

# Interim Report for

for

## XBT Provider AB (publ)

559001-3313

For the period

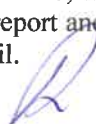
01/01/2020 - 30/06/2020

### Development of the Company's business operations, financial results and financial position

(Amounts in thousands of Swedish kronor)

	Jan-June 2020	Jan-June 2019	Jan-June 2018	Full year 2019
<b>Multi-year overview</b>				
Net turnover	2 160	2 297	3 706	3 675
Operating margin (%)	4	4	14	4
Balance sheet total	6 569 645	7 953 377	4 236 811	4 895 332
Return on equity (%)	2	2	9	4

NB: This English-language document is an unofficial translation of XBT Provider AB's mid year report 2020, which is in the Swedish-language. In the case of any discrepancies between the mid year report and this unofficial English translation, the Swedish-language mid year report shall prevail.



## **Comments from the Chief Executive Officer**

The first half of 2020 has seen increased volatility in the financial markets principally driven by the Covid-19 worldwide pandemic. The cryptocurrency market was not immune to this volatility, after suffering a sharp decline in prices in March 2020 the market has subsequently bounced back and now trades well above the 2019 year-end close. As such, we continue to see increased demand from investors in our ETPs as at 30 June 2020.

In the year to 30 June 2020 the Bitcoin price has risen by approximately 27%, and the Ethereum has risen by approximately 72%. Assets under management across all ETPs increased during the first half of 2020. The total asset under management increased by 34.5% from \$524.6m to \$705.6m.

CoinShares and XBT Provider would like to thank all ETP holders for the trust and confidence shown in our XBT products during this period. XBT certificates are still some of the top traded products listed on Nasdaq and Nordic Growth Market, ranked by Issuer and volume trading. The team remains very excited about the future of the cryptocurrency market, and we expect to have many new products and partners on the horizon.

### ***Risks and uncertainties***

The Board of Directors and the management of XBT Provider AB (publ) are ultimately responsible for the company's risk management. The Company's operations are monitored and controlled on an ongoing basis by the compliance and risk function of CoinShares (Jersey) Limited, an entity under common control and regulated by the Jersey Financial Services Commission.



## Income Statement

(Amounts in thousands of Swedish kronor)

	Note	01/01/2020 -30/06/2020	01/01/2019 -30/06/2019	01/01/2019 -31/12/2019
<b>Operating revenues</b>				
Net turnover		2 160	2 297	3 675
		<b>2 160</b>	<b>2 297</b>	<b>3 675</b>
<b>Operating costs</b>				
General administrative expenses		-2 055	-2 180	-3 506
Other operating expenses		-22	-29	-28
		<b>-2 077</b>	<b>-2 209</b>	<b>-3 534</b>
<b>Operating profit/loss</b>		<b>83</b>	<b>88</b>	<b>141</b>
<b>Profit/loss from financial items</b>				
Interest expense and similar profit/loss items		0	-6	-6
Value changes, certificates/currencies	2	0	0	0
		<b>0</b>	<b>-6</b>	<b>-6</b>
<b>Profit/loss after financial items</b>		<b>83</b>	<b>82</b>	<b>135</b>
<b>Pre-tax profit/loss</b>		<b>83</b>	<b>82</b>	<b>135</b>
Tax on profit for the period		-18	-19	-31
<b>Net profit/loss for the period</b>		<b>65</b>	<b>63</b>	<b>104</b>

## Balance Sheet

(Amounts in thousands of Swedish kronor)

	Note	30/06/2020	30/06/2019	31/12/2019
<b>ASSETS</b>				
<b>Current assets</b>				
<i>Current receivables</i>				
Receivables from group companies	3	6 567 980	7 952 294	4 893 868
Current tax assets		691	431	635
Other receivables		224	8	150
Deferred expenses and accrued income		292	289	289
		<b>6 569 188</b>	<b>7 953 022</b>	<b>4 894 942</b>
<i>Cash on hand and in bank</i>		457	355	390
<b>Total current assets</b>		<b>6 569 645</b>	<b>7 953 377</b>	<b>4 895 332</b>
<b>TOTAL ASSETS</b>		<b>6 569 645</b>	<b>7 953 377</b>	<b>4 895 332</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<i>Restricted reserves</i>				
Share capital		500	500	500
		<b>500</b>	<b>500</b>	<b>500</b>
<i>Non-restricted equity</i>				
Retained earnings or losses		2 495	2 391	2 391
Profit/loss for the period		65	63	104
		<b>2 560</b>	<b>2 454</b>	<b>2 495</b>
<b>Total equity</b>		<b>3 060</b>	<b>2 954</b>	<b>2 995</b>
<b>Untaxed reserves</b>		980	980	980
<b>Current liabilities</b>				
Accounts payable		79	4	0
Liabilities to group companies		3 636	2 842	3 375
Other liabilities	4	6 561 169	7 946 052	4 887 292
Accrued expenses and deferred income		721	545	690
<b>Total current liabilities</b>		<b>6 565 605</b>	<b>7 949 443</b>	<b>4 891 357</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6 569 645</b>	<b>7 953 377</b>	<b>4 895 332</b>

## Statement of changes in equity

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	Share capital	Non-restr. equity	Total equity
<b>Opening equity 01/01/2020</b>	<b>500</b>	<b>2 495</b>	<b>2 995</b>
Profit/loss for the period		65	65
<b>Closing equity 30/06/2020</b>	<b>500</b>	<b>2560</b>	<b>3060</b>
<b>Opening equity 01/01/2019</b>	<b>500</b>	<b>2 391</b>	<b>2 891</b>
Profit/loss for the period		63	63
<b>Closing equity 30/06/2019</b>	<b>500</b>	<b>2 454</b>	<b>2 954</b>
<b>Opening equity 01/01/2019</b>	<b>500</b>	<b>2 391</b>	<b>2 891</b>
Profit/loss for the year		104	104
<b>Closing equity 31/12/2019</b>	<b>500</b>	<b>2 495</b>	<b>2 995</b>



## Cash Flow Analysis

(Amounts in thousands of Swedish kronor)

	Note	01/01/2020 -30/06/2020	01/01/2019 -30/06/2019	01/01/2019 -31/12/2019
<b>Current activities</b>				
Profit/loss after financial items		83	82	135
Adjustments for items not included in the cash flow		21	22	21
Tax paid		-75	-919	-1 135
<b>Cash flow from operating activities before change in working capital</b>		<b>29</b>	<b>-815</b>	<b>-979</b>
<b>Cash flow from change in the working capital</b>				
Change in current receivables		-312	272	-204
Change in current liabilities		371	277	951
<b>Cash flow from operating activities</b>		<b>88</b>	<b>-266</b>	<b>-232</b>
<b>Annual cash flow</b>		<b>88</b>	<b>-266</b>	<b>-232</b>
<b>Liquid assets, opening balance</b>				
Liquid assets, opening balance		390	643	643
<b>Exchange rate differences for liquid assets</b>				
Exchange rate differences for liquid assets		-21	-22	-21
<b>Liquid assets, closing balance</b>		<b>457</b>	<b>355</b>	<b>390</b>



## Notes

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### Note 1 Accounting and Valuation principles

#### General Information

The company prepares an interim report in accordance with IAS 34, taking into account the exemption from and additions to IFRS that are stated in RFR2 and the Annual Accounts Act. Only legal entity is reported, after which a full IFRS report does not apply. Accounting principles and calculation methods are unchanged from those applied in the annual report for the financial year 1 January to 31 December 2019.

Information in accordance with IAS 34.16A is provided both in notes and elsewhere in the interim report. XBT Provider's business comprises issuing financial instruments and other related activities. The company believes that this business as a whole constitutes an operating segment.



**Note 2 Value changes, certificates**

	<b>01/01/2020</b>	<b>01/01/2019</b>	<b>01/01/2019</b>
	<b>-30/06/2020</b>	<b>-30/06/2019</b>	<b>-31/12/2019</b>
<b>Value changes, certificates/currencies</b>			
Bitcoin Tracker One	-217 014	-1 958 577	-1 027 442
Bitcoin Tracker One Euro	-902 328	-2 531 947	-1 391 132
Ethereum Tracker One	-178 474	-326 455	-15 112
Ethereum Tracker One Euro	-375 267	-733 267	-74 350
Litecoin Tracker One	195	-12 502	-3 918
Litecoin Tracker One Euro	494	-6 147	-2 605
XRP Tracker One	-470	-10 065	-6 720
XRP Tracker One Euro	-1 013	-3 650	-2 571
<b>Total value change, certificates/currencies</b>	<b>-1 673 877</b>	<b>-5 582 610</b>	<b>-2 523 850</b>
	<b>01/01/2020</b>	<b>01/01/2019</b>	<b>01/01/2019</b>
	<b>-30/06/2020</b>	<b>-30/06/2019</b>	<b>-31/12/2019</b>
<b>Change in receivables</b>			
Bitcoin Tracker One	217 014	1 958 577	1 027 442
Bitcoin Tracker One Euro	902 328	2 531 947	1 391 132
Ethereum Tracker One	178 474	326 455	15 112
Ethereum Tracker One Euro	375 267	733 267	74 350
Litecoin Tracker One	-195	12 502	3 918
Litecoin Tracker One Euro	-494	6 147	2 605
XRP Tracker One	470	10 065	6 720
XRP Tracker One Euro	1 013	3 650	2 571
<b>Total change in receivables</b>	<b>1 673 877</b>	<b>5 582 610</b>	<b>2 523 850</b>
	<b>30/06/2020</b>	<b>30/06/2019</b>	<b>31/12/2019</b>
<b>Number of issued certificates</b>			
Bitcoin Tracker One	5 304	5 684	6 022
Bitcoin Tracker One Euro	806	696	740
Ethereum Tracker One	20 321	20 167	19 955
Ethereum Tracker One Euro	4 261	4 261	4 221
Litecoin Tracker One	205	209	206
Litecoin Tracker One Euro	12	10	14
XRP Tracker One	920	545	771
XRP Tracker One Euro	46	20	30
	<b>31 873</b>	<b>31 592</b>	<b>31 960</b>
	<b>30/06/2020</b>	<b>30/06/2019</b>	<b>31/12/2019</b>
<b>Prices</b>			
Bitcoin Tracker One	398,85 SEK	520,57 SEK	315,24 SEK
Bitcoin Tracker One Euro	381,10 EUR	492,23 EUR	299,83 EUR
Ethereum Tracker One	19,23 SEK	26,93 SEK	10,64 SEK
Ethereum Tracker One Euro	18,35 EUR	25,45 EUR	10,09 EUR
Litecoin Tracker One	18,20 SEK	54,27 SEK	19,03 SEK
Litecoin Tracker One Euro	17,43 EUR	51,38 EUR	18,14 EUR
XRP Tracker One	7,82 SEK	19,00 SEK	8,71 SEK
XRP Tracker One Euro	7,48 EUR	17,99 EUR	8,30 EUR



**Note 3 Receivables from group companies**

	<b>30/06/2020</b>	<b>30/06/2019</b>	<b>31/12/2019</b>
Acquisition value, opening balance	4 893 868	2 369 513	2 369 513
Incoming accounts	9 181 029	5 859 290	6 306 019
Outgoing accounts	-7 506 917	-276 509	-3 781 664
<b>Accumulated acquisition value, closing balance</b>	<b>6 567 980</b>	<b>7 952 294</b>	<b>4 893 868</b>
<b>Book value, closing balance</b>	<b>6 567 980</b>	<b>7 952 294</b>	<b>4 893 868</b>

**Note 4 Current liabilities**

	<b>30/06/2020</b>	<b>30/06/2019</b>	<b>31/12/2019</b>
Bitcoin Tracker One	2 115 514	2 829 636	1 898 500
Bitcoin Tracker Euro	3 218 678	3 457 165	2 316 350
Ethereum Tracker One	390 721	523 590	212 247
Ethereum Tracker Euro	819 647	1 103 297	444 380
Litecoin Tracker One	3 723	12 502	3 918
Litecoin Tracker Euro	2 112	6 147	2 605
XRP Tracker One	7 191	10 065	6 720
XRP Tracker Euro	3 584	3 650	2 571
	<b>6 561 169</b>	<b>7 946 052</b>	<b>4 887 291</b>

**Note 5 Information regarding the Group**

The Company is a wholly-owned subsidiary of CoinShares (Holdings) Limited, corporate no. 123711 domiciled in Jersey. Coinshares (Holding) Limited is part of a Group in which Global Advisors (Holding) Limited, corporate no. 102184 domiciled in Jersey, is the parent company.



### **Certification**

The Chief Executive Officer assures that this Interim Report provides a true and fair view of the Company's business activities, financial position and financial results, and describes significant risks and uncertainties faced by the Company.

Stockholm 2020-07-13



Dennis Engström  
Chief Executive Officer

### **Audit Report**

This report has not been reviewed by the Company's Auditor.