink	8,021,000	3,111,000	12,808,282	3,652,266
CoinShares Physical Uniswap	6,190,000	2,310,000	6,480,074	1,336,096
CoinShares Physical Staked Cardano	34,472,500	22,705,000	25,574,702	11,272,945
CoinShares Physical Staked Cosmos	694,500	374,500	2,018,473	1,724,979
CoinShares Physical Staked Polygon	1,443,500	568,500	5,916,163	4,758,310
CoinShares Physical Staked Algorand	5,026,000	2,161,000	14,655,197	3,939,541
CoinShares Physical Top 10 Crypto Market	114,000	25,000	3,088,774	346,970
CoinShares Physical Smart Contract Platform	121,000	10,000	2,741,429	151,409
CoinShares Finanzen.net Top 10 Crypto ETP	730,000	-	9,057,891	-
			4,171,982,360	2,351,475,523

GBP	31 December 2024	31 December 2023
CoinShares XBT Provider - Bitcoin	2,149,394,620	1,204,269,000
CoinShares XBT Provider - Ethereum	838,195,371	668,310,766
Total CoinShares XBT Provider	2,987,589,992	1,872,579,766
CoinShares Physical Bitcoin	627,584,221	301,998,264
CoinShares Physical Staked Ethereum	226,743,566	91,269,305
CoinShares Physical Staked Solana	105,548,344	31,071,177
CoinShares Physical Other	224,516,237	54,557,011
Total CoinShares Physical	1,184,392,369	478,895,757
Total	4,171,982,360	2,351,475,523

Issue, Repurchases and Repayments of Equity

During the period, the following share issuances, share option issuances, share splits, share redemptions and share options lapses occurred.

GBP	Share cap and premium	Options	Treasury Shares	Fully diluted share cap
At 31 December 2023	30,724,605	4,323,974	(3,879,635)	31,168,944
Share option expense	-	1,068,269	-	1,068,269
Share buybacks	-	-	(268,994)	(268,994)
Share cancellations	(666,565)	-	3,926,374	3,259,809
Share options exercised	198,870	(243,431)	222,255	177,694
Share options liquidated	-	(63,116)	-	(63,116)
At 31 December 2024	30,256,910	5,085,696	-	35,342,606

	Shares in issue number	Options number	Fully diluted share cap number
At 31 December 2023	68,013,771	3,687,944	71,701,715
Shares issued	-	-	-
Shares cancelled	(1,474,631)	-	(1,474,631)
Options issued	-	115,000	115,000
Options lapsed	-	(75,095)	(75,095)
Options cancelled	-	(48,409)	(48,409)
Options exercised	139,070	(222,217)	(83,147)
At 31 December 2024	66,678,210	3,457,223	70,135,433

Related Party Transactions

The following related party transactions occurred during the period.

FlowBank Holdings SA ('FlowBank') is an associate with the Group. On 13 June 2024, FlowBank SA, a subsidiary of FlowBank had its licence as a bank and securities dealer withdrawn by the Swiss Financial Market Supervisory Authority ('FINMA'). As such, the Group decided to fully impair its investment in FlowBank resulting in an impairment charge of £21,813,042.

CSGP2L is the General Partner to CoinShares Fund II LP ('CS2LP'). The Group has recognised carried interest as at the year end of £4,881,489 which is held as an investment.

The Group has an investment in Komainu Holdings Limited ('KHL') of which Mr Jean-Marie Mognetti was a director and shareholder. The Group has a recharge agreement with KHL which allows for use of office facilities. £121,000 has been charged for the year of which £11,000 is outstanding at the year end.

Komainu (Jersey) Limited ('KJL'), a wholly owned subsidiary of KHL provides custodial services to the Group. During the year, the Group paid fees to KJL of £2,859,578 of which £347,749 was outstanding at the year end.

Gold Token SA ('GTSA') is an investment (former associate) of the Group. The Group has settled expenditure on behalf of GTSA in the year of £1,603 of which £nil remains outstanding at year end.

CSGP2L, a subsidiary of the Group, acts as General Partner of CS2LP. In this capacity, it receives quarterly an amount of one quarter of two percent of the net asset value of CS2LP. During the year £126,760 has accrued for this fee, of which £32,394 was outstanding at the year end.

Mr Richard Nash is a person discharging managerial responsibility and a shareholder of the Group. During the year, the Group undertook trades on his behalf of £117,713. As at the year end, the Group held 3 BTC (£224,526) on his behalf.

Mr Daniel Masters is the Group's Chairman and a shareholder of the Group. During the year, the Group undertook trades on his behalf in various assets equating to £6,177,858. As at the year end the Group held nil assets owed to Mr Masters. The Group also holds a receivable from Mr Masters and one other person jointly of US\$37,183 (£29,639) in relation to an investment that was transferred using the Group as a broker. Mr Masters also has a holding in CS2LP. As at the end of the year, Mr Masters's holding is valued at £5,270,140. As at year end, £10,417 is payable in regards to this. The Group has also paid amounts on behalf of Mr Masters which is repaid regularly. The Group has paid £1,615 on his behalf, of which £243 is receivable at the year end.

Mr Jean-Marie Mognetti is the Group's Chief Executive Officer and a shareholder of the Group. During the year the Group undertook trades on his behalf of £213,552. As at the year end the Group held 9.08 BTC valued at £679,476 due to Mr Mognetti.

Mr Johan Lundberg is a non-executive director of the Group. During the year the Group undertook trades on his behalf of equating to £50,227. As at the year end the Group held nil assets owed to Mr Lundberg.

As at the year end no amounts remained payable other than those disclosed above.

DEFINITIONS

CSDS	CoinShares Digital Securities Limited, the issuer of the CoinShares Physical suite of ETPs
BLOCK	CoinShares Blockchain Global Equity Index
XBT	XBT Provider AB, the issuer of the XBT suite of ETPs
GBP	British Pound Sterling
USD	United States Dollar
EUR	Euro
SEK	Swedish Krona
AUM	Assets under Management
Delta Neutral Trading Strategies	Strategies undertaken by the Capital Markets team in order to generate fair value and other gains for the Group, which are designed to take no directional trading risk
DeFi	Decentralised finance
ETP	Exchange traded product
Fiat	Money made legal tender by government decree

ACCOUNTING DEFINITIONS

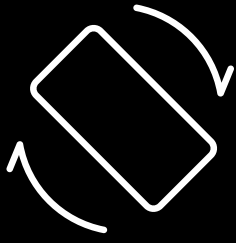
APM	Alternative performance measures (see below)
FVTPL	Fair value through profit and loss
JV	Joint venture
OCI	Other comprehensive income
SOCI	Statement of comprehensive income

ALTERNATIVE PERFORMANCE MEASURES

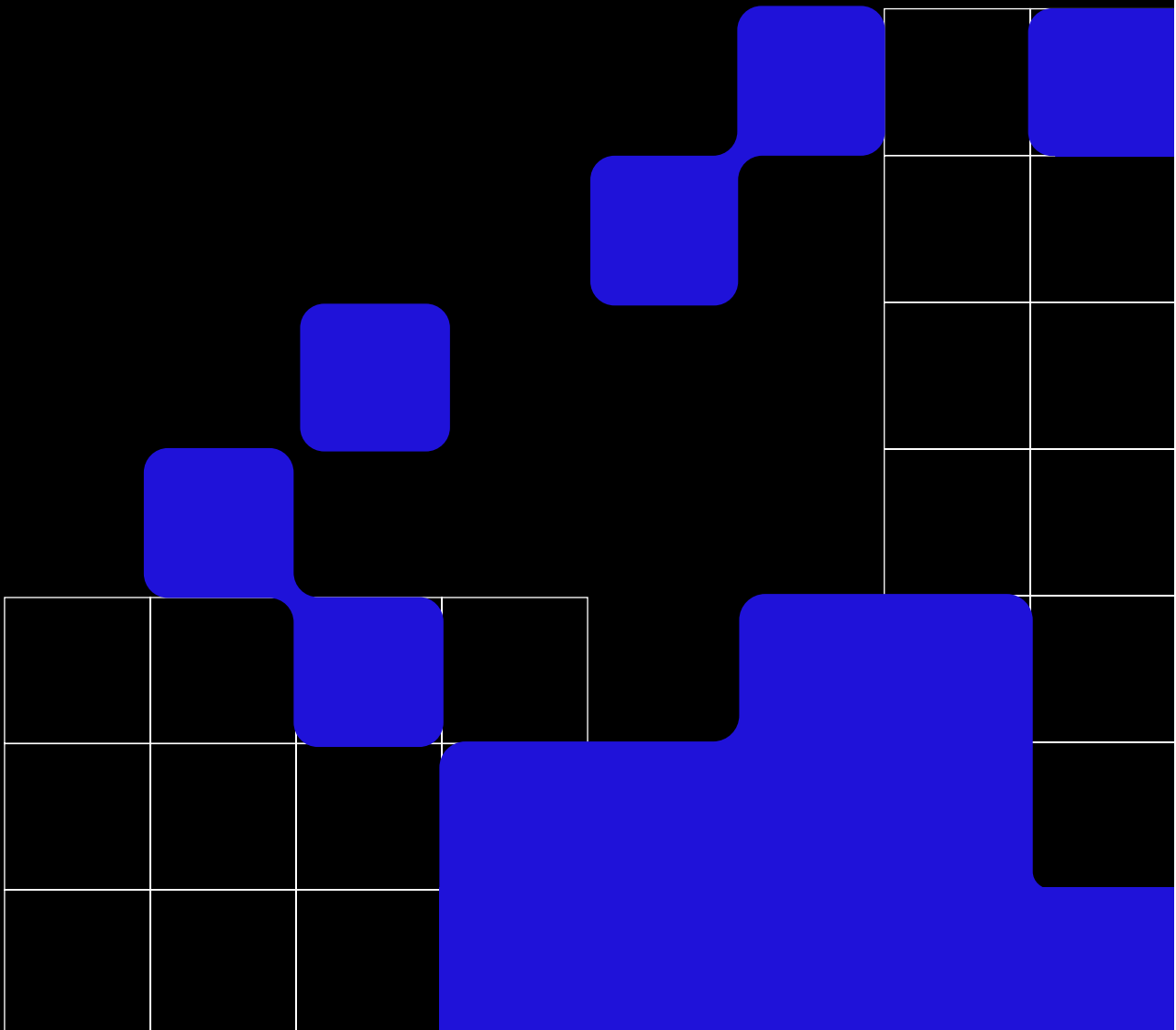
The Group's financial statements are prepared under IFRS. The performance of the Group is further illustrated by alternative performance measures ("APMs").

The APMs adopted in this report, which are derived from the Group's SOCI are disclosed below.

EBITDA	The Group's Earnings, before finance costs, taxation, depreciation, amortisation and other movements through OCI
EBIT	The Group's Earnings, before finance costs, taxation, and other movements through OCI
Revenue, Gains & Other Income	The combined (i) revenue, (ii) investment gains, (iii) finance income, (iv) other income and (v) net fair value gains on digital assets and financial instruments generated by the Group less administrative costs excluding depreciation and amortisation
Direct costs	Costs directly attributable to the activities undertaken by the various operating segments of the Group in order to generate gains/revenue/other income.
Asset Management Fees	The revenue of the group, generated by the XBT and CSDS ETP programmes
Capital Markets Gains	Together, the Groups finance income, net fair value gains on digital assets and financial instruments and other income
Principal Investment Gains	Together the movement in the fair value of the Group's investments, JVs, associates and certain proprietary digital assets



APM RECONCILIATIONS



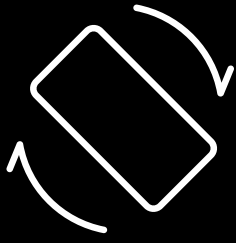
ALTERNATIVE PERFORMANCE MEASURES – RECONCILIATION TO IFRS FIGURES

The table below provides reconciliations for each of the Group's alternative performance measures back to the statement of comprehensive income, presented in accordance with IFRS.

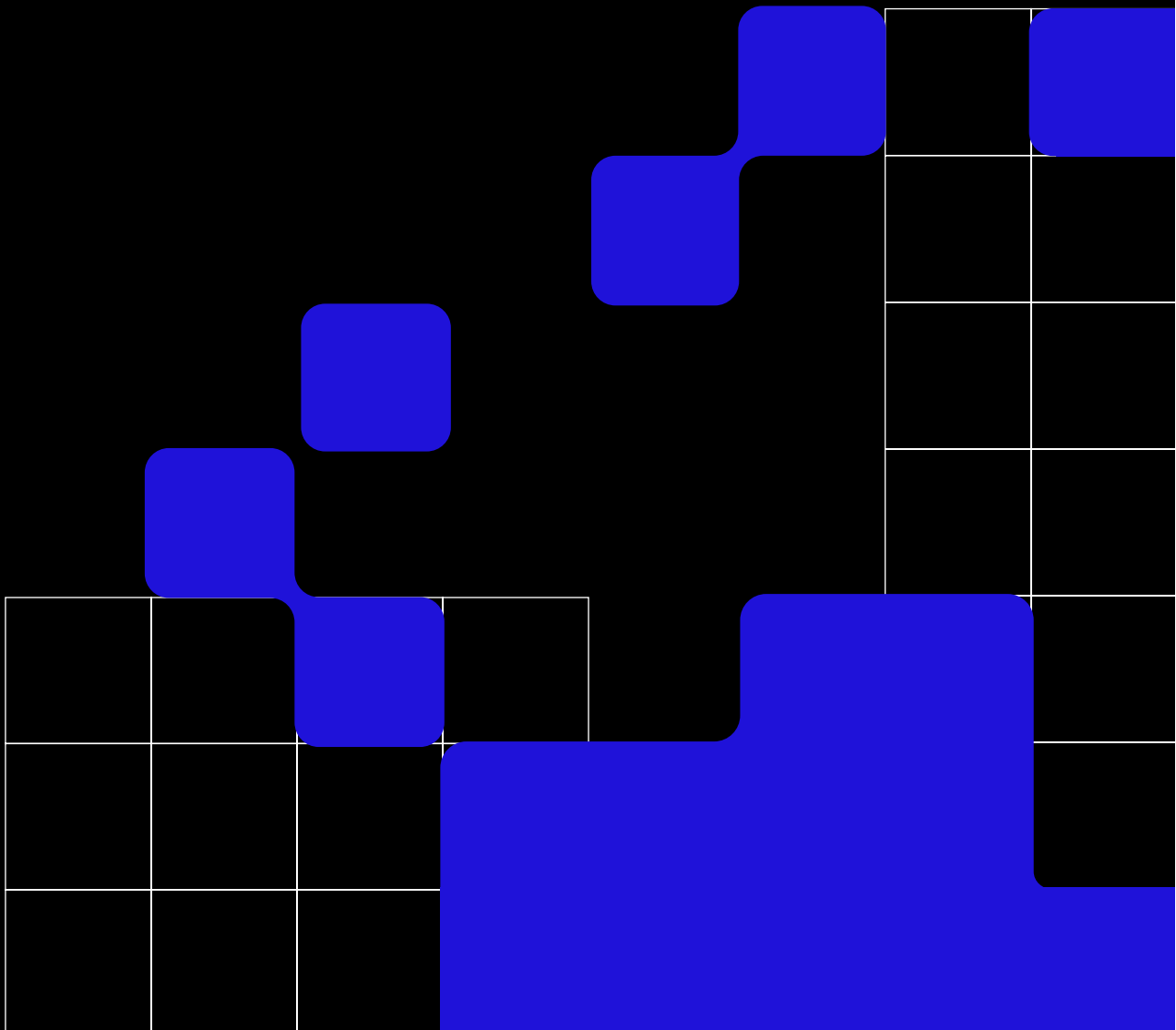
GBP	Q4 2024	Q4 2023	FY 2024	FY 2023
IFRS	31,942,902	23,604,541	104,374,023	46,439,648
remove	840,888	458,811	2,379,354	504,978
remove	577,754	358,542	2,360,134	3,202,933
remove	217,182	137,572	716,875	573,670
add	-	(93,347)	-	149,182
APM - 1	33,578,725	24,466,119	109,830,386	50,870,411
add back	(577,754)	(358,542)	(2,360,134)	(3,202,933)
APM - 2	33,000,971	24,107,577	107,470,252	47,667,478
IFRS	25,396,175	12,330,586	87,332,805	43,082,721
add	8,375,221	8,771,937	34,090,605	27,274,329
add	(1,505,508,412)	(902,600,659)	(2,396,252,307)	(1,470,485,132)
add	530,723,456	540,727,505	1,001,751,370	893,186,482
add	682,612,952	273,067,447	917,939,568	393,430,630
add	306,121,725	94,123,819	502,479,150	188,898,051
add	531,576	8,344,598	(737,430)	11,365,752
add	-	(3,076,167)	(19,813,328)	(10,590,566)
add	-	(93,347)	-	149,182
APM - 3	48,252,694	31,595,718	126,790,433	76,311,449

GBP	Q4 2024	Q4 2023	FY 2024	FY 2023
IFRS	Revenue	12,330,586	87,332,805	43,082,721
remove	Revenue allocated to Capital Markets	(288,201)	-	128,487
remove	Revenue allocated to Principal Investments	-	217,760	-
APM - 4	Asset Management fees	12,618,787	87,115,045	42,954,234
IFRS	Gain/(loss) on digital assets held as inventory	530,723,456	1,001,751,370	893,186,482
IFRS	Gain/(loss) on digital assets held for collateral purposes	682,612,952	917,939,568	393,430,630
Sum	Total	1,213,336,408	1,919,690,938	1,286,617,112
remove	Gain/(loss) on digital assets allocated to Principal Investments	(945,712)	(2,320,104)	(310,483)
add	Revenue allocated to Capital Markets	-	(288,201)	128,487
add	(Loss)/gain on financial instruments	(1,199,386,687)	(808,476,841)	(1,281,647,241)
add	Other operating income allocated to Capital Markets	8,189,565	8,489,764	27,274,329
add	Fair value gain on financial assets through other comprehensive income	-	(93,347)	149,182
APM - 5	Capital Markets gains	21,193,575	57,422,613	32,211,386
IFRS	Gain/(loss) on investments	531,576	8,344,598	11,365,752
add	Share of joint ventures and associate (losses)/gains	-	(3,076,167)	(10,590,566)
add	Other revenue/gains/income	301,418	(82,989)	-
add	Gain/(loss) on digital assets	945,712	2,320,104	-
APM - 6	Principal investment gains	1,778,705	7,505,546	775,186

GBP		Q4 2024	Q4 2023	FY 2024	FY 2023
APM - 4	Asset Management fees	25,280,414	12,618,787	87,115,045	42,954,234
<i>add</i>	<i>Direct costs</i>	<i>(3,428,379)</i>	<i>(889,784)</i>	<i>(7,522,442)</i>	<i>(3,203,771)</i>
<i>add</i>	<i>Admin expenses</i>	<i>(2,464,532)</i>	<i>(1,200,802)</i>	<i>(6,781,256)</i>	<i>(4,288,454)</i>
APM - 4b	Operating Profit (Asset Management)	19,387,503	10,528,201	72,811,347	35,462,009
APM - 5	Capital Markets gains	21,193,575	11,433,181	57,422,615	29,664,153
<i>add</i>	<i>Direct costs</i>	<i>(2,448,283)</i>	<i>(174,075)</i>	<i>(5,793,419)</i>	<i>(1,282,456)</i>
<i>add</i>	<i>Admin expenses</i>	<i>(1,175,755)</i>	<i>(787,762)</i>	<i>(3,676,993)</i>	<i>(3,470,721)</i>
<i>add</i>	<i>Exceptional items</i>	<i>-</i>	<i>-</i>	<i>28,787,099</i>	<i>-</i>
APM - 5b	Operating Profit (Capital Markets)	17,569,537	10,471,344	76,739,302	24,910,976



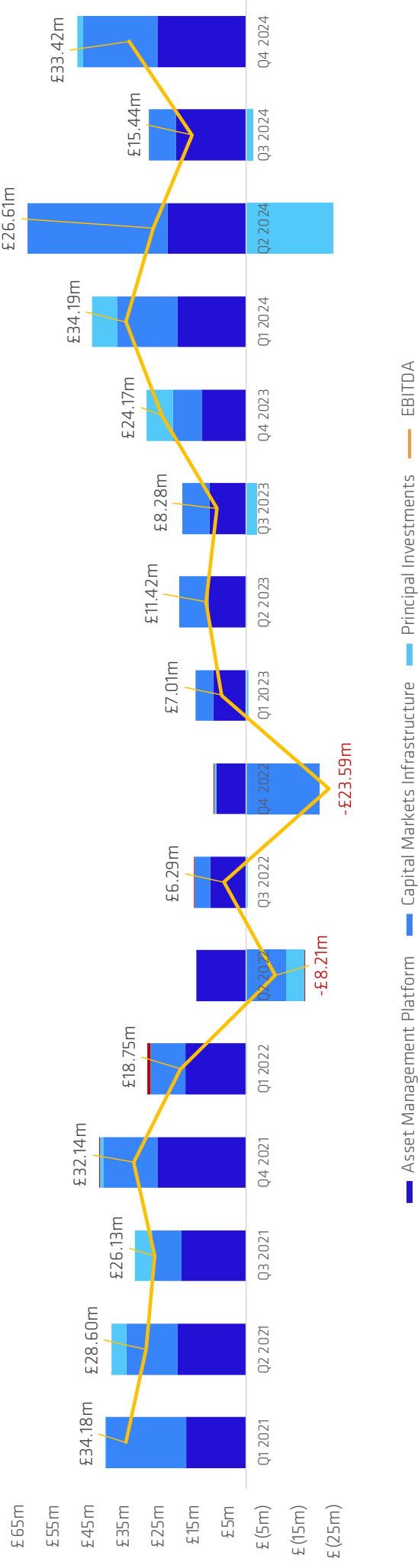
HISTORICAL QUARTERLY DATA



2021-2024 QUARTERLY PERFORMANCE (GBP)

GBP	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	
Asset Management Platform	17,118,330	19,558,183	18,388,113	25,330,792	17,244,783	14,228,366	10,143,485	8,474,255	9,233,528	10,599,639	10,502,280	12,618,787	19,511,821	22,404,492	19,918,318	25,280,414	
Capital Markets Infrastructure	22,771,557	14,657,815	8,449,548	15,356,022	10,166,694	(11,435,479)	4,461,721	(20,751,382)	5,246,991	8,541,384	7,703,687	11,433,181	17,259,924	40,031,577	7,730,671	21,193,575	
Principal Investments	23,823	4,118,423	4,831,260	946,832	(146,455)	(5,113,390)	(306,045)	649,395	(596,219)	(219,459)	(3,046,994)	7,555,734	7,127,953	(24,792,546)	(1,861,338)	1,778,705	
Consumer Platform (ceased 2023)	-	-	-	297,312	697,306	(107,846)	270,745	76,479	-	-	-	-	-	-	-	-	-
Total	39,913,710	38,334,421	31,668,921	41,930,958	27,962,328	(2,428,349)	14,569,906	(11,551,253)	13,884,300	18,921,564	15,158,973	31,607,702	43,899,698	37,649,523	25,787,652	48,252,694	
Expenses	(5,729,792)	(9,730,555)	(5,535,624)	(9,793,260)	(9,213,823)	(5,779,607)	(8,284,459)	(2,040,368)	(6,876,596)	(7,502,723)	(6,883,111)	(7,141,583)	(9,705,168)	(11,028,872)	(10,345,171)	(14,673,969)	
EBITDA	34,183,918	28,603,866	26,133,297	32,137,698	18,748,505	(8,207,956)	6,285,447	(23,591,621)	7,007,704	11,418,841	8,275,862	24,466,119	34,194,530	26,614,651	15,442,480	33,578,725	
EBITDA (%)	86%	75%	82%	77%	68%	n/a	44%	n/a	50%	60%	55%	77%	78%	71%	60%	70%	

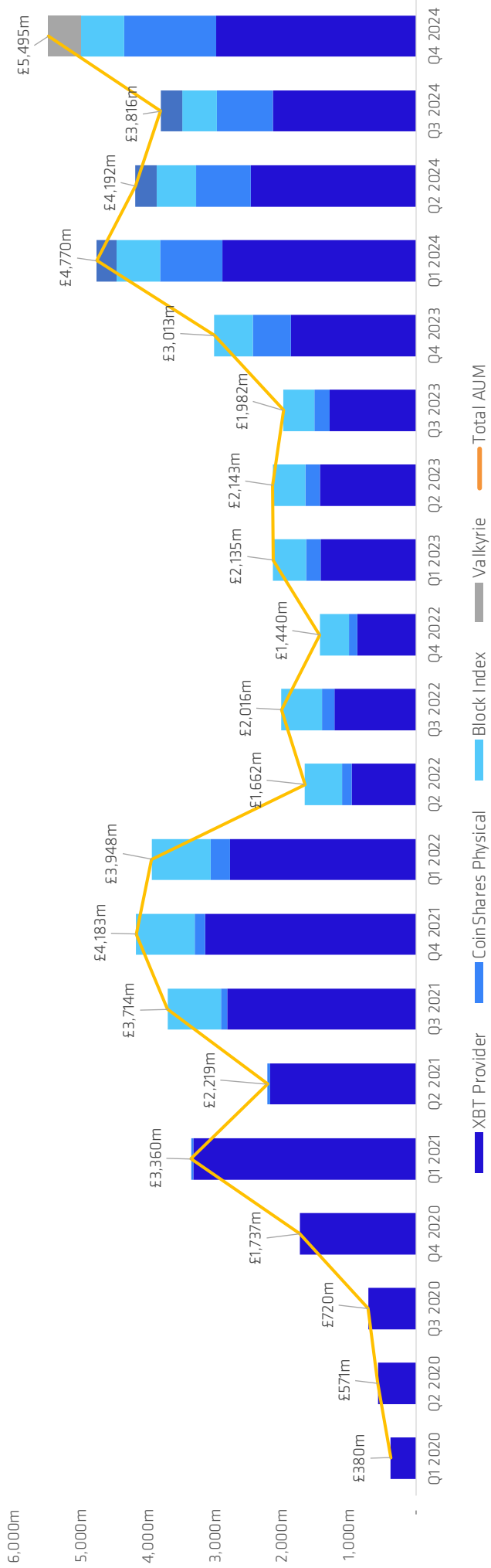
SEGMENTAL SPLIT OF REVENUE, GAINS, OTHER INCOME & EBITDA (GBP)



ASSET MANAGEMENT PLATFORM AUM (GBP)

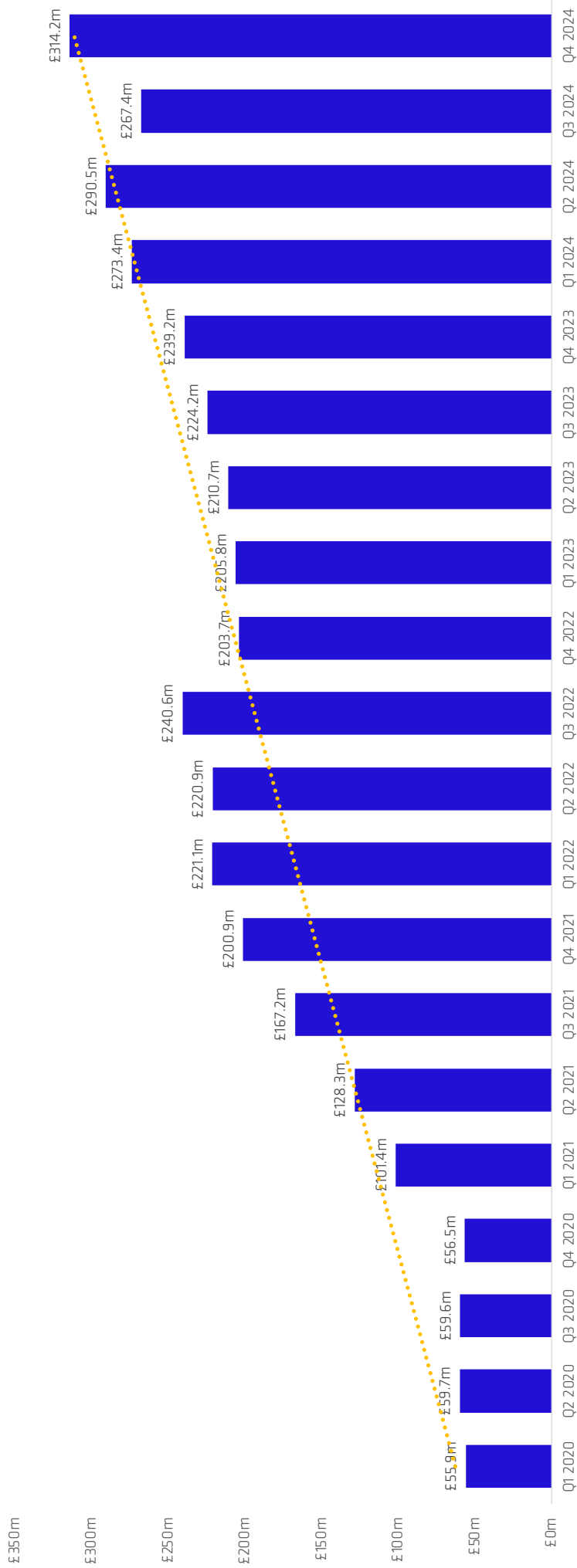
GBP	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
CoinShares	379,809,288	570,967,991	719,597,059	1,737,393,745	3,324,044,649	2,180,564,420	2,825,779,657	3,152,268,378	2,779,982,364	963,937,533	1,216,144,555	877,691,278	1,431,966,962	1,433,395,599	1,295,366,290	1,869,818,152	2,892,700,80	2,474,878,693	2,138,053,514	2,987,589,992
XBT Provider	-	-	-	-	38,393,156	38,393,156	90,384,222	150,254,999	292,237,831	199,808,078	193,710,525	128,702,849	215,615,768	225,502,475	229,807,906	567,255,359	932,085,823	815,921,278	835,959,010	1,369,899,742
CoinShares Physical	-	-	-	-	-	-	-	798,217,118	880,466,340	875,706,190	605,865,292	433,876,700	487,304,800	484,369,841	457,153,631	576,143,647	646,351,200	583,407,518	514,561,676	654,659,639
Block Index	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	299,269,561	317,459,497	327,500,000	483,260,000
Valkyrie	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total AUM	379,809,288	570,967,991	719,597,059	1,737,393,745	3,360,069,817	2,218,957,576	3,714,380,997	4,182,989,777	3,947,926,386	1,661,699,531	2,015,720,371	1,440,270,827	2,194,887,531	2,143,267,915	1,982,329,826	3,013,217,159	4,770,407,384	4,191,666,986	3,816,074,199	5,495,409,373

TOTAL AUM (GBP)



GROUP NET ASSET POSITION (GBP)

GBP	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Group net asset position	55,887,285	59,720,816	59,643,045	56,542,355	101,398,326	128,325,326	167,179,132	200,993,632	221,065,628	220,853,918	240,621,841	203,741,110	205,813,358	210,667,579	224,171,363	239,245,005	273,415,369	290,493,453	267,394,010	314,315,041



CoinShares

CONTACT

CoinShares International Limited

2nd Floor

2 Hill Street

St Helier

Jersey, JE2 4UA

Channel Islands

Website: coinshares.com

Email: enquiries@coinshares.com

