

Annual Report
for
XBT Provider AB (publ)

559001-3313

Financial Year

2020

This annual report is a translation of the official Swedish version of the annual report.

The Board of Directors and the Managing Director of XBT Provider AB (publ) (the “*Issuer*”), hereby present the Issuer’s Annual Report and accompanying financial statements for the financial year-ended 31 December 2020.

This annual has been prepared in Swedish krona, SEK. Unless stated otherwise, all amounts are rounded upwards to the nearest whole krona. Details in parentheses refer to the previous year.

GENERALLY ABOUT THE BUSINESS ACTIVITIES

The focus of the Company’s business activities is to issue financial instruments. The Company’s purpose is to issue non-equity linked certificates designed to follow the price development of a specific crypto asset.

THE ISSUER

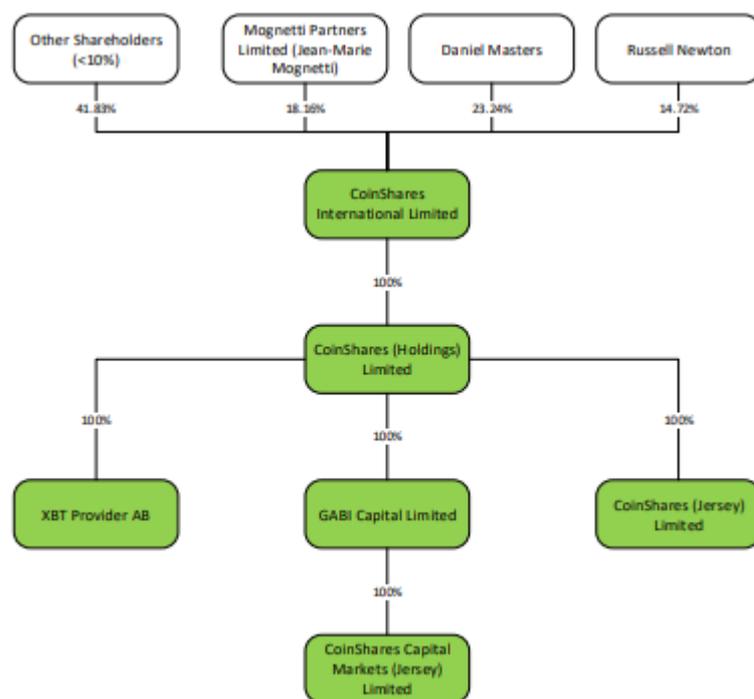
The Issuer was incorporated under Swedish law on 22 January 2015. The Issuer is a public limited liability company, registered with the Swedish Companies Registration Office under registration number 559001-3313, and having its statutory seat in Stockholm, Sweden.

GROUP STRUCTURE

The Issuer belongs to a group of companies, the holding entity of which is CoinShares International Limited (formerly Global Advisors (Holdings) Limited), incorporated in Jersey, Channel Islands (“*CSIL*” and such group, the “*Group*”). The Issuer’s share capital consists of 5,000 fully-paid shares of SEK 100 each, all of which are held by CoinShares (Holdings) Limited (“*CSHL*”), which accordingly controls the Issuer. CSHL, which is also incorporated in Jersey, Channel Islands is, in turn, owned by CSIL (as to 100%).

The guarantor, CoinShares (Jersey) Limited, incorporated in Jersey, Channel Islands (the “*Guarantor*”), is also wholly-owned by CSHL, is regulated in Jersey, Channel Islands by the Jersey Financial Services Commission.

The Issuer and the Guarantor are, therefore, affiliated and sister companies as shown:



Note: The above chart shows ultimate beneficial owners. In some cases, intermediate holding companies may not be shown.

The percentages shown in the above chart for the shareholders in CSIL are in respect of the share class which has the exclusive right to vote at general meetings of CSIL.

THE CERTIFICATES

The Issuer is a special purpose vehicle, established for the purpose of issuing series of non-equity linked certificates (“**Certificates**”) which are designed to synthetically track the performance of the price of the particular crypto-asset to which a series is referenced (being either bitcoin, litecoin, XRP or ether), in Swedish Kronor or Euro (respectively), less a fee component, as well as to engage in hedging activities relating to its issued Certificates. The Issuer does not engage in any other business activities and is not a licensed financial advisor.

The Issuer’s current Certificates are open-ended securities, without a scheduled maturity date. The Issuer’s Certificates are non-principal protected, unsecured and unsubordinated and do not bear interest. Certificates do not confer on the holders thereof any claim to, or against, the relevant underlying crypto-asset to which they are referenced. The value of, and any payment due under, the Issuer’s Certificates will (unless the particular series is denominated in US Dollars) be affected by the exchange rate between the US Dollar and the Euro or, as the case may be, between the US Dollar and the Swedish Kronor. Any returns upon the Issuer’s Certificates will not be the same as the returns which a direct investment of an equivalent sum in the relevant underlying asset could produce.

LISTING OF THE CERTIFICATES

Of the Issuer’s eight current series of Certificates (Bitcoin Tracker One (COINXBT:SS); Bitcoin Tracker Euro (COINXBE:SS); Ether Tracker One (COINETH:SS); Ether Tracker Euro (COINETHE:SS); Litecoin Tracker One (COINLTC:SS); Litecoin Tracker Euro (COINLTCE:SS); XRP Tracker One (COINXRP:SS); and XRP Tracker Euro (COINXRPE:SS), which are governed by Swedish law, those Certificates tracking Bitcoin and Ethereum are available and traded in the same manner as any other instrument or security admitted to trading on the Nasdaq NSDX market segment of the multi-lateral trading facility (‘MTF’), Nasdaq First North (operated by Nasdaq Stockholm AB) and those Certificates tracking Litecoin and XRP are available and traded in the same manner as any other instrument or security admitted to trading on the Nordic MTF market segment of the Nordic Growth Market.

The Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) has approved the Issuer’s base prospectus dated 15th May, 2020.

The Issuer may apply for its Certificates to be admitted to trading on a regulated market or any other market place, such as a multilateral trading facility (“**MTF**”), in Finland, Germany, the Netherlands, Norway, Sweden, and / or the United Kingdom and, subject to completion of relevant notification measures, any other Member State within the EEA.

The Issuer’s Certificates are not subject to an offer to the public in any Member State of the EEA.

THE GUARANTEE

The Guarantor entered into a guarantee with the Issuer on 13th June, 2016 (the “**Guarantee**”). Pursuant to the Guarantee, which was given in favour of the holders from time to time of the Issuer’s then-existing series of Certificates, the Guarantor undertook to perform and complete all of the Issuer’s obligations under such Certificates should the Issuer, for any reason, fail to do so.

The Guarantee was amended on 1st March, 2018 so as to be applicable to the Issuer’s payment obligations to the holders from time to time of any of the Issuer’s Certificates, including those yet to be issued.

The Guarantee is part of the Group’s risk-management and compliance framework. However, it is (and has been) the Group’s intention in connection with the Issuer’s Certificates that the Guarantee is to be a measure of ‘last resort’, with the due and adequate performance of the Issuer’s obligations to be primarily dependent upon the efficient and effective management of collateral.

HEDGING ARRANGEMENTS

Accordingly (and although the Issuer is not obliged to do so), the Issuer has entered into certain agreements with members of the Group to ensure that its payment obligations under the Certificates are appropriately hedged (Collateral Management Agreement). Pursuant to this agreement the Issuer and the Guarantor have agreed with another entity within the Group, CoinShares Capital Markets Jersey Limited (formerly GABI Trading Limited) (“CSCMJL”), incorporated in Jersey, Channel Islands and wholly owned by CSHL, that CSCMJL shall undertake all hedging activities with the aim that the Issuer’s payment obligations under the Certificates (and, consequently, also the Guarantor’s obligations under the Guarantee), shall be hedged through a corresponding holding of the relevant crypto-assets, physical or derivative from time to time.

Accordingly, the Issuer is dependent on CSCMJL performing these hedging activities appropriately and the Issuer continuously has an exposure against CSCMJL corresponding to its own net market liability under the Certificates.

CSCMJL holds the majority of its exposure from time to time in secure cold storage.

RISK FACTORS

The following is a general overview of some of the risks that typically are associated with the Issuer, the Guarantor and an investment in the Issuer’s Certificates.

The Issuer

The Issuer is exposed to risks which are inherent in its core businesses, including, in particular, the following:

Risk relating to crypto-currencies: the protocols for the crypto-currencies to which the Issuer’s Certificates are referenced are publicly available, which means that further innovation therein and thereto is possible. The crypto-currencies in existence as at a given date may not, therefore, mark the end of the evolution of such digital currencies (or digital currencies generally), which may be detrimental to the Issuer.

Credit risk: an investor's ability to receive payment for their Certificate(s) in accordance with the terms and conditions applicable thereto is dependent upon the Issuer's ability to meet those payment obligations (or, in the event of a default on the part of the Issuer, is then dependent upon the Guarantor’s ability to meet the payment obligations in accordance with the terms of the Guarantee).

Market risk: the risk of a loss of value on financial instruments (such as the Certificates) arising from, inter alia, changes in the prevailing parameters of the market, in the volatility of those parameters and / or in the correlation(s) between them.

Liquidity risk: the risk that the relevant members of the Group are not able to meet its cash or collateral requirements as they arise and / or at a reasonable cost.

Business risk: risks that arise as a consequence of external circumstances or events which cause harm (which may be unexpected) to the Issuer's reputation or otherwise prejudice its financial position.

Conflict of interests: a conflict of interest exists as a result of the Issuer also discharging the role of calculation agent and, in such role, determining the amounts to be paid to investors. Such calculations may involve a determination by the calculation agent as to whether certain events have taken place or not. The results of such decisions may affect the amounts to be paid to investors. Several legal entities within the same Group as the Issuer may, from time to time, acquire, hold and / or divest themselves of a position in the Issuer’s Certificates. When doing so, such entities will act in their own interests, rather than with regard to the interest(s) of other holders of Certificates.

Disputes & Litigation: the Issuer is not, but may from time to time, become party to (or otherwise become involved in) litigation, legal proceedings, disciplinary proceedings and / or regulatory enforcement proceedings (and settlements in connection with the foregoing), including with investors, employees, regulatory authorities and / or other claimants.

The Certificates

Risks relating to the Issuer's Certificates include, in particular, the following:

- the possibility of losing the invested amount (in whole or in part);
- risk of a volatile price determination of the Certificates on the secondary market;
- risk of an illiquid secondary market;
- exposure to volatility of the US Dollar;
- redemption (at the initiative of the Issuer or an investor) may result in the investor losing all or part of the value of their investment;
- the Certificates synthetically reference the underlying crypto-currency (and price movements therein) and do not confer upon an investor any claim to or against the underlying crypto-currency;
- nevertheless, factors affecting the performance of the relevant underlying crypto-currency may adversely affect the value of the Certificates which synthetically track that crypto-currency;
- no value creation or loss avoidance from forks, airdrops and other 'transformation events';
- any returns on the Certificates will not be the same as the returns which a direct investment of an equivalent sum in the relevant underlying crypto-currency could produce;
- the risks relating to small baskets (or baskets with correlated underlying crypto-currencies);
- the risk of the occurrence of one or more adjustment events; and
- tracking-error: which give rise to deviations between the market value of the Certificates and the market values of the crypto-currency to which the series of Certificates is referenced.

The crypto-currencies to which the Certificates are referenced

In light of the market exposure to the crypto-currency to which a series of Certificates is referenced which the Certificates inevitably cause, the following risk factors are primarily related to direct investments in those crypto-currencies. However, in the event one or more of these risks materialise, it may have an adverse effect on the market value of the Certificates, principally due to the adverse effect on or increased volatility of the market value of the crypto-currency to which a series of Certificates is referenced, but also by worsening the financial conditions of the Issuer or the Guarantor, should one or both of them be subjected to such risk:

- the market value, from time to time, of a given crypto-currency will be influenced by expectations as to the future use or other application of such crypto-currency, which may cause the crypto-currency to be highly volatile;
- a lack (or relative lack) of regulation and / or consumer protection relating to the crypto-currency;
- future regulation of a crypto-currency may negatively impact upon the market for such crypto-currency, as well (potentially) upon the operators within the relevant crypto-currency market;
- the risk of the occurrence of fraud or of an accident, leading to the loss of all or some of the crypto-currency in the relevant digital wallet(s);
- the perception (and the extent to which it is held) that there is significant usage of a crypto-currency in connection with criminal or other illicit purposes, could materially influence the development and regulation of crypto-currencies (potentially by curtailing the same); each crypto-currency to which a series of Certificates is referenced is faced with ever increasing competition from competitor crypto-currencies. There are currently many hundreds of crypto-currencies in existence and many more can be expected to be developed; and
- holding a crypto-currency may have adverse tax implications (such as incurrence of value added tax or capital gains tax).

The Guarantor

The Guarantor is exposed to risks which are inherent in its core businesses, including, in particular, the following:

Credit risk: investors are exposed to the Guarantor's ability to fulfil its payment obligations under the Guarantee in the event that the Issuer should be unable to meet its obligations in respect of the Certificates in accordance with their applicable terms and conditions. The Guarantor's financial position is affected by a number of factors.

Market risk: the Guarantor's financial results and position have been, and will continue to be, affected by the level of trading and investment activities related to bitcoin and the future development of crypto-currencies generally as an asset class. Should there be negative developments for this asset class and / or the level of trading and investment activities related to bitcoin decline, the Guarantor may be adversely affected which could, in turn, impact upon the Guarantor's ability to honour the Guarantee should the Issuer default on its obligations in respect of the Certificates.

Liquidity risk: this is the risk that the Guarantor does not have sufficient funds in order to make required payments at the given moment. In the event that available, liquid, funds are insufficient at the time that a payment is required to be made, the risk is that the Guarantor will not be able (either in full or partially) to fulfil its payment obligations in due time.

Business risk: risks that arise as a consequence of external circumstances or events which cause harm (which may be unexpected) to the Guarantor's reputation or otherwise prejudice its financial position. Of particular relevance may be developments within the crypto-currency industry which might prejudice the Guarantor's position as a leading player in the field.

Operational risk: these are risks relating to losses that the Guarantor may encounter as a result of operational matters such as having inappropriate or insufficient routines, human error, systems failures or and legal risks. If the management and control of the Guarantor's operations has been insufficient it may adversely affect its reputation and / or operating results.

Disputes & Litigation: the Guarantor is not, but may from time to time, become party to (or otherwise become involved in) litigation, legal proceedings, disciplinary proceedings and / or regulatory enforcement proceedings (and settlements in connection with the foregoing), including with investors, employees, regulatory authorities and / or other claimants.

Risk of loss of part of, or the entire, investment

- The return upon a Certificate is based on the changes in the value of the relevant crypto-currency to which the given series of Certificates is referenced. The latter may fluctuate widely. This volatility will impact upon the prices of the Certificates and investors may lose all or a substantial portion of the amount invested in the Certificates.
- Early redemption of a Certificate (which, depending upon their applicable terms and conditions, may be permissible at the election of the Issuer and / or the holders thereof) may prevent investors from benefitting from the performance of the crypto-currency to which the given series of Certificates is referenced over the whole period initially envisaged.
- The terms and conditions of the Certificates include provisions under which delay in the settlement of the Certificate (or modifications to the manner in which such settlement occurs) may result from the occurrence of certain market disruptions.
- The market value of the Certificates may, from time to time, be lower than the capital invested in them by an investor.
- An insolvency of the Issuer (if combined with a failure or inability by the Guarantor to honour the Guarantee), may cause a total loss of an investor's capital.

Investors in the Issuer's Certificates could sustain the loss of all, or a significant proportion of, any investment made therein. As such, an investment in the Certificates is likely to be highly speculative (and volatile).

FINANCIAL RISK MANAGEMENT

Regarding the management of financial risks, we refer to the Accounting Principles, and "The Company's Risk Factors", where there is a description of the main risks in the company's operations together with the measures taken to manage these risks.

ALLOCATION OF PROFIT

The proceeds from the issuance of Certificates will be applied by the Issuer for its general corporate purposes (i.e.: the proceeds will be used to hedge the Issuer's exposure in respect of the Certificates).

Once the Issuer's payment obligations to the holder of a Certificate have been discharged, the fee accrued in respect of that Certificate (250 bps p.a.) is assigned to CSCMJL. In connection with the activities performed by the Issuer in respect of its Certificates, CSCMJL pays the Issuer an annual services fee which is equivalent to: (i) the full costs, variable and fixed, incurred by the Issuer; and (ii) supplemented by an arm's-length mark-up thereon (the latter determined by the transactional net margin method by reference to the full-cost mark-up of comparable unconnected businesses), which mark-up is periodically reviewed by the Issuer and CSCMJL.

The Issuer is tax resident in Sweden (but does not otherwise have any presence in Sweden) and, as a result of having a permanent establishment in Jersey, is chargeable to tax in Jersey on the profits attributable to the permanent establishment.

DEVELOPMENTS IN 2020

2020 was an eventful year for the digital asset market. Against the back-drop of volatile markets and the COVID-19 global pandemic, the digital asset space saw an steadily increasing amount of institutional and retail interest, coupled with a number of competitors entering the industry, looking to provide exposure to digital assets in a variety of manners in order to meet this demand. This has been a contributing factor in the significant price increases seen towards the end of 2020, resulting in all-time highs for Bitcoin, Ethereum and other digital assets.

The obligation represented by the Issuer's Certificate's (and the corresponding AUM amount, shown within the financial statements as receivable due from CSCMJL) has increased significantly over the course of 2020. This increase has been driven predominantly by the increase in the market value of the digital assets the Certificates represent (as noted above), coupled with an increase in the number of Certificates issued.

The closing 2020 Bitcoin price of \$28,992 marked an increase over the course of 2020 of 302%, while Ethereum marked an increase of 465%, closing at \$746. Certificates issued by XBT referencing Bitcoin increased by 1.01% over the year, while those representing Ethereum increased by 8.32%. These factors combined have resulted in the AUM associated with the Certificates rising 358% to \$2.4 billion

The Issuer's latest prospectus was approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) on 15 May, 2020.

CORPORATE GOVERNANCE REPORT

(Because the Issuer's share capital is not listed on a stock exchange, the Code for Corporate Governance is not applicable to the Issuer).

Constitution & Annual General Meeting

The Issuer's Articles of Association (the "**Articles**") and the Swedish Companies Act (*Aktiebolagslagen*) form the basis, inter alia, and underpin the governance framework of the Issuer.

Amendments to the Issuer's Articles are a matter reserved to its shareholders from time to time. The minimum majority of shareholder votes required in order to amend the Issuer's Articles is two-thirds of the votes cast and represented at the shareholder meeting, however certain specific alterations referred to in the Swedish Companies Act require unanimity. The Issuer's sole shareholder, CSHL, can accordingly amend the Issuer's Articles.

The Annual General Meeting is the decision-making forum in which the Issuer's shareholder (CSHL) can exercise its influence. The duties of the Annual General Meeting are regulated in the Articles of Association and the Swedish Companies Act, and include: the election of the Board of Directors; appointment of the Auditor; the approval of the financial statements; and the granting of discharge (if any) from liability for the Board of Directors and the Managing Director. As shareholder, CSHL can remove members of the Issuer's Board of Directors.

The 2020 Annual General Meeting was held on 27th March.

Board of Directors

The duty of the Issuer's Board of Directors (the "**Board**") is to develop the long-term strategy, guidelines, vision and values of the Issuer.

During 2019 the Board consisted of the following members:

- Mr. Dennis Engström (born 1979, Swedish citizen), appointed Managing Director (appointed, 31 December 2019)
- Mr. Daniel Masters (born 1963, British citizen), also serving as Chairman of the Board
- Mr. Jean-Marie Mognetti (born 1984, French citizen)

Mr. Russell Newton (born 1965, British citizen), who is not a member of the Board, served as Deputy Managing Director of the Issuer throughout 2020.

The provisions of the Swedish Companies Act (*Aktiebolagslagen*) and the Issuer's Articles concerning the duties of the members of the Board are supplemented by certain working procedures adopted by the Board, which include provisions detailing the division of work between the Board members, the Chairman of the Board and the Managing Director. These working procedures prescribe that the Board is to meet a minimum of four times within a calendar year and the Board duly did so in 2020. All Board meetings of the Issuer in 2020 were held in Jersey, Channel Islands, and the Annual General Meeting was held in Sweden, as prescribed by the Issuer's working procedures.

Due to the relatively small nature of the Issuer's organisation, no committees of the Board have been established. Consequently, all matters of importance are dealt with directly by the Board.

Administration and secretarial support in connection with the Issuer was outsourced during the whole of 2020 to an external service provider pursuant to arrangements implemented at a Group level

Dennis Engström, Board Member & Managing Director

Mr. Engström has the following responsibilities:

- Implementing values and standards and aligning those values and standards to the CoinShares group vision and strategy.
- Conduct business assessments in order to maintain conformity with the requirements of the Swedish regulatory authority (the Swedish Financial Supervisory Authority - Finansinspektionen) and the applicable Nasdaq rulebook, including general listing rules.
- Providing strategic and executive leadership for day-to-day operations of the Issuer, monitoring of and executing all applicable statutory requirements relating to all aspects of the business activities of the Issuer (including monitoring the trading activities of the group's management system in Jersey).
- To act as a liaison for the Issuer in connection with the Scandinavian and European markets for investors and third-parties, ensuring that all relevant service providers, supervisory authorities and other participants are aware of all changes to personnel, structure, office address or other matters.
- Maintain, arrange and increase the number of liquidity providers (on exchange) in order to provide risk diversification and constant liquidity of the Certificates.
- To provide support for the delivery of strategic projects, including exploring the issuance of new securities, expanding the product range and contributing to the ongoing development of the CoinShares' strategy.
- Monitoring of activities and through appropriate management and planning, the identification of the needs for supporting growth.
- Working with Group executives and third parties (including lawyers and auditors) in order to regularly renew the Issuer's base prospectus, and to provide and undertake regulatory filings for the Issuer.

Mr. Daniel Masters, Board Member & Chairman

Mr. Masters has the following responsibilities:

- To monitor general business developments and keep other members of the Board continually apprised of the same, in order to enable the Board to function effectively and in accordance with the Swedish Companies Act (*aktiebolagslagen*).
- The recruitment and monitoring the performance of the Managing Director, personnel and service providers who directly and indirectly support the Issuer.
- The creation and communication of business strategies at a high level, the promotion of consensus regarding an overarching business strategy, and monitoring short and long-term financial prognoses in order for sufficient resources to be available.
- Conducting regular assessments of the efficiency of the Board in order for the Issuer to be able to fulfil its financial, regulatory and operational obligations.

Mr. Jean-Marie Mognetti, Board Member

M. Mognetti has the following responsibilities:

- Maintaining relationships with banks and other financial counterparties that ensures that all KYC / AML requirements are fulfilled, that banks are evaluated, and that appropriate agreements are in place with those banks and counterparties on an ongoing basis.
- Maintaining the network of payment channels between banks and the Issuer, together with ensuring ongoing discussions with encryption and network security experts in order to enable the Issuer to apply evolving best practices.
- Ensure that issued certificates are fully hedged in accordance with the Issuer's hedging strategies.
- To act as risk manager, with a focus on IT and financial assessment, which fulfil the Board's requirements that internal inspections and systems are in place, including:
 - the design and management of the IT infrastructure, in order to ensure transparency for the Board within the areas of cash movements, outstanding liabilities and market and counterparty exposure;
 - implementation of two-factor authentication for all accounts and regular updating of log-in details; and
 - creation and maintenance of a business continuity and disaster recovery plan, in accordance with the Group's existing methods.

SUSTAINABILITY REPORT

The Sustainability Report is prepared by the Parent Company, CoinShares (Holdings) Limited.

AUDITORS

Johan Engstam, Öhrlings PricewaterhouseCoopers AB, is the current auditor of the Issuer.

Fair overview of economic developments

Multi-year summary (Tkr)	2020	2019	2018	2017
Net turnover	3 620	3 675	5 803	9 781
Operating margin (%)	4	4	4	51
Balance sheet total	19 715 568	4 895 332	2 370 894	8 708 540
Return on capital employed (%)	2	2	4	108
Return on equity (%)	4	4	4	190
Equity/assets ratio (%)	0	0	0	0

For definitions of key ratios, see Note 22.

Proposal for profit allocation

The Board of Directors proposes that the profit available for disposition (SEK), comprising of:

profit brought forward	2 495 010
profit for the year	107 472
	2 602 482

be distributed as follows:

dividends to shareholders	0
carried forward	2 602 482
	2 602 482

Information regarding the Company's earnings and financial position in general is provided in the following income statement and balance sheet, as well as in the cash flow analysis and accompanying Notes.

Income Statement	Note	2020-01-01	2019-01-01
	1, 2	-2020-12-31	-2019-12-31
Operating income	3		
Net turnover	4	3 620 487	3 674 778
		3 620 487	3 674 778
Operating expenses			
Administration costs	5, 6	-3 454 283	-3 505 800
Other operating costs		-26 954	-27 640
		-3 481 237	-3 533 440
Operating profit/loss		139 250	141 338
Profit/loss from financial items			
Interest expenses and similar profit/loss items	4, 7, 20	-1 104	-6 303
Value changes, certificates/currencies	8	0	0
		-1 104	-6 303
Profit/loss after financial items		138 146	135 035
Pre-tax profit/loss		138 146	135 035
Tax on profit/loss for the year	9	-30 674	-31 368
Net profit/loss for the year		107 472	103 667

Report over profit/loss and Other comprehensive income

The Company has no items reported in Other comprehensive income which implies that the carrying amount of the year's results agrees with the net profit/loss for the year. .

Net profit/loss for the year	107 472	103 667
Total comprehensive income	107 472	103 667

Balance Sheet	Note	2020-12-31	2019-12-31
	1, 2		
ASSETS			
Current assets			
<i>Financial fixed assets</i>			
Other long-term receivables	10	1 856	0
		1 856	0
Total fixed assets		1 856	0
Total current assets			
<i>Current receivables</i>			
Receivables from Group companies	11, 12	19 714 510 392	4 893 868 413
Current tax assets		709	634 946
Other receivables		89 191	149 765
Prepaid expenses and accrued income	13	288 600	288 600
		19 714 888 892	4 894 941 724
<i>Cash and bank balances</i>			
	14, 22	676 815	390 057
Total current assets		19 715 565 707	4 895 331 781
TOTAL ASSETS		19 715 567 563	4 895 331 781
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	15, 16	500 000	500 000
		500 000	500 000
<i>Non-restricted equity</i>			
Retained earnings or losses		2 495 010	2 391 343
Profit/loss for the year		107 472	103 667
		2 602 482	2 495 010
Total equity		3 102 482	2 995 010
Untaxed reserves	17	980 000	980 000
Current liabilities			
Liabilities with Group companies	12	2 249 551	3 375 038
Other liabilities	18	19 708 486 340	4 887 291 610
Accrued expenses and prepaid income	19	749 190	690 123
Total current liabilities		19 711 485 081	4 891 356 771
TOTAL EQUITY AND LIABILITIES		19 715 567 563	4 895 331 781

Statement of changes in equity

	Share capital	Retained earnings	Total equity
Opening balance, 1 Jan. 2019	500 000	2 391 343	2 891 343
Net profit/loss for the year		103 667	103 667
Closing balance, 31 Dec. 2019	500 000	2 495 010	2 995 010
Net profit/loss for the year		107 472	107 472
Closing balance, 31 Dec. 2020	500 000	2 602 482	3 102 482

Cash Flow Analysis

	Note	2020-01-01 -2020-12-31	2019-01-01 -2019-12-31
	1, 2		
Current operating activities			
Profit/loss after financial items	20	138 146	135 035
Adjustments for items not included in cash flow	21	25 974	20 998
Tax paid		603 563	-1 134 975
Cash flow from current operating activities before changes in working capital		767 683	-978 942
Cash flow from changes in working capital			
Change in current receivables		613 325	-204 189
Change in current liabilities		-241 650	951 470
Cash flow from operating activities		1 139 358	-231 661
Investment activities			
Investments in financial fixed assets		-1 856	0
Cash flow from investment activities		-1 856	0
Financing activities			
Paid dividend		-824 770	0
Cash flow from financing activities		-824 770	0
Cash flow for the year		312 732	-231 661
Liquid funds, opening balance	22		
Liquid funds at the beginning of the year		390 057	642 716
Exchange rate differences, liquid funds			
Exchange rate differences, liquid funds		-25 974	-20 998
Liquid funds, closing balance		676 815	390 057

Note

Note 1 Accounting and valuation principles

General Information

XBT Provider AB (publ), Corp ID No. 559001-3313, is a limited liability company registered in Sweden with its registered offices in Stockholm. The address of the head office is Artillerigatan 6. The Company's operations are comprised of the emission of financial instruments and other associated activities.

The Company is a wholly-owned subsidiary of CoinShares (Holdings) Limited, Corp. ID No. 123711 with registered offices on Jersey.

Statutory framework

The annual report for XBT Provider AB (publ) has been prepared according to the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting of legal entities. Application of RFR2 implies that the Company shall, as far as possible, apply all of the EU adopted International Financial Reporting Standards (IFRS) and interpretations of the IFRS Interpretations Committee (IFRIC) within the framework of the Annual Accounts Act and the Pension Obligations Vesting Act, as well as implying consideration of the relationship between accounting and taxation.

The financial reports are prepared in accordance with the cost model except for the financial assets and financial liabilities which are valued at fair value.

All amounts are in krona (SEK) unless stated otherwise.

New and changed standards and interpretations coming into effect from 1 January 2020

The new and changed standards and interpretations in IFRS to be applied from 2020 are deemed to have no significant impact on the Company's financial reports.

No new and changed standards and interpretations which are yet to come into effect are expected to have any impact on the Company.

The Company management's assessment is that other new and changed standards and interpretations will not have any significant effect on the Company's financial reports as regards the period in which they are first applied.

Revenue recognition

Net turnover is comprised of revenue from the sale of services. In accordance with IFRS 15, revenue recognition takes place when the control of the services is transferred to the client, based on a 5 stage model:

- identify the contract with the client,
- identify the separate performance obligations in the contract,
- determine the transaction price,
- allocate the transaction price to the separate performance obligations and
- recognise the revenue when the entity has satisfied the performance obligation.

XBT Providers' revenue is comprised of compensation in the form of a standard return on its operating costs in return for the administrative services provided to the Group in handling of the listed certificates, and this compensation is reported over time.

Since June 2017, CoinShares (Jersey) Limited has an arrangement with an affiliated company, CoinShares Capital Markets (Jersey) Limited to provide hedging services to XBT Provider AB. According to this

service agreement, XBT Provider AB is classified as a limited risk supplier and has, as such, the right to receive a standard return on its operating costs. This standard return is defined as a markup of 4%. The handling of the certificates as regards the agreements, their administration, the hedging arrangements, maintenance, guarantees and security is provided from Jersey via CoinShares (Jersey) Limited and CoinShares Capital Markets (Jersey) Limited.

Leasing agreements

A financial leasing agreement is an agreement according to which the economic risks and benefits associated with the ownership of an asset are, in all significant aspects, transferred from the lessor to the lessee. Other leasing agreements are classified as operational leasing agreements. The Company has only operational leasing agreements in the form of a rental agreement. The rental cost is deemed as immaterial and, therefore, there is no detailed description of this amount in this report.

Foreign currency

The Company's reporting currency and functional currency is Swedish krona (SEK).

Translation of items in foreign currency

Monetary items in foreign currency are translated at the balance sheet date rate on each balance sheet date. Exchange rate differences are reported in operating income or as a financial item based on the underlying business event in the period in which they arise.

Employee remuneration

The Company had no employees during the financial year. No compensation has been paid to the Board of Directors.

Financial costs

Financial costs are comprised of interest expenses on loans within the Group. Loan expenses are reported in income applying the effective interest rate method.

Income Tax

Income tax is comprised of total current tax plus any possible deferred tax.

Current tax

Current tax is calculated on the taxable income for the period. Taxable income differs from the income reported in the income statement as it is adjusted for non-taxable revenue and non-deductible expenses, as well as for revenue and costs which are taxable or deductible in other periods. The Company's current tax liabilities are calculated according to determined or notified tax rates as at balance sheet date.

Current tax for the period

Current tax is reported as a cost or revenue in the income statement, except when the tax refers to transactions reported in Other comprehensive income or directly against equity. In such a case, the tax amount is also reported in Other comprehensive income or directly against equity.

Financial instruments

XBT Provider AB reports its financial instruments according to IFRS 9.

XBT Provider AB's financial instruments are comprised of receivables and liabilities with Group companies, certificates, cash and bank balances and suppliers liabilities. The Company classifies its financial instruments in the following categories: financial assets valued at fair value in the income statement, loan receivables, liabilities valued at fair value in the income statement and other liabilities. The classification is dependent on the purpose of the acquisition of the financial asset or reason for the liability arising. Management determines the classification of the financial assets and liabilities in conjunction with the first reporting of such items.

The Company has two major classes of financial instruments:

- short-term liabilities: tracker certificates in crypto currencies, designated as financial liabilities valued at fair value,
- hedging agreements with CoinShares Capital Markets (Jersey) which are valued at fair value.

(a) Financial assets and liabilities

Receivables with Group companies are financial assets which are not hedges, which have determined or determinable payments and which are listed in an active market. These are included in current assets with the exception of items with a maturity date more than 12 months after the end of the reporting period, which are classified as fixed assets. The Company's loan receivables are comprised of receivables from Group companies and other receivables, as well as of liquid funds as reported in the balance sheet.

(b) Certificates

During 2015, XBT Provider AB issued certificates in SEK, Bitcoin Tracker One and in EUR, Bitcoin Tracker Euro which is listed on the First North Stockholm. The certificates are theoretically valued on the basis of the average Bitcoin price on three exchanges and on the relevant exchange rates in USD, EUR vis á vis SEK, less a fee. Bitcoin and other exchange rates have been determined at the same point in time, that is 31 December 2020.

During October 2017, certificates were issued in SEK, Ether Tracker One and in EUR, Ether Tracker Euro and these are also listed on First North Stockholm. The certificates are designed to mirror the value changes in Ether. The certificates are theoretically valued on the basis of the average Ether price on three exchanges and the relevant exchange rates in USD and EUR vis á vis SEK, less a fee. Ether and other exchange rates have been determined at the same point in time, that is, 31 December 2020.

During April 2019, certificates were issued in SEK, Litecoin Tracker One and XRP Tracker One, and in EUR, Litecoin Tracker Euro and XRP Tracker Euro. The certificates are listed on the Nordic MTF. The certificates are theoretically valued on the basis of the average of the Litecoin, respective XRP, price on three exchanges and on the relevant exchange rates in USD and EUR vis á vis SEK, less a fee. Litecon, XRP and other exchange rates have been determined at the same point in time, that is, 31 December 2020.

The certificate owners of all certificates have the right to, twice a year, request advance redemption of the certificates. The fees for advance redemption are two percent. The possibility of advance redemption is specified in the certificates' terms and conditions and is provided in the case the liquidity in the certificate is weak.

Purchases and sales of certificates and the hedging of these are reported as at trade date.

Assets include holdings of Bitcoin, Ethereum, Litecoin, XRP and receivables from traded Bitcoin, Ethereum, Litecoin or XRP, and liabilities include certificate liabilities. Assets and liabilities are valued at fair value in the income statement.

In accordance with IFRS 7, financial assets and liabilities are valued at fair value. Fair value according to IFRS 12 is determined as follows.

Level 1: Market price (unadjusted) in an active market for identical assets or liabilities.

Level 2: Data other than market price included in Level 1 which are observable as regards the asset or liability either directly (such as prices) or indirectly (attributable to prices).

Level 3: Other data regarding the asset or liability which is not based on observable market data.

XBT Provider's certificates are valued at fair value and have been classified as Level 2 according to the IFRS hierarchy. The reason for this is that the value of the certificates is based on the definition provided in XBT Provider's prospectus which is based on an average of the prices of three different cryptocurrency exchanges. Even if the digital currencies are traded on active markets with identifiable prices, there are differences in the prices between the various digital currencies. As a result, certificate liabilities have been valued according to Level 2 as that valuation method is deemed to be the most appropriate.

A Level 3 classification would have been used if certain pricing parameters had not been identifiable, which is not the case here as the prices of the cryptocurrencies are observable in the liquid market.

Fair value of financial instruments

31 December 2020	Level 1	Level 2	Level 3
Current financial assets through profit/loss			
Receivable with CoinShares Capital Markets (Jersey) Limited		19 708 486 340	
Total		19 708 486 340	

31 December 2020	Level 1	Level 2	Level 3
Current financial liabilities through profit/loss.			
Bitcoin Tracker One (SEK)		5 753 983 732	
Bitcoin Tracker Euro (EUR)		9 917 069 286	
Ether Tracker One (SEK)		1 239 919 280	
Ether Tracker Euro (EUR)		2 727 268 260	
Litecoin Tracker One (SEK)		26 012 772	
Litecoin Tracker Euro (EUR)		10 619 382	
XRP Tracker One (SEK)		22 860 211	
XRP Tracker Euro (EUR)		10 753 417	
Total		19 708 486 340	

31 December 2019	Level 1	Level 2	Level 3
Current financial assets through profit/loss			
Receivable with CoinShares Capital Markets (Jersey) Limited		4 887 291 610	
Total		4 887 291 610	

31 December 2019	Level 1	Level 2	Level 3
Current financial liabilities through profit/loss.			
Bitcoin Tracker One (SEK)		1 898 500 142	
Bitcoin Tracker Euro (EUR)		2 316 350 175	
Ether Tracker One (SEK)		212 246 534	
Ether Tracker Euro (EUR)		444 379 831	
Litecoin Tracker One (SEK)		3 918 422	
Litecoin Tracker Euro (EUR)		2 605 076	
XRP Tracker One (SEK)		6 720 251	
XRP Tracker Euro (EUR)		2 571 179	
Total		4 887 291 610	

(c) Reporting and valuation

The purchase and sale of financial assets is reported at trade date / the date on which the company commits to purchase or sell the asset. When first reported, financial assets are reported at fair value plus transaction costs which applies to all financial assets which have not already been reported at fair value in the income statement. Financial assets valued at fair value in the income statement are, on the first occasion, reported at fair value, while associated transaction costs are reported in the income statement. Financial assets are eliminated from the balance sheet when the right to receive the cash flow from the instrument has terminated or been transferred and the company has transferred, in all significant respects, all of the risks and benefits associated with ownership of the asset. A financial liability is eliminated from the report of the financial position when the obligation in the agreement is fulfilled or in another manner no longer applies. The same applies to certain financial liabilities. Financial assets valued at fair value in the income statement are reported at fair value from the date of acquisition. Loan receivables are reported from date of acquisition at accrued acquisition value applying the effective interest rate method

Fair value of financial instruments

Financial assets are reported when XBT Provider AB enters into an agreement with a counter-party, which, in general, takes place at trading date and usually expires when the right to the cash flow is terminated or transferred. Financial liabilities are reported when XBT Provider AB enters into an agreement with a counter-party. No hedge accounting is applied.

Dividends

Dividends paid to the Parent Company's shareholders are reported as a liability in the Group's financial statements in the period in which the dividend was approved by the Parent Company's shareholders.

Liquid funds

Liquid funds include cash and bank balances and other short-term liquid investments which can easily be converted to cash and which are subject to an insignificant risk of value fluctuation. In order to be classified as liquid funds, the tenor is not to be excess of three months from date of acquisition.

Cash flow analysis

The cash flow analysis shows changes in the Company's liquid funds during the financial year. The cash flow analysis has been prepared according to the indirect method. The reported cash flow includes only those transactions incorporating inward or outward payments.

Risk factors

The Company's operations are comprised of the issuing of certificates whereby the investor can receive an investment mirroring the value development of Bitcoin, Ether, Litecoin and XRP. XBT has an agreement with the Group company, CoinShares Capital Markets (Jersey) Limited, to hedge the price of the digital currencies and the exchange rates for the certificates. The certificates in SEK and EUR are, therefore, fully hedged and the Company is not exposed to any direct market, currency or interest rate risk.

Below is a description of the major risks in the Company's operations together with those measures undertaken to address these risks.

- a) Market risk:
- i) The Company incurs limited exposure to currency risk. The currency risk arising in conjunction with the purchase and sale of certificates is hedged by the Group company, CoinShares Capital Markets (Jersey), which tracks the exposure of assets and liabilities in foreign currency.
 - ii) Interest rate risk
Interest rate risk is the risk that the Company's value will be impacted by fluctuations in market interest rates.
The majority of the Company's financial assets and liabilities are not interest-bearing, rather, the value is linked to the prices of the digital currencies and, consequently, the Company is not exposed to significant risks due to fluctuations in market interest rate levels.
 - iii) Digital currency risk
Digital currencies are a volatile asset class. The digital currency risk arises from the uncertainty regarding the future price of the digital currency which impacts both the fair value of the hedged transaction with CoinShares Capital Markets (Jersey) Limited and the fair value of the Tracker certificate issued to external certificate holders.
Exposure to changes in the prices of digital currencies is reduced through the hedging agreement with CoinShares Capital Markets (Jersey) Limited, which results in the Company having a hedge without an expiry date. No hedge accounting is applied.
- b) Credit risk:
Credit risk is the risk that the Issuer or a counter-party will not be able, or will not wish, to fulfill a payment obligation undertaken vis á vis the Company.

The Company has entered into a hedging agreement with CoinShares Capital Markets (Jersey) Limited to handle the hedging of the certificates. CoinShares Capital Markets (Jersey) Limited holds the majority of its digital currencies and depository receipts with third parties which are, partially, stored in "hot wallets". As the Group does not control the private keys of these third parties, there can exist uncertainty as regards the assets and the third parties' capability to convert these assets to funds in order that CoinShares Capital Markets (Jersey) can full its intra-Group hedging obligations vis á vis XBT Provider AB (publ) when such obligations fall due.

Even if there is an inherent credit risk in this hedging agreement, this risk is reduced by CoinShares Capital Markets (Jersey) Limited's control environment, risk processes and strong balance sheet.

c) Liquidity risk:

Liquidity risk is the risk that the Company will face problems in meeting its obligations, primarily vis á vis the certificate holders.

Liquidity risk is hedged by and is the responsibility of CoinShares Capital Markets (Jersey) Limited who has executed an analysis of the maturity dates of assets and liabilities evidencing that there exists no significant liquidity risk. The certificates incur no fixed due dates and there are no planned maturity dates for the certificates.

With serious market disruptions in the digital currency market there are contract regulations in the prospectus further reducing liquidity risk. The terms for the certificates include regulations which, in the case of market disruptions, can result in delays in the redemption of certificates.

Note 2 Estimates and assessments

The Parent Company's registered offices are in Jersey, which is a British Crown dependency. Jersey is not a member of the EU, which is the reason the management's assessment is that the UK's exit from the EU will not impact the Company through, for example, the termination of any exemption rules or tax relief.

Furthermore, management deems that a number of significant estimations and assessments have been applied in producing the annual financial statements.

Note 3 Operating income

	2020	2019
The Company has the following types of revenue		
Intra-Group compensation	3 620 487	3 674 778
	3 620 487	3 674 778

Note 4 Transactions with related parties

The following transactions have taken place with related parties.

	2020	2019
Sale and purchase of goods and services		
Intra-Group compensation	3 620 487	3 674 778
	3 620 487	3 674 778

Note 5 Administration costs

	2020	2019
Commission and issue expenses	1 178 165	1 017 852
Rent	1 856	0
Legal fees	188 188	122 975
Auditor's fees	589 986	559 895
Accounting fees	666 625	558 500
IT services	73 002	131 905
Consulting fees	0	496 369
Other external services	704 026	362 293
Other administration costs	52 435	256 010
	3 454 283	3 505 799

Note 6 Fees and expenses paid to auditors

	2020	2019
Öhrlings PriceWaterhouseCoopers AB		
Audit assignment	589 986	559 895
	589 986	559 895

Note 7 Interest expenses and similar profit/loss items

	2020	2019
Other interest expenses	1 104	6 303
	1 104	6 303

Note 8 Values changes, certificates/currencies

	2020-01-01	2019-01-01
	2020-12-31	2019-12-31
Value changes, certificates/currencies		
Bitcoin Tracker One	-3 855 483 589	-1 027 441 662
Bitcoin Tracker One Euro	-7 600 719 111	-1 391 131 512
Ether Tracker One	-1 027 672 746	-15 111 895
Ether Tracker One Euro	-2 282 888 430	-74 350 443
Litecoin Tracker One	-22 094 349	-3 918 422
Litecoin Tracker One Euro	-8 014 306	-2 605 076
XRP Tracker One	-16 139 960	-6 720 251
XRP Tracker One Euro	-8 182 239	-2 571 179
Total value change, certificates/currencies	-14 821 194 730	-2 523 850 440

	2020-01-01	2019-01-01
	2020-12-31	2019-12-31
Changes in receivables		
Bitcoin Tracker One	3 855 483 589	1 027 441 662
Bitcoin Tracker One Euro	7 600 719 111	1 391 131 512
Ether Tracker One	1 027 672 746	15 111 895
Ether Tracker One Euro	2 282 888 430	74 350 443
Litecoin Tracker One	22 094 349	3 918 422
Litecoin Tracker One Euro	8 014 306	2 605 076
XRP Tracker One	16 139 960	6 720 251
XRP Tracker One Euro	8 182 239	2 571 179
Total change in receivables	14 821 194 730	2 523 850 440

	2020-12-31	2019-12-31
Number of issued certificates		
Bitcoin Tracker One	4 980 253	6 022 357
Bitcoin Tracker One Euro	858 163	740 446
Ether Tracker One	21 051 566	19 955 342
Ether Tracker One Euro	4 628 960	4 221 325
Litecoin Tracker One	512 980	205 932
Litecoin Tracker One Euro	20 923	13 761
XRP Tracker One	2 687 609	771 356
XRP Tracker One Euro	126 110	29 686
	34 866 564	31 960 205

	2020-12-31	2019-12-31
Prices		
Bitcoin Tracker One	1 155,36 SEK	315,24 SEK
Bitcoin Tracker One Euro	1 151,30 EUR	299,83 EUR
Ether Tracker One	58,90 SEK	10,64 SEK
Ether Tracker One Euro	58,70 EUR	10,09 EUR
Litecoin Tracker One	50,71 SEK	19,03 SEK
Litecoin Tracker One Euro	50,56 EUR	18,14 EUR
XRP Tracker One	8,51 SEK	8,71 SEK
XRP Tracker One Euro	8,50 SEK	8,30 SEK

Note 9 Tax on profit for the year

	2020	2019
Tax on profit for the year		
Current tax	30 674	31 368
Total reported tax expense	30 674	31 368

Reconciliation of effective tax

	2020		2019	
	Percent	Amount	Percent	Amount
Reported profit before tax		138 146		135 035
Tax at current tax rate	21,4	-29 563	21,4	-28 897
Non-deductible expenses	0,0	-62	1,0	-1 402
Tax effect of the standard rate on the tax allocation reserve	0,8	-1 049	0,8	-1 069
Reported tax effect	22,2	-30 674	23,2	-31 368

Note 10 Other long-term receivables

	2020-12-31	2019-12-31
Acquisition value, opening balance	0	0
Additional receivables	1 856	0
Accumulated acquisition value, closing balance	1 856	0
Book value, closing balance	1 856	0

Note 11 Receivables from Group companies

	2020-12-31	2019-12-31
Acquisition value, opening balance	4 893 868 413	2 369 513 272
Additional receivables	17 251 622 364	6 306 019 039
Less settled receivables	-2 430 980 385	-3 781 663 898
Accumulated acquisition value, closing balance	19 714 510 392	4 893 868 413
Book value, closing balance	19 714 510 392	4 893 868 413

Note 12 Loans to/from related parties

	2020-12-31	2019-12-31
Loans to CoinShares International Limited		
Loans at the beginning of the year	0	0
Transfer of loans from XBT Inhouse AB	6 496 928	0
Transfer of loans from XBT Partner AB	-472 876	0
Loans at year-end	6 024 052	0
Loans to XBT Inhouse AB		
Loans at the beginning of the year	6 302 754	5 971 933
Loans paid out during the year	196 030	330 821
Loans repaid during the year	-1 856	0
Transfer of loans to CoinShares International Limited	-6 496 928	0
Loans at year-end	0	6 302 754
Loans to XBT Partner AB		
Loans at the beginning of the year	274 049	100 169
Loans paid out during the year	77 845	173 880
Transfer of loans from CoinShares (Holdings) Limited	-824 770	0
Transfer of loans to CoinShares International Limited	472 876	0
Loans at year-end	0	274 049
Loans to CoinShares Capital Markets (Jersey) Limited		
Loans at the beginning of the year	4 887 291 610	2 363 441 170
Changes in certificate loans	14 821 194 730	2 523 850 440
Loans at year-end	19 708 486 340	4 887 291 610
Total intra-Group receivables	19 714 510 392	4 893 868 413
	2020-12-31	2019-12-31
Loans from CoinShares Capital Markets (Jersey) Limited		
Loans at the beginning of the year	2 550 268	1 537 067
New loans	3 319 770	4 687 978
Amoritisation	-3 620 487	-3 674 777
Loans at year-end	2 249 551	2 550 268
Loans from CoinShares (Holdings) Limited (Parent Company)		
Loans at the beginning of the year	824 770	824 770
Transfer to XBT Partner AB	-824 770	0
Loans at year-end	0	824 770
Total intra-Group liabilities	2 249 511	3 375 038

Note 13 Deferred expenses and accrued income

	2020-12-31	2019-12-31
Other items	288 600	288 600
	288 600	288 600

Note 14 Pledged assets and contingent liabilities

	2020-12-31	2019-12-31
Bank guarantee	50 000	50 000
	50 000	50 000

Note 15 Number of shares and quota value

	Number of shares	Quota value
Number of shares	5 000	100
	5 000	

Note 16 Allocation of profit

2020-12-31

Proposed allocation of profit

The Board of Directors proposes that the profit available for disposition (SEK), comprising of:

profit brought forward	2 495 010
profit for the year	107 472
	2 602 482

to be appropriated as follows:
carried forward

2 602 482
2 602 482

Note 17 Untaxed reserves

	2020-12-31	2019-12-31
Tax allocation reserve 2017	980 000	980 000
	980 000	980 000
Tax effect of the standard rate on the tax allocation reserve	1 049	

Note 18 Current liabilities

	2020-12-31	2019-12-31
Bitcoin Tracker One	5 753 983 732	1 898 500 142
Bitcoin Tracker Euro	9 917 069 286	2 316 350 175
Ether Tracker One	1 239 919 280	212 246 534
Ether Tracker Euro	2 727 268 260	444 379 831
Litecoin Tracker One	26 012 772	3 918 422
Litecoin Tracker Euro	10 619 382	2 605 076
XRP Tracker One	22 860 211	6 720 251
XRP Tracker Euro	10 753 417	2 571 179
	19 708 486 340	4 887 291 610

Note 19 Accrued costs and deferred income

	2020-12-31	2019-12-31
Other items	749 190	690 124
	749 190	690 124

Note 20 Interest and dividends

	2020	2019
Interest paid	1 104	6 303
	1 104	6 303

Note 21 Adjustments for items not included in cash flow

	2020-12-31	2019-12-31
Exchnage rate losses	25 974	20 998
	25 974	20 998

Note 22 Liquid funds

	2020-12-31	2019-12-31
Liquid funds		
Bank balances	676 815	390 057
	676 815	390 057

Note 23 Information regarding the Group

The Company is a wholly-owned subsidiary of CoinShares (Holdings)Limited, Corp. ID No. 123711 with registered offices on Jersey. CoinShares (Holdings) Limited is included in a group in which CoinShares International Limited, Corp. ID No. 102184, with registered offices on Jersey, is the Parent Company.

Not 24 Significant events after the end of the financial year

There is continuing to be increased volatility seen in the price of digital assets, such as Bitcoin, partially as a result of the Covid-19 pandemic. The Company is monitoring the impact and implementing additional procedures with CoinShares Capital Markets (Jersey) Limited to manage risk. Trading in the Company's certificates has not been disrupted and the directors are confident that the Company will continue as a going concern.

The certificates, Litecoin Tracker One (COINLTC:SS), Litecoin Tracker Euro (COINLTCE:SS), XRP Tracker One (COINXRP:SS), and XRP Tracker Euro (COINXRPE:SS) will no longer be traded from April 2021 and will not be renewed.

Note 25 Key ratios

Operating margin

Operating income/Net turnover

Balance sheet total

Total assets

Return on capital employed

(Operating income + financial revenue)/capital employed

Financial income

Amounts in net financial items attributable to assets (included in capital employed)

Capital employed

Total assets – interest-free liabilities

Non-interest bearing liabilities

Interest-free liabilities

Return on equity

Profit/loss after financial items/Adjusted equity

Equity/asset ratio

(Total equity + 78.6 percent of untaxed reserves)/Total assets

Stockholm, 12 April 2021

Dennis Engström
Managing Director

Daniel Masters
Chairman

Jean-Marie Mognetti

Our Auditor's Report was presented on 12 April 2021
Öhrlings PricewaterhouseCoopers AB

Johan Engstam
Authorised Public Accountant