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CoinShares

2021 INTERIM REPORT



2021 INTERIM REPORT EXECUTIVE SUMMARY



Adjusted EBITDA for the interim period of over **£62.8 million**, achieving an EBITDA margin of 85% (H1 2020: £8.6 million, 58%).

Total comprehensive income for the period of **£58.7 million**, (H1 2020: £10.4 million).

Management fees generated by the Group's Asset Management Platform of **£36.7 million** (H1 2020: £6.7 million).

Combined income and gains generated by the Group's Capital Markets Infrastructure of **£37.4 million** (H1 2020: £8.0 million).

Fair value gains on Principal Investments of **£4.1 million** (H1 2020: £0.4 million).

Assets under management ("AUM") as at 30 June 2021 of **£2.2 billion**, (31 December 2020: £1.7 billion).

Net asset position of the Group as at 30 June 2021 of **£128.3 million**, (31 December 2020: £56.5 million).

Staff base of the Group has increased to 50 as at 30 June 2021 (31 December 2020: 42).

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2021 INTERIM REPORT FINANCIAL OVERVIEW



STATEMENT OF COMPREHENSIVE INCOME

- Management fees generated by the Group's Asset Management Platform for the interim period ended 30 June 2021 of £36.7 million. The fees generated in Q2 (£19.6 million) were in excess of those generated in Q1 (£17.1 million) driven by Bitcoin and Ethereum prices reaching all-time-highs experienced during April and May respectively. A significant reduction in digital asset prices which commenced in mid-May has impacted the Group's management fees at the end of the interim period, although the fees generated in April and May were sufficient to give the Asset Management Platform its highest ever quarterly results in Q2 2021.
- These fees are predominantly generated by exchange-traded products ("ETPs") issued by the Group's subsidiary XBT Provider ("XBT") which reference BTC & ETH. The CoinShares Physical suite of ETPs issued by CoinShares Digital Securities Limited ("CSDS") reference a wider range of digital assets including both XRP and Litecoin.
- The Group's Capital Markets Infrastructure team has allowed for the execution of a variety of trading strategies that, whilst assuming no directional risk, have successfully capitalized on the significant levels of activity seen in the digital asset market thus far in 2021. Additional income has been derived from the Group's fixed income activities, OTC activities and liquidity provisioning on the Group's ETPs. The combined activities of the Capital Markets team has resulted in income and gains of £37.4 million for the interim period ended 30 June 2021.
- The adjusted EBITDA of the Group (calculated as described on page 9) in H1 2021 was £62.8 million. The EBITDA margin for H1 2021 of 85% has also shown a significant increase when compared to 2020 performance (63% for the year, and 58% as at 30 June 2020). The increased level of management fees and trading gains do not have a proportional impact upon the relatively fixed cost base of the Group, thus allowing for improved margins.
- Total comprehensive income of the Group for H1 2021 of £58.7 million, compared to £18.4 million for the full financial year 2020.

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BALANCE SHEET

- AUM for the Group as at 30 June 2021 of over £2.22 billion, showing an increase of 27% over the six month period (as at 31 December 2020, £1.74 billion), but a decrease of 34% from the Q1 2021 closing AUM of £3.35 billion due to digital asset price declines over May/June 2021.
- Total assets held by the Group as at 30 June 2021 of approximately £2.50 billion, showing an increase of approximately 27% over the six month period (as at 31 December 2020, £1.96 billion).
- Composition of the balance sheet has remained consistent throughout H1 2021, with the majority of assets represented by digital asset holdings and exposure, and liabilities represented by amounts owing to holders of the Group's ETPs and amounts due to brokers. The exposure to digital assets used to hedge the Group's liabilities is predominantly a combination of physical digital asset holdings and a range of non-leveraged, digital-asset backed financial instruments (which are disclosed on the Group's balance sheet within trade and other receivables).
- The net asset position of the Group increased 79.4% to £101.4 million over Q1 2021 (as at 31 December 2020, £56.5 million). This net asset position has further increased over Q2 by an additional 26.5% and as at 30 June 2021 stands at £128.3 driven by the impact of total comprehensive income for the quarter.

OPERATIONAL AND COMMERCIAL HIGHLIGHTS

- Expanded footprint into equities market with acquisition of the ETF index business from Elwood Technologies, as announced on 6 July 2021¹, establishing a partnership with Invesco to further bridge the gap between traditional asset management and cryptocurrencies, whilst broadening both firms' connectivity with global institutional investors and allocators. The Invesco Elwood Global Blockchain Equity UCITS ETF has over \$1B in assets under management, which now form a part of the CoinShares Asset Management platform. The acquisition also included the addition of equity research capabilities.
- Reached record trading volumes across our two ETP platforms on 19 May 2021, with more than \$490m in CoinShares ETPs changing hands in a single day, being the highest volume of any European crypto ETP provider.² These impressive volumes demonstrated the robustness of the CoinShares Asset Management platform, which continued to operate seamlessly during volatile periods when several crypto exchanges halted trading.

¹ <https://coinshares.com/news/coinshares-to-acquire-global-blockchain-equity-index>

² <https://coinshares.com/news/coinshares-etps-reach-record-trading-volumes>



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- CoinShares Physical ETP platform successfully cross-listed three of its physically backed ETPs on Germany's Börse Xetra exchange. The CoinShares Physical platform now has over \$300m in assets under management and is passported to eleven countries. This cross-listing is another important step for CoinShares Asset Management, providing investors across Europe with easier access to digital assets.³
- Announced an exclusive partnership with the largest platform for German-speaking financial and investment news, finanzen.net. As a result of the partnership, CoinShares will be the sole provider of physically-backed crypto products on the newly launched investment platform finanzen.net "zero" which launched on 5 June 2021 with zero trading fees.
- Collaborated with 3iQ to launch the 3iQ CoinShares Bitcoin ETF⁴ and Ether ETF⁵ which are both publicly listed in the Canadian market and accumulated over C\$1B in AUM in the first month of trading.
- Joined DeFi Alliance Europe Chapter as a founding partner⁶, and welcomed the first cohort of companies to the program. In Q2, CoinShares continued to expand its investment portfolio, research coverage, and capital markets infrastructure to focus on the emerging DeFi thematic.
- Partnered with Blockdaemon⁷, the leading institutional crypto infrastructure provider, to build staking and blockchain networking infrastructure into the CoinShares Capital Markets Infrastructure and Asset Management Platforms. The first protocol supported is Solana, where CoinShares launched a node⁸ which offers low delegation fees. CoinShares intends to run nodes, deploy testnets and mainnets, and contribute to the progressive decentralization of new blockchain networks like Solana, and expects to support a broader range of protocols and assets in Q3 and Q4.
- Made a strategic investment into a new ESG-focused investment management company in the United States, Viridi Funds.⁹ The Viridi Cleaner Energy Crypto-Mining & Semiconductor ETF (NYSE: RIGZ)¹⁰ commenced trading on 20 July 2021.

³ <https://coinshares.com/news/coinshares-and-finanzen-zero-announce-exclusive-crypto-etp-platform-partnership>

⁴ <https://www.globenewswire.com/news-release/2021/04/19/2212386/0/en/3iQ-CoinShares-Bitcoin-ETF-Begins-Trading-on-TSX.html>

⁵ <https://www.globenewswire.com/news-release/2021/04/23/2215982/0/en/3iQ-CoinShares-Ether-ETF-Begins-Trading-on-the-TSX.html>

⁶ <https://coinshares.com/news/coinshares-joins-defi-alliance-europe>

⁷ <https://coinshares.com/news/coinshares-selects-blockdaemon-to-build-staking-into-its-market-infrastructure-and-trading-footprint>

⁸ <https://solanabeach.io/validator/6af6c11dJbUAoUupxLGR3Y6CGsf8HMiYU4QCA5pYmDuo>

⁹ <https://coinshares.com/news/coinshares-announces-strategic-investment-in-iridi-funds-an-esg-focused-financial-products-manager>

¹⁰ <https://viridifunds.com/2021/07/19/rigz-announcement/>



2021 INTERIM REPORT

MESSAGE FROM THE CEO



Dear Shareholders,

I am delighted to announce that we have just recorded the strongest second-quarter results in our Company's short history, reinforcing CoinShares position as Europe's largest and longest standing Digital Asset Company. The Group's core business units, being our Asset Management Platform and our Capital Markets Infrastructure have allowed us to benefit from the overall development in the digital assets sector, whilst simultaneously capitalizing on the volatility it has experienced. This dual approach provides a unique competitive advantage and has allowed us to arrive at what I believe to be our strongest position to date.

> Asset Management Platform

The Asset Management Platform continues to diversify. During Q2, we added new products and markets to our platform through strategic partnerships and the acquisition of the ETF business from Elwood Technologies. This important milestone adds over \$1 billion in fee paying AUM to our results, strengthens our research capabilities and gains us a thematic index ETF investing worldwide, which further progresses our global aspirations. The acquisition has also resulted in a strategic alliance with Invesco Europe, which holds great promise. Invesco is one of the largest investment management companies globally and was the first institutional asset manager to introduce a blockchain-focused thematic ETF. They are an ideal partner, and we look forward to working with them to explore expansion opportunities.

Our own platforms - XBT Provider and CoinShares Physical - had £2.2 billion¹ of AUM between them (as of 30 June 2021). At the end of the quarter, products on these platforms were available in 11 jurisdictions throughout Europe, a significant increase in our market coverage versus Q1. We also launched two new products (Litecoin and XRP) in the quarter, further scaling our institutional ETP platform offering. In total, we have launched 4 ETPs this year and our team is getting better and faster at scaling and streamlining our institutional platform, while we follow our expansion plans and geographic reach within Europe.

We also added several new access points in Q2, such as Tradegate, Gettex and Boerse Stuttgart, but perhaps the most notable is the addition of Deutsche Börse Xetra. We now connect our institutional platform to Germany's largest marketplace, providing centrally cleared products to a larger audience and helping to reduce operational risk. With our products now widely accessible to investors in Germany, and given our expansion plans, we formed an alliance with Finanzen Zero, Germany's #1 financial news portal with over 65 million page visits per month. We are also the exclusive provider of crypto products on their newly launched investment platform, which should support growth and enhance the CoinShares brand throughout German speaking countries.

In the second half of the year, our focus is to continue to expand our distribution pipeline within these markets.

¹USD \$3.0 billion



> **Capital Markets Infrastructure**

On the Capital Markets Infrastructure side, we posted significant year-on-year gains, bolstered by digital currencies reaching record levels during Q2. This was followed by a precipitous decline in pricing and high levels of market volatility, which created opportunities for the Group's Capital Markets activities, providing further proof that CoinShares offers real diversification away from a simple Beta play. Throughout, we have kept a tight control on the Group's value at risk metrics, specifically with respect to the Group's Delta Neutral Trading Strategies.

We are pleased to report that, average monthly trading and execution have continued to rise, with close to 100% uptime. There is a clear pattern of volume growth, which highlights the scalability of the CoinShares platform. With market volatility settling as of late, it has given our engineering and trading teams a chance to upgrade our trading systems and implement new integrations and capabilities.

In the second half of the year, our focus is on further improvement, tailoring our infrastructure to benefit from all market conditions, through implementation of new strategies and exploration of new market opportunities.

> **Principal Investments**

We have commenced the recognition of some fair value gains in our Principal Investment portfolio. This has been done in-line with the Group's valuation methodology, which will be made available on the Company's website in the coming months. While this currently represents only a small part of the Group and its activities, we recognize the benefit of having a clear methodology on which to rely as the portfolio continues to grow. Our investment platform has been an evolving part of our business, and an area where we continue to invest significant time and energy. As a Group with a technological backbone, we focus on investing in early-stage technology companies and channels to help us distribute our products and services into new markets. Technology is changing the structure and flow of markets, including where trades are executed, cleared, and settled. New protocols require new financial instruments, infrastructure, and risk management tools. Having the right infrastructure will enable all of this to become a reality – and this plays into our investment capabilities to capitalize on broader FinTech trends. Our strategic approach to investments has helped shape our tech stack and drive our corporate strategy.

In closing, while these are the strongest interim financial results in the Group's history, we have yet to realize the full impact of the new products launched, new alliances formed, and the new geographies entered. The Group's performance on a 12-month rolling basis will provide the most accurate measure of our continued growth and we therefore encourage our performance to be viewed in this way.

The market is ripe for further consolidation and expansion, and we will continue to be aggressive, yet methodical, in our approach to capitalize on such opportunities. We look forward to the remainder of the financial year and all that it may bring. We expect to continue evidencing, through our financial performance, that CoinShares is much more than a traditional beta play on digital assets.

Jean-Marie Moggetti

CEO

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FINANCIAL INFORMATION



Digital assets are classified as intangible assets under FRS102, the accounting standard under which the Group's financial statements are prepared. As such, fair value gains or losses on the digital asset holdings of the Group are recognised within other comprehensive income. 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 within the main statement of comprehensive income. These movements, which have historically been significant, 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 total comprehensive income figure, inclusive of digital asset gains and losses, is the most representative measure of the Group's overall performance.

Additionally, certain trading gains generated by CoinShares Capital Markets are also recognised within other comprehensive income. The EBITDA calculation below discloses these amounts separately and reconciles the Group's performance back to the total comprehensive income figure as disclosed under FRS102. This is designed to provide a clear view of the performance of the Group's commercial activities, split as follows:

- Asset Management Platform
- Capital Markets Infrastructure
- Principal Investments

The unaudited results of the Group for the interim period ended 30 June 2021 are included on pages 10 to 15 of this report. Figures for the period ended 30 June 2020 and results for the year ended 31 December 2020 have also been included for comparative purposes.

The next set of results to be released by the Group will be for the nine month period ended 30 September 2021, released in November 2021, as per the financial calendar published on the Group's website, at <https://coinshares.com/investor-relations>.

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EBITDA

GBP	6 months ended 30 June 2021	6 months ended 30 June 2020	Year ended 31 December 2020
Asset Management Platform (i)	36,676,513	6,732,535	18,389,413
Capital Markets Infrastructure (ii)	37,429,372	7,971,465	16,835,488
Total	74,105,885	14,704,000	35,224,901
Administrative expenses	(15,454,900)	(6,582,928)	(14,100,119)
Gain/(loss) on investments (iii)	4,142,246	431,388	988,687
EBITDA	62,793,231	8,552,460	22,113,469
EBITDA (%)	85%	58%	63%
Taxation	(1,224,935)	(56,181)	(401,363)
Depreciation/amortisation	(90,679)	(43,368)	(212,356)
Interest expense	(2,358,962)	(526,393)	(1,191,408)
Currency translation differences	(449,041)	2,513,923	(1,889,367)
Total comprehensive income	58,669,614	10,440,441	18,418,975

(i) ASSET MANAGEMENT PLATFORM

The table below shows a breakdown of the fees generated by the Group's Asset Management Platform. The Group's newly acquired index platform (as announced on 6 July 2021), will be included within this analysis from Q3 onwards.

GBP	6 months ended 30 June 2021	6 months ended 30 June 2020	Year ended 31 December 2020
Retail platform (XBT Provider)	36,527,665	6,732,535	18,389,413
Institutional Platform (CSDS)	148,848	-	-
Total	36,676,513	6,732,535	18,389,413

(ii) CAPITAL MARKETS INFRASTRUCTURE

The table below shows a breakdown of the income and gains generated by the Capital Markets Infrastructure of the Group.

GBP	6 months ended 30 June 2021	6 months ended 30 June 2020	Year ended 31 December 2020
Liquidity Provisioning	9,662,854	1,716,919	4,151,087
Delta Neutral Trading Strategies	19,231,442	4,223,297	7,606,748
Fixed Income Activities	4,347,071	1,210,085	3,792,762
Other	4,188,005	821,163	1,284,891
Total	37,429,372	7,971,465	16,835,488

Value at Risk (“VaR”) – Delta Neutral Trading Strategies

The trading strategies of the Group comprise activities that seek to take advantage of market and infrastructure inefficiencies within the digital asset markets while assuming minimal risk. These strategies are therefore focused on delta-neutral opportunities achieved through holding hedged future positions, rather than assuming any directional risk on the performance of digital assets.

Due to this approach, the Value at Risk (“VaR”) at any given point in time remains low, as illustrated in the table below:

Date	Assets	Confidence level (%)	Value at Risk (\$)
30 April 2021	BTC/ETH	95%	2,001,051
31 May 2021	BTC/ETH	95%	233,819
30 June 2021	BTC/ETH	95%	89,889

We believe our VaR analysis only applies to the Delta Neutral Trading Activities of the Capital Markets book.

(iii) PRINCIPAL INVESTMENTS

The table below shows a breakdown of the Group’s Principal Investment gains, split between JV holdings and investments.

GBP	6 months ended 30 June 2021	6 months ended 30 June 2020	Year ended 31 December 2020
Joint Venture Gain/(Loss)	(167,918)	(114,677)	(531,419)
Investments Gain/(Loss)	4,310,164	546,065	1,520,106
Total	4,142,246	431,388	988,687

The Valuation Methodology adopted by the Group is designed to properly assess the fair value of investments in accordance with the principles of the IPEV Guidelines. The IPEV guidelines allow for management to assess its investment portfolio on a consistent basis, while also acknowledging that the varying nature of the investments it holds should be considered on a case by case basis, utilising the most appropriate valuation techniques for its size, stage of development and quoted/unquoted status.

These techniques include observable market prices, net assets, discounted cash flows and the price of recent investment rounds. Resultant valuations are adjusted as appropriate, discounted for factors including lack of control and lack of marketability.

Principal Investments Breakdown and 2021 Performance

GBP	1 January 2021	Additions/(Disposals)	Gain/(Loss)	30 June 2021
Komainu*	-	364,928	2,164,982	2,529,910
3iQ	1,602,519	723,961	1,654,709	3,981,189
Kingdom Trust/SBG	1,427,120	1,543,529	-	2,970,649
New Gen Minting LLC (Viridi)	-	289,239	-	289,239
Solana tokens**	-	361,600	104,714	466,314
GTSA	516,441	390,973	(135,314)	772,100
CoinShares Fund II	46,323	-	519,980	566,303
Other quoted holdings	-	427,878	(166,825)	261,053
Goodwill	33,873	(2,152)	-	31,721
Total	3,626,276	4,099,956	4,142,246	11,868,478

* Komainu was previously classed as a Joint Venture and accounted for using the equity method. It was reclassified during Q2 2021

** Solana tokens are included within our Principal Investment analysis but held within digital assets on the Group’s balance sheet

It is noted that unrealised gains on investment are ultimately based on the assessment of management and may differ from the realizable amount in the event of disposal.

STATEMENT OF COMPREHENSIVE INCOME

	INTERIM		ANNUAL
	H1 2021 unaudited	H1 2020 unaudited	FY2020 audited
	6 months ended 30 June 2021	6 months ended 30 June 2020	Year ended 31 December 2020
Revenue	36,676,513	6,732,535	18,389,413
Gross profit	36,676,513	6,732,535	18,389,413
Administrative expenses	(15,545,579)	(6,626,296)	(14,312,475)
Other operating income	744,280	106,380	607,035
Intercompany collateral (expense)/income	(1,066,507,339)	(98,228,038)	(1,440,568,711)
Realised gain on digital assets/financial instruments	(338,873,804)	47,747,116	42,132,662
Operating profit	(1,383,505,929)	(50,268,303)	(1,393,752,076)
Realised gain/(loss) on investments	3,517,552	431,388	942,364
Profit before interest and taxation	(1,379,988,377)	(49,836,915)	(1,392,809,712)
Finance income	4,347,071	1,195,394	3,792,762
Finance expense	(2,358,962)	(526,393)	(1,191,408)
Profit/(loss) before taxation	(1,378,000,268)	(49,167,914)	(1,390,208,358)
Taxation	(1,224,935)	(56,181)	(401,363)
(Loss)/Profit after taxation	(1,379,225,203)	(49,224,095)	(1,390,609,721)
Other comprehensive income			
Currency translation differences	(449,041)	2,513,923	(1,889,367)
Fair value gain/(loss) on digital assets	1,437,823,878	57,150,613	1,410,871,740
Unrealised gain/(loss) on investments	519,980	-	46,323
Total other comprehensive income	1,437,894,817	59,664,536	1,409,028,696
Total comprehensive income for the year	58,669,614	10,440,441	18,418,975
Total comprehensive income attributable to			
Owners of the parent	58,669,614	9,504,699	16,749,711
Non-controlling interests	-	935,742	1,669,264
Earnings per share	(21.13)	(0.84)	(21.68)
Earnings per share (fully diluted)	(21.13)	(0.84)	(21.68)
<i>Earnings per share calculated inclusive of fair value gains on digital assets for illustrative purposes</i>			
<i>Earnings per share</i>	<i>0.90</i>	<i>0.16</i>	<i>0.29</i>
<i>Earnings per share (fully diluted)</i>	<i>0.86</i>	<i>0.16</i>	<i>0.29</i>

BALANCE SHEET

	unaudited	audited	audited
	As at 30 June 2021	As at 31 December 2020	As at 31 December 2019
Assets			
Non-current assets			
Property, plant and equipment	163,572	223,131	375,728
Intangible assets	18,976	20,100	6,870
Investments	11,402,164	3,626,275	5,585,049
Long term receivables	53,150	329,315	322,678
	11,637,862	4,198,821	6,290,325
Current assets			
Trade and other receivables	639,093,670	62,273,918	27,010,628
Digital assets	1,697,974,854	1,826,694,524	427,524,070
Cash at bank	53,282,657	2,265,817	2,350,042
Amounts due from brokers	102,459,519	66,517,815	39,405,202
	2,492,810,700	1,957,752,074	496,289,942
Total assets	2,504,448,562	1,961,950,895	502,580,267
Liabilities			
Current liabilities			
Trade payables and other liabilities	(2,297,147,485)	(1,792,935,550)	(419,340,004)
Amounts due to brokers	(77,524,547)	(112,120,817)	(37,630,992)
Current tax liabilities	(1,451,204)	(397,690)	(265,803)
	(2,376,123,236)	(1,905,454,057)	(457,236,799)
Net current assets/(liabilities)	116,687,464	52,298,017	39,053,143
Net assets	128,325,326	56,496,838	45,343,468
Equity			
Share capital	32,943	31,278	2,214,801
Share premium	15,151,649	2,387,070	110,610
Other reserves	926,539,385	1,209,629,503	168,812,966
Retained earnings	(813,398,651)	(1,155,551,013)	(125,794,909)
Total equity	128,325,326	56,496,838	45,343,468
Equity attributable to the owners of the parent	128,325,326	56,496,838	44,728,358
Non-controlling interests	-	-	615,110
Total equity	128,325,326	56,496,838	45,343,468

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Other reserves	Retained earnings	Total equity	Attributable to the parent	Non-controlling interest
At 1 January 2019	2,214,236	110,610	104,322,050	(68,003,063)	38,643,833	37,725,503	918,330
Profit/(loss) for the year	-	-	-	(62,123,731)	(62,123,731)	(103,097,980)	40,974,249
Other comprehensive income for the year	-	-	64,490,916	6,547,057	71,037,973	111,046,366	(40,008,393)
Total comprehensive income for the year	-	-	64,490,916	(55,576,674)	8,914,242	7,948,386	965,856
Shares issued during the year	565	-	-	-	565	565	-
Total transactions with owners recognised in equity	565	-	-	-	565	565	-
Acquisition of non-controlling interest	-	-	-	(2,215,172)	(2,215,172)	(946,096)	(1,269,076)
At 31 December 2019	2,214,801	110,610	168,812,966	(125,794,909)	45,343,468	44,728,358	615,110
At 1 January 2020	2,214,801	110,610	168,812,966	(125,794,909)	45,343,468	44,728,358	615,110
Profit/(loss) for the year	-	-	-	(1,390,609,721)	(1,390,609,721)	(1,263,118,021)	(127,491,700)
Other comprehensive income for the year	-	-	1,040,756,693	368,272,003	1,409,028,696	1,279,867,732	129,160,964
Total comprehensive income for the year	-	-	1,040,756,693	(1,022,337,718)	18,418,975	16,749,711	1,669,264
Shares issued during the year	2,750	2,276,460	-	-	2,279,210	2,279,210	-
Shares redeemed during the year	(2,186,273)	-	-	287	(2,185,986)	(2,185,986)	-
Share based payments	-	-	308,446	-	308,446	308,446	-
Disposal of subsidiaries	-	-	-	(5,382,901)	(5,382,901)	(5,382,901)	-
Total transactions with owners recognised in equity	(2,183,523)	2,276,460	308,446	(5,382,614)	(4,981,231)	(4,981,231)	-
Acquisition of non-controlling interest	-	-	-	(2,284,374)	(2,284,374)	-	(2,284,374)
At 31 December 2020	31,278	2,387,070	1,209,878,105	(1,155,799,615)	56,496,838	56,496,838	-
Profit/(loss) for the period	-	-	-	(1,379,225,203)	(1,379,225,203)	(1,379,225,203)	-
Other comprehensive income for the period	-	-	(283,731,350)	1,721,626,167	1,437,894,817	1,437,894,817	-
Total comprehensive income for the period	-	-	(283,731,350)	342,400,964	58,669,614	58,669,614	-
Shares issued during the period	1,665	12,764,579	-	-	12,766,244	12,766,244	-
Share based payments	-	-	392,630	-	392,630	392,630	-
Total transactions with owners recognised in equity	1,665	12,764,579	392,630	-	13,158,874	13,158,874	-
At 30 June 2021	32,943	15,151,649	926,539,385	(813,398,651)	128,325,326	128,325,326	-

STATEMENT OF CASH FLOW

	unaudited Period ended 30 June 2021	unaudited Period ended 30 June 2020	audited Year ended 31 December 2020
Cash flows from operating activities			
(Loss)/profit after taxation	(1,379,225,203)	(49,224,095)	(1,390,609,721)
Adjustments for:			
Depreciation	87,816	43,057	209,758
Amortisation of goodwill	1,740	311	623
Amortisation of intangibles	1,123	-	1,975
Share based payments	392,630	19,558	308,446
Net finance expense	(1,988,109)	669,001	(2,601,354)
Taxation expense	1,224,935	56,181	401,363
(Gain)/loss on digital assets/financial instruments	338,873,804	(47,747,116)	(42,132,662)
(Gain)/loss on investments & joint ventures	(3,517,552)	(431,388)	(942,364)
	(1,044,148,816)	(96,614,491)	(1,435,363,936)
Changes in working capital:			
Trade and other receivables	(912,190,965)	(20,388,481)	(12,845,111)
Trade and other payables	523,814,587	183,011,514	1,465,692,367
Cash generated from operations	(1,432,525,194)	66,008,542	17,483,320
Interest paid	(2,358,962)	(526,393)	(1,191,403)
Taxation paid	(171,421)	(146,519)	(269,327)
Net cash flow provided by/(used in) operating activities	(1,435,055,577)	65,335,630	16,022,590
Cash flows from investing activities			
Net (purchase)/sale of digital assets	1,542,330,270	(94,114,997)	(65,115,973)
Additions to intangible assets	-	(12,435)	(15,205)
Additions to property, plant and equipment	(28,412)	(40,456)	(65,160)
Disposals of property, plant and equipment	-	4,382	7,915
Acquisition of subsidiaries	-	-	(84)
Purchase of investments	(3,739,457)	(4,063,702)	(4,063,702)
Disposal of investments	-	-	1,558,548
Finance income	4,347,070	1,195,394	3,792,762
Net cash (used in)/provided by investing activities	1,542,909,471	(97,031,814)	(63,900,899)
Cash flows from financing activities			
Issue/(redemption) of shares	12,766,244	-	(2,185,986)
Net cash provided by/(used in) financing activities	12,766,244	-	(2,185,986)
Net increase/(decrease) in cash and cash equivalents	120,620,138	(31,696,184)	(50,064,295)
Cash and cash equivalents			
Beginning of financial period	(43,337,185)	4,124,252	4,124,252
Effects of currency translation on cash and cash equivalents	934,675	1,155,342	2,602,858
End of financial period	78,217,628	(26,416,590)	(43,337,185)
Comprised of:			
Cash at bank	53,282,657	3,970,884	2,265,817
Amounts due from brokers	102,459,519	50,553,739	66,517,928
Amounts due to brokers	(77,524,547)	(80,941,212)	(112,120,930)
End of financial period	78,217,629	(26,416,589)	(43,337,185)

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