

## **DDA ETP GmbH**

### **Management Report**

For the period from January 1 to June 30, 2023

#### **Basic company information**

DDA ETP GmbH ("the Company") is incorporated under the laws of the Federal Republic of Germany and has its registered office at Neue Mainzer Str. 66-68, 60311 Frankfurt am Main, Germany. The sole business activity of the Company is the issuance of bonds backed by cryptocurrencies and other digital assets. By issuing the bonds, the Company intends to satisfy investor demand for tradable securities through which an investment in cryptocurrencies and other digital assets is made.

On April 15, 2021, the Company issued its first bonds (the "Bonds", "Securities" or "XBTI", ISIN DE000A3GK2N1, security identification number A3GK2N, Bloomberg ticker XBTI), subject to approval by the German Federal Financial Supervisory Authority (BaFin). XBTI are collateralized bonds fully backed by Bitcoin. The bonds do not have a fixed maturity date. The bonds do not bear interest. Each Bond evidences the right of the Bondholder to require the Company to deliver Bitcoin in accordance with the Bondholder's claim in respect of each Bond, expressed in terms of the amount of BTC per Bond ("Cryptocurrency Claim"). In certain circumstances, Bondholders may be required to pay a specified cash amount in USD instead. XBTI was listed on XETRA of Deutsche Börse on May 12, 2021 and the notification process has been completed in several jurisdictions, including Germany, Austria, Italy, Denmark, Finland, Ireland, Luxembourg, the Netherlands, Norway, Spain, Sweden, Cyprus, the Czech Republic, Estonia, France, Greece, Malta, Poland, Portugal, Slovakia and Slovenia ("Passporting"). In addition, XBTI is approved for distribution in Switzerland.

If certain events occur, as more fully described in the terms and conditions of the Notes, the Company may at any time, in its sole and absolute discretion (but is not obligated to do so), elect to call all of the Notes and redeem them at their mandatory redemption price. Such mandatory redemption events include, but are not limited to, the enactment of new laws or regulations requiring the acquisition of licenses in order for the Company to fulfill its obligations under the Notes, changes in the tax treatment of Bitcoin, or the event that the Company is ordered by a court of competent jurisdiction or otherwise required by law to effect a mandatory redemption. Any such termination will necessarily result in redemption of the Bonds for the Bondholders.

As a service company, the Company does not conduct any research and development. The company was headquartered in Germany in the reporting period.

#### **Report on the economic situation**

##### **Economic environment**

The macroeconomic and interest rate environment is proving challenging for the Company and the industry. The path of interest rate increases by the Federal Reserve and other central banks, the decline in liquidity (as measured by central bank balance sheets), and the inflation environment and war in Ukraine impacted all risk assets, including equities, bonds and

Cryptocurrencies. In addition, the ongoing debate about ESG and the environmental impact of bitcoin mining continues to influence demand for bonds backed by cryptocurrencies and other digital assets.

Regardless, the bitcoin price rose from around \$16,500 to over \$30,000, which created increased demand for cryptocurrency-backed bonds. Nevertheless, investor interest in cryptocurrencies is considered diminished due to other issues (e.g. artificial intelligence, AI).

The company issues collateralized bonds backed entirely by bitcoin, a market in which there are already some competitors. The main competitors are: 21Shares, ETC Group, CoinShares and WisdomTree.

Accordingly, assets under management are the key financial performance indicator for the Company. All other key performance indicators (e.g., revenues) are derived directly or indirectly from assets under management. There are no non-financial key performance indicators.

### **Going Concern**

Management has assessed the Company's ability to continue as a going concern and believes that the Company has adequate resources to continue as a going concern for the foreseeable future. Therefore, in preparing the half-year financial report, the Company continues to adopt the going concern assumption.

### **The earnings position of the Company**

Management considers the company's situation to be satisfactory.

In the first half of 2023, the Company collected revenues of EUR 79 thousand (1H 2022: EUR 214 thousand), of which EUR 26 thousand (1H 2022: EUR 28 thousand) represent revenues from income from management fees. The majority of other operating income in the amount of EUR 52 thousand (1H 2022: EUR 185 thousand) is attributable to the assumption of costs by the parent company. Management fees are the main source of revenue for the company and are determined by the amount of assets held and the price of cryptocurrencies. As of the reporting date, revenues were slightly lower than in the previous year's reporting period (06/30/2023: EUR 26 thousand, 06/30/2022: EUR 28 thousand). As of the reporting date on June 30, 2023, there were 2,203,000 units (year-end 2022: 1,973,000) of bitcoin-backed notes outstanding. This corresponds to an increase of 11%. The decrease in revenues is due to the comparatively lower bitcoin price in the reporting period.

The income generated was offset by expenses for purchased services totaling EUR 39 thousand (1H 2022: EUR 71 thousand) and other operating expenses of EUR 92 thousand (1H 2022: EUR 131 thousand). These include, in particular, the costs for the maintenance of securities and expenses for consulting and service companies.

Although the Company has not yet reached an operating break-even point, the operating result has improved compared to the previous year's reporting period. In addition, the Company's operations are to be considered as part of the DDA group of companies. The parent company and 100% shareholder DDA Europe GmbH has so far compensated the Company for all costs related to the issuance of the Notes. The

Improvement in the cost structure led to a reduction in cost absorption by the parent company.

For the first half of 2023, the Company generated a net loss of EUR 52 thousand (1H 2022: EUR 56 thousand).

### **Financial position of the company**

The main focus was on the company's solvency and the maintenance of positive equity. Both of these were achieved in the reporting period thanks to grants from the shareholder that impacted both income and cash flows.

As of June 30, 2023, the Company has cash and cash equivalents of EUR 120 thousand (December 31, 2022: EUR 100 thousand), which are held in accounts receivable with banks.

The company's equity amounts to EUR 161 thousand as of June 30, 2023 (December 31, 2022: EUR 114 thousand),

Consisting of EUR 25 thousand share capital (Dec. 31, 2022: EUR 25 thousand), capital reserve of EUR 144 thousand

(Dec. 31, 2022: EUR 241 thousand), a loss carryforward of EUR 223 thousand (Dec. 31, 2022: EUR 177 thousand) and the realized net loss of EUR 51 thousand (Dec. 31, 2022: net income of EUR 25 thousand).

The company receives the generated management fee monthly in bitcoin. These are liquidated promptly in order to be able to settle the company's liabilities in fiat currency.

Cash flow from operating activities amounted to EUR -151 thousand in 1H 2023 (1H 2022: EUR -82 thousand). Cash flow from financing activities amounted to EUR 171 thousand in 1H 2023 (1H 2022: EUR 71 thousand). In this context, it should be noted that the company did not receive any cash as part of the bond issues, which have a balance sheet value of EUR 5,954 thousand as of June 30, 2023 (June 30, 2022: EUR 4,075 thousand), but the equivalent value in cryptocurrencies.

In addition, the shareholder made a contribution of EUR 170 thousand to the capital reserve in March 2023, thus strengthening both the capital and liquidity resources for the Company's operations.

### **Financial position of the company**

The total assets of the company increased from EUR 3,192 thousand as of 12/31/2022 to EUR 6,250 thousand as of 06/30/2023 as a result of the sharp increase in the price of Bitcoin. It should be emphasized that additionally the number of "Shares Outstanding" increased by 11% compared to the previous year. This positive development is reflected in a corresponding increase in the number of Bitcoin in custody.

Other assets as of June 30, 2023, amounting to EUR 5,960 thousand (Dec. 31, 2022: EUR 2,996 thousand), consist mainly of Bitcoin held by the contracted crypto custodian Coinbase (June 30, 2023: EUR 5,954 thousand, Dec. 31, 2022: EUR 2,993 thousand). This is offset by the liability item in the form of bitcoin-backed bonds in the amount of 2,203,000 units (12/31/2022: 1,973,000 units). The bitcoin holdings are fully pledged to the bond holders.

Overall, both the results of operations, financial position and net assets of the company in the reporting period ending June 30, 2023 are assessed as stable, and the company was always able to meet its payment obligations in the reporting period.

## **Performance indicators and control system**

The Company's financial key performance indicators (KPIs) used are: Amount of assets under management, revenues, earnings before interest and taxes ("EBIT") and cash flow. There are no non-financial key performance indicators.

As part of its internal control and risk management system, the Company has implemented measures to minimize risks in the accounting process and to ensure the quality of its financial reporting.

These control measures include, among other things, the implementation of audit routines, structures and processes, as well as a clear segregation of duties, which are designed to ensure the reliable identification, management and containment of risks. Service providers of the Company conduct regular training to ensure that all employees of the Company's service providers are aware of the risks and controls and are able to respond appropriately.

## **Forecast, opportunities and risk report**

### **Risk report: Risks and uncertainties**

The company classifies the main risk groups as follows:

- Business risks
- Regulatory risks
- Operational risks
- Financial risks

### **Business risks**

Although the Company is not exposed to any market risk in connection with the coverage of the bonds with Bitcoin, a strong negative development and a sustained price decline of Bitcoins could have a negative impact on the Company. Demand for the Bonds could decline significantly if the attractiveness of Bitcoin as an underlying asset declines. It is also possible that redemptions (to repay the cryptocurrency entitlement of XBTI bonds) could increase. This could result in a decrease in the Company's assets under management and related revenues. The Company carefully monitors and analyzes deviations of financial performance from the budget and can take timely countermeasures accordingly.

### **Regulatory risks**

In recent years, numerous large and established banks and asset managers have invested in cryptocurrency companies or invested in cryptocurrencies directly or indirectly through cryptocurrency-backed debt instruments. Today, this trend appears to be significant and ongoing. Many financial regulators are creating regulatory frameworks, and thus legal certainty, to address the growing interest of the investment community in cryptocurrencies. However, it is difficult to predict how the regulatory outlook and policies related to cryptocurrencies (globally as well as locally) could and will change. A shift towards a generally negative view could lead to a reduction in investor interest and a decline in the Company's related business activities. The Company's goal is to make its products available to a broader audience in part to mitigate this risk.

The product structure, with its integration into the traditional financial system, should make the company more robust against a potentially tighter regulatory environment and allow it to continue offering its services.

### **Operational risks**

The Company has put structures and processes in place to ensure that operations run smoothly and that assets under management are represented regularly, accurately and verifiably. The company has taken the additional step of appointing an independent administrator to address the increased operational risk associated with cryptocurrencies. As clearing houses such as Clearstream Banking AG do not (yet) treat Bitcoin as an accepted and supported currency for DVP (Delivery Versus Payment) / RVP (Receive Versus Payment) processes, bonds must be transferred between the Company and Authorized Participants ("Authorized Participants") free of payment (FOP) and the corresponding cryptocurrency transactions are carefully monitored by a dedicated independent trustee of the Company. The same applies to the transfer of bonds from the Company's issuance account. In addition, strict measures have been taken to ensure the security and integrity of these operational processes.

In the unlikely event of a default of the company, the trustee is entitled to sell the assets (bitcoin) held by the company in order to fulfill the obligations to the investor(s). The bonds grant investors rights to the deposited cryptocurrencies. Cash proceeds are paid out in the order of priority of payments applicable to the products, with the bond investor being first in the order of priority.

### **Financial risks**

The business and operating model followed by DDA ETP GmbH ensures that the Company does not need to raise Bitcoins or other cryptocurrencies in connection with the issuance of the Bonds, as the Company can only receive cryptocurrency and not fiat currency such as EUR or USD for the issuance of Bonds.

The Company is not responsible for the purchase/sale of the cryptocurrencies backing all issued bonds, but instead obtains them from Authorized Participants ("Authorized Participants") through a standardized creation/redemption process. For operational as well as reporting purposes, the Company and its Administrator use the daily cryptocurrency price reference of the NYSE Bitcoin Index (as of July 1, 2023: Vinter Bitcoin Reference Index) for the respective cryptocurrency so that transparent valuation and value is provided to all participants. The company receives its management fee in bitcoin. Consequently, the equivalent Euro amounts may be affected as a result of Bitcoin price fluctuations. The Company seeks to reduce market price risks to the extent that the conversion of the management fee that the Company receives in Bitcoin is made into Euros on a monthly basis.

Due to the same operating model, the Company is exposed to very limited counterparty risk as it must first receive the cryptocurrency deposited with the depositary prior to the issuance of the bonds. The same applies to redemptions, as the company must first have received the bonds intended for redemption from the bondholder for call before the corresponding redemption of the cryptocurrency (cryptocurrency claim by bond) can be made. In addition, the Company shall only issue the Bonds to the Authorized Participants ("Authorized Participants") as set forth above.

## **Overall assessment**

The above risk areas are monitored, analyzed and assessed by the company on an ongoing basis. From today's perspective, there are no significant risks that cannot be managed by taking appropriate measures. In particular, there are no risks that could threaten the existence of the company.

## **Opportunities Report**

Opportunities may arise in particular from a further increase in the attractiveness of the crypto asset class. Although cryptocurrencies are not yet part of an institutional asset allocation, the Company sees the acceptance of crypto as an emerging asset class as an opportunity to achieve growth.

## **Forecast Report**

The management is satisfied with the situation of the company.

Due to the geopolitical and macroeconomic situation, a reliable forecast of the revenue and earnings figures for 2023 is currently not possible. In the medium to long term, the Company expects growing demand from institutional investors for Bitcoin and an increase in assets under management. Notwithstanding the uncertainties, the Company assumes a sideways development of assets under management for the full year 2023. A slight improvement is expected for the annual result.

DDA ETP GmbH thanks all XBTI bondholders for their trust and support. To June 30, 2023, the assets under management of DDA ETP GmbH amounted to €5.95 million.

Frankfurt am Main, Germany, September 29, 2023

DDA ETP GmbH.

A handwritten signature in black ink, appearing to read 'D. Poiger', is written over a horizontal line.

Dominik Poiger (Managing Director)

## **Interim financial statements**

as of June 30, 2023

**DDA ETP GmbH**  
**Management of own assets**

Neue Mainzer Strasse 66-68

60311 Frankfurt am Main

WSB International Tax GmbH tax consulting company

Kurfürsten-Anlage

5969115 Heidelberg

Certificate of the tax consulting company about the preparation

In accordance with my engagement, I have audited the following interim financial statements - consisting of the balance sheet, Profit and Loss Account and Notes - of the Company

DDA ETP GmbH  
Management of own assets

for the fiscal year from January 1, 2023 to June 30, 2023 in accordance with German commercial law. The basis for the preparation were the books kept by me and the additional documents and inventory records submitted to me, which I have not audited in accordance with the order, as well as the information provided to me. The maintenance of the books and records and the preparation of the inventory and the interim financial statements in accordance with German commercial law are the responsibility of the client's legal representatives.

I conducted my engagement in accordance with the pronouncement of the German Federal Chamber of Tax Advisors on the principles for the preparation of financial statements. This includes the development of the balance sheet and the income statement as well as the notes on the basis of the accounting and the inventory as well as the specifications on the accounting and valuation methods to be applied.



Heidelberg, 29.09.2023



WSB International Tax GmbH  
tax consulting company

Interim balance sheet as of

06/30/2023

**DDA ETP GmbH Management of own assets, Frankfurt am Main**

ASSET

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	EUR	Business year EUR	Previous year EUR
<b>A. Current assets</b>			
I. Receivables and other assets			
1. receivables from affiliated companies	750,00		750,00
2. receivables from shareholders	167.826,77		50.540,75
3. other assets	<u>5.960.084,63</u>		<u>4.109.997,19</u>
		6.128.661,40	4.161.287,94
II. cash on hand, Bundesbank balances, credit balances at credit institutions and checks		120.377,92	51.714,38
		<u>6.249.039,32</u>	<u>4.213.002,32</u>
Total current assets			
<b>B. Prepaid expenses and deferred charges</b>		1.949,98	0,00
<b>C. Deferred tax assets</b>		0,00	109.485,00
		<u><b>6.250.989,30</b></u>	<u><b>4.322.487,32</b></u>

## Interim balance sheet as of

06/30/2023

**DDA ETP GmbH Management of own assets, Frankfurt am Main**

## PASSIVA

	EUR	Business year EUR	Previous year EUR
<b>A. Equity</b>			
I. Subscribed capital		25.000,00	25.000,00
II. capital reserve		411.487,90	241.487,90
III. loss carried forward		223.071,71	177.355,71
IV. Net loss for the year		51.701,08	56.102,22
Total equity		161.715,11	33.029,97
<b>B. Provisions</b>			
1. other accruals		34.500,00	87.477,40
<b>C. Liabilities</b>			
1. Bonds	5.954.148,00		4.075.464,45
- thereof with a remaining term of up to one year EUR 5,954,148.00 (EUR 4,075,464.45)			
2. Trade accounts payable	99.626,19		53.157,48
- thereof with a remaining term of up to one year EUR 99,626.19 (EUR 53,157.48)			
3. Liabilities to affiliated sub- take	1.000,00		73.358,02
- thereof with a remaining term of up to one year EUR 1,000.00 (EUR 73,358.02)			
		6.054.774,19	4.201.979,95
		<b>6.250.989,30</b>	<b>4.322.487,32</b>

Income statement from 01.01.2023 to 30.06.2023

**DDA ETP GmbH Management of own assets, Frankfurt am Main**

	Business year EUR	Previous year EUR
1. sales revenue	26.962,83	28.736,18
2. other operating income	52.241,43	185.898,42
3. cost of materials		
a) Cost of purchased services	38.888,34	71.406,44
4. Personnel expenses		
a) Wages and salaries	0,00	95.079,69
5. other operating expenses	92.017,00	130.560,69
- thereof expenses from currency translation EUR 23.48 (EUR 29,989.56)		
6. taxes on income and earnings	0,00	26.310,00-
- of which income from additions to and reversal of deferred taxes EUR 0.00 (EUR 26,310.00)		
<b>7. earnings after taxes</b>	<b>51.701,08-</b>	<b>56.102,22-</b>
<b>8. net loss for the year</b>	<b>51.701,08</b>	<b>56.102,22</b>

Cash flow statement (direct) from 01.01.2023 to 30.06.2023

**DDA ETP GmbH Management of own assets, Frankfurt am Main**

	Business year	Previous year
Payments received from customers for the sale of products, goods and services	0,00	0,00
- Payment to suppliers and employees	33.072,47	218.849,18
+ Other cash inflows not attributable to investing or financing activities	64.857,49	138.107,67
- Other cash outflows not attributable to investing or financing activities	182.845,49	1.606,57
-/+ Income tax payments	0,00	0,00
<b>Cash flow from operating activities</b>	<b>-151.060,47</b>	<b>-82.348,08</b>
Proceeds from additions to equity or payments to shareholders (JVZ)	170.000,00	0,00
Proceeds from the issue of bonds and the raising of (financial) loans	1.000,00	178.857,67
Cash outflow from redemption of bonds and (financial) loans	0,00	107.299,65
<b>Cash flow from financing activities</b>	<b>171.000,00</b>	<b>71.558,02</b>
Cash-effective changes in cash and cash equivalents (total cash flows)	19.939,53	-10.790,06
+ Cash and cash equivalents at the beginning of the period	100.438,39	62.504,44
<b>Cash and cash equivalents at the end of the period</b>	<b>120.377,92</b>	<b>51.714,38</b>

Statement of changes in equity as of June 30, 2023

DDA ETP GmbH Management of own assets, Frankfurt am Main

	Signed Capital EUR	Not claimed outstanding Inserts EUR	Acquired Own shares EUR	Capital reserve EUR	Retained earnings EUR	Earned Equity EUR	Total EUR
Status as of 01.01.2022	25.000,00			241.487,90		177.355,71-	89.132,19
Result for the period						45.716,00-	45.716,00-
<b>Balance at 12/31/2022</b>	<b>25.000,00</b>			<b>241.487,90</b>		<b>223.071,71-</b>	<b>43.416,19</b>
Status as of 01.01.2023	25.000,00			241.487,90		223.071,71-	43.416,19
Result for the period						51.701,08-	51.701,08-
Transfers				170.000,00			170.000,00
<b>Balance as of 06/30/2023</b>	<b>25.000,00</b>			<b>411.487,90</b>		<b>274.772,79-</b>	<b>161.715,11</b>

**DDA ETP GmbH**, Frankfurt am Main

**Interim financial statements** for the fiscal year from January 1 to June 30, 2023

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**Notes as of June 30, 2023**

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## General information on the interim financial statements

The interim financial statements of DDA ETP GmbH have been prepared in EUR in accordance with the provisions of the HGB and the GmbHG. The income statement has been prepared using the nature of expense method. The Company is a capital market-oriented company pursuant to Section 264d HGB, as it issued securities traded on an organized market for the first time in the financial year 2021. Pursuant to Sec. 267 (3) Sentence 2 HGB, it is therefore considered a large corporation irrespective of the other size criteria. The Company has not established an audit committee pursuant to Section 324 (1) sentence 1 HGB, as it makes use of the exemption provision under Section 324 (1) sentence 2 no. 1 HGB. The sole purpose of the Company is to issue securities as defined in § 2 (2) HGB. The sole purpose of the Company is to issue securities within the meaning of Section 2 (1) of the German Securities Trading Act (WpHG) that are secured by assets.

## Information on the identification of the company according to the registry court

Company name according to the registry court:	DDA ETP GmbH
Registered office according to the registry court:	Frankfurt am Main
Register entry:	Commercial register
Register Court:	Frankfurt am Main
Registration number:	HRB 116980

## Disclosures on accounting and valuation methods

### Accounting and valuation principles

**Receivables and other assets (not Bitcoins)** are capitalized at nominal value and measured taking into account all identifiable risks.

**Other assets (bitcoins)** for which no valuation units were formed are bitcoins which the Company receives as a management fee for custody. These are recognized at the lower of cost or fair value.

**Cash on hand and bank balances** are stated at nominal value.

**Other accruals** were recognized for uncertain liabilities and measured at the settlement amount required according to prudent business judgment. All identifiable risks were taken into account. Provisions with expected residual terms of less than one year are not discounted.

**Liabilities** were recognized at the settlement amount.

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### Valuation units

A valuation unit was formed between the bonds issued (DDA Physical Bitcoin ETP; ISIN DE000A3GK2N1) and the Bitcoins held for this purpose.

The Company has used the gross hedge presentation method for the valuation of the valuation unit. The development of the value of the valuation unit has been presented in accordance with IDW RS HFA 35, para. 81 without touching the income statement.

The following balance sheet items were included in the valuation unit:

<b>Valuation units</b>	<b>Amount</b>
	<b>Euro</b>
Assets (bitcoins held)	5.954.148,00
Debt (bonds issued)	5.954.148,00

The formation of the valuation unit covered the risk that the repayment amount of the liability, due to rising bitcoin prices according to the NYSE BITCOIN INDEX or currency fluctuations from the euro to the dollar, is higher than the carrying amount of the bitcoins, which would otherwise be limited by the historical acquisition costs.

Risks with a total amount of 5,954,148.00 euros were hedged through the valuation unit.

The effects of changes in the bitcoin exchange rate on the bitcoin held and the bonds repayable in bitcoin have an immediate offsetting effect. Further disclosures on hedged risks are included in the management report.

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### **Deferred taxes**

By recognizing deferred tax assets, the Company exercised a capitalization option in the previous year in accordance with Section 274 (1) Sentence 2 HGB. The deferred tax assets in the previous year resulted exclusively from the tax losses expected to be offset within the next five years in accordance with § 274 (1) sentence 4 HGB. The following tax rates were used to calculate deferred tax assets in the previous year: 15% corporate income tax, 5.5% solidarity surcharge on corporate income tax and 460% as the assessment rate for trade tax for the City of Frankfurt am Main. The deferred tax assets were reversed in full in fiscal year 2022, as no use was made of the capitalization option in the reporting year 2022. In the reporting period of the interim financial statements, the Company also did not make use of the capitalization option.

### **Accounting policies differing from those of the previous year**

In contrast to the previous year, the Company has not made use of the option to recognize deferred tax assets on loss carryforwards in accordance with Section 274 (1) Sentence 2 HGB. The deferred tax assets of the previous year resulted exclusively from tax losses expected to be offset within the next five years in accordance with section 274 (1) sentence 4 HGB. Due to the distortions on the crypto markets in the reporting year, the lower sales of Bitcoin-covered bonds than planned in the previous year and the fact that the break-even point has not yet been reached, there is greater uncertainty than in the previous year as to how long it will take for deferred tax assets to be offset.

In contrast to the previous year, services that were not settled in fiat currencies but in bitcoin have not been taken into account in the cash flow statement, as they are not part of the cash and cash equivalents. In the previous year, these services still had the same effect as cash transactions in the cash flow statement. For a more meaningful presentation, the prior-year comparatives have been adjusted to the new presentation method. As a result of the adjustment, the prior-year comparatives for cash flow from financing activities (cash inflows) and cash flow from operating activities (cash outflows) have each been reduced by 2,143,198.45 euros.

The other accounting policies previously applied have been retained in the annual financial statements.

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## Balance sheet disclosures

The amounts blocked from distribution in accordance with Section 268 (8) of the German Commercial Code (HGB) total EUR 0.

### Other assets

Other assets mainly consist of bitcoins received in the amount of 5,954,148.00 euros (June 30, 2022: 4,075,464.45 euros), which are provided for safekeeping as part of the securities business for the issue of bonds. Furthermore, bitcoins from management fees in the amount of 5,081.00 euros (June 30, 2022: 21,780.77 euros), which the Company received for the management of the exchange-traded product (ETP) in bitcoins, are recognized in other assets as of the balance sheet date.

### Other accrued liabilities

Other accruals mainly include accruals for the preparation and audit of the annual financial statements.

### Liabilities

#### Information on Loans, Receivables and Liabilities to Shareholders (Sec. 42 (3) GmbHG / Sec. 264c (1) HGB)

The following rights and obligations exist vis-à-vis the shareholders:

Facts	2023	2022
	Euro	Euro
Loans	0,00	0,00
Receivables	167.826,77	50.540,75
Liabilities	0,00	0,00

### Disclosure on residual maturity notes

The amount of liabilities with a remaining term of up to one year is 6,054,774.19 euros (June 30, 2022: 4,201,979.95 euros). This amount includes bonds (callable with indefinite remaining term) of 5,954,148.00 euros (June 30, 2022: 4,075,464.45 euros) and trade payables of 99,626.19 euros (June 30, 2022: 53,157.48 euros).

### Bonds

The bonds in the amount of 5,954,148.00 euros (June 30, 2022: 4,075,464.45 euros) consist of the promissory notes within the meaning of Section 793 of the German Civil Code (BGB) which were issued as part of the hedging transaction and in the form of the bearer bonds for the safekeeping of Bitcoins received and, as in the previous year, are not convertible. They are backed by BTC deposited in a custodian (collateral trustee) for safekeeping. These collateral types and forms are linked to the recognized liabilities.

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## **Disclosures on the income statement**

### **Income and expenses of exceptional size and/or significance**

Other operating income totaling 52,241.43 euros (June 30, 2022: 185,898.42 euros) consists mainly of intercompany expense reimbursements by the parent company DDA Europe GmbH.

### **Income and expenses from currency translation**

Expenses from currency translation totaling EUR 23.48 are reported under other operating expenses and result exclusively from currency losses incurred in connection with foreign currency liabilities.

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## Other information

### Members of the management

Until Jan. 5, 2023: Mr. Lowry, Patrick Alan, resident in Frankfurt, Management (with sole power of representation). From 06.01.2023: Mr. Poiger, Dominik Josef Walter, residing in Frankfurt, Germany, Management (with power of sole representation).

### Remuneration of the Executive Board

The Executive Board did not receive any remuneration from the Company in the reporting period.

### Information on Group companies and related parties

The parent company that holds 100% of the shares in the reporting company is DDA Europe GmbH, with its registered office in Frankfurt am Main. The parent company is registered with the Frankfurt Local Court under the registration number HRB 116742.

The sole shareholder of the parent company is DDA GmbH, with its registered office in Frankfurt am Main. DDA GmbH is registered with the Frankfurt Local Court under the registration number HRB 109756.

No transactions are carried out at non-arm's length with related parties.

### Auditor's fee

In the interim financial statements, half of the expected total auditor's fee of 60,000 euros (fiscal year 2022: 54,099.30 euros gross) has been recognized as an expense for fiscal year 2023. Of this amount, 60,000 euros (fiscal year 2022: 54,099.30 euros gross) is expected to be attributable to audit services, 0 euros to other assurance services, 0 euros to tax advisory services and 0 euros to other services.

### Signature of the management

Frankfurt am Main, September 29, 2023



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Poiger, Dominik Josef Walter

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**Responsibility Statement by the Legal Representatives Pursuant to Section 37y of the German Securities Trading Act (WpHG)**

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Frankfurt am Main, Germany, October 02, 2023

DDA ETP GmbH

The management

A handwritten signature in black ink, appearing to read 'D. Poiger', is written over a light grey rectangular background.

Dominik Poiger