

Bitcoin Capital AG Zug

Report of the Statutory Auditor

on the Financial Statements as of 31 December 2020



Report of the Statutory Auditor to the Board of Directors of

Bitcoin Capital AG, Zug

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of Bitcoin Capital AG, which comprise the balance sheet as at 31 December 2020, the income statement, the cash flow statement, equity statement and notes for the period from 5 March 2020 to 31 December 2020.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of these financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the period from 5 March 2020 to 31. December 2020 give a true and fair view of the financial situation in accordance with Swiss GAAP FER and comply with Swiss law.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 Code of Obligations (CO)) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

Zurich, 17 November 2021
(Initial audit report in German signed 24 June 2021)
Grant Thornton Ltd.

Markus Eugster
Licensed Audit Expert
(Auditor in Charge)

Thomas Wirth
Licensed Audit Expert

Enclosures:

- Financial statements (balance sheet, income statement, cash flow statement, equity statement and notes)

Bitcoin Capital AG, Zug

Balance sheet as of 31.12.2020

(in Swiss francs)

Active	Appendix	2020
Current assets		
<i>Other current receivables</i>	2.3	
Loans to parent company in CHF		100,000
Loans to parent company in ETH (140.16)		91,235
Current account parent company		91,692
ETP Portfolio Assets	3	3,753,803
Total assets		4,036,730
Passive		
Short-term borrowed capital		
Accruals and deferrals		47,100
ETP Portfolio liabilities		3,753,803
<i>Total current liabilities</i>		<i>3,800,903</i>
Equity		
Share capital		100,000
Capital contribution reserves		27,501
Net result of the period		108,326
<i>Total equity</i>		<i>235,827</i>
Total liabilities		4,036,730

Bitcoin Capital AG, Zug

Income statement for the period from 05.03.2020 to 31.12.2020

(in Swiss francs)

Net revenues from deliveries and services	Notes	2020
Net revenues from Active ETP Q3/Q4		244,210
Total operating income from deliveries and services		244,210
Cost of services		117,973
Gross profit after cost of materials		126,237
Personnel expenses		24,435
Gross profit after personnel expenses		101,802
Other operating expenses		44,630
EBITDA		57,172
<i>Financial result</i>		
Exchange rate gains		63,734
Interest income investments		4,520
EBT		125,426
Provision for taxation		17,100
Annual profit		108,326

Cash flow statement as of 31.12.2020

(in Swiss francs)

Net result of the period	108,326
Change in other current receivables	-282,927
Change ETP Crypto Assets	3,753,803
Change in other current liabilities ETP	-3,753,803
Change in accrued expenses and deferred income	47,100
Cash flow from operating activities	-127,501
Cash flow from investing activities	0
Deposit upon foundation / from capital increase	127,501
Cash flow from financing activities	127,501
Total cash flow	0
Cash and cash equivalents at the beginning of the period	0
Cash and cash equivalents at the end of the period	0
Change in cash and cash equivalents	0

Bitcoin Capital AG, Zug

Statement of changes in equity as of 31.12.2020

(in Swiss francs)

Share capital	100,000
Capital contribution reserves	27,501
Retained earnings	
<i>Statutory reserves</i>	0
<i>Statutory reserves</i>	0
<i>Other (free) reserves</i>	0
Profit/loss of the period	108,326
Total equity	235,827

The company was founded in 2020.

Notes to the financial statements as of 31.12.2020

(in Swiss francs)

1. General information

Bitcoin Capital AG is a limited company under Swiss law with its registered office in Zug. It is an issuer of ETPs on the SIX Swiss Exchange. The financial statements are presented in Swiss francs.

2. Basics of the creation

The company's financial statements are prepared in accordance with the Swiss GAAP FER accounting standards and therefore provide an authentic and fair view of the financial position, the results of operations and the cash flows. The Company is required to comply with and apply the standards of Kern-FER.

The valuation principles are generally based on current values (fair value) as the basis for valuation. The principle of individual valuation of assets and liabilities applies.

The 2020 financial statements were approved in the Shareholder Meeting of 28 June 2021.

2.1. Foreign currency conversions

Transactions in foreign currencies are converted at the respective current rates, monetary assets and liabilities in foreign currencies at balance sheet date rates. The resulting foreign exchange gains or losses are recorded in the income statement.

2.2. Cash and cash equivalents

The Company holds no cash or cash equivalents as all payments of the Company's liabilities were performed by the parent company.

2.3. Other current receivables

There are no outstanding receivables as of 31.12.2020, with the exception of those due from related parties. As of 31.12.2020, these have been subject to a higher interest rate than required by the FTA.

The company has receivables from the parent company FICAS AG in Zug amounting to CHF 282,926.19. These are composed as follows:

A loan of CHF 100,000.

A credit balance of ETH 140.16, which at reporting date corresponds to CHF 91,234.61.

A current account balance with the parent company of CHF 91,692.09.

2.4. Securities

The Company did not hold any securities during the period under review.

3. ETP Portfolio

ETP Crypto Assets - the Company does not hold any of its own shares in ETPs.

The ETP Crypto assets in the balance sheet as of 31.12.2020 consist of the following.

Asset	Stock	CHF
Cash CHF	-1,505.65	-1,505.65
Cash USD	786,216.96	694,971.76
Bitcoin	42.03	1,070,757.54
Ethereum	1,359.99	885,263.18
Litecoin	9,998.45	1,104,316.61
Total		3,753,803.45

3.1. Foreign currency gains/losses from ETP assets and ETP liabilities

The FC profits/losses are offset against each other, as they do not affect the company's result.

3.2. Liabilities towards the ETP investors

When valuing the units of the ETP investors (28,500 units as of 31.12.2020), these are adjusted to the market value as of 31.12.2020. The ETP Crypto Assets are subject to retention of title by the ETP Investors. These are pledged/assigned to NGS Attorneys at Law in order to guarantee the legal claims of the investors at all times.

4. Income at the Company

4.1. Income of the company

The Company's revenue streams are directly related to the management of the investors' ETP portfolio. For these services, the Company is compensated with management and performance fees on a quarterly basis.

5. Concluding remarks

5.1. Events after the balance sheet date

Following the balance sheet date and until the adoption of the annual financial statements by the Shareholders Meeting, no significant events occurred that could affect the informative value of the 2020 annual financial statements or which could be disclosed herein.

Dr Luca Schenk

Marcel Niederberger

Chairman of the Board of Directors

Member of the Board of Directors