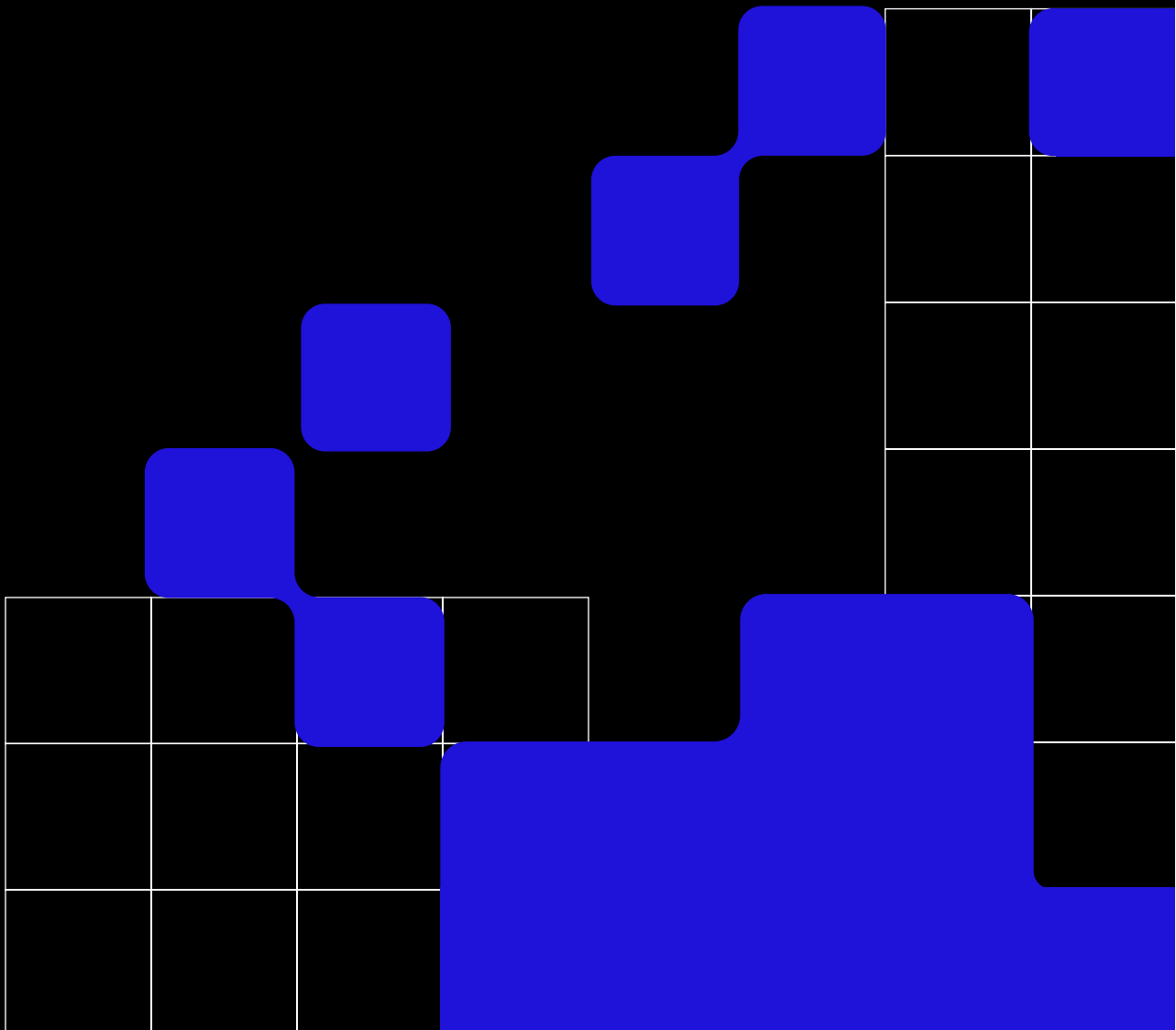


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CoinShares

Q1 2023 REPORT

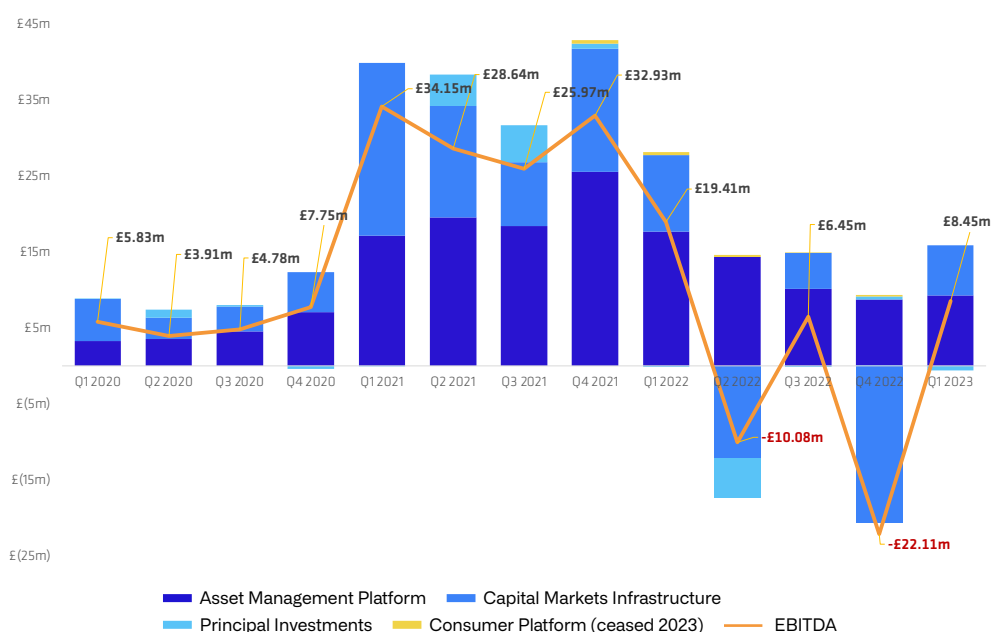


EXECUTIVE SUMMARY

Q1 2023 has seen a return to profitability in a challenging and complex environment, demonstrating the robust nature of the Group's underlying business model.

- Revenue for Q1 2023 of **£9.4 million** (Q1 2022: £18.0 million)
- Gains and Other Income of **£5.9 million** (Q1 2022: £11.2 million)
- Total comprehensive income for Q1 2023 of **£2.9 million** (Q1 2022: £20.7 million)
- Adjusted EBITDA of **£8.5 million** (Q1 2022: £19.4 million)*

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

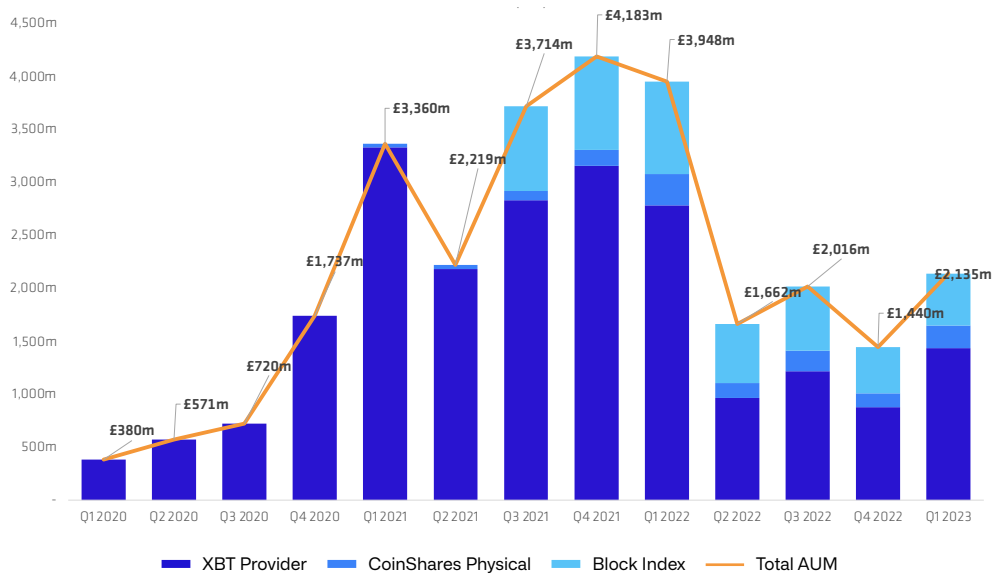


Alternative Performance Measures (APMs)

- Combined **Revenue, Gains and Other Income*** for the quarter of **£15.3 million** (Q1 2022: £28.5 million), being the strongest performance since Q1 2022;
- **Asset Management*** fees from the Group's ETPs and Index for Q1 of **£9.2 million** (Q1 2022: 17.2 million), up 6% on the previous quarter due to price recovery to the levels seen in mid-2022 ;
- **Capital Markets*** activities resulted in net gains/income of **£6.7 million** (Q1 2022: £10.7 million), again being the strongest performance of this business unit since Q1 2022;
- **Principal Investments*** generated a net loss in Q1 of **£0.6 million** (Q1 2022: £0.1 million loss), primarily arising from the performance of the Group's associate holdings;
- **Adjusted EBITDA*** for Q1 totalled **£8.5 million** (Q1 2022: £19.4 million), being a solid start to the year following the turbulence of 2022; and
- **Adjusted EPS*** (basic) for Q1 of £0.04 (Q1 2022: £0.30); Adjusted EPS (diluted) for Q1 of £0.04 (Q1 2022: £0.28).

*Please refer to pages 29-31 for reconciliations of Group's APMs

TOTAL GROUP AUM (GBP)

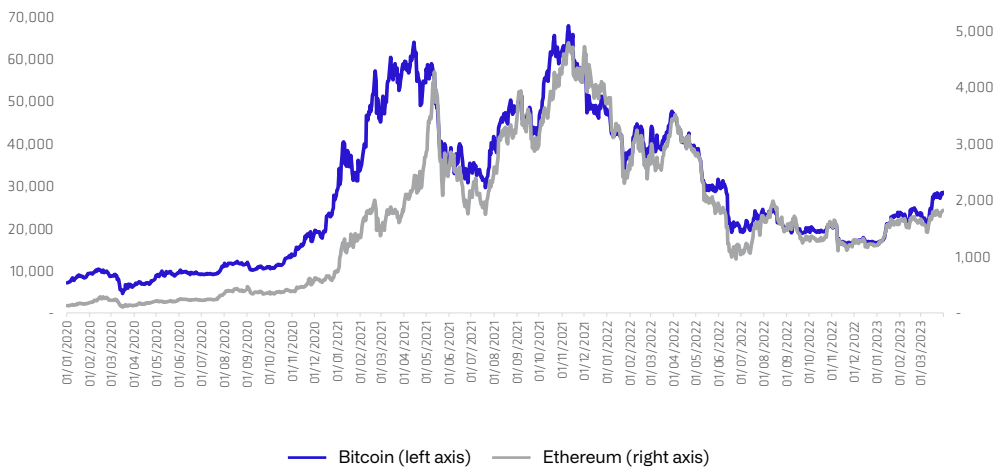


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- Total AUM of the Group as at 31 March 2023 of £2.13 billion, of which £1.65 billion is held on the balance sheet in relation to the Group's ETPs issued by XBT Provider and CoinShares Digital Securities Limited. The remaining amount of £0.48 billion is attributable to the BLOCK index which is not included on the balance sheet because although we decide the index constituents and their weighting within the index, the ETF and mutual funds that replicate the index are provided by Invesco;
- The AUM figure has shown a significant increase since the end of 2022 of 48% due to price recovery seen during the quarter.
- Fluctuations in the Group's AUM, regardless of whether it be assets on or off-balance sheet result in fluctuations in management fee revenues. Fluctuations do not impact the Group's NAV in a material way as the on-balance sheet assets are held to hedge against corresponding liabilities arising from the issuance of the Group's ETPs.

BTC & ETH (USD)

Bitcoin and Ethereum price fluctuations over the same period:



Key Events During the Quarter

- **Crypto Index ETPs** – As announced on 27 March 2023, CoinShares launched two innovative zero management fee Crypto Index ETPs: CoinShares Physical Top 10 Crypto Market ETP & CoinShares Physical Smart Contract Platform ETP. These two products are listed on Germany's main market Xetra, and have had their management fees reduced to 0.0% p.a. They are 100% physically-backed with real crypto, accessible via traditional investment platforms and brokerage apps, and aim to track dynamic, Benchmark Regulation (BMR) compliant indices developed by both CoinShares and Compass Financial Technologies.
- **Share buy-back program** – As part of the Group's ongoing share buy-back program, 109,347 shares were repurchased over the quarter, for total consideration of SEK 3,306,228 (£257,885).

Events After the Reporting Period

- **Ledger Lens** – As announced on 23 April 2023, the Group implemented LedgerLens, a real time reserves attestation solution provided by independent accounting firm, The Network Firm. This innovative blockchain-enabled solution offers real time attestation services for the Group's ETPs, enabling investors to independently verify the backing of digital assets through easily accessible and instant attest reports.
- **Share buy-back program** – As part of the Group's ongoing share buy-back program, 42,570 shares were repurchased over the quarter, for total consideration of SEK 1,479,613 (£115,410).

Forthcoming Financial Calendar

- 31 May 2023 - 2022 Annual General Meeting
- 1 August 2023 - Q2 2023 Earnings Report
- 7 November 2023 - Q3 2023 Earnings Report
- 20 February 2024 - Q4 2023 Earnings Report

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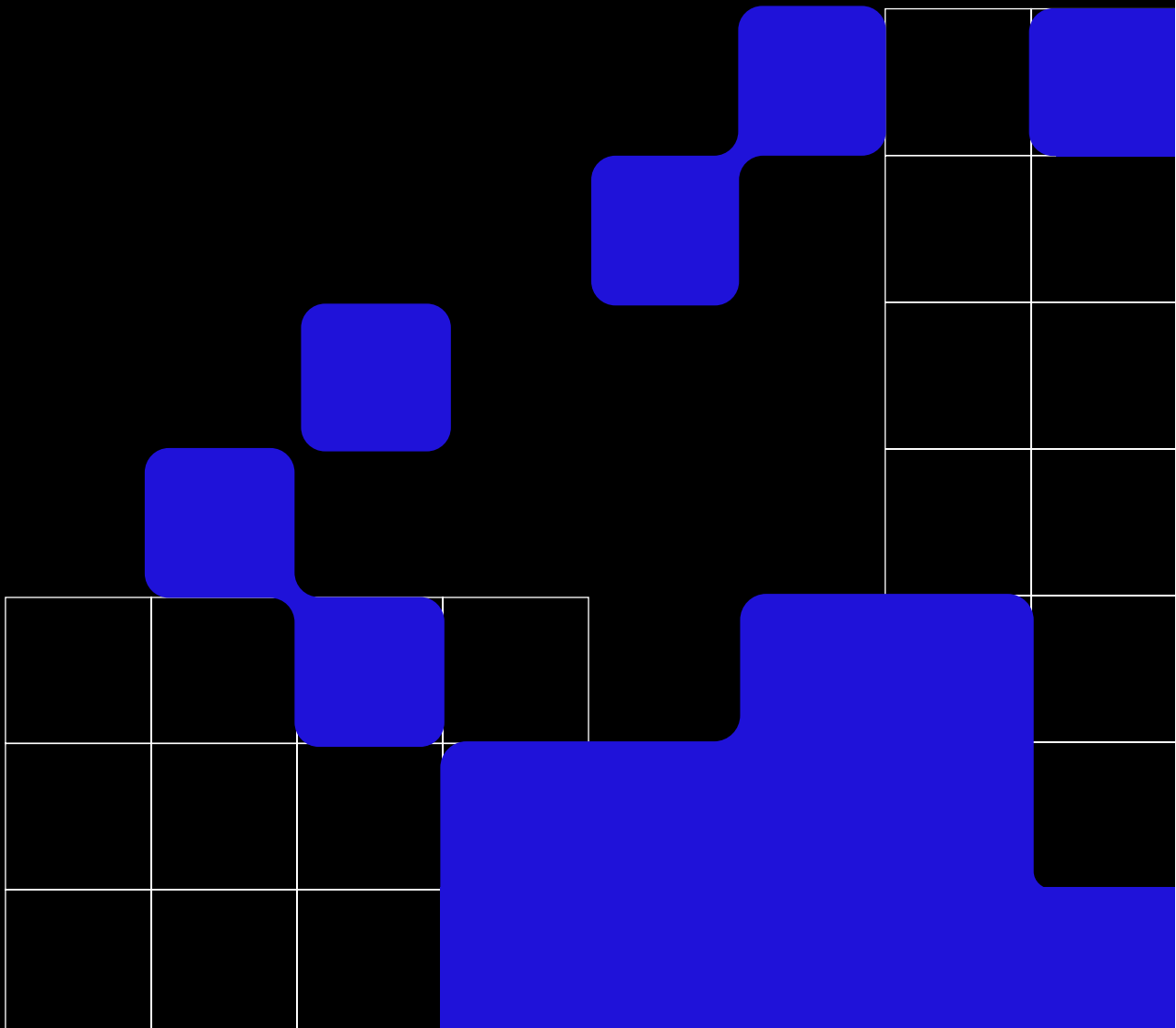
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Q1 2023

MESSAGE FROM THE CEO

In Q1 2023, as in 2022, the financial and crypto industries faced a challenging and complex landscape. Against this backdrop CoinShares demonstrated a powerful resilience. During the Quarter we generated revenue and gains of £15.3 million and successfully returned to profitability, with Adjusted EBITDA of £8.5 million. This resulted in an Adjusted EBITDA margin of 55%.

2022 marked one of the most demanding years for our industry and Q1 2023 proved equally difficult, with several U.S. banks – among them crypto friendly banks such as Silvergate and Signature – failing and closing under FDIC oversight. Concurrently, U.S. regulators (CFTC and SEC) intensified their scrutiny following FTX’s dramatic decline, focusing on other major industry players.

We foresaw this intensification of regulatory scrutiny in our “Outlook 2023” report, viewing it as a natural standardisation process within the industry. CoinShares has consistently advocated for a clear regulatory landscape in the sector, which we believe would stimulate further growth. So we welcome this additional regulatory activity but hope it does not devolve into a witch hunt or become a consequence of crypto politicisation ahead of the U.S. elections, as some commentators have speculated.

CoinShares’ operations were unscathed by Silvergate’s liquidation and the cessation of activities of Signature and Silicon Valley Bank (“SVB”). Our longstanding antifragility strategy, which involves diversifying banking partners and investing in strategic assets, like our Swiss bank partner, Flowbank, has effectively mitigated our risks. However, the closure of the Silvergate Exchange Network (SEN) and Signature equivalent – which facilitated 24/7 transaction settlements – is regrettable, as it hinders crypto players’ banking operations. As such, spreads between marketplaces are back but difficult to benefit from whilst fiat on and off ramps remain fragile. We maintain a positive outlook as new banks are emerging to fill the void.

This recent banking crisis evokes memories of the 2008 financial crisis and highlights the fundamental reasons behind Bitcoin’s creation in 2009. Amidst investors’ mistrust of the banking system and central banks, Bitcoin’s decentralised nature and finite supply positions it as an ideal, resilient asset. In the early days of April, Bitcoin breached the \$30,000 resistance level and even having pulled back slightly moving into May, it stands as the best-performing asset since the beginning of 2023. Regarding Ethereum, the recent Shanghai upgrade – the critical step in the migration from Proof of Work to Proof of Stake – showcases the Ethereum blockchain’s remarkable developer community’s technological capabilities and its unrivalled adaptability to address the industry’s evolving needs through continuous innovation, whilst giving fiduciary duty the centre stage.

Naturally, the growth in Bitcoin and other cryptocurrencies’ value, along with increased liquidity on exchanges, has positively impacted our asset management and capital markets businesses.

Strategy

As noted in my previous letter, we completed some pivotal work in 2022 to determine our fundamental identity and role in the market. With this understanding, CoinShares’ Executive Committee has collaborated with the Board in January 2023 to refine our positioning and outline its implications for our range of activities. Our goal is to realign with our core identity and become **the premier alternative asset manager specialising in digital assets.**

Today's investors seek more than passive exposure to digital assets and are demanding increasingly sophisticated investment alternatives. To meet these needs, we aspire to become a comprehensive solution provider, allowing investors to build portfolio allocation models around digital assets. As the leading European alternative asset manager specialising in digital assets, CoinShares aims to expand its product offerings. In 2023, we plan to establish an active asset management business, creating several active investment strategies open to external allocators. We will seed each of these new strategies from our own balance sheet. To develop our new active management initiatives, we started recruiting experienced professionals helping the company to transform from a pure proprietary model with no external investors to a traditional active asset manager platform. This approach offers numerous benefits, including the broadening of our product offerings, streamlining our messaging, and defining our strategic goals both internally and externally. For our passive asset management franchise, our focus is on increasing our European market share of gross inflows and increasing our presence globally.

Ultimately, this strategy simplifies our income statement by distinguishing between the revenues produced by management fees from our passive asset management products and those derived from our active asset management funds, which will encompass a blend of management and performance fees. This clarity should allow us, subject to auditor consent, to present a clearer narrative but also a cleaner income statement and balance sheet.

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Passive Asset Management

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We began the year by announcing a reduction in the management fee for our CoinShares Physical Ethereum ETP to 0%, in anticipation of the Shanghai Upgrade. In March, we launched two new Crypto Index ETPs with management fees reduced to 0%: the CoinShares Physical Top 10 Crypto Market, which provides exposure to a diverse range of cryptocurrencies for cost-effective diversification, and the CoinShares Physical Smart Contract Platform, which offers exposure to the infrastructure layers of the digital asset market. Through this product investors can therefore gain exposure to the universe of future dApps, DeFi, NFT and Web3 protocols without having to select them individually. These Index ETPs will be rebalanced quarterly. These new products demonstrate our innovative capabilities and commitment to providing regulated premium products accessible to everyone. Our competitors often charge investors around 2% in management fees which we believe hinders the mass adoption of this emerging asset class.

Q1 was a positive quarter for European crypto ETP inflows, with net inflows of \$109 million. By investment exposure, these flows were dominated by a net \$93 million investment into BTC tracking products. This demand was generated through a short-term institutional interest and focussed on products with high historical trading volumes. CoinShares Physical Bitcoin ETP came third in these flows attracting \$10 million in net investment. In the other single coin segments in which CoinShares Physical competes, we came in top in net flows with \$8.77 million, in front of 21Shares, WisdomTree and VanEck. Until the end of February, CoinShares Physicals held the leading position in Europe, sharing the top spot with ETC Group. We lost that lead in March, capturing only 14% of the inflows market share. Our team is confident come year end we will achieve our 30% target as highlighted in our annual report.

In the last quarter the BLOCK Index saw a strong run in semiconductor stocks and was further helped by the good performance of cryptocurrency prices, which drove pure-play stocks higher. The portfolio did suffer from the banking turmoil in the US, but still outperformed the benchmark (MSCI World) and the S&P 500. Finally, the Invesco CoinShares Global Blockchain UCITS ETF saw net inflows of \$20.8 million, which contrasts with most competitors' net outflows during the period, confirming our leading position on this sector and capturing 70% of gross inflows.

Our passive asset management business generated £9.2 million in revenues during the quarter, matching the revenue levels achieved in Q3 2022. We maintain a positive outlook in the coming months. Moreover, we are starting to see an emerging interest in our offerings from sophisticated institutional clients.

Capital Markets

As highlighted in our previous letter, we have implemented three strategic actions to significantly reduce our risk and enhance our due diligence. Firstly, we have strengthened our counterparty controls and processes by leveraging our internal expertise in compliance, legal, risk management, operations, and information technology. This has allowed us to improve the quality of our counterparties and reduce our overall risks. Additionally, we are leading the way in professionalising the sector to mitigate counterparty risks. To this end, we are in the process of establishing proof of concept with several exchanges and custodians to enable trading without keeping our assets on the platforms, thereby mitigating almost all of our counterparty risks. Our assets will remain with the custodian and settlement will be conducted once a day on a net basis, de-risking our activities considerably. Lastly, following the recent turmoil in the banking sector and the regulatory crackdown on crypto players in the US, we have re-evaluated our payment processes for the US dollar, and secured new partnerships with a number of banks to ensure our operations continue to function smoothly. In addition, our investment in Flowbank has proved to be crucial throughout this period.

Overall, our Capital Markets business delivered gains/income of £6.7 million in Q1, thanks to the successful execution of our strategic initiatives and continuing operational excellence.

Principal Investments

Komainu, the regulated custodian, completed the last tranche of a sizable funding round in Q1 2023. This is a significant step in Komainu's journey, who have been a valuable partner to the Group since their inception, and this has been reflected accordingly in our year end valuation and Q1 valuation.

FlowBank, in which we hold a material stake, has taken several strides forward. They have experienced a consistent 30-40% growth rate in new clients per quarter, since Q1 2021. Additionally, results from trading activities, prior to costs, reached CHF 27.7 million for 2022, an increase of 73% on 2021.

We initiated a share buyback program last year and did a number of block equity and option transactions. We continue to trade at a discount to our NAV and so we continue to believe that buying our own stock is one of the best uses of our capital at this point. Despite the limited distribution of our stock on many platforms, due to a crypto blanket ban from compliance departments, we remain confident that our continued strong performance, status as a crypto company listed on a regulated exchange and unique positioning are increasingly being recognised by investors. We are committed to developing new asset management products that we believe will help to increase our assets under management, and therefore our earnings potential. We are excited to see what the next few years of this digital asset evolution will bring for CoinShares.

In conclusion, I would like to reiterate our excitement around our strategic decision to position ourselves as a specialised alternative asset manager for digital assets. We possess the requisite expertise to lead the industry in this domain, and by adopting a distinct identity that aligns with our inherent competencies, we can generate optimal returns for you as our shareholders.

Sincerely,

Jean-Marie Mognetti, CEO of CoinShares

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 Fritzén

Chief Executive Officer

Jean-Marie Mognetti

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GROUP PERFORMANCE & APMS

Please note that the overview of the Group's performance and business unit performance as disclosed on pages 10 to 13 comprise a number of APMs derived from the Group's Statement of Comprehensive Income. Please refer to page 29 for definitions of these APMS.

GBP	Quarter ended 31 March 2023	Quarter ended 31 March 2022	Year ended 31 December 2022
Asset management revenue	9,233,528	17,244,783	50,090,889
Capital markets gain	6,686,875	10,700,878	26,293,650
Principal investments loss	(596,219)	(146,455)	(4,916,495)
Consumer platform revenue	-	697,206	936,684
Total revenue, gains and other income	15,324,184	28,496,412	72,404,728
Direct costs	(1,349,215)	(2,380,096)	(6,986,497)
Goodwill impairment	-	-	(5,473,525)
Exceptional items	-	-	(43,852,096)
Administrative expenses	(5,527,381)	(6,707,720)	(22,858,235)
Adjusted EBITDA	8,447,588	19,408,596	(6,765,625)
<i>EBITDA (%)</i>	<i>55%</i>	<i>68%</i>	<i>n/a</i>
Depreciation/amortisation	(762,081)	(687,310)	(2,882,841)
Adjusted EBIT	7,685,507	18,721,286	(9,648,466)
Interest expense	(1,279,345)	(2,189,132)	(6,330,425)
Currency translation differences	(3,361,335)	4,125,202	19,281,832
Taxation	(113,577)	60,987	(368,674)
Total comprehensive income	2,931,250	20,718,343	2,934,267

Q1 2023 has seen a return to profitability for the Group following the final quarter of 2022 that was overshadowed by the downfall of FTX. Digital asset price recovery, additional inflows into our CoinShares Physical ETPs, stemming outflows on our XBT ETPs, and tightening of our Capital Markets business unit have all contributed to this profitability and the ability to evidence the robustness of the Group's underlying business model.

Adjusted EBITDA for the quarter was £8.5 million (Q1 2022: £19.3 million). This represents this Group's strongest quarter since Q1 of last year; we have started 2023 on a positive note. The price recovery experienced towards the end of Q1 has largely been maintained thus far into Q2 and we therefore expect further growth as we move towards the halfway point of the year.

Asset Management fees have shown a quarter-on-quarter increase of 10%, and Capital Markets gains/income have shown strength in diversity, achieving consistent margins over the opening months of the financial year.

Further analysis of both the Asset Management platform and the Capital Markets activities are included on pages 16 and 17 respectively. Additionally, a breakdown of the companies within the Group's principal investments portfolio has been included on page 18.

Direct costs of the Group of £1.3 million (Q1 2022: £2.8 million) comprise custody fees, trading fees and issuer expenses incurred by the issuing entities of the Group's ETPs. These have remained well under control among a competitive pricing environment, and alongside the Groups admin expenses of £5.5 million (Q1 2022: £6.7 million) have contributed to an Adjusted EBITDA margin of 55%, again the highest seen since Q1 2022.

Total Comprehensive Income for the quarter of £2.9 million is materially lower than the Groups Adjusted EBITDA/EBIT due to USD weakening against GBP, resulting in an FX loss on translation of Group subsidiaries for the quarter of £3.4 million.

(I) ASSET MANAGEMENT PLATFORM

GBP	Quarter ended 31 March 2023	Quarter ended 31 March 2022	Year ended 31 December 2022
Retail platform (XBT Provider)	8,337,734	16,331,016	45,924,328
Institutional platform (CSDS)	553,852	369,440	2,314,534
Equities platform (BLOCK Index)	341,942	544,327	1,852,027
Total	9,233,528	17,244,783	50,090,889
Direct costs	(1,190,399)	(1,594,503)	(4,596,313)
Gross profit	8,043,129	15,650,280	45,494,576
<i>Gross profit margin</i>	<i>87%</i>	<i>91%</i>	<i>91%</i>
Administrative expenses	(956,180)	(1,371,361)	(4,029,522)
Operating profit	7,086,949	14,278,919	41,465,054

- The price recovery seen in Q1 has obviously been beneficial to the various products of the Group, leading to management fees arising from the Group's Asset Management Platform in Q1 to £9.2 million (Q1 2022: £17.2m), showing an increase on Q4 2022's figure of £8.5 million. Q4 2022 was the fourth consecutive quarter of declining fees so it is good to see this trend having reversed at the outset of 2023 and continuing into Q2.
- The CoinShares Physical product suite generated inflows over Q1 of \$29.3m and saw price appreciation increasing AUM by a further \$85.2 million. We have previously acknowledged the trend within XBT of the outflows previously seen being largely stemmed. Over Q1 the XBT products saw minimal net outflow of \$40.5 million, but significant price appreciation of \$729.7 million.
- As at the end of the quarter, the combined suite of products on offer from CoinShares Physical and XBT Provider totals 19. This is up by 2 since the end of the year following the successful launch of our 2 Crypto Index ETPs in March. A full list of the Group's products can be found on the website - [here](#).
- The flows for both ETP product suites and those of our key competitors is published in our Weekly Digital Funds Flows Report at [Digital Asset Fund Flows Weekly – CoinShares](#). Additionally, the level of AUM held within each of our products is disclosed and subject to daily attestation by LedgerLens, an independent firms solution embedded into our website designed to provide additional transparency and comfort to all of our stakeholders.
- Total quarter-end AUM stood at £2.13 billion of which 67% is represented by XBT, 10% by CSDS and the remaining 23% by the BLOCK Index. This has increased from the closing position as at 31 December 2022 of £1.44 billion, driven predominantly by digital asset price increases across the industry. Current BTC/ETH prices are at levels seen at the midway point of 2022, prior to the collapse of FTX.

(II) CAPITAL MARKETS INFRASTRUCTURE

GBP	Quarter ended 31 March 2023	Quarter ended 31 March 2022	Year ended 31 December 2022
Liquidity Provisioning	689,429	1,978,148	4,451,317
Delta Neutral Trading Strategies	1,384,600	579,531	2,587,091
Fixed Income Activities	2,216,055	1,195,655	4,955,180
DeFi/Staking	3,015,170	6,256,183	13,857,006
Other	(618,379)	691,361	443,056
Total	6,687,384	10,700,878	26,293,650
Direct costs (inc. interest expense)	(1,637,536)	(3,596,638)	(8,783,537)
Exceptional items	-	-	(43,852,096)
Gross profit	5,049,339	7,104,240	(26,341,983)
<i>Gross profit margin</i>	76%	66%	-100%
Administrative expenses	(759,935)	(768,891)	(1,774,189)
Operating profit	4,289,404	6,335,349	(28,116,172)

- The performance of the Group's Capital Market business unit over Q1 2023 demonstrates the benefit that diversification of activities can bring, resulting in total other income/gains of £6.7 million.
- With the turbulence of 2022 behind us and ongoing enhancements of the Group's internal controls framework we also achieved relatively consistent performance month on month, and a stable gross profit margin for the quarter which averages out at 76%.
- Liquidity provisioning of £0.7 million arising from supporting the Group's ETPs are down on Q1 2022 (£2.0 million) due to decreased levels of flow on XBT due to outflows being heavily stemmed when compared to last year.
- Delta Neutral Trading Strategies of £1.4 million are up over 100% on Q1 2022 (£0.6 million) as the Group is taking advantage of opportunities arising from trading CME futures.
- Fixed income activities are also showing a marked increase on 2022, rising from £1.2 million for the quarter in 2022 to £2.2 million in 2023. These levels have been achieved even against a backdrop of a far more selective approach to our lending counterparties following the turbulence seen over the latter half of 2022.
- This selective approach has impacted our DeFi/staking income, which has reduced moving into 2023 but still remains strong with performance of £3.0 million for the quarter.

(III) PRINCIPAL INVESTMENTS

GBP	Quarter ended 31 March 2023	Quarter ended 31 March 2022	Year ended 31 December 2022
Joint Venture (Loss)	(900,180)	(79,248)	(2,149,611)
Equity Principal Investments (Loss)/Gain	(27,120)	572,751	353,898
Digital Asset/SAFT/SAFE Gain/(Loss)	293,651	(639,958)	(3,283,109)
Other	37,430	-	162,327
Total	(596,219)	(146,455)	(4,916,495)

Investment	1 January 2023	Additions/ (Disposals)	Gain/(Loss)	Translation FX	31 March 2023
within investments:					
3iQ Digital Asset Management (3iQ)	1,902,238	-	-	-	1,902,238
SBG 1320, LLC (Kingdom Trust)	136,239	-	-	(2,648)	133,591
Choice Fintech LLC	1,357	-	-	(26)	1,331
Komainu Holdings Limited	7,272,590	-	-	-	7,272,590
FlowBank	30,128,895	(3,384)	(909,232)	(305,002)	28,911,277
CoinShares Fund II - carried interest	5,279,885	-	(27,194)	(9)	5,252,682
GTSA	274,998	-	9,052	-	284,050
Mint Green	15,412	2,310	-	(321)	17,401
Other holdings	236	82,909	74	-	83,219
	45,011,850	81,834	(927,300)	(308,007)	43,858,378
Digital assets					
Solana Tokens	224,557	31,316	253,812	(6,932)	502,753
Goose FX	12,813	397	(2,387)	(746)	10,077
Pyth	-	-	-	-	-
Arkadiko (DIKO Tokens)	493	1,249	44,882	(425)	46,199
Metaplex	17,206	1,069	1,560	(358)	19,477
RSS3	527,744	-	-	-	527,744
Syndica	247,922	-	-	(4,820)	243,102
Finrate	595,181	-	-	-	595,181
Impervious	413,203	-	-	(8,033)	405,170
Pocket tokens	27,764	3,400	(4,216)	(533)	26,415
Alliance labs	184,149	-	-	-	184,149
	2,251,032	37,431	293,651	(21,847)	2,560,267

The key movement over the quarter is the loss arising on our holding bank FlowBank. Due to its classification as an associate of the Group, the loss of £0.9 million relates to the Group's share of its losses for the period.

In the period following the quarter end, FlowBank successfully completed an investment round. FlowBank, as an associate of the Group, is accounted for using the equity method. Therefore, no changes have been made to the Group's carrying value as a result of this recent investment round. The indicative fair value of the Group's holding in FlowBank at the price of this recent investment round would be £63.2 million.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

This following information on pages 14 to 18 is presented in accordance with IFRS unless otherwise stated.

GBP	Q1 2023	Q1 2022	FY2022
Revenue	9,363,117	18,015,099	51,336,682
Administrative expenses	(7,638,677)	(9,775,126)	(38,201,098)
(Loss)/gain on financial instruments	(568,294,789)	247,987,952	1,719,496,693
Fair value gain/(loss) on digital assets	569,820,821	-	(1,230,310,948)
Other operating income	3,468,571	5,181,581	16,626,978
Operating profit	6,719,043	261,409,506	518,948,307
Gain/(loss) on investments	74	(1,787,313)	(2,800,424)
Share of joint ventures and associate (losses)	(900,180)	(79,248)	(2,149,611)
Profit/(loss) before interest and income tax expense	5,818,937	259,542,945	513,998,272
Finance income	1,881,785	3,883,432	12,916,891
Finance expense	(1,279,345)	(2,189,132)	(6,330,425)
Profit before income tax expense	6,421,377	261,237,245	520,584,738
Income tax expense	(113,577)	60,987	(368,674)
Net profit/(loss)	6,307,800	261,298,232	520,216,064
Earnings per share (basic)	0.09	3.83	7.63
Earnings per share (diluted)	0.09	3.64	7.21
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
FX on translation of foreign operations	(3,361,335)	4,125,202	19,281,832
	(3,361,335)	4,125,202	19,281,832
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Fair value loss on digital assets	-	(247,065,155)	(539,108,506)
Fair value gain/(loss) on financial instruments	11,979	-	(609,445)
Fair value (loss)/gain on investments	(27,194)	2,360,064	3,154,322
	(15,215)	(244,705,091)	(536,563,629)
Total other comprehensive loss	(3,376,550)	(240,579,889)	(517,281,797)
Total comprehensive income	2,931,250	20,718,343	2,934,267

CONDENSED CONSOLIDATED BALANCE SHEET

GBP	31 March 2023	31 March 2022	31 December 2022
ASSETS			
Non-current assets			
Property, plant and equipment	1,630,942	2,261,470	1,935,862
Digital assets	242,416	2,495,428	111,978
Goodwill	942,708	8,048,257	943,484
Other intangible assets	10,650,220	11,540,593	11,048,448
Investments	43,858,378	44,750,737	45,011,850
Trade receivables and other assets	1,360,044	1,360,044	2,774,251
	58,684,708	70,456,529	61,825,873
Current assets			
Trade receivables and other assets	184,720,404	1,040,398,707	260,643,117
Digital assets	1,629,308,054	2,554,834,624	868,922,517
Cash at bank	5,777,668	34,490,768	26,567,599
Amounts due from brokers	157,893,744	127,263,309	161,967,077
	1,977,699,870	3,756,987,408	1,318,100,310
Total assets	2,036,384,578	3,827,443,937	1,379,926,183
LIABILITIES			
Current liabilities			
Trade payables and other liabilities	(1,669,482,912)	(3,269,870,605)	(1,017,794,019)
Amounts due to brokers	(138,245,156)	(332,474,572)	(135,384,786)
Lease liabilities	(819,337)	(1,003,370)	(1,307,507)
Current tax liabilities	(39,119)	(2,380,329)	(235,814)
	(1,808,586,524)	(3,605,728,876)	(1,154,722,126)
Net current assets	169,113,346	151,258,532	163,378,184
Non-current liabilities			
Lease liabilities	(3,139)	(649,433)	(28,980)
Loans payable	(21,981,557)	-	(21,433,967)
	(21,984,696)	(649,433)	(21,462,947)
Total liabilities	(1,830,571,220)	(3,606,378,309)	(1,176,185,073)
Net assets	205,813,358	221,065,628	203,741,110
EQUITY			
Share capital	33,727	33,766	33,766
Share premium account	30,745,834	30,781,210	30,781,210
Other reserves & retained earnings	175,033,797	190,250,652	172,926,134
Total equity	205,813,358	221,065,628	203,741,110

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GBP	Share capital	Share premium	Other reserves	Retained earnings	Total equity
At 1 January 2022	33,766	30,781,210	(2,797,090,363)	2,966,288,540	200,013,153
Profit for the period	-	-	-	261,298,232	261,298,232
Other comprehensive (loss)/income for the period	-	-	(242,939,953)	2,360,064	(240,579,889)
Total comprehensive income	-	-	(242,939,953)	263,658,296	20,718,343
Share based payments	-	-	334,132	-	334,132
Total transactions with owners	-	-	334,132	-	334,132
Transfer of revaluation reserve	-	-	3,342,008,005	(3,342,008,005)	-
Total transfer of revaluation reserve	-	-	3,342,008,005	(3,342,008,005)	-
At 31 March 2022	33,766	30,781,210	302,311,821	(112,061,169)	221,065,628
At 1 January 2023	33,766	30,781,210	22,136,272	150,789,862	203,741,110
Profit for the period	-	-	-	6,307,800	6,307,800
Other comprehensive loss for the period	-	-	(3,361,335)	(15,215)	(3,376,550)
Total comprehensive (loss)/income	-	-	(3,361,335)	6,292,585	2,931,250
Share buybacks	-	-	(1,122,244)	-	(1,122,244)
Share based payments	-	-	263,242	-	263,242
Share cancellations	(39)	(35,376)	228,383	(192,968)	-
Total transactions with owners	(39)	(35,376)	(630,619)	(192,968)	(859,002)
At 31 March 2023	33,727	30,745,834	18,144,318	156,889,479	205,813,358

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

GBP	Q1 2023	Q1 2022	FY 2022
Cash flows from operating activities			
Profit after income tax expense	6,307,800	261,298,232	520,216,064
Adjustments for:			
- Depreciation of property, plant and equipment	319,652	240,656	1,113,209
- Amortisation of intangible assets	442,429	446,654	1,769,632
- Impairment of goodwill	-	-	5,473,525
- Share-based payment expense	263,242	334,132	1,229,617
- Finance income	(1,881,785)	(3,883,432)	(12,916,891)
- Finance costs	1,279,345	2,189,132	6,330,425
- Income tax expense/(income)	113,577	(60,987)	368,674
- Gain/(loss) on other financial instruments	663,393,865	(300,601,778)	(2,369,742,038)
- Gain/(loss) on investments	(74)	1,787,313	2,800,424
- Loss/(gain) on digital assets	(569,820,821)	-	1,230,310,948
- Share of joint venture and associate losses	900,180	79,248	2,149,611
	101,317,410	(38,170,830)	(610,896,800)
Changes in working capital:			
- Trade receivables and other assets	69,960,249	335,997,339	1,257,429,319
- Trade payables and other liabilities	28,361,578	(270,328,223)	(502,361,951)
Cash generated from operations	199,639,237	27,498,286	144,170,568
Finance costs paid	(1,324,470)	(2,187,027)	(6,329,290)
Income taxes paid	(315,008)	(137,482)	(3,457,543)
Net cash flow generated from operating activities	197,999,759	25,173,777	134,383,735
Cash flows from investing activities			
Net (purchase)/disposal of digital assets	(208,385,017)	42,317,240	381,400,078
Net purchases of ETP liabilities	(16,882,376)	(72,961,359)	(295,834,379)
Purchases of intangible assets	(112,453)	(44,764)	(703,461)
Disposal of intangible assets	-	-	6,828
Purchase of property, plant and equipment	(18,211)	(156,946)	(327,508)
Disposal of property, plant and equipment	-	-	196,187
Acquisition of associates	3,384	(20,257,204)	(20,266,689)
Disposal of other investments	(2,310)	(381,398)	(28,520)
Net disposal of listed equities	-	79,378	98,578
Finance income	1,931,045	3,627,407	12,957,913
Net cash used in investing activities	(223,465,938)	(47,777,646)	77,499,027
Cash flows from financing activities			
Share buybacks	(893,861)	-	(228,383)
Share option liquidations	-	-	(207,544)
Repayment of lease liabilities	(514,685)	(169,075)	(1,079,297)
Loan issue	-	20,329,345	21,573,387
Net cash used in financing activities	(1,408,546)	20,160,270	20,058,163
Net (decrease)/increase in cash and cash equivalents	(26,874,725)	(2,443,599)	231,940,925
Cash and cash equivalents			
At the beginning of the period	53,149,890	(162,955,669)	(162,955,669)
Effects of currency translation on cash and cash equivalents	(848,909)	(5,321,227)	(15,835,366)
At the end of the period	25,426,256	(170,720,495)	53,149,890
Cash and cash equivalents comprise			
Cash at bank	5,777,668	34,490,768	26,567,599
Amounts due from brokers	157,893,744	127,263,309	161,967,077
Amounts due to brokers	(138,245,156)	(332,474,572)	(135,384,786)
At the end of the period	25,426,256	(170,720,495)	53,149,890

Q1 2023 - OPERATING SEGMENTS

GBP	Asset Management	Capital Markets	Principal Investments	Group Costs	Total
Revenue	9,233,528	129,589	-	-	9,363,117
(Loss)/gain on financial instruments	(663,393,865)	95,111,055	-	-	(568,282,810)
Gain/(loss) on digital assets	663,393,865	(93,866,695)	293,651	-	569,820,821
Investment loss	-	-	(927,300)	-	(927,300)
Interest income	-	1,851,620	30,165	-	1,881,785
Other income	-	3,461,306	7,265	-	3,468,571
Total revenue, gains & other income	9,233,528	6,686,875	(596,219)	-	15,324,184
Interest expense	-	(1,096,149)	(183,196)	-	(1,279,345)
Direct costs	(1,190,399)	(541,387)	(59,858)	-	(1,791,644)
Gross profit	8,043,129	5,049,339	(839,273)	-	12,253,195
Other admin expenses	(956,180)	(759,935)	-	(4,130,918)	(5,847,033)
Operating profit/(loss)	7,086,949	4,289,404	(839,273)	(4,130,918)	6,406,162
<i>Reconciliation to Profit after tax:</i>	Income tax expense				(113,577)
	Fair value gain on digital assets through OCI				-
	Fair value loss on financial instruments through OCI				(11,979)
	Fair value gain on investments through OCI				27,194
	Profit after tax				6,307,800
<i>Reconciliation to Total comprehensive income:</i>	Exchange differences on translation of foreign operations				(3,361,335)
	Fair value gain on digital assets through OCI				-
	Fair value loss on financial instruments through OCI				11,979
	Fair value gain on investments through OCI				(27,194)
	Total comprehensive income				2,931,250

Q1 2022 - OPERATING SEGMENTS

GBP	Asset Management	Capital Markets	Principal Investments	Business to Consumer*	Group Costs	Total
Revenue	17,244,783	73,110	-	697,206	-	18,015,099
Loss on financial instruments	247,987,952	-	-	-	-	247,987,952
(Loss)/gain on digital assets	(247,987,952)	1,562,755	(639,958)	-	-	(247,065,155)
Investment gains	-	-	493,503	-	-	493,503
Interest income	-	3,883,432	-	-	-	3,883,432
Other income	-	5,181,581	-	-	-	5,181,581
Total revenue, gains & other income	17,244,783	10,700,878	(146,455)	697,206	-	28,496,412
Interest expense	-	(2,189,132)	-	-	-	(2,189,132)
Direct costs	(1,147,848)	(1,407,506)	(51,300)	(220,096)	-	(2,826,750)
Gross profit	16,096,935	7,104,240	(197,755)	477,110	-	23,480,530
Other admin expenses	(1,818,016)	(768,891)	-	(1,151,035)	(3,210,434)	(6,948,376)
Operating profit/(loss)	14,278,919	6,335,349	(197,755)	(673,925)	(3,210,434)	16,532,154
<i>Reconciliation to Profit after tax:</i>	Income tax expense					60,987
	Fair value gain on digital assets through OCI					247,065,155
	Fair value gain on financial instruments through OCI					-
	Fair value gain on investments through OCI					(2,360,064)
	Profit after tax					261,298,232
<i>Reconciliation to Total comprehensive income:</i>	Exchange differences on translation of foreign operations					4,125,202
	Fair value loss on digital assets through OCI					(247,065,155)
	Fair value gain on financial instruments through OCI					-
	Fair value gain on investments through OCI					2,360,064
	Total comprehensive income					20,718,343

*Business to Consumer no longer an operating segment in 2023

OTHER INFORMATION

Basis of Preparation

The condensed consolidated interim financial information included on pages 14 to 18 within this report has been prepared in accordance with IAS 34, “interim financial reporting”.

New and revised IFRS Standards in issue

IFRS Standards that have been issued and adopted by the UK Endorsement Board effective from 1 January 2023:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) – *no impact*
- Definition of Accounting Estimates (Amendments to IAS 8) – *no impact*
- Disclosure of Accounting policies and Classification of Liabilities as Current or Non-current (Amendments to IAS 1) – *see below*
- Amendments to IFRS 17 Insurance Contracts – *no impact*

The Group’s non-current liabilities as at 31 March 2023 comprises a loan balance of £21,981,557. Additional disclosure arising from the amendments made to IAS1 around covenants that, if breached, would have the potential to cause a portion of the liability to be reclassified as current are as follows:

- Initial loan was granted at 20% LTV, if LTV reaches 30% then action will need to be taken to either repay part of the loan or top up the collateral assets.

Buy-back of Shares

During the period, the Company undertook a purchase of its own shares already in issue. The consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to the owners as treasury shares until the shares are cancelled or reissued.

Note on Digital Asset Accounting Treatment

Digital assets are classified as intangible assets under IFRS, the accounting standard under which the Group’s financial statements are prepared. They are accounted for as intangible assets held at fair value through the revaluation model. As such, fair value gains on the digital asset holdings of the Group are recognised within other comprehensive income (unless reversing previously recognised losses), and fair value losses recognised through the statement of comprehensive income (unless reversing previously recognised gains).

Conversely, any movement in the obligation arising from the issuance of the Group’s XBT Provider exchange traded products (which is hedged by the digital asset holdings of the Group) is recognised as income or expense within the statement of comprehensive income. These movements can result in a profit after tax figure that does not take into account any gains or losses on the digital asset holdings of the Group.

Therefore, it is the opinion of management that the profit/loss after tax figure presented in accordance with IFRS should be considered in conjunction with the Group’s Adjusted EBITDA and total comprehensive income to enhance the reader’s understanding of performance over a given period.

The Adjusted EBITDA calculation of the Group, and the Group’s various APMs take all fair value gains/losses on digital assets through the Group’s statement of comprehensive income and are designed to provide a clear view of the performance of the Group.

The Adjusted EBITDA calculation of the Group discloses these amounts separately and reconciles the Group’s performance back to the total comprehensive income figure as disclosed under IFRS. This is designed to provide a clear view of the performance of the Group’s commercial activities. Pages 33 to 36 include a reconciliation of the Group’s APMs to IFRS.

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 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 & services.

Personnel

The number of full-time employees as at the end of Q1 2023 was 86 (Q1 2022: 95).

Related Party Transactions

The following related party transactions occurred during the period

On 10 January 2022, CoinShares entered into a service agreement with FlowBank, an associate of the Group. The agreement ceased during 2022, however £7,200 remains outstanding at the quarter end.

As part of a commercial relationship under which CoinShares facilitates trading activities for FlowBank SA ('Flowbank SA') as a client, gains of £105,493 were generated in respect of trading related fees. Additionally, bank charges and FX trading commissions of £4,924 were paid to FlowBank SA in respect of banking services provided to CoinShares as a client of FlowBank SA. As at period end the Group held a cash receivable balance of 589,242 and was holding assets on behalf of FlowBank SA with a value of £765,192.

CSGP2L is the General Partner to CoinShares Fund II LP ('CS2LP'). The Group has recognised carried interest as at the quarter end of £5,252,682 which is held as an investment. The Group also settled expenditure on behalf of CS2LP of £1,9560 of which £1,936 is outstanding at the period end.

The Group has an investment in Komainu Holdings Limited ('KHL') of which Mr Jean-Marie Mognetti is a director and shareholder. The Group has settled expenditure on behalf of KHL in the period of £6,718 of which £16,625 remains outstanding at period end. The Group has a recharge agreement with KHL which allows for use of office facilities. £33,000 has been charged for the year of which £11,000 is outstanding at the period end.

Komainu (Jersey) Limited ('KJL'), a wholly owned subsidiary of KHL provides custodial services to the Group. During the quarter, the Group paid fees to KJL of £194,100 of which £62,949 was outstanding at the period end. The Group has a service agreement with KJL which allows for support regarding staking and operations. £3,000 has been charged for the quarter of which £14,000 is outstanding at the period end.

Gold Token SA ('GTSA') is an associate of the Group. The Group has settled expenditure on behalf of GTSA in the period of £248 of which £248 remains outstanding at period end.

CoinShares Bitcoin Call Overwrite Master Fund Limited ('BTC COMFL') is a Jersey Private Fund with CSJL as its investment manager. The Group has settled expenditure on its behalf of £2,463. This cost will be reimbursed by the Fund once it is fully established.

On 10 January 2023 the Group agreed to enter into a block transaction with Mr Frank Spiteri, Head of Asset Management for the Group, to acquire 75,000 ordinary shares in the capital of the Company, at a price per share equal to SEK 24 resulting in total consideration of SEK 1,800,000 (£142,225). The transaction was completed on 13 January 2023.

On 28 February 2023 the Group agreed to enter into a block transaction with Mr Frank Spiteri to acquire 50,000 ordinary shares in the capital of the Company, at a price per share equal to SEK 33 resulting in total consideration of SEK 1,650,000 (£130,984). The transaction was completed on 10 March 2023.

3iQ Corp ('3iQ') is an investee company of the Group where Ms Meltem Demirors, Head of Strategy of CoinShares, holds a board seat. During the quarter, the Group received a management fee rebate from 3iQ of £151,414 of which £101,261 is receivable at the period end. All 3iQ CoinShares Bitcoin certificates were redeemed by the Group during the quarter.

The Group has an investment in SBG 1320, LLC and Choice Fintech Group, LLC (formerly Kingdom Services Holdings LLC) (together, 'Kingdom Trust'). The Group manages digital assets loan arrangements with the Kingdom Trust. As at 31 March 2023, fiat of £nil and digital assets worth £31,116 are due to the Kingdom Trust by the Group.

CSGP2L, a subsidiary of the Group, acts as General Partner of CSF2LP. In this capacity, it receives quarterly an amount of one quarter of two percent of the net asset value of CSF2LP. During the period £30,970 has accrued for this fee, of which £30,970 was outstanding at the period end.

Mr Daniel Masters is the Group's Chairman and a shareholder of the Group. During the quarter, the Group undertook trades on his behalf of 4.73 BTC, 13.41 ETH, 42,773.29 AVT and 258,552.22 USDC, equating to £516,356. As at the period 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 (£30,131) in relation to an investment that was transferred using the Group as a broker.

Mr Jean-Marie Mognetti is the Group's Chief Executive Officer and a shareholder of the Group. During the quarter the Group undertook trades on his behalf of £nil. As at the period end the Group held a balance of 30,000 AVT (£31,377) owed to Mr Mognetti.

Issue, Repurchases and Repayments of Equity

During the period ended 31 March 2023, the following share issuances, share option issuances, share splits, share redemptions and share option lapses/cancellations occurred.

	Share capital Units	Share options Units	Fully diluted share capital Units
At 31 December 2022	68,213,821	3,976,457	72,190,278
Options granted under the EIP	-	448,000	448,000
Buyback of shares as treasury shares	(515,271)	-	(515,271)
Share cancellations	(78,396)	-	(78,396)
Liquidation of share options	-	-	-
Share options lapsed	-	-	-
At 31 March 2023	67,620,154	4,424,457	72,044,611

On 19 March 2023, The Company granted 448,000 options as part of the staff remuneration for the financial year ended 31 December 2022, as approved at the meeting of the Board held 20 February 2023. The 448,000 options granted represent 0.66% of the issued share capital of the Company, bringing the total number of shares under option in issue to 4,424,457 (6.10% of the issued share capital of the Company). The vesting date of the options granted shall be 20 March 2026, being three years from the date of grant. The exercise price of the options is SEK 31 per Ordinary Share.

Over the quarter ended 31 March 2023, the Company bought-back (under the share buy-back program) 515,271 shares between block trades and purchases in the market.

Business Combinations

No business combinations occurred during the period.

Intangible Assets – Digital Assets

The Group held the following digital assets (inclusive of non-current digital assets) as at 31 March 2023 and as at the last financial year end:

GBP	31 March 2023	31 December 2022
Non-current digital assets	242,416	111,978
Current digital assets	1,629,308,054	868,922,517
(i) Total digital assets	1,629,550,470	869,034,495
(ii) Goodwill	942,708	943,484
(iii) Other intangible assets	10,650,220	11,048,448
	1,641,143,398	881,026,427

(i) Digital assets

GBP	31 March 2023	31 December 2022
Bitcoin	953,265,759	387,768,139
Ethereum	623,360,938	447,248,857
Litecoin	3,165,896	2,606,945
XRP	9,672,560	4,846,966
Other digital assets	40,085,317	26,563,588
	1,629,550,470	869,034,495

The Group has classed digital assets under the fair value hierarchy as follows:

GBP	31 March 2023	31 December 2022
Level 1	1,629,015,704	868,777,452
Level 2	534,766	257,043
Level 3	-	-
	1,629,550,470	869,034,495

Please note that the certificate liability is hedged by the Group's digital asset holdings and other financial instruments held within other assets and receivables.

Trade Payables & Other Liabilities

The Group's liabilities as at 31 March 2023 can be further broken down as follows:

GBP	31 March 2023	31 December 2022
Amounts due to exchanges	(368,631)	-
Accounts payable	(2,724,124)	(1,081,702)
Accrued liabilities	(1,917,929)	(2,888,081)
Certificate liability (i)	(1,611,280,365)	(986,707,490)
Other liabilities	(53,191,863)	(26,398,229)
Total trade payables & other liabilities	(1,669,482,912)	(1,017,075,502)

(i) Certificate liability

GBP	31 March 2023 £	31 December 2022 £	31 March 2023 Number	31 December 2022 Number
Certificate type				
Bitcoin Tracker One	364,028,776	212,792,525	3,540,586	3,623,578
Bitcoin Tracker Euro	459,638,983	266,534,307	450,867	459,701
Ether Tracker One	216,099,532	146,946,227	16,123,196	16,649,235
Ether Tracker Euro	367,783,739	242,649,103	2,763,752	2,774,973
CoinShares Physical Bitcoin	120,900,644	66,880,637	5,369,494	4,948,800
CoinShares Physical Ethereum	54,498,518	35,727,952	1,246,486	1,212,286
CoinShares Physical Litecoin	3,145,017	2,416,053	222,500	212,500
CoinShares Physical XRP	9,661,723	4,840,826	577,300	434,800
CoinShares Physical Staked Polkadot	1,504,224	980,519	277,500	257,500
CoinShares Physical Staked Tezos	2,253,431	1,402,567	478,000	453,000
CoinShares Physical Staked Solana	2,410,840	650,566	1,388,100	758,100
CoinShares Physical Chainlink	453,448	329,077	745,000	715,000
CoinShares Physical Uniswap	562,417	384,530	1,160,000	910,000
CoinShares Physical Staked Cardano	4,200,369	1,764,189	12,565,000	8,265,000
CoinShares Physical Staked Cosmos	993,255	774,317	210,500	193,000
CoinShares Physical Staked Polygon	2,320,817	1,277,325	249,000	195,000
CoinShares Physical Staked Algorand	824,632	356,770	445,000	245,000
	1,611,280,365	986,707,490		

Financial Instruments

The table below sets out the classifications of the carrying amounts of the Group's financial assets and financial liabilities.

GBP	31 March 2023	31 December 2022
Financial assets measured at amortised cost		
Accounts receivable	1,713,671	390,349
Amounts due from brokers	157,893,744	161,967,077
Amounts due from exchanges	208,130	10,072,308
Amounts owed by related parties	689,519	32,450
Cash at bank	5,777,668	26,567,599
Deposits paid	175,121	177,636
Other assets	39,684,788	26,243,371
Loans receivable	1,307,075	1,968,199
Total	207,449,716	227,418,989

GBP	31 March 2023	31 December 2022
Financial assets measured at fair value through profit or loss		
Exchange traded products	92,198,548	239,881,541
Loans receivable denominated in digital assets	86,461,691	7,614,923
Total	178,660,239	247,496,464

GBP	31 March 2023	31 December 2022
Financial assets measured at fair value through other comprehensive income		
Digital asset receivables	31,649	21,845
Total	31,649	21,845

GBP	31 March 2023	31 December 2022
Financial liabilities measured at amortised cost		
Accounts payable	(2,724,124)	(1,081,702)
Amounts due to brokers	(138,245,156)	(135,384,786)
Amounts due to exchanges	(368,631)	-
Loans payable	(53,191,863)	(26,398,229)
Lease liabilities	(822,476)	(1,336,487)
Total	(195,352,250)	(164,201,204)

GBP	31 March 2023	31 December 2022
Financial liabilities measured at fair value through profit or loss		
Certificate liability	(1,611,280,365)	(986,707,490)
Loans payable denominated in digital assets	(51,217,255)	(20,655,417)
Total	(1,662,497,620)	(1,007,362,907)

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

GBP	31 March 2023	31 December 2022
Financial liabilities		
Level 1	1,828,183,305	1,150,908,694
Level 2	29,666,565	20,655,417
Level 3	-	-
Total	1,857,849,870	1,171,564,111

Investments

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

GBP	31 December 2022	Movements in equity	Gain/Loss on investments	31 March 2023
Level 1	236	-	74	310
Level 2	5,279,885	-	(27,194)	5,252,691
Level 3	9,327,836	85,219	(3,005)	9,410,050
Total Investments held at fair value	14,607,957	85,219	(30,125)	14,663,051
Associates	30,403,893	(3,384)	(1,205,182)	29,195,327
Total Investments valued using the equity method	30,403,893	(3,384)	(1,205,182)	29,195,327
Total Investments	45,011,850	81,835	(1,235,307)	43,858,378

Level 1 and 2 valuations and inputs

The finance department performs monthly 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 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 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;
- percentage ownership of net asset value of the investee company.

DEFINITIONS

CSDS	CoinShares Digital Securities Limited, the issuer of the CoinShares Physical suite of ETPs
VaR	Value at Risk (in respect of the Group's Delta Neutral trading strategies)
DAO	Decentralised autonomous organisation
CGBI	CoinShares Gold and Bitcoin Index
CECI	CoinShares Equally Weighted Crypto Index
CSII	CoinShares Fund II, in which the group holds a carried interest
BLOCK	CoinShares Blockchain Global Equity Index
XBT	XBT Provider AB, the issuer of the XBT suite of ETPs
GBP	British Pound Sterling
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 best reflected by alternative performance measures ("APMs") that do not align with the IFRS treatment of digital assets, specifically the IFRS treatment of fair value gains on such assets being taken through other comprehensive income rather than at fair value through profit and loss ("FVTPL").

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

Adjusted EBITDA	The Group's Earnings, before finance costs, taxation, depreciation, amortisation and other movements through OCI
Adjusted 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 and certain proprietary digital assets
Adjusted EPS	Earnings per share calculated using the Group's Total Comprehensive Income

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		Q1 2023	Q1 2022	FY 2022
IFRS	Net profit/(loss)	6,307,800	261,298,232	520,216,064
remove	Finance expense	1,279,345	2,189,132	6,330,425
remove	Depreciation/amortisation	762,081	687,310	2,882,841
remove	Income tax expense	113,577	(60,987)	368,674
add	Fair value gain on digital assets	-	(247,065,155)	(539,108,506)
add	Fair value loss on financial instruments through OCI	11,979	-	(609,445)
add	Fair value gain on investments through OCI	(27,194)	2,360,064	3,154,322
APM - 1	Adjusted EBITDA	8,447,588	19,408,596	(6,765,625)
add back	Depreciation/amortisation	(762,081)	(687,310)	(2,882,841)
APM - 2	Adjusted EBIT	7,685,507	18,721,286	(9,648,466)
IFRS	Revenue	9,363,117	18,015,099	51,336,682
add	Other income	3,468,571	5,181,581	16,626,978
add	Finance income	1,881,785	3,883,432	12,916,891
add	(Loss)/gain on financial instruments	(568,294,789)	247,987,952	1,719,496,693
add	Fair value gain/(loss) on digital assets	569,820,821	-	(1,230,310,948)
add	Gain/(loss) on investments	74	(1,787,313)	(2,800,424)
add	Share of joint ventures and associate losses	(900,180)	(79,248)	(2,149,611)
add	Fair value loss on digital assets through OCI	-	(247,065,155)	(539,108,506)
add	Fair value gain/(loss) on financial instruments through OCI	11,979	-	(609,445)
add	Fair value (loss)/gain on investments through OCI	(27,194)	2,360,064	3,154,322
remove	Exceptional items	-	-	43,852,096
APM - 3	Revenue, gains & other income	15,324,184	28,496,412	72,404,728

GBP		Q1 2023	Q1 2022	FY 2022
IFRS	Admin expenses	(7,638,677)	(9,775,126)	(38,201,098)
remove	Depreciation/amortisation	762,081	687,130	2,882,841
remove	Allocated admin expenses*	5,527,381	6,707,720	22,858,235
remove	Goodwill impairment	-	-	5,473,525
APM - 4	Direct costs	(1,349,215)	(2,380,096)	(6,986,497)

* derived from IFRS 8 Operating Segments note

IFRS	Revenue	9,363,117	18,015,099	51,336,682
remove	Revenue allocated to Capital Markets*	(129,589)	(73,110)	(309,109)
remove	Revenue allocated to Consumer Platform*	-	(697,206)	(936,684)
APM - 5	Asset Management fees	9,233,528	17,244,783	50,090,889

* derived from IFRS 8 Operating Segments note

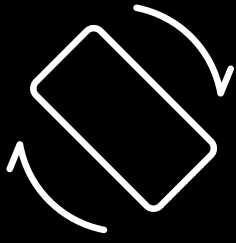
IFRS	Gain/(loss) on digital assets	569,820,821	-	(1,230,310,948)
IFRS	Fair value loss on digital assets through OCI	-	(247,065,155)	(539,108,506)
Sum	Total	569,820,821	(247,065,155)	(1,769,419,454)
remove	Gain/(loss) on digital assets allocated to Principal Investments*	293,651	(639,958)	(3,283,109)
add	(Loss)/gain on financial instruments	(568,294,789)	247,987,952	1,719,496,693
add	Other operating income	3,461,306	5,181,581	16,464,651
add	Finance income*	1,851,620	3,883,432	12,916,891
add	Fair value gain/(loss) on financial instruments through OCI	11,979	-	(609,445)
add	Revenue*	129,589	73,110	309,109
remove	Exceptional items	-	-	(43,852,096)
APM - 6	Capital Markets gains	6,686,875	10,700,878	26,293,650

* derived from IFRS 8 Operating Segments note

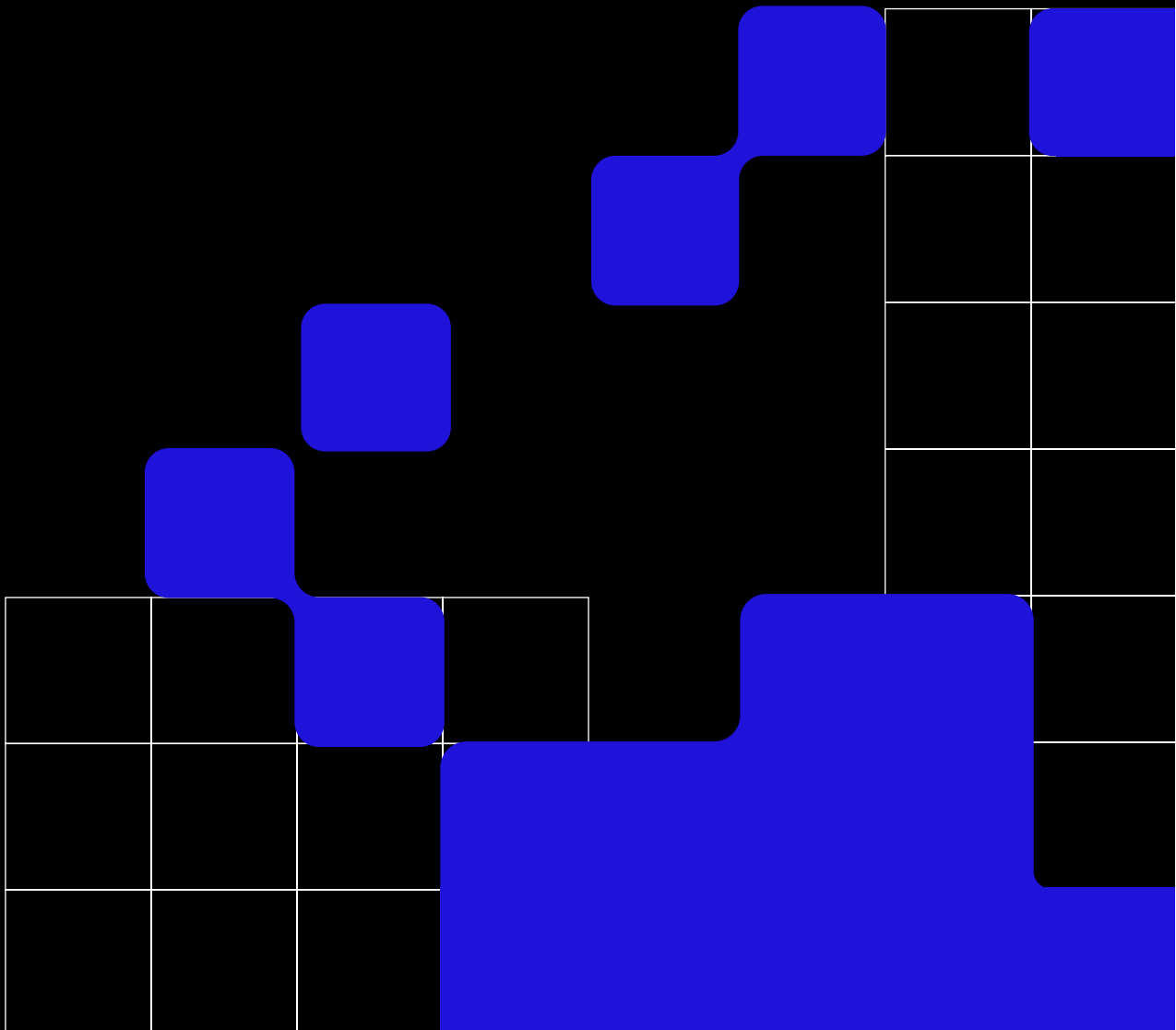
GBP		Q1 2023	Q1 2022	FY 2022
IFRS	Gain/(loss) on investments	74	(1,787,313)	(2,800,424)
<i>add</i>	Share of joint ventures and associate losses	(900,180)	(79,248)	(2,149,611)
<i>add</i>	Fair value (loss)/gain on investments through OCI	(27,194)	2,360,064	3,154,322
<i>add</i>	Other income*	7,265	-	162,327
<i>add</i>	Interest income	30,165	-	-
<i>add</i>	Gain/(loss) on digital assets*	293,651	(639,958)	(3,283,109)
APM - 7	Principal investment losses	(596,219)	(146,455)	(4,916,495)

* derived from IFRS 8 Operating Segments note

IFRS	EPS	0.09	3.83	7.63
	Average number of shares	67,897,639	68,213,821	68,184,833
	Net profit	6,307,800	261,298,232	520,216,064
<i>add</i>	Total other comprehensive loss	(3,376,550)	(240,579,889)	(517,281,797)
	Total Comprehensive income	2,931,250	20,718,343	2,934,267
	Average number of shares	67,897,639	68,213,821	68,184,833
APM - 8	Adjusted EPS	0.04	0.30	0.04



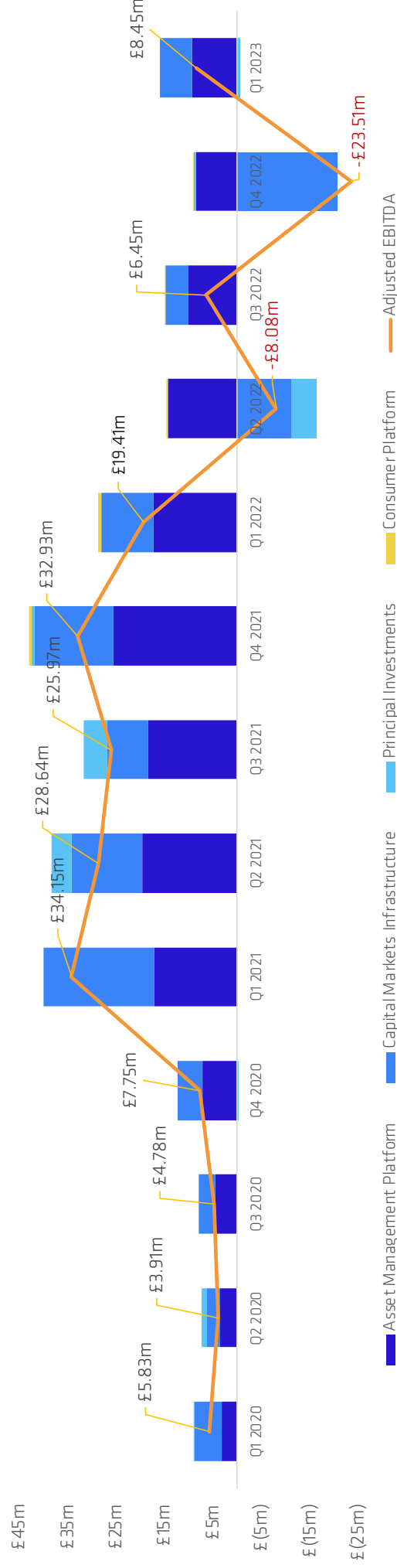
HISTORICAL QUARTERLY DATA



2020-2023 QUARTERLY PERFORMANCE (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
Asset Management Platform	3,258,895	3,507,646	4,535,917	7,086,955	17,118,330	19,558,183	18,388,113	25,524,195	17,244,783	14,350,451	10,143,485	8,531,496	9,233,528
Capital Markets Infrastructure	5,563,942	2,797,196	3,240,965	5,233,384	22,771,556	14,657,816	8,449,548	16,248,501	10,700,878	(11,186,314)	4,702,745	(20,594,079)	6,686,875
Principal Investments	39,912	1,071,578	244,323	(367,126)	(6,864)	4,149,110	4,831,260	659,796	(146,455)	(5,135,883)	(143,718)	494,934	(596,219)
Consumer Platform	-	-	-	-	-	-	-	457,627	697,206	270,356	29,721	76,580	-
Total	8,862,749	7,376,420	8,021,205	11,953,213	39,883,022	38,365,109	31,668,921	42,890,119	28,496,412	(1,701,390)	14,732,233	(11,491,069)	15,324,184
Expenses	(3,034,673)	(3,466,756)	(3,241,449)	(4,200,565)	(5,729,791)	(9,725,109)	(5,699,978)	(9,964,051)	(9,087,816)	(6,376,046)	(8,284,459)	(12,018,101)	(6,876,596)
Adjusted EBITDA	5,828,077	3,909,664	4,779,757	7,752,648	34,153,231	28,640,000	25,968,943	32,926,068	19,408,596	(8,077,436)	6,447,774	(23,509,170)	8,447,588
EBITDA (%)	65%	52%	59%	65%	86%	75%	82%	77%	68%	n/a	44%	n/a	55%

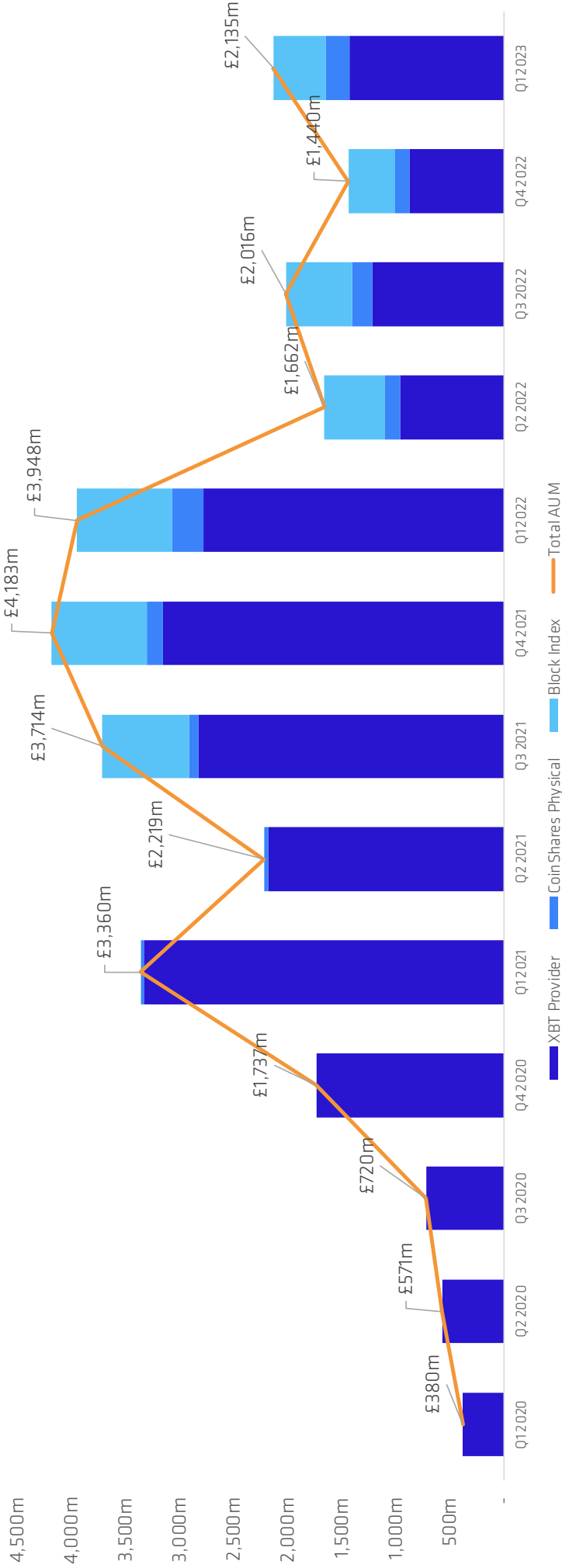
REVENUE, GAINS AND OTHER INCOME (GBP)



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
XBT Provider	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
CoinShares Physical	-	-	-	-	36,025,168	38,393,156	90,384,222	150,254,999	292,237,831	139,808,078	193,710,525	128,702,849	215,615,768
Block Index	-	-	-	-	-	-	798,217,118	880,466,340	875,706,190	557,953,920	605,865,292	433,876,700	487,304,800
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	4,182,989,717	3,947,926,386	1,661,699,531	2,015,720,371	1,440,270,827	2,134,887,531

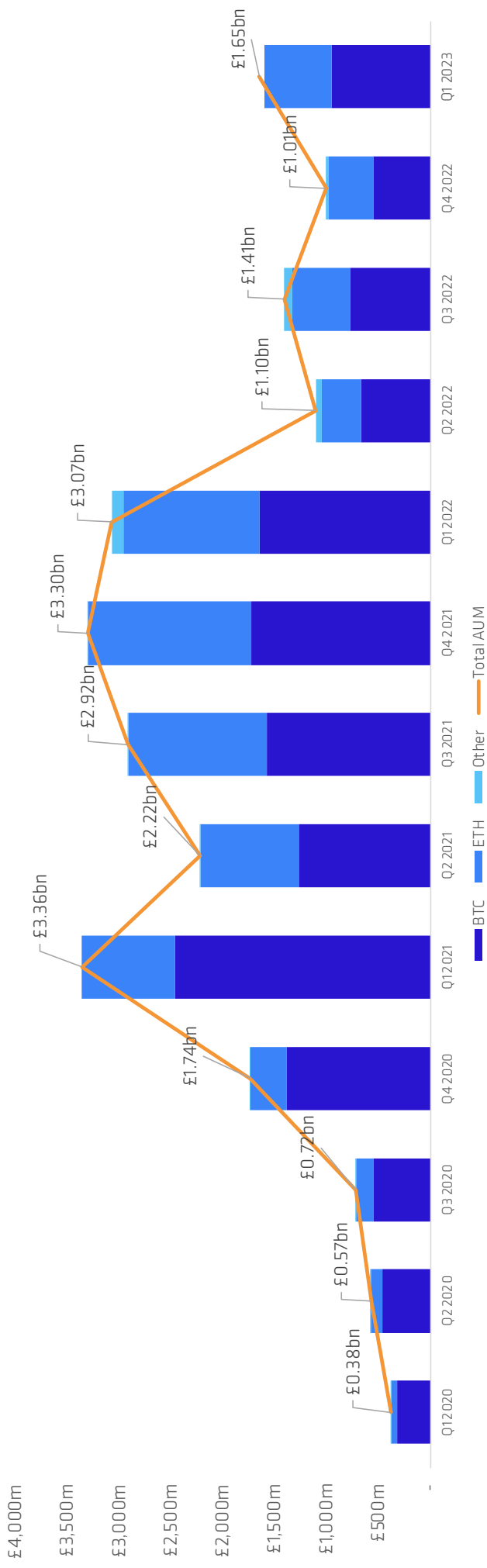
TOTAL AUM (GBP)



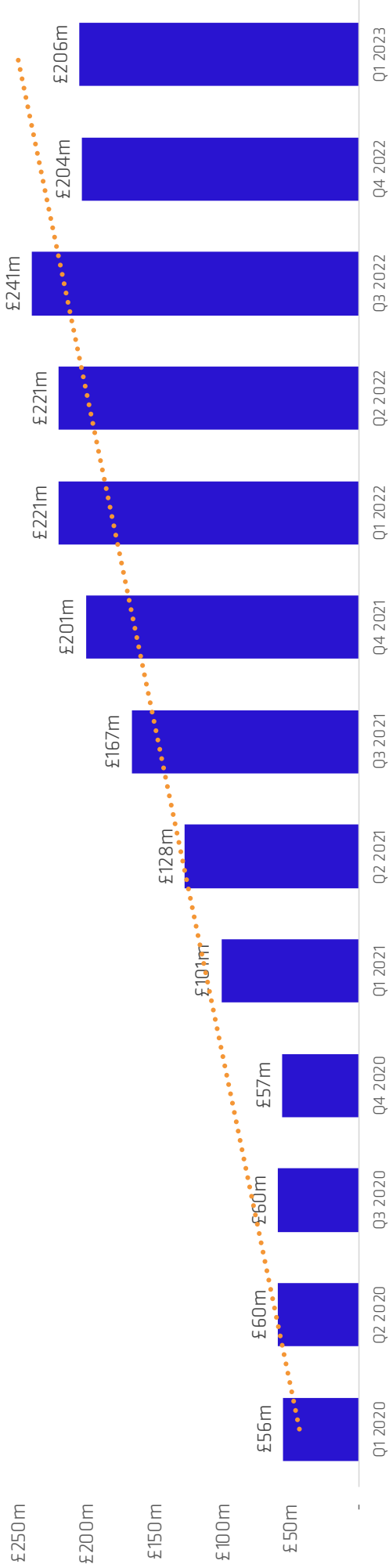
ASSET MANAGEMENT PLATFORM ETP AUM BY DIGITAL ASSET (GBP)

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
Total AUM	379,809,288	570,967,991	719,597,059	1,737,393,745	3,359,864,596	2,218,957,576	2,916,163,879	3,302,523,376	3,072,220,196	1,103,745,611	1,409,855,079	1,006,394,127	1,647,582,731
BTC	316,851,814	464,848,907	548,307,010	1,383,469,532	2,462,381,192	1,270,282,155	1,575,885,718	1,723,069,736	1,645,380,357	668,562,317	768,998,279	550,584,115	954,788,419
ETH	61,611,353	104,674,296	168,898,269	347,749,740	897,483,404	947,184,560	1,336,830,254	1,575,359,088	1,312,883,193	377,237,808	562,392,250	429,720,375	644,621,598
Other	1,346,121	1,444,789	2,391,780	6,174,473	-	1,490,862	3,447,907	4,094,553	113,956,646	57,944,737	78,464,550	26,089,638	48,172,714
no. of BTC	66,174	66,813	70,178	67,809	58,315	53,258	50,565	48,570	46,312	47,241	46,983	45,952	45,096
no. of ETH	670,174	629,326	655,225	673,412	683,411	635,641	610,668	564,166	509,398	495,796	494,657	479,731	473,349

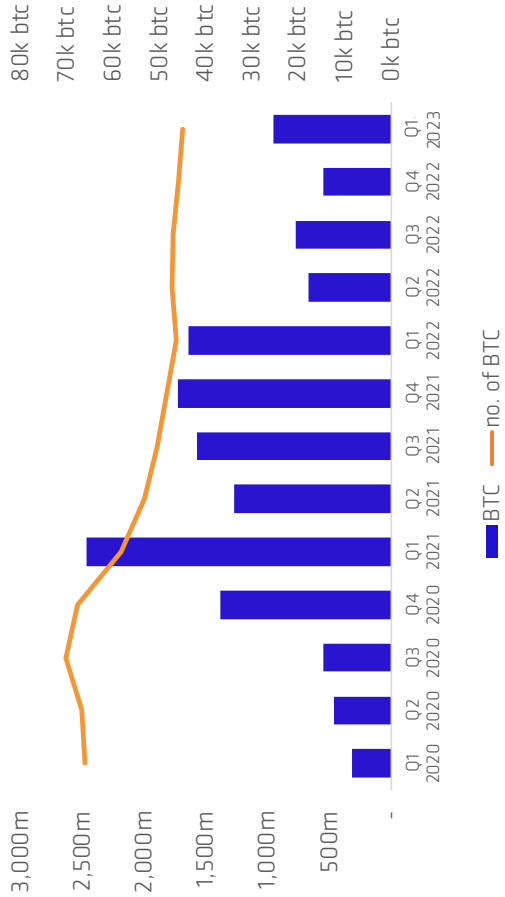
ETP AUM BY DIGITAL ASSET (GBP)



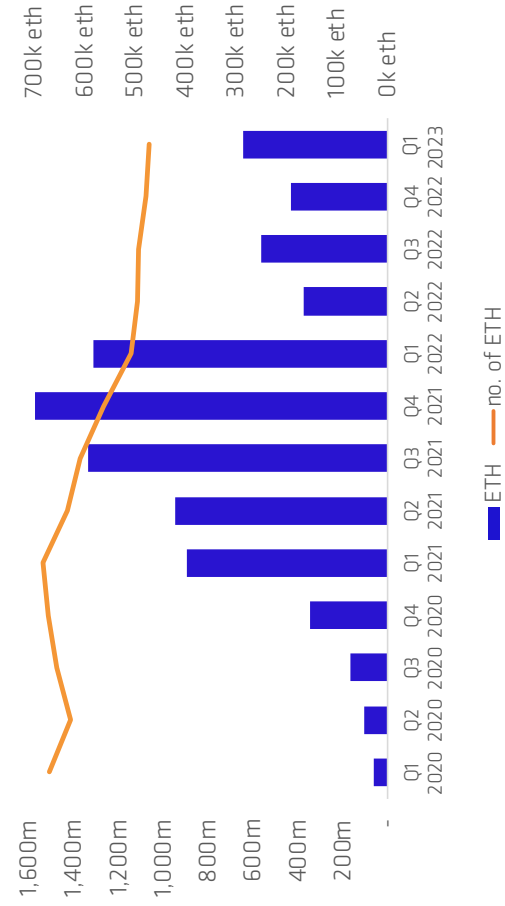
GROUP NET ASSET POSITION (GBP)



BTC AUM VS. ETH INFLOW/OUTFLOW



ETH AUM VS. ETH INFLOW/OUTFLOW



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