BITCOIN
GROUP SE

ANNUAL REPORT **2023**

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01 LETTER TO SHAREHOLDERS

BITCOIN GROUP SE AT A GLANCE

BITCOIN GROUP SE KEY FIGURES

		2023	2022
Number of customers		1,055,000	1,040,000
Bitcoin price	EUR	38,833.34	15,496.24
Ethereum price	EUR	2,071.45	1,114.17
Revenue	EUR thousand	7,751	8,344
EBITDA	EUR thousand	-1,790	1,371
Earnings after taxes	EUR thousand	1,936	-2,409
Earnings per share	EUR	0.39	-0.48
Equity ratio	%	74.7	77.23

FOREWORD BY THE MANAGEMENT BOARD

Dear shareholders,

Although the 2023 fiscal year was marked by the impact of adverse underlying conditions, at the Bitcoin Group we succeeded in overcoming these effects and maintaining our stability. The fundamental circumstances under which we entered 2023 were not easy due to external factors. High inflation, rising interest rates and geopolitical tensions weighed on the entire financial market for a lengthy period in 2023, which had a knock-on effect on the trading activities of both professional and private investors. At the same time, however, the past year was also pivotal for the crypto scene as a whole which gives us at the Bitcoin Group cause to look forward with optimism.

Late recovery in crypto trading

In the 2023 reporting year, Bitcoin Group SE generated revenue of EUR 7.8 million following EUR 8.3 million in the previous year. This decline was primarily due to persistently low trading activity in the first three quarters in the aftermath of the crypto winter of 2022.

Although Bitcoin, as the most important benchmark for cryptocurrencies, recorded a significant increase of 156 % in 2023, most of this rise only occurred in the fourth quarter of 2023 with the result that trading activity on our cryptocurrency trading platform Bitcoin.de only picked up significantly in the final quarter. Earnings before interest, taxes, depreciation and amortization (EBITDA) stood at EUR -1.8 million by comparison with EUR 1.4 million in the prior year. Besides low trading activity overall, this result can be attributed to higher staff costs due to inflation and first and foremost to one-time costs in connection with the acquisition of Bankhaus von der Heydt which was called off in May 2023. The bottom line revealed a net profit of EUR 1.9 million following a loss of EUR -2.4 million in the prior year. This significant year-on-year improvement resulted primarily from the reversal of impairment losses. Earnings per share amounted to EUR 0.39 following EUR -0.48 per share in the previous year, with the number of shares remaining constant.

The Bitcoin Group's balance sheet remains top class. The equity ratio as of December 31, 2023 stood at 74.7 % (December 31, 2022: 77.2 %). Cash and cash equivalents amounted to EUR 11.1 million following EUR 14.9 million on the 2022 reporting date. Our own net crypto holdings increased in fiscal 2023 to EUR 164.8 million compared with EUR 70.8 million as of December 31, 2022 due to the rise in prices on the crypto market. Our stable financial position paired with the pleasing growth in our own cryptocurrency portfolio permits us to again distribute a dividend of EUR 0.10 per share as we have in the previous two years. We will submit a corresponding dividend proposal to the Annual General Meeting on August 30, 2024 in line with our dividend policy which focuses on continuity.

Regulation as the main driver

As already mentioned, fiscal 2023 saw some important markers laid down for the crypto sector, mainly in the regulatory environment with significant differences evident between regions. The USA tended to make negative headlines, particularly with lawsuits and penalties for trading platforms operating under the supervision of the US regulator SEC. Legal action against various crypto exchanges in connection with the improper handling of customers' money and issues regarding the classification of crypto assets increased uncertainty on the crypto market for a period of time and led in some cases to penalties in the billions for platform operators in connection with the bankruptcy of the FTX crypto exchange which previously ranked as the third largest in the world. We would like to explicitly point out that the Bitcoin Group and consequently also Bitcoin.de emerged stronger from the crypto crisis of 2022/23 as a transparent, regulated service provider.

We welcome the gravity and sincerity of the regulatory authorities, with Europe and Germany in particular acting as the spearheads in defining a clear, structured course in the regulation of the crypto market and guiding the crypto market towards greater acceptance along sound, regulated lines. With the introduction of the finalized MiCA regulation, the European Union has established legal certainty in regulating the way in which digital assets are to be treated. This set of rules that is due to enter into force nationally in 2024 underline the crypto market's solid foundation and are a testament to the growing acceptance and integration of cryptocurrencies in the traditional banking sector. The growing acceptance of cryptocurrencies and above all the trust in a service provider fully regulated by the Federal Financial Supervisory Authority are also reflected in our customer base. At the end of the 2023 fiscal year, there were 1,055,000 registered customers using Bitcoin.de, up from the figure of 1,040,000 recorded at the end of 2022.

Cryptocurrencies arrive in the mainstream

A decisive boost for the crypto market resulted in 2023 from the financial industry in the form of major institutional players such as Fidelity, BlackRock, Franklin Templeton and Invesco who worked intensively in 2023 on the approval and introduction of spot Bitcoin ETFs in the USA. On January 11, 2024, almost a dozen fund providers were given the green light to launch the first spot Bitcoin ETFs in the USA. Expectations of this approval sent Bitcoin soaring to USD 42,507 in the fourth quarter of 2023, leading the way for all cryptocurrencies, after it had closed trading at USD 16,539 at the end of 2022. Since Bitcoin ETFs were greenlighted in the USA, several hundred million US dollars have flowed into such products every week, or around USD 12.8 billion on a cumulative basis by the end of May, with the result that the number one cryptocurrency rose to more than USD 70,000 for a period following the ETF approval. At the end of May 2024, Ethereum ETFs were also approved, thereby raising hopes that the crypto sector may be on the threshold of sustainable growth.

Outlook for 2024

The 2023 crypto year was marked by regulatory progress with more thorough regulation and growing institutional participation. Consequently, the future of the crypto industry remains fundamentally intriguing and dynamic, and we are convinced that its potential is far from exhausted. Nevertheless, times are currently such that market developments remain unusually challenging, especially in view of the war in Ukraine, the Middle East conflict and regulatory measures. Interest in cryptocurrencies and therefore in trading them fluctuates greatly in view of the multiplicity of external effects, making it hard to provide accurate overall forecasts. We therefore expect revenue to remain steady for the whole of 2024 and we are also assuming that EBITDA will be slightly positive.

Finally, we would like to express our special thanks to our employees, shareholders and all other stakeholders who have extended us their trust in the past months. We view the future with confidence and look forward to continuing the exciting, successful story of the Bitcoin Group together with you.

Herford, July 2024

Marco Bodewein	Michael Nowak	Per Hlawatschek
Management Board	Management Board	Management Board

THE BITCOIN GROUP SE ON THE CAPITAL MARKET

SHARE PRICE PERFORMANCE

The Bitcoin Group SE stock was off to the trading year on January 2, 2023 at EUR 18.04. It reached its high for the reporting year on December 22, 2023 at a price of EUR 39.20. Shares marked their low for 2023 at a price of EUR 17.80 on October 20, 2023. The stock ended 2023 at EUR 34.05. This equates to a rise of 92.2 % over the closing price of 2022 (EUR 17.72 on December 30, 2022).

Overall, the international stock markets showed positive growth in fiscal 2023 although they exhibited a high level of volatility during the year due to various uncertainty factors. Movements in the financial markets were subject to a plethora of influencing factors in 2023. They included economic figures and inflation data, the interest rate rises of the world's leading central banks, the suspension of the US debt ceiling, turbulence in the US regional banking sector, the ongoing war in Ukraine as well as the outbreak of the conflict in Israel. After a positive start to the year with price gains of around 16 % on the DAX in the first half of 2023, fears of recession mounted due to the aforementioned uncertainty factors which culminated in a correction on the stock markets throughout the third quarter until the end of October. Towards, the end of 2023, the most important stock markets around the world entered a new, accelerated bull run buoyed above all by the prospect of interest rate cuts due to significant falls in inflation rates and consistently strong economic data, primarily in the USA, contrary to all fears. Ultimately, the DAX posted gains of 20.3% in the reporting year, meaning that the Bitcoin Group stock significantly outperformed the leading German index in fiscal 2023.

SHARE PRICE PERFORMANCE OF BITCOIN GROUP SHARES IN 2023

INVESTOR RELATIONS

The Bitcoin Group attaches great importance to maintaining an ongoing dialog with shareholders, institutional investors, analysts and financial journalists, with whom it cultivates an active, continuous exchange of information. Annual reports and half-year reports as well as news about the company are available to all interested parties on the website in the Publications section (www.bitcoingroup.com).

The Bitcoin Group SE stock is listed on the primary market of the Düsseldorf stock exchange and traded on the open market of Frankfurt's stock exchange on XETRA and on Frankfurt's trading floor as well as further German stock exchanges. BankM AG acts as the designated sponsor on the XETRA trading platform, ensuring appropriate liquidity and corresponding fungibility of the Bitcoin Group stock by providing binding bid and offer prices.

BITCOIN STOCK — BASE DATA

Sector	Financial services
ISIN	DE000A1TNV91
WKN	A1TNV9
Exchange abbreviation	ADE
Exchanges	Düsseldorf, Frankfurt, Xetra, Munich, Stuttgart, Berlin, Hamburg, Hannover, Tradegate
Number and type of shares	5,000,000 no-par value bearer shares
Designated sponsor	BankM AG, Frankfurt
Opening price	EUR 18.04
High	EUR 39.20
Low	EUR 17.80
Closing price	EUR 34.05
Share price performance	+92.2 %
Market capitalization*	EUR 170.3 million
Fiscal year-end	December 31

*As of 12/31/2023

RESEARCH

The team of analysts Matthias Greiffenberger and Cosmin Filker assigned a price target of EUR 55.00 on September 28, 2023.

SHAREHOLDER STRUCTURE

As a long-term anchor shareholder, Priority AG continued to hold more than 25% of the voting rights as at December 31, 2023. The free float with voting right shares of under 5% of the share capital as defined by Deutsche Börse is more than 50% at the end of the reporting period.

ANNUAL GENERAL MEETING

Bitcoin Group SE held its Annual General Meeting in Herford on August 11, 2023 as a physical event. The percentage of the share capital present at the meeting amounted to 32.75%, and shareholders accepted management's proposals by large majorities and approved the actions of both the Management Board and the Supervisory Board. The meeting agreed to the renewed payment of a dividend of EUR 0.10 (previous year: EUR 0.10) per share by a large majority.

The results of the votes at the Annual General Meeting can be viewed on the company's website www.bitcoin-group.com in the Corporate Governance section under Annual General Meeting.

REPORT OF THE SUPERVISORY BOARD

The crypto winter of 2022 was followed by the crypto spring in 2023 in accordance with the turn of the seasons. The year of 2023 represented a comeback year for crypto assets. As a leading cryptocurrency, Bitcoin enjoyed its best year since 2020 recording an increase of 156%, thereby beating all asset classes in terms of its growth in value, and outperforming booming technology stocks which posted growth of around 54% in the past year based on the Nasdaq 100.

The uncertainties which continue to be a factor – first and foremost the ongoing war in Ukraine and the rekindling of the Middle East conflict in October 2023 – were compensated for by a series of positive developments for the financial markets as a whole and specifically for the crypto market with the result that the risk appetite of private and institutional investors has increased significantly again in contrast to the previous year. For example, inflation slowed noticeably in the course of the year, which led to the central banks abandoning their restrictive interest rate policy. With the resulting prospect of base rates reaching their peak and the expectation of the first interest rate cuts in the current year, investors shifted their focus once again to more speculative financial investments. Especially with regard to Bitcoin, the fact that the US securities regulatory authority SEC paved the way for exchange-traded Bitcoin ETFs at the end of 2023 and finally approved the applications of several US asset managers in January 2024, had a stimulating effect on the price. In this context, investors also turned their attention again to crypto trading exchanges on the capital market. Consequently, our company's share price appreciated toward the end of 2023.

The most important issues on the strategic front comprised on the one hand refining the marketplace from a technical standpoint to enable us to offer customers of the Bitcoin Group a simple and above all securely regulated option to trade cryptocurrencies on the Bitcoin.de trading platform. On the other hand, the focus was on conducting exploratory talks to attract new banking partners.

In the 2023 reporting period, the Supervisory Board of Bitcoin Group SE performed the duties incumbent upon it under the relevant laws and directives, the company's Articles of Association and its rules of procedure with due diligence, and remained in constant contact with members of the Management Board in an advisory capacity. In the process, it was kept continuously and comprehensively informed on the development of the Group and all key associated questions relating to the group's net assets, financial position and results of operations, its strategic focus and risk management. As part of its responsibilities, the Supervisory Board played an active role in all the decisions to be made and satisfied itself that the company was properly managed by the Management Board. The Management Board's regular reports on a face-to-face level, by telephone and in writing provided the Supervisory Board at all times with an up-to-date view of the management's operational business.

All transactions and measures requiring the approval of the Supervisory Board were discussed in advance in detail with the Management Board; the Supervisory Board was thus reliably and directly involved as a monitoring body in all decisions of fundamental importance for the group at an early stage.

The Supervisory Board held a total of thirteen meetings. Five meetings were held as physical events and eight by video conference. Apart from two meetings, one of which Dr. Markus Pertlwieser and the other of which Prof. Dr. Rainer Hofmann were unable to attend, all members of the Supervisory Board participated in the meetings.
The Supervisory Board did not form any committees.

The meeting to adopt the balance sheet of Bitcoin Group SE was held on 6/21/2024.

After a review and following internal consultations, the Supervisory Board approved the annual financial statements presented in good time with the result that they are deemed to have been adopted pursuant to Section 172 of the German Stock Corporation Act.
The Supervisory Board also agrees with the Management Board's proposal for the appropriation of net income and will therefore recommend to the Annual General Meeting that a dividend of 10 cents per share be distributed again in 2023 in order to maintain continuity. The company also continues to hold high stocks of crypto assets which increased significantly in value in fiscal 2023 as a result of price gains with the result that a dividend in a loss-making year is appropriate.

At no time did the Supervisory Board identify risks that could have jeopardized the continuation of Bitcoin Group SE as a going concern. The company secures its IT systems using state-of-the-art security and technology at all times. In addition, 98% of assets are kept in cold storage with the result that they cannot be accessed by potential hackers. Customer portfolios under management were and are also regularly checked and confirmed by independent auditors.

It cannot be entirely ruled out, however, also in the future, that in spite of all safeguards, considerable losses might be incurred as a result of external, criminal activities in conjunction with software errors.

We continue to perceive the long-term prospects and future of our company as positive. The most recent approval of spot Bitcoin ETFs in the USA, in particular, points to a further boost for cryptocurrencies as an alternative to traditional forms of investment. In terms of adoption, cryptocurrencies further strengthened their position in 2023, establishing themselves as a decentralized addition to legal tender in the digital environment.

Dr. Markus Pertlwieser resigned from the Supervisory Board of Bitcoin Group SE on October 15, 2023. Mr. Oliver Flaskämper was appointed by the court as a member of the Supervisory Board of Bitcoin Group SE on November 16, 2023.

On behalf of the Supervisory Board of BITCOIN GROUP SE and futurum bank AG, I would like to thank the members of the Management Board as well as all employees for their dedicated commitment and our close, trust-based working relationship at all times.

Alexander Müller
Chairman of the Supervisory Board
of Bitcoin Group SE and futurum bank AG

02 GROUP MANAGEMENT REPORT

COMBINED GROUP MANAGEMENT REPORT FOR FISCAL 2023

BASIC INFORMATION ON THE GROUP

BUSINESS MODEL

Bitcoin Group SE, Herford, is a capital investment company and consulting firm with a focus on Bitcoin and blockchain business models. Bitcoin Group assists its portfolio companies in tapping growth potential with management services and capital, in order to launch these companies on the capital markets in the medium term. Bitcoin Group SE plans further participations, among others by means of asset deals or also in the context of capital increases. The aim of Bitcoin Group SE is to boost the company value and profitability of the investments.

Bitcoin Group SE holds a 100% stake in futurum bank AG, Frankfurt am Main.

futurum bank AG is a securities bank and, in addition to Bitcoin.de, also serves institutional clients and listed companies with its Trading and Capital Market Consulting divisions.

OBJECTIVES AND STRATEGIES

The Group is focused on companies with crypto-currency and blockchain business models, and intends to grow further by acquiring stakes in companies in the cryptocurrency field.

The “Bitcoin.de” trading platform owned by the Group benefits from customers‘ confidence in Germany‘s corporate environment. There are many unregulated Bitcoin trading platforms abroad. Payments are made to the bank account of the relevant operators of foreign trading platforms and are usually not protected in the event that the operator becomes insolvent. With Bitcoin.de, customers have the advantage of keeping their euro amounts in their own bank accounts, with deposit protection, until the purchased cryptocurrencies are paid for.

MANAGEMENT SYSTEM

Monthly reports are provided by segment on the results of operations, financial position and net assets which are included in the Company's half-year and annual reports. Moreover, each segment also delivers a monthly assessment of current and projected business developments. Furthermore, the following components essentially ensure compliance with the internal control system:

- Regular meetings of the Management Board, Supervisory Board and Board of Directors
- Risk and opportunity management
- Liquidity planning
- Monthly reporting
- Internal audits

ECONOMIC REPORT

GENERAL ECONOMIC AND INDUSTRY CONDITIONS

Many influencing factors determine the value of and demand for Bitcoin and other cryptocurrencies. Significant factors include economic growth, interest rate changes and movements in the exchange rates of national currencies.

From the group's perspective, the underlying conditions for Bitcoin have steadily improved. Regulations and even the introduction of a Bitcoin ETF further contributed to the establishment of the "cryptocurrency" asset class.

Due to the war against Ukraine and the resulting inflation and sharp rise in interest rates in fiscal 2023, the macroeconomic situation made an investment in Bitcoin somewhat unattractive for investors. This was reflected in the reduced demand for crypto currencies and the price level which reversed, however, toward the end of the financial year.

BUSINESS PERFORMANCE

Bitcoin Group SE continues to hold a 100% share in futurum bank AG which operates the crypto trading platform Bitcoin.de.

The number of registered users of Bitcoin.de increased from around 1,040,000 to approx. 1,055,000 in fiscal 2023, corresponding to average growth of around 1,250 customers per month. The forecast of 1,065,000 customers by the end of the year was thus missed by a small margin.

The free cash flow remained at a high level throughout the year, as forecast, thereby enabling us to potentially buy back our own shares or make investments at any time.

Revenues (primarily brokerage fees from the Bitcoin.de marketplace) declined slightly in line with forecasts. The forecast of a slightly negative EBITDA was not met due to the weaker than expected business performance in the 2nd half of 2023.

No restructuring or rationalization measures were required in fiscal 2023.

There are no seasonal effects in cryptocurrency trading.

There were no particular cases of damage or accidents in the reporting period.

TRADING AND CAPITAL MARKETS ADVISORY

Besides its role as the operator of bitcoin.de, futurum bank AG is also a national and international partner in the spheres of equity brokerage and capital market advisory. The main clients of futurum bank include international investment banks, funds, insurance companies and family offices as well as SME issuers.

POSITION

RESULTS OF OPERATIONS

A comparison of the income statements for 2022 and 2023 shows the results of operations and changes in them. Operating revenues were down by a good 7% in 2023, dropping to EUR 7,751 thousand following EUR 8,344 thousand in the same period in the previous financial year. The reason for this decline is essentially the decrease in trading volume on www.bitcoin.de. As a result, EBITDA fell from EUR 1,371 thousand to EUR -1,790 thousand, due also to the expenses incurred for the planned acquisition of Bankhaus von der Heydt. The largest and most significant income item is commission revenue, particularly from Bitcoin but also other cryptocurrencies.

The largest cost items in EBITDA include staff costs which rose by 11%, and other operating expenses which more than doubled, due in particular to the one-time cost of withdrawing from the share purchase contract for Bankhaus von der Heydt (EUR 2,400 thousand) and higher expenses in the areas of outside services and legal and consulting costs.

FINANCIAL POSITION

The cash flow statement gives an overview of the origin and use of the financial assets and reflects the Group's cash flows. Bitcoin Group continues to operate without any notable banking or capital market finance. As of 12/31/2023, cash and cash equivalents fell by EUR 3,826 thousand by comparison with the previous year, dropping to EUR 11,057 thousand. This is a result of the decline in operating activities.

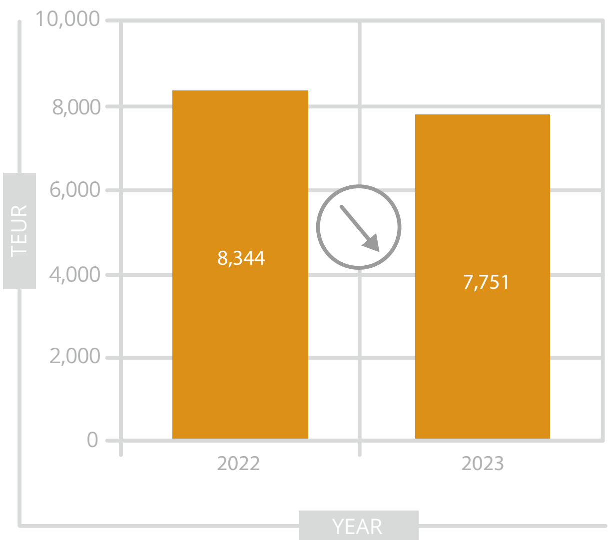
NET ASSETS

Total current assets were down by EUR 4,231 thousand by comparison with 12/31/2022 and stood at EUR 14,374 thousand. This is caused essentially by the reduction in "Cash and cash equivalents" by EUR 3,826 thousand.

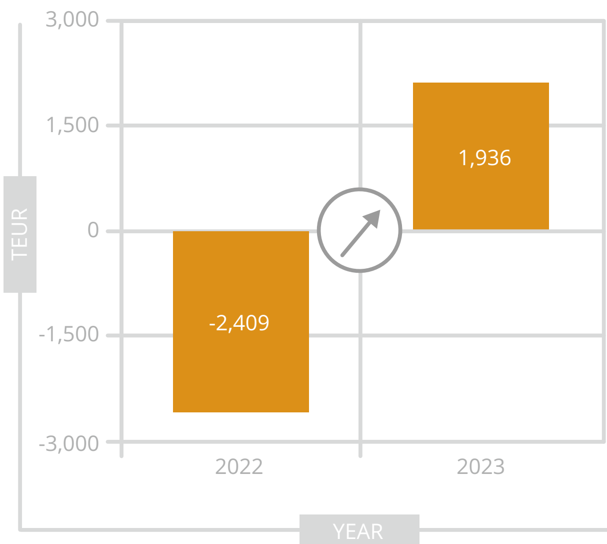
Non-current assets increased significantly from EUR 76,367 thousand to EUR 170,194 thousand. This was as a result of intangible assets (cryptocurrencies), which improved from EUR 70,768 thousand as of 12/31/2022 to EUR 164,804 thousand as of 12/31/2023. The volumes of crypto assets were not increased in the process, and this effect results from higher price levels.

Equity was up by EUR 64,563 thousand in the reporting period to EUR 137,913 thousand due to the rise in retained earnings (EUR 1,446 thousand) and higher valuations of cryptocurrencies (OCI result)(EUR +63,117 thousand).

REVENUE DEVELOPMENT 2022/2023



DEVELOPMENT IN EARNINGS AFTER TAXES 2022/2023



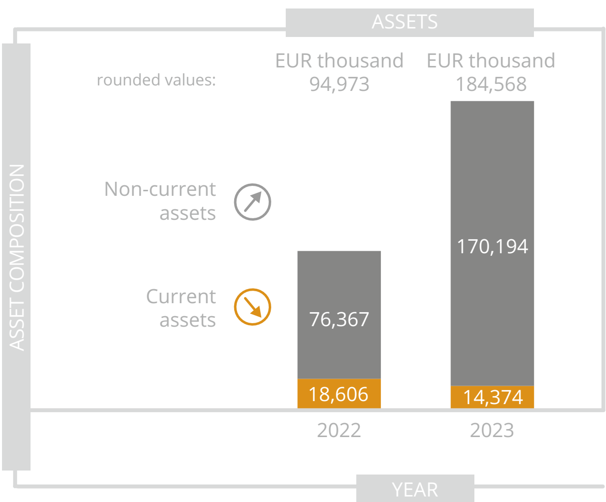
FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS

The Bitcoin Group is primarily managed by way of the following financial ratios:
Firstly revenue, secondly earnings before interest, taxes, depreciation and amortization (EBITDA), thirdly free cash flow and fourthly the non-financial indicator of new customers.

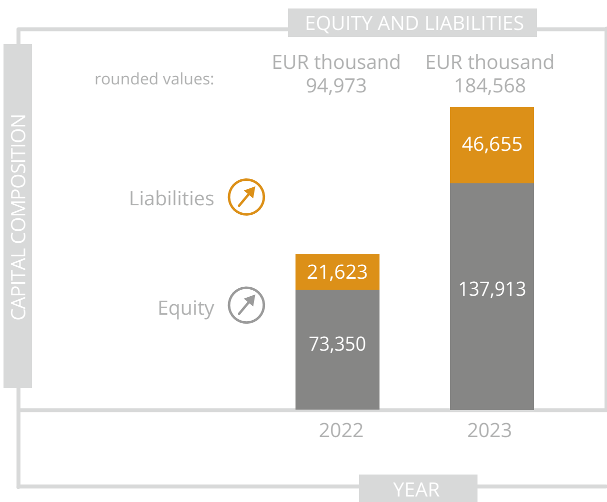
Bitcoin Group SE thereby ensures that decisions concerning the balancing act between growth, profitability and liquidity are given sufficient weight. Revenue is used to measure success in the market. The Group uses EBITDA to measure its own operating performance and the performance of its equity investments. Taking the free cash flow into account ensures that the financial substance of the company is maintained. The free cash flow is the balance of cash inflows from operating activities and investments made.

The most important non-financial indicator is the growth of the customer base. Here, we keep an eye on the reporting of crypto topics (public media). Furthermore, Bitcoin Group also proactively promotes the company's products and business model, for example with television/ Internet appearances, presentations or reports on the Bitcoin blog (www.bitcoinblog.de), in order to boost the number of new customers.

ASSETS



EQUITY



FORECAST, RISKS AND OPPORTUNITIES REPORT

FORECAST

The company issues the following forecast with respect to the main performance indicators:

New customers

By the end of fiscal 2024, the company expects to reach 1,070,000 registered users. In order to better leverage the potential of the larger customer base, further measures are to be implemented to enhance usability and customer experience. In addition, the integration of a new banking partner for express trading should have a positive impact.

Free cash flow

In 2024, we are again expecting a stable free cash flow (cash and cash equivalents) at a high level, thereby ensuring that investments and/or share buybacks can be made at any time and in addition, unexpected events (such as a further pandemic) can be overcome without any major effect on operations.

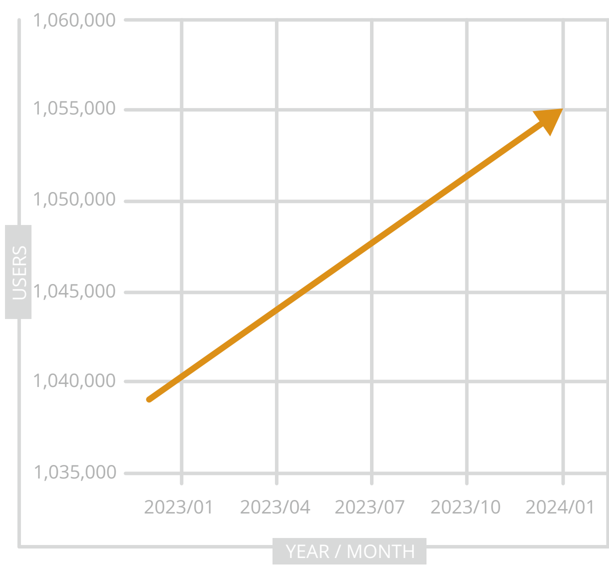
Revenue

Due to the current situation (war in Ukraine / regulatory requirements / price movements on crypto markets) it is very difficult to venture a forecast. Media interest and the prices of all the major cryptocurrencies are also subject to very substantial fluctuations. We expect revenue to remain constant over the whole of 2024.

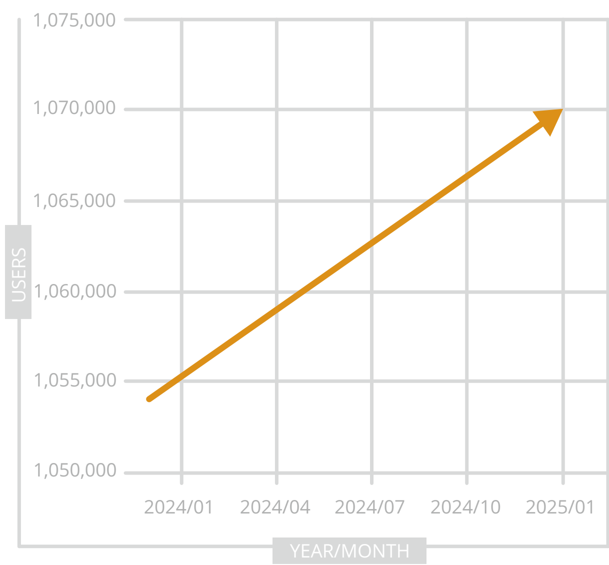
EBITDA

Due to our expectation of revenue, we assume that EBITDA will be slightly positive in 2024.

TOTAL USERS 2022/2023 (13 MONTHS)



FORECAST USERS 2023/2024 (13 MONTHS)



Overall statement on likely developments

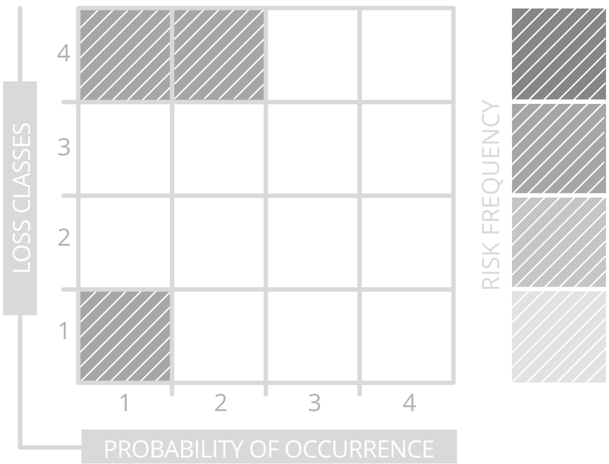
The Management Board assumes that the price of cryptocurrencies and media interest will once again dominate fiscal 2024. Our aspiration is and remains to present our customers and shareholders with the best possible access to the major opportunities afforded by cryptocurrencies. However, we would like to emphasize that this forecast is based on current information, and external circumstances could have a minor to strong impact upon it.

REPORT ON RISKS AND OPPORTUNITIES

RISK MANAGEMENT SYSTEM

Efficient risk management is intended to detect dangers systematically and at an early stage in order to take counter-measures in good time and manage any risks. Risk management is an integral part of the value and growth-oriented management of Bitcoin Group SE. In Bitcoin Group SE, potential risks are therefore recorded, analyzed and monitored as part of risk management for all significant business transactions and processes. The risk strategy always presupposes an assessment of the risks of an investment and the opportunities associated with it. The company's management assesses the individual risks on the basis of their probability of occurrence and possible level of losses and, in addition, only takes on appropriate, manageable and controllable risks if they simultaneously involve an increase in the company's value. The equity and liquidity situation is monitored on an ongoing basis. The Supervisory Board received regular detailed reports on the financial position in the 2023 fiscal year. This procedure creates transparency and thus forms a basis for the assessment of opportunities and risks. As a result, members of the Management Board and Supervisory Board are able to immediately implement appropriate measures to ensure that the company enjoys a sustainably stable financial and liquidity position.

RISK MATRIX



RISK ASSESSMENT – PROBABILITY OF OCCURRENCE

Class 1	very low	0% to 25%
Class 2	low	25% to 50%
Class 3	medium	50% to 75%
Class 4	high	75% to 100%

RISK ASSESSMENT – LOSS CLASSES

Class 1	EUR 50,000 to 100,000	insignificant
Class 2	EUR 100,000 to 500,000	low
Class 3	EUR 500,000 to 1,000,000	medium
Class 4	> EUR 1,000,000	severe

RISKS AND OPPORTUNITIES

Bitcoin Group SE and its subsidiaries are exposed to a number of opportunities and risks, of which the following can be considered material, i.e. class 3 or higher. In the presentation, the first figure in the bracket denotes the probability of occurrence, the second the loss class. The relevant assessments are made by members of the Management Board.

RISKS AND OPPORTUNITIES — THE MARKET

- The success of investments is dependent on the general stock exchange environment and economic developments. A deterioration in external conditions can lead to losses from investment activity, or make it more difficult to raise capital, thereby negatively affecting financial position and financial performance (class 2 / class 4). By contrast, a positive environment can have an effect not solely due to the value of the individual investment.

- Capital market volatility: Fluctuations in prices on the capital market, in particular price fluctuations on Bitcoin markets, can impact on the value of the investments both negatively (class 2 / class 4) and positively.

- Foreign investments: Investments outside Germany can lead to increased risks owing to a different legal or tax situation that adversely affects the financial position and financial performance (class 1 / class 1). However, there can also be advantages, particularly in the area of taxation.

- Risks and opportunities resulting from changes in interest rates: Changes in interest rates can affect the measurement of equity investments and make potential borrowings not subject to interest rate agreements more or less expensive (class 1 / class 1) leading to changes in the financial position and financial performance of the company.

RISKS AND OPPORTUNITIES — THE COMPANY

- Risks and opportunities resulting from the company's investment activities: The long-term value of investments cannot be guaranteed despite intensive due diligence by the company. Failures can pose a threat to the company's existence (class 1 / class 4), while successes can have a positive influence on the company's asset situation.

- Particular risks and opportunities of young companies: The companies targeted by Bitcoin Group SE are in an early phase of their development, which entails a high risk of insolvency and therefore a total loss for Bitcoin Group SE (class 2 / class 4). On the other hand, start-ups are often valued significantly below their future level, which can have a very positive effect for Bitcoin Group SE in the long term.

- Limited rights in equity investments: Owing to a possible minority interest in target companies, the company will not always be able to protect its interests in these equity investments (class 1 / class 1).

- Tax risks: A potential change in tax legislation can have a lasting negative impact on the company's financial position and financial performance. As a result of this, futurum bank AG would have to remit VAT, plus any interest, for commission received in connection with the brokerage of cryptocurrencies for the years that can still be amended under tax law. Furthermore, future commission for cryptocurrency brokerage would be subject to VAT, with the result that the earnings situation of futurum bank AG for past and future years could deteriorate by up to 19%, leading to a negative impact on the consolidated financial statements of Bitcoin Group SE. We maintain our position that this rule does not apply (see also our ad hoc disclosure of March 1, 2018) and therefore rate the probability of occurrence as low (class 1 / class 4).

- Risks due to loss of cryptocurrencies: External hackers or employees could steal cryptocurrencies entrusted to the subsidiary futurum bank AG by customers, with the result that futurum bank AG would potentially be required to pay damages. This could have a lasting negative impact on financial position and financial performance. However, as more than 98% of cryptocurrencies are held offline, i.e. without an Internet connection, and also distributed, i.e. protected against access by individual persons, the company perceives this risk as low. The same applies to the company's own holdings of cryptocurrencies, which are also 98 % offline and distributed. futurum bank AG's own assets are sufficient to cover potential losses of the cryptocurrencies usually available online for payment requests several times over (class 1/ class 4).

In summary, the Management Board can state that the opportunities arising from the still young and high-growth environment of crypto technologies exceed the risks.

RESPONSIBILITY STATEMENT

We give our assurance that to the best of our knowledge and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the group management report 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.

OVERALL STATEMENT

Overall, the Supervisory Board and members of the Management Board continue to consider the course of fiscal 2023 and the economic situation of the Group to be positive. Although EBITDA was slightly negative, positive EBIT was achieved in a tough market environment, due essentially to the reversal of impairment losses amounting to EUR 3,632 thousand.

Herford, 6/14/2024

Marco Bodewein
Management Board

Michael Nowak
Management Board

Per Hlawatschek
Management Board

03 CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for fiscal 2023

All figures in EUR	Note	January 1 - December 31, **2023**	January 1 - December 31, **2022**
Revenue	5.1	7,750,994.21	8,343,929.36
Other operating income	5.2	405,918.06	321,198.95
Other operating expenses	5.6	-6,342,901.32	-2,823,950.05
Cost of materials	5.3	-523,530.14	-1,698,233.64
Staff costs	5.4	-3,080,656.80	-2,772,196.15
EBITDA		**-1,790,175.99**	**1,370,748.47**
Amortization and write-downs	5.5	-450,822.40	-5,126,425.86
Reversal of impairment losses	5.5	3,631,908.15	0.00
EBIT		**1,390,909.76**	**-3,755,677.39**
Other financial income	5.7	146,642.24	84,899.51
Other financial expenses	5.7	-33,715.70	-73,054.38
Earnings before income taxes		**1,503,836.30**	**-3,743,832.26**
Income taxes	5.8	498,507.02	1,268,629.47
Income and expenses from deferred taxes	5.8	-66,208.21	66,175.93
Profit or loss from continuing operations		1,936,135.11	-2,409,026.86
Net profit attributable to the owners of the parent company		1,936,135.11	-2,409,026.86
Profit or loss		**1,936,135.11**	**-2,409,026.86**
Other comprehensive income		**63,117,291.35**	**-75,394,390.14**
Items not reclassified to profit or loss below		90,209,559.04	-107,663,414.50
Income or expenses from the remeasurement of intangible assets (cryptocurrencies)	4.13	90,242,144.95	-107,641,120.23
Income and expenses from the remeasurement of non-current financial assets	9	-32,585.91	-22,294.27
Income taxes on other comprehensive income	5.8	**-27,092,267.69**	**32,269,024.36**
Income taxes in connection with the remeasurement of intangible assets (cryptocurrencies)		-27,072,643.46	32,292,336.07
Income taxes in connection with the remeasurement of non-current financial assets		-19,624.23	-23,311.71
Total comprehensive income		**65,053,426.46**	**-77,803,417.00**
Total comprehensive income attributable to owners of the parent company		**65,053,426.46**	**-77,803,417.00**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for fiscal 2023

	Average number of shares	Issued capital	Other reserves	Profit/loss carried forward	Total equity
		EUR	EUR	EUR	EUR
As of December 31, 2021	**5,000,000**	**5,000,000.00**	**112,555,941.70**	**34,097,433.96**	**151,653,375.66**
Profit or loss	0	0.00	0.00	-2,409,026.86	-2,409,026.86
Payment of dividend	0	0.00	0.00	-500,000.00	-500,000.00
Other comprehensive income	0	0.00	-75,394,390.14	0.00	-75,394,390.14
As of December 31, 2022	**5,000,000**	**5,000,000.00**	**37,161,551.56**	**31,188,407.10**	**73,349,958.66**
Profit or loss	0	0.00	0.00	1,936,135.11	1,936,135.11
Payment of dividend	0	0.00	0.00	-500,000.00	-500,000.00
Other comprehensive income	0	0.00	63,127,291.35	0.00	63,127,291.35
As of December 31, 2023	**5,000,000**	**5,000,000.00**	**100,288,842.91**	**32,624,542.21**	**137,913,385.12**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

for fiscal 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION ASSETS

All figures in EUR	Note	December 31, **2023**	December 31, **2022**
Property, Plant and Equipment	4.1.1	65,597.98	65,354.98
Goodwill	4.1.3	3,882,225.95	3,882,225.95
Intangible assets (other)	4.1.3	840,865.77	840,865.77
Intangible assets (cryptocurrencies)	4.1.3	164,804,580.02	70,768,029.06
Right-of-use assets	4.1.4	405,691.73	434,195.42
Deferred tax assets	4.1.5	4,679.81	91,029.40
Other non-current financial assets	4.1.5	189,809.22	285,764.03
Total non-current assets	**4.1.5**	**170,193,450.48**	**76,367,464.61**
Trade receivables from third parties	4.2.1	111,514.86	62,194.51
Other current financial assets	4.2.1	32,717.66	321,465.08
Other non-financial current assets	4.2.2	273,851.42	131,319.11
Income tax assets	4.2.3	2,519,320.00	2,830,166.40
Non-current assets held for sale and disposal group	4.2.4	379,500.00	377,500.00
Cash and cash equivalents	4.2.7	11,057,246.56	14,882,910.95
Total current assets	**4.2.5**	**14,374,150.50**	**18,605,556.05**
Total equity and liabilities		**184,567,600.98**	**94,973,020.66**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EQUITY AND LIABILITIES

All figures in EUR	Note	December 31, **2023**	December 31, **2022**
Capital attributable to owners of the parent company		137,913,385.12	73,349,958.66
Issued capital		5,000,000.00	5,000,000.00
Cumulative retained earnings		32,634,542.21	31,188,407.10
Other comprehensive income		100,278,842.91	37,161,551.56
Total equity	4.3	**137,913,385.12**	**73,349,958.66**
Non-current leasing liabilities		311,167.40	357,159.33
Deferred tax liabilities	4.4.6	43,425,014.89	16,352,888.58
Total non-current liabilities		**43,736,182.29**	**16,710,047.91**
Trade payables to third parties	4.4.1	215,872.76	62,391.14
Current leasing liabilities		90,187.53	72,623.35
Other current financial liabilities	4.4.3	52,323.88	718,369.31
Other non-financial liabilities	4.4.4	1,763,749.40	1,256,043.29
Income tax liabilities	4.4.5	795,900.00	2,803,587.00
Total current liabilities		**2,918,033.57**	**4,913,014.09**
Total equity and liabilities		**184,567,600.98**	**94,973,020.66**

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS

for fiscal 2023

All figures in EUR
Cash flows from operating activities
EBIT
Restatements:
Depreciation and amortization expense on non-current assets
Depreciation and amortization expense on intangible assets (cryptocurrencies)
Gains/losses from the disposal of non-current assets
Gains/losses from transactions with cryptocurrencies
Other non-cash expenses and income
Changes:
Increase/decrease in trade receivables from third parties
Increase/decrease in receivables from related parties
Increase/decrease in other assets not attributable to investing or financing activities
Increase/decrease in trade payables to third parties and other current liabilities
Increase/decrease in other financial liabilities (liabilities to related parties)
Other liabilities not attributable to investing or financing activities
Cash flows from operating activities for:
Interest paid on leasing liabilities
Interest paid
Interest received
Income tax expense
Cash flows from operating activities
Cash flows from investing activities
Payments for investments in shareholdings held for sale
Proceeds from the disposal of property, plant and equipment
Payments for investments in property, plant and equipment
Payments for investments in intangible assets
Other non-current financial assets
Cash flows from investing activities
Cash flows from financing activities
Repayment of leasing liabilities
Payment of dividend
Cash flows from financing activities
Net increase/decrease in cash and cash equivalents
Cash and cash equivalents at the beginning of the period
Cash and cash equivalents at the end of the period

Note	January 1 - December 31, **2023**	January 1 - December 31, **2022**
	1,390,909.76	**-3,755,677.39**
4.1.1 - 4	122,369.89	120,100.17
4.1.3	330,098.77	5,006,325.69
		-3,568.05
	-4,124,504.78	-2,339,803.14
	73,315.20	0.00
4.2.1	-49,320.35	-50,370.86
4.2.2	0.00	0.00
4.2.3 - 4	146,215.11	-361,067.75
4.4.1	153,481.62	-69,514.62
4.4.2	0.00	0.00
4.4.3 - 4	-158,339.32	866,864.80
	-3,632.20	-3,901.48
	-30,083.50	-69,152.90
	146,642.24	84,899.51
	-1,198,333.58	-4,238,155.99
	-3,201,181.14	**-4,813,022.01**
	-2,000.00	-2,000.00
	1.00	18,370.05
4.1.1	-40,838.94	-20,173.31
	0.00	0.00
4.1.2	0.00	0.00
	-42,837.94	**-3,803.26**
	-81,645.31	-76,272.08
	-500,000.00	-500,000.00
	-581,645.31	**-576,272.08**
	-3,825,664.39	**-5,393,097.35**
	14,882,910.95	20,276,008.30
	11,057,246.56	**14,882,910.95**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BITCOIN GROUP SE

1.1 GENERAL INFORMATION

Bitcoin Group SE, Herford, is a capital investment company and consulting firm with a focus on Bitcoin and blockchain business models. Bitcoin Group SE assists its portfolio companies in tapping growth potential with management services and capital, in order to launch these companies on the capital markets in the medium term. Bitcoin Group SE plans further participations, among others by means of asset deals or also in the context of capital increases. The aim of Bitcoin Group SE is to boost the company value and profitability of the investments. Bitcoin Group SE holds a 100% stake in futurum bank AG headquartered in Frankfurt am Main. In fiscal 2020, Bitcoin Deutschland AG, Herford, which has been operating an important marketplace for the digital currency Bitcoin as well as other cryptocurrencies at “Bitcoin.de” since 2011, was merged with futurum bank AG. Before the merger, Bitcoin Deutschland AG was also a wholly-owned subsidiary of Bitcoin Group SE. In addition, Bitcoin Group SE has a 50% interest in Sineus Financial Services GmbH headquartered in Melle. The Group’s parent company is Bitcoin Group SE based at Luisenstr. 4, 32052 Herford (Germany). The company is registered in Commercial Register B of the Municipal Court of Bad Oeynhausen under HRB 14745. It is traded on the Düsseldorf stock exchange and the ISIN is DE000A1TNV91. As a long-term anchor shareholder, Priority AG, Herford, held more than 25% of the voting rights as at December 31, 2023 to the company‘s knowledge (previous year: 25 %). The free float with voting right shares of under 5% of the share capital as defined by Deutsche Börse is more than 50% as at December 31, 2023.

The consolidated financial statements are prepared in euros (EUR), which is both the functional and the reporting currency. Figures in the financial statements are in EUR unless otherwise specified. For computational reasons, rounding differences may occur in tables and text references which vary from the precise mathematical figures (monetary units, percentages, etc.).

The fiscal year of the Group is the calendar year.

1.2 CONSOLIDATED GROUP

The consolidated financial statements include the subsidiaries whose financial and operating policies Bitcoin Group SE can control. This is usually the case where the shareholding is more than 50%, as shares are equal to voting rights. If contractual provisions determine that control can be exercised over a company in which the Group holds less than 50% of the shares, this company is included as a subsidiary in the consolidated financial statements. If no control can be exercised over a company in which the Group holds more than 50% of the shares due to contractual provisions, this company is not included as a subsidiary in the consolidated financial statements. The date of acquisition represents the date on which potential control over the company or business acquired is obtained.

Bitcoin Group SE held 100% of the shares in futurum bank AG, Frankfurt am Main ("futurum") as of the reporting dates of December 31, 2023 and December 31, 2022. The company is fully consolidated. Based on the annual financial statements prepared in accordance with the Handelsgesetzbuch (HGB – German Commercial Code) as of December 31, 2023, the company's equity amounts to EUR 13,844 thousand (previous year: EUR 13,844 thousand), its subscribed capital to EUR 1,500 thousand (previous year: EUR 1,500 thousand) while the net profit for fiscal 2023 amounts to EUR 0 thousand (previous year: EUR 0 thousand) due to the profit and loss transfer agreement with Bitcoin Group SE.

With its registration in the Commercial Register on October 13, 2020, Bitcoin Deutschland AG was merged with futurum bank AG. As part of the merger of these two wholly-owned subsidiaries of Bitcoin Group SE, Bitcoin Deutschland AG became part of futurum bank AG and futurum bank AG became the legal successor to Bitcoin Deutschland AG. As a result of the merger, all the Group's licensed activities have been bundled under the umbrella of futurum bank AG. This results in major synergy effects within Bitcoin Group SE by reducing organizational and regulatory complexity. This step also strengthens Bitcoin Group SE's offering as a cryptocurrency trading platform and custodian. futurum bank AG is thus able to offer its customers enhanced service from a single source.

Bitcoin Group SE acquired 50% of shares in Sineus Financial Services GmbH ("Sineus") for a purchase price of EUR 157 thousand on January 15, 2018. Due to contractual provisions, Bitcoin Group SE does not exercise control over Sineus Financial Services GmbH. Sineus was acquired for strategic reasons, to secure the Group's extended, long-term capacity to act.

The shelf companies DESSIXX AG, Frankfurt am Main, and Potrimpos Capital SE, Frankfurt am Main, which are held for sale, are not included in the consolidated group.

1.3 CHANGES IN THE CONSOLIDATED GROUP

There were no changes in the consolidated group.

1.4 BASIS OF CONSOLIDATION

If a business combination applies, acquisition accounting is performed by offsetting the acquisition cost against the Group's share in the remeasured equity of the consolidated subsidiaries as of the time of the acquisition of the shares in accordance with IFRS 3. The reportable assets, liabilities and contingent liabilities of subsidiaries are carried at their full fair value regardless of the amount of the non-controlling interest. For each acquisition, there is an option that can be exercised separately as to whether non-controlling interests are measured at fair value or at the amount of the pro rata net assets. Incidental costs of acquisition are expensed. Positive differences arising on first-time consolidation are recognized as goodwill. In accordance with IFRS 3/IAS 36, this goodwill is tested for impairment annually or on the occurrence of a trigger event. Any profit arising from an acquisition for a price below market value is recognized immediately in profit or loss. On initial consolidation, the residual carrying amounts of positive differences are taken into account when calculating the disposal profit or loss.

Changes in the shareholding that do not lead to a loss of control are treated as transactions between shareholders in equity. Such transactions do not lead to any recognition of goodwill or the realization of gains on disposal. In the event of sales of shares that lead to a loss of control, the Group derecognizes the assets and liabilities of the subsidiary as well as all associated, non-controlling shares and other equity components. Any resultant profit or loss is recognized in the income statement. Any retained interest in the former subsidiary is measured at fair value on the date on which control is lost.

Losses attributable to non-controlling interests are allocated to them in full, even if this results in a negative carrying amount.

If an enterprise acquired does not constitute a business as defined by IFRS 3, the transaction is recognized as an acquisition of assets and assumption of liabilities at cost, without taking goodwill into account.
Intercompany balances as well as transactions and intercompany profits and dividends resulting from them or the distribution of dividends between consolidated entities are eliminated in full.

2. APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

2.1 GENERAL ACCOUNTING PRINCIPLES

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC) of the International Accounting Standards Board (IASB) as mandatory in and adopted by the European Union. They take into account all accounting standards and interpretations mandatory in the EU.

Accordingly, these IFRS consolidated financial statements are based on the IASB accounting standards adopted for the EU in accordance with Regulation (EC) No 1606/2002 in conjunction with Sec. 315e (1) HGB (consolidated financial statements in accordance with international accounting standards) by the EU Commission as part of the endorsement procedure. The mandatory application of IFRS standards newly issued by the IASB or revisions to IFRS standards is based on a corresponding resolution of the EU Commission as part of the endorsement procedure.

The Management Board of Bitcoin Group SE approved the consolidated financial statements and the Group management report on June 14, 2024.

To improve clarity, various items in the statement of financial position and the statement of comprehensive income were combined. These items are presented in detail in the notes.

These consolidated financial statements are presented in euros, the functional currency of Bitcoin Group SE.

In accordance with IAS 1, the statement of financial position is divided into current and non-current items.

The statement of comprehensive income was prepared in line with the nature of expense method.

2.2 APPLIED ACCOUNTING POLICIES

The key accounting policies applied in the preparation of these consolidated financial statements are presented below. Unless stated otherwise, these principles were applied uniformly to all fiscal years presented.

When preparing the consolidated financial statements, members of the Management Board are required to make estimates and underlying assumptions as well as judgments that influence the reported amount of assets, liabilities, revenue and expenses, as well as the disclosure of contingent assets and contingent liabilities. Although these estimates and assumptions are based on the best possible knowledge of the events and measures in question, the results in each case may vary from such estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revised estimates are recognized prospectively.

The consolidated financial statements were prepared in accordance with the historical cost principle. As in the previous year, certain intangible assets and financial instruments recognized at their remeasurement amount or fair value on the reporting date form exceptions to this rule. A corresponding explanation is provided as part of the relevant accounting and measurement principles.

Historical cost is based on the particular value of the consideration given for assets. The fair value of the consideration is definitive.

The fair value is the price that would be paid on the measurement date for the sale of an asset or for the transfer of a liability in a transaction between market participants under normal market conditions, regardless of whether the price is directly observable or estimated using other measurement methods.

When estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability to the extent that market participants would also consider these characteristics when determining the price of the asset or the liability on the measurement date. The fair value is determined on this basis for measurement purposes or for inclusion in the financial statements; items form an exception to this rule. The measurement of fair value for financial reporting purposes in accordance with IFRS 13 is divided into level 1, level 2 and level 3, depending on the observability of the input used in the measurement of the particular fair value and the significance of these inputs for the measurement of fair value as a whole; this measurement hierarchy is described as follows:

- Level 1 inputs include listed (non-unadjusted) prices on active markets for identical assets or liabilities to which the company has access on the measurement date.

- Level 2 inputs include sources of information other than the listed prices recognized in Level 1 which are either directly or indirectly observable for the asset or liability.

- Level 3 inputs include unobservable inputs relating to the asset or liability.

2.3 NEW IASB ACCOUNTING STANDARDS

Unless specified otherwise, the standards and interpretations or amendments of existing standards are, as a general rule, to be applied to fiscal years which begin on or after the initial application date. No standards or interpretations were adopted early.

2.3.1 AMENDMENTS TO SIGNIFICANT ACCOUNTING POLICIES

As of January 1, 2023, the Group applied "Deferred Taxes" for the first time which relates to assets and liabilities arising from a single transaction (amendments to IAS.12). As a result of the amendments, the Group recognized a separate deferred tax asset in relation to right-of-use assets from leases which led to a similar result to the previous accounting method. There was therefore no effect on the consolidated financial statements.

The Group also applied Disclosure of Accounting Policies (amendments to IAS 1 and to Practice Statement 2) for the first time as of January 1, 2023. Although the amendments do not lead to any change to the accounting policies, they require the disclosure of material information on accounting policies instead of significant accounting policies as was the case hitherto. Management has reviewed its duties of disclosure and implemented the required updates.

2.3.2 NEW STANDARDS AND INTERPRETATIONS TO BE APPLIED IN THE FUTURE

The new or amended standards which have been published by the IASB but have not yet entered into force as of January 1, 2023, will not have any material effect on the consolidated financial statements.

2.4 SIGNIFICANT JUDGMENTS AND ESTIMATE UNCERTAINTY

In preparing the consolidated financial statements, some assumptions have been made and estimates used that have affected the reporting and amount of the assets, liabilities, income and expenses recognized. In individual cases, actual values can deviate from assumptions and estimates at a later date. Corresponding changes would be recognized in profit or loss when better information becomes available. All assumptions and estimates are made to the best of our knowledge and belief to provide a true and fair view of the Group's net assets, financial position and results of operations. The judgments and estimates underlying the impairment test are explained in more detail in Note 4.1.2.

3. ACCOUNTING POLICIES

The consolidated financial statements are based on the same uniform accounting policies as in the preceding fiscal years.

3.1 CURRENCY TRANSLATION

In preparing the annual financial statements of each individual Group company, transactions denominated in currencies other than the functional currency of the Group (foreign currencies) are translated at the exchange rate prevailing on the date of the transaction. Monetary items in foreign currencies are to be translated at the exchange rate prevailing on the relevant reporting date. Non-monetary items in foreign currencies measured at fair value, must be translated at the rate prevailing at the time the fair value is determined. Non-monetary items measured at cost are translated at the exchange rate prevailing at the time of their initial recognition.

3.2 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Intangible assets include purchased software, domains, banking licenses and cryptocurrencies.

Intangible assets purchased from third parties are carried at cost less straight-line amortization given a standard useful life or according to use assuming a standard useful life. They are capitalized only if it is sufficiently likely that the economic benefits will flow to the company and the cost of the asset can be reliably determined.

The following criteria are mainly considered when estimating the useful life:

- expected use of the asset in the company;
- publicly available information on the estimated useful life of comparable assets;
- technical, technological and other forms of obsolescence.

The amortization period for purchased software is three years.
Purchased domains, banking licenses and cryptocurrencies have indefinite useful lives. The domains have no legal or contractual expiry date. They are to serve the operations of Bitcoin Group SE on a permanent basis. Cryptocurrencies as a substitute for means of payment issued by government bodies are also designed to be permanent and have no contractual expiry date. Unlimited, non-expiring banking licenses are essential for the Group‘s business model and their useful lives are estimated as indefinite.

Such intangible assets with an indefinite useful life (purchased domains, banking licenses and cryptocurrencies) are subject to at least one annual impairment test in accordance with the requirements of IAS 36 and at least one annual review of the indefinite nature of their useful lives.

Cryptocurrencies are carried at their revaluation amounts on the relevant reporting date. The revaluation amount corresponds to the fair value less later cumulative impairment expenses. The fair value is measured with reference to an active market.

Property, plant and equipment are measured at cost less straight-line depreciation and impairment. Property, plant and equipment are depreciated using the straight-line method over their useful life. The depreciation period is based on the expected useful life. The Group recognizes depreciation based on the following useful lives that are unchanged compared with the previous year:

Other equipment	**Useful life in years**
Operating and office equipment	2 - 20

The residual values and useful economic lives are reviewed on each reporting date and adjusted if necessary.

3.3 GOODWILL

Goodwill is initially measured at cost and is the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed by the Group.

Goodwill is tested for impairment on the basis of cash-generating units in accordance with IAS 36 once per year, or more frequently if there are indications of impairment. This is done by comparing the recoverable amount with the carrying amount for the cash-generating unit. Impairment is recognized if the carrying amount is higher than the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use. The basis for calculating the value in use is the current cash flow planning prepared by management and the assumption of perpetual annuity for the years after the detailed planning period. Detailed planning of future cash flows based on cash flow before interest and taxes less maintenance and replacement investments is prepared for a time horizon of three years. The cash flows calculated are discounted to determine the value in use of the cash-generating unit. The value in use is compared with the associated carrying amount. If this is less than the carrying amount of the cash-generating unit, goodwill impairment is recognized in profit or loss.

3.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents recognized in the statement of financial position comprise bank balances with an original term of less than three months. For the purposes of the statement of cash flows, cash includes the cash and cash equivalents defined above and short-term deposits. They are measured at amortized cost.

3.5 FINANCIAL INSTRUMENTS

Classification

The Group divides financial assets into one of the following categories:

- financial assets at amortized cost (AC)
- financial assets at fair value through other comprehensive income (FVTOCI)
- financial assets at fair value through profit or loss (FVTPL)

If a financial asset constitutes a debt instrument, classification is dependent on:

- the business model for managing the financial asset; and
- the contractual cash flows.

A debt instrument is measured at amortized cost if both of the following conditions are met and it was not designated as FVTPL:

- It is held as part of a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is designated as FVTOCI if both of the following conditions are met and it was not designated as FVTPL:

- It is held as part of a business model whose objective is to hold financial assets in order to collect contractual cash flows and sell financial assets; and
- its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

As in the previous year, no debt instruments were classified as FVTPL or FVTOCI in the fiscal year.

Debt instruments are only reclassified if the business model for managing the financial assets is changed.

Financial assets in the form of equity instruments are to be classified as FVTPL. On initial recognition of an equity investment not held for trading, however, the Group can irrevocably opt to present subsequent changes in the investment's fair value in other comprehensive income. This choice is made for each investment on a case-by-case basis.

On recognition, financial liabilities as defined by IFRS 9 are classified either as

- financial liabilities measured at amortized cost,
- or as financial liabilities at fair value through profit or loss (FVTPL).

Financial liabilities measured at fair value through profit or loss (FVTPL) comprise financial liabilities held for trading and financial liabilities irrevocably designated as FVTPL on initial recognition (FVTPL option). The FVTPL option for financial liabilities is not used in the Group.

It is not permitted to reclassify financial liabilities.
Financial liabilities were classified at amortized cost in the fiscal year, unchanged from the previous year.

Recognition, measurement and derecognition

Financial assets and liabilities are measured at fair value on initial recognition. Items not measured at FVTPL also include transaction costs that are directly attributable to their acquisition or issue.

Purchases and sales of financial assets are recognized as of the date on which the company commits to purchasing or selling the asset.

The subsequent measurement of financial assets and liabilities and the treatment of their gains and losses are described below:

- Financial assets in the AC category are subsequently measured at amortized cost using the effective interest method, and they are subject to the impairment rules defined in IFRS 9. Interest income, exchange rate gains or losses, impairment losses and reversals as well as gains or losses from derecognition are recognized in the income statement.

- Financial assets assigned to the FVOCI category and which constitute equity investments, are subsequently measured at fair value. Dividends are recognized as income in profit or loss, unless the dividends clearly cover part of the costs. Other net gains and losses are recognized in other comprehensive income and never reclassified to the income statement.

- Financial assets held for trading purposes and therefore assigned to the FVTPL category, are subsequently measured at fair value. Gains or losses arising from changes in fair value, including any interest or dividend income, are recognized in profit or loss in the period in which they arise.

- Financial liabilities in the AC category are subsequently measured at amortized cost using the effective interest method although interest expenses, exchange rate gains or losses as well as gains or losses from derecognition are recognized in the income statement.

A financial asset is only derecognized if the contractual claims to cash flows from this asset expire or the company transfers the ownership rights to the financial asset along with the risks and rewards arising from it. Financial liabilities are derecognized if the liability has been settled, i.e. the contractual obligation has been fulfilled, canceled or has expired.

Impairment

Financial assets in the AC category are subject to the impairment model as defined by IFRS 9.5.5. According to this model, the Group recognizes an impairment loss for these assets based on the expected credit losses. Expected credit losses result from the difference between the contractually agreed cash flows and the expected cash flows, measured at present value at the original effective interest rate. The expected cash flows also include, if applicable, revenue from the sale of collateral and other loan collateral forming an integral part of the relevant contract.

The class of assets of relevance to the Group for the application of the impairment model are trade receivables. For these, the Group applies the simplified approach in accordance with IFRS 9.5.15. According to this approach, the loss allowance is always measured at an amount equal to lifetime expected credit losses.

3.6 EQUITY

Please see the statement of changes in equity and the notes to the statement of financial position for information on the composition and development of equity. Please see Note 4.3 for further information.

3.7 LIABILITIES

The Group's liabilities comprise financial liabilities such as trade payables, other liabilities and other current liabilities (not including deferred items or tax liabilities) and are measured by the company at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and the recognition of interest expense over the corresponding period. The effective interest rate is the rate which on initial recognition discounts the estimated future cash outflows (including fees paid or received as components of the effective interest rate, transaction costs and further premiums or discounts) to the net carrying amount over the probable term of the financial liability. Interest expense is recognized on the basis of the effective interest rate.

The company derecognizes financial liabilities when its obligations from the liability are met, canceled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid or outstanding is reported in the income statement.

3.8 PROVISIONS

Provisions are recognized in accordance with IAS 37 regulations when the company has present (legal or constructive) obligations arising from past events that are expected (i.e. more likely than not) to result in an outflow of economic resources. It must also be possible to estimate the amount of the obligation reliably. The provision is recognized at the best estimate of the amount of the present obligation as of the end of the reporting period. If the effect of the time value of money is material, the provision is discounted using the market interest rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The notes contain disclosures on contingent liabilities resulting from a possible obligation that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the company's control. Contingent liabilities can also arise from a present obligation based on past events but not recognized because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
- the amount of the obligation cannot be measured with sufficient reliability.

3.9 REVENUE

The Group primarily operates a marketplace for cryptocurrencies. It offers market participants a marketplace where they can trade these cryptocurrencies with each other. The Group acts as an agent between market participants and charges commission for the transactions they perform, typically between 0.8% and 1.0% of the particular transaction volume.

Furthermore, income is generated from securities trading as well as revenue from the performance of services for customers in connection with financial products.

Revenue from contracts with customers is recognized in accordance with IFRS 15. Revenue is measured at the fair value of the consideration received or yet to be received for services by Group companies in the normal course of business.

Revenue is reported without VAT, discounts or price reductions. Revenue and other operating income are recognized after service is rendered by the company. In order to recognize revenue, it must be possible to reliably determine its amount and it must be probable that the economic benefits associated with the transaction will flow to the company.

Depending on the economic substance of the underlying contracts, revenue from commission is recognized for a certain point in time or over a period of time. Revenue from commission is recognized over a period of time on the basis of the time elapsed or contractually agreed milestones. Commission recognized at a certain point in time is generally related to the trading of cryptocurrencies while recognition over a period of time is associated with holding cryptocurrencies.

Income from securities trading (including gains from the measurement of assets held for trading at fair value) is recognized in accordance with the regulations of IFRS 9 for financial instruments.

3.10 LEASES

If an arrangement is classified as a lease, in accordance with IFRS 16.22 et seq., a right-of-use asset is recognized at cost under non-current assets and a lease liability is recognized at the present value of future lease payments under non-current liabilities. The present value of the lease liabilities is calculated by discounting the lease payments using the underlying interest rate. If the underlying interest rate for the lease cannot be determined, the lessee's incremental borrowing rate is used. Lease payments also include the exercise price of a purchase option, if the Group is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease. Right-of-use assets are subsequently measured using the cost model, i.e. less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability. In accordance with IFRS 16.36, lease liabilities are increased to reflect interest on the lease liability and reduced to reflect the lease payments made. Changes to lease payments result in the remeasurement of the lease liability. In accordance with the exemptions under IFRS 16.5 et seq., short-term leases and leases for which the underlying asset is of low value are not recognized as such, and are instead expensed on a straight-line basis.

3.11 INCOME TAXES AND DEFERRED TAXES

Income taxes are calculated in accordance with IAS 12. All tax liabilities and receivables in relation to income taxes arising in the course of the fiscal year are therefore included in the consolidated financial statements. Current tax assets and tax liabilities for the current and earlier periods are measured at the amount expected to be refunded by/paid to the tax authorities. The calculation of this amount is based on the tax rates and tax laws in effect at the end of the reporting period.

Deferred taxes are recognized on the basis of the asset and liability method when future tax effects are to be expected which are due either to temporary differences between the IFRS carrying amounts of existing assets and liabilities and their tax carrying amounts or to existing loss carryforwards and tax credit. Deferred tax assets must be tested for impairment in each fiscal year. Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply to taxable income in the years in which these temporary differences are reversed or offset based on current tax legislation. Current tax and deferred tax are recognized outside profit or loss if the tax relates to items that are recognized, in the same or a different period, outside profit or loss. The effect of changes in tax rates on deferred tax assets and liabilities is reported in profit or loss in the period in which the amendments are resolved by lawmakers or in the period to which a legal amendment already resolved is set to apply. Tax assets and liabilities are offset if and only if there is a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity.

3.12 OPERATING SEGMENTS

Bitcoin Group SE is required to prepare segment reporting in accordance with IFRS 8. The segmentation type is based on the management approach.

A business segment is a part of a company that performs business activities with which income is generated and from which expenses are incurred, including income and expenses in relation to transactions with another part of the company.

The results of a business segment are regularly reviewed by the enterprise's chief operating decision maker on the basis of the independent financial information available to make decisions about the resources to be allocated to the segment and to assess its performance.

For further information, please refer to Note 7 “Operating Segments”.

3.13 ASSETS HELD FOR SALE AND DISPOSAL GROUPS

If Bitcoin Group SE acquires a non-current asset (or disposal group) solely for the purpose of selling it at a later date, it classifies the non-current asset (or disposal group) at the time of acquisition as held for sale provided the asset (or disposal group) in its present condition could be sold immediately on normal terms for the sale of such assets (or disposal groups) and such a sale is highly likely.

A sale is highly likely if the responsible tier of management has adopted a plan for the sale of the asset (or disposal group) and an active search has been initiated to find a buyer and enact the plan. Furthermore, the asset (or disposal group) must actually be offered for sale for a price commensurate with its present fair value. In addition, the sale must be expected to qualify for recognition as a completed sale within one year of its classification, and the measures required to realize the plan must indicate that significant changes to the plan or its cancellation appear unlikely.

4. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

4.1 NON-CURRENT ASSETS

4.1.1 PROPERTY, PLANT AND EQUIPMENT

All figures in EUR	**Property, Plant and Equipment**
Cost	
As of January 01, 2023	313,841.27
Additions	40,838.94
Disposals	-2,744.00
As of December 31, 2023	351,936.21
Amortization and remeasurement	
As of January 01, 2023	-248,486.29
Amortization and write-downs	-40,594.94
Disposals	2,743.00
As of December 31, 2023	286,338.23
Carrying amounts as of December 31, 2023	**65,597.98**

Cost	
As of January 01, 2022	310,170.86
Additions	20,173.31
Disposals	-16,502.90
As of December 31, 2022	313,841.27
Amortization and remeasurement	
As of January 01, 2022	-206,804.88
Amortization and write-downs	-43,382.31
Disposals	1,700.90
As of December 31, 2022	-248,486.29
Carrying amounts as of December 31, 2022	**65,354.98**

Property, plant and equipment include operating and office equipment.

4.1.2 GOODWILL

All figures in EUR	**Goodwill**
Cost	
As of January 01, 2023	3,882,225.95
Changes	0.00
As of December 31, 2023	3,882,225.95
Write-downs and impairment	
As of January 01, 2023	0.00
Changes	0.00
As of December 31, 2023	0.00
Carrying amounts as of December 31, 2023	**3,882,225.95**

Cost	
As of January 01, 2022	3,882,225.95
Changes	0.00
As of December 31, 2022	3,882,225.95
Amortization and remeasurement	
As of January 01, 2022	0.00
Changes	0.00
As of December 31, 2022	0.00
Carrying amounts as of December 31, 2022	**3,882,225.95**

Goodwill

The goodwill results from the first-time consolidation of Bitcoin Deutschland AG in fiscal 2014.

In the context of impairment testing, goodwill was assigned to the cash-generating unit now consisting of futurum bank AG following the merger of Bitcoin Deutschland AG with futurum bank AG. The recoverable amount for the subsidiary (cash-generating unit) is determined on the basis of the value in use calculated by way of cash flow forecasts based on financial planning approved by the company's management for a period of three years. The risk-free interest rate of the cash-generating units of 8.99% (previous year: 8.18%) is based on the weighted average cost of capital (WACC) after company taxes. As in the previous year, this is calculated on the basis of the capital asset pricing model (CAPM) using current market expectations. Specific peer group information for beta factors, capital structure data and debt cost rates was used to calculate the risk-free interest rates for the purposes of impairment testing. The terminal value is used for periods not included in planning. Cash flows after the three-year period are assumed to grow at a constant rate of 1.00% (previous year: 1.00%).

Sensitivity of assumptions

The values in use calculated significantly exceeded the carrying amounts of the cash-generating units. The company's management is of the opinion that no change that could reasonably be made to the basic assumptions used to determine the value in use of the cash-generating unit could lead to the carrying amount of the cash-generating unit exceeding its recoverable amount.

4.1.3 INTANGIBLE ASSETS

All figures in EUR	Intangible assets (other)	Intangible assets (licenses)	Intangible assets (cryptocurrencies)	Total
Cost				
As of January 01, 2023	69.320,08	781.532,20	24.289.692,56	25.140.544,84
Additions	0,00	0,00	1.137.870,00	1.137.870,00
Disposals	0,00	0,00	-645.273,37	-645.273,37
As of December 31, 2023	**69.320,08**	**781.532,20**	**24.782.289,19**	**25.633.141,47**
Amortization and remeasurement				
As of January 01, 2023	-9.986,51	0,00	46.478.336,50	46.468.349,99
Amortization and write-downs	0,00	0,00	-330.098,77	-330.098,77
Reversal of impairment losses	0,00	0,00	3.631.908,15	3.631.908,15
Remeasurement in other comprehensive income	0,00	0,00	90.242.144,95	90.242.144,95
As of December 31, 2023	-9.986,51	0,00	140.022.290,83	140.022.290,83
Carrying amounts as of December 31, 2023	**59.333,57**	**781.532,20**	**164.804.580,02**	**165.645.445,79**

All figures in EUR	Intangible assets (other)	Intangible assets (licenses)	Intangible assets (cryptocurrencies)	Total
Cost				
As of January 01, 2022	69,320.08	781,532.20	21,949,889.42	22,800,741.70
Additions	0.00	0.00	2,339,803.14	2,339,803.14
Disposals	0.00	0.00	0.00	0.00
As of December 31, 2022	**69,320.08**	**781,532.20**	**24,289,692.56**	**25,140,544.84**
Amortization and remeasurement				
As of January 01, 2022	-9,986.51	0.00	159,125,782.42	159,115,795.91
Amortization and write-downs	0.00	0.00	5,006,325.69	5,006,325.69
Reversal of impairment losses	0.00	0.00	0.00	0.00
Remeasurement in other comprehensive income	0.00	0.00	-107,641,120.23	-107,641,120.23
As of December 31, 2022	-9,986.51	0.00	46,478,336.50	46,468,349.99
Carrying amounts as of December 31, 2022	**59,333.57**	**781,532.20**	**70,768,029.06**	**71,608,894.83**

As of the end of the reporting period, intangible assets were neither pledged as collateral for liabilities nor otherwise restricted.

Intangible assets with an indefinite useful life are tested for impairment as part of the impairment review of goodwill.

Intangible assets (cryptocurrencies)

Cryptocurrencies are remeasured as of the reporting date. The following overview shows the difference between the corresponding fair values and carrying amounts for reporting periods and for the previous year.

All figures in EUR thousand	December 31, **2023**	December 31, **2022**
BTC / Bitcoin	140,518	57,807
BCH / Bitcoin Cash	1,565	579
ETH / Ethereum	21,477	11,560
BTG / Bitcoin Gold	256	146
BSV / Bitcoin Satoshis Vision	-	177
LTC / Litecoin	233	212
XRP / Ripple	405	216
DOGE / Dogecoin	90	51
UNI / Uniswap	-	5
DOT / Polkadot	-	4
LINK / ChainLink	-	5
TRX / Tron	7	1
SOL / Solana	190	4
USDT / Tether	64	-
	164,804	**70,768**

4.1.4 RIGHT OF USE

Access to right-of-use assets relates to vehicles.

Right-of-use assets developed as follows:

	2023
All figures in EUR	**Right-of-use assets**
Cost	
As of January 01, 2023	695,042.33
Additions	53,271.26
Disposals	0.00
As of December 31, 2023	748,313.59
Amortization and remeasurement	
As of January 01, 2023	-260,846.91
Amortization and write-downs	-81,774.95
As of December 31, 2023	-342,621.86
Carrying amounts as of December 31, 2023	**405,691.73**

	2022
All figures in EUR	**Right-of-use assets**
Cost	
As of January 01, 2022	695,042.33
Additions	0.00
Disposals	0.00
As of December 31, 2022	695,042.33
Amortization and remeasurement	
As of January 01, 2022	-184,129.05
Amortization and write-downs	-76,717.86
As of December 31, 2022	-260,846.91
Carrying amounts as of December 31, 2022	**434,195.42**

Lease agreements comprise rent for properties and vehicle leases for which the following amounts were paid in EUR in fiscal 2023:

All figures in EUR	2023	2022
Rent for properties	61,252.92	65,196.00
Vehicle leases	19,846.43	14,977.56

4.1.5 DEFERRED TAX ASSETS

Deferred tax assets have been recognized for temporary differences in the remeasurement of cryptocurrencies, non-current financial assets, recognized right-of-use assets and the offsetting liabilities. The effect of remeasuring cryptocurrencies and non-current financial assets is recognized in other comprehensive income in an amount of EUR -27,073 thousand and EUR -20 thousand respectively (previous year: EUR 32,292 thousand and EUR -23 thousand respectively). EUR 0.01 thousand (previous year: EUR 1 thousand) is recognized in profit or loss for the right-of-use assets and the offsetting lease liabilities. Deferred taxes on measurement adjustments are calculated using the tax rates applicable in Germany. As all matters in connection with deferred taxes arose in Germany, an average tax rate of 30% is assumed for the fiscal year (previous year: 30%).

4.1.6 OTHER NON-CURRENT FINANCIAL ASSETS

The other non-current financial assets reported as of December 31, 2023 relate to shares in Sineus Financial Services GmbH.

It is not necessary to consolidate the Sineus acquisition as it is not controlled and no significant influence is exercised. The equity investment is thus measured at fair value through other comprehensive income in accordance with IFRS 9. As of December 31, 2023, this fair value amounts to EUR 167 thousand (December 31, 2022: EUR 167 thousand).

Other non-current financial assets also include rental deposits measured at amortized cost in an amount of EUR 23 thousand (December 31, 2022: EUR 23 thousand).

4.2 CURRENT ASSETS

4.2.1 TRADE RECEIVABLES FROM THIRD PARTIES

All trade receivables (2023: EUR 112 thousand; previous year: EUR 62 thousand) have a remaining term of up to one year in the reporting year of 2023 and in previous years.

The Group did not receive any collateral for trade receivables in 2023.

Impairment losses recognized in the fiscal year under review amounted to EUR 14 thousand (previous year: EUR 7 thousand). The adjustment account rose accordingly from EUR 7 thousand to EUR 21 thousand (previous year: from EUR 0 thousand to EUR 7 thousand).

The maximum credit risk of the receivables is the gross carrying amount of the receivables.

4.2.2 OTHER FINANCIAL ASSETS (RECEIVABLES FROM RELATED PARTIES)

As of December 31, 2023, there are no other financial assets (receivables from related parties) (previous year: EUR 0 thousand).

4.2.3 OTHER CURRENT FINANCIAL ASSETS

Other current financial assets amount to EUR 33 thousand (previous year: EUR 284 thousand). They comprise listed shares measured at fair value through profit or loss as well as creditors with debit balances in an amount of EUR 0 thousand (previous year: EUR 37 thousand) measured at amortized cost. The carrying amount of the financial assets is equal to the maximum risk of default. Credit of EUR 3,208 thousand (previous year: EUR 3,200 thousand) serves as collateral for the listed shares in accordance with a contractual agreement.

4.2.4 OTHER NON-FINANCIAL ASSETS (CURRENT)

All figures in EUR	December 31, **2023**	December 31, **2022**
Current tax assets	84,242.02	56,13.23
Prepayments and accrued income	189,696.81	72,026.88
Miscellaneous other current non-financial assets	2.59	2,679.00
Other non-financial assets	**273,851.42**	**131,319.11**

Prepayments and accrued income mainly include advance payments made for services that will only be rendered in the subsequent year.

4.2.5 ASSETS HELD FOR SALE AND DISPOSAL GROUPS

By way of cash subscription, futurum bank AG founded DESSIXX AG, Frankfurt am Main. This stock corporation arose with its entry in the commercial register on March 23, 2021. With an agreement dated March 15, 2021, futurum bank AG acquired an 80% interest in Potrimpos Capital SE, Frankfurt am Main. Neither company was consolidated as they are immaterial and do not undertake any operating activities. Both companies were acquired or founded for the purpose of sale and were classified accordingly as held for sale on the date of their inception or acquisition.

4.2.6 CASH AND CASH EQUIVALENTS

This item exclusively contains bank balances with the Bundesbank amounting to EUR 782 thousand (previous year: EUR 552 thousand) and bank balances of EUR 10,275 thousand (previous year: EUR 14,331 thousand). Bank balances in an amount of EUR 3,208 thousand (previous year: EUR 3,200 thousand) serve as collateral for undelivered securities transactions in accordance with a contractual agreement. There was no further restricted cash in fiscal 2023 or the comparative period.

4.2.7 INCOME TAX ASSETS

This item included corporation tax and trade tax assets in the current and previous reporting period.

4.3 EQUITY

The issued capital of Bitcoin Group SE is the fully paid-in share capital of EUR 5,000,000.00. The share capital is divided into 5,000,000 bearer shares.

The development of equity is shown in the statement of changes in equity.

At the end of the Annual General Meeting on July 1, 2022, the company was authorized to buy 10% of the share capital in treasury shares with the proviso that the purchase price is no more than 10% above or below the average price for the last 10 trading days.

The Management Board is authorized, with the approval of the Supervisory Board, to increase the company's share capital in the period up to July 1, 2024 by up to EUR 2,500 thousand on one or more occasions by issuing up to 2,500,000 new bearer shares in return for cash contributions and/or non-cash contributions (Authorized Capital 2019).

4.4 LIABILITIES

4.4.1 TRADE PAYABLES TO THIRD PARTIES

Trade payables do not bear interest and generally mature between 30 and 90 days.

4.4.2 OTHER FINANCIAL LIABILITIES (INCREASE/DECREASE IN LIABILITIES TO RELATED PARTIES)

As in the previous year of 2022, there were no liabilities to related parties as of December 31, 2023.

4.4.3 OTHER CURRENT FINANCIAL LIABILITIES

Other current financial liabilities amounting to EUR 52 thousand (previous year: EUR 718 thousand) comprise financial liabilities to banks due on demand.

4.4.4 OTHER NON-FINANCIAL LIABILITIES

Other non-financial liabilities break down as shown in the table:

All figures in EUR	December 31, **2023**	December 31, **2022**
Liabilities for outstanding invoices	598,080.83	277,650.00
Liabilities to staff	34,359.91	35,550.00
Audit and consulting liabilities	193,000.00	216,600.00
Wage and church tax liabilities	63,656.41	69,697.95
Social security	4,982.04	7,341.43
VAT liabilities	-	-
Other current non-financial liabilities	869,670.21	649,203.91
Other non-financial liabilities	**1,763,749.40**	**1,256,043.29**

4.4.5 INCOME TAX LIABILITIES

Income tax liabilities relate to corporation tax and trade tax.

4.4.6 DEFERRED TAX LIABILITIES

Deferred tax liabilities were essentially recognized for temporary differences resulting from the remeasurement of cryptocurrencies. The effect is recognized in other comprehensive income at EUR -27,073 thousand (December 31, 2022: EUR 32,292 thousand). Deferred taxes on measurement adjustments are calculated using the tax rates applicable in Germany. As all matters in connection with deferred taxes arose in Germany, an average tax rate of 30% is assumed for the fiscal year (previous year: 30%).

5. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

5.1 REVENUE

The Bitcoin Group generates its revenue from consulting and brokerage services for cryptocurrency transactions. Furthermore, income is generated from securities trading and from the performance of services for customers in connection with financial products. The amounts generated in securities trading in the fiscal year total EUR 316 thousand (previous year: EUR 346 thousand).

Further information on revenue recognition can be found in Note 3.9.

All revenue was generated in Germany.

5.2 OTHER OPERATING INCOME

The following table shows the composition and development of other operating income:

All figures in EUR	January 1 - December 31, **2023**	January 1 - December 31, **2022**
Sundry other operating income	375,184.33	267,913.53
Income from offsetting employees' non-cash remuneration	28,369.19	33,538.60
Currency translation	2,364.54	19,746.82
Other operating income	**405,918.06**	**321,198.95**

5.3 COST OF MATERIALS

The cost of materials essentially relates to external securities trading services.

5.4 STAFF COSTS

The following table shows the composition and development of staff costs:

All figures in EUR	January 1 - December 31, **2023**	January 1 - December 31, **2022**
Wages and salaries	-2,658,193.77	-2,428,804.74
Social security contributions	-423,997.59	-346,110.03
Pension expenses	1,534.56	2,718.62
Staff costs	**-3,080,656.80**	**-2,772,196.15**

Social security contributions in the reporting year comprise statutory and voluntary social security expenses and employer's liability insurance contributions.

The following table shows the number of employees at the company:

	2023	**2022**
Employees	32	35
Total	**32**	**35**

5.5 DEPRECIATION

The amortization of intangible assets and right-of-use assets and depreciation of property, plant and equipment as well as the reversal of impairment losses on crypto holdings are shown in the company's statements of changes in non-current assets (Notes 4.1.1 to 4.1.4).

5.6 OTHER OPERATING EXPENSES

Other operating costs break down as shown in the table:

All figures in EUR	January 1 - December 31, **2023**	January 1 - December 31, **2022**
Legal, consulting and auditing costs	-833,109.30	-695,643.98
Purchased services	-1,342,742.09	-453,807.47
Advertising and travel expenses	-124,223.29	-304,081.91
Insurance, contributions, duties	-176,911.45	-80,178.76
Management	-288,432.62	-293,023.15
IT costs	-85,951.30	-83,725.03
Postage and telephone costs	-14,931.71	-17,787.87
Vehicle fleet	-48,204.92	-38,548.46
Remuneration of Supervisory Board	-43,751.43	-57,338.81
Room costs	-73,694.87	-69,911.78
Incidental transaction costs	-11,942.15	-94,505.40
Travel costs	-32,125.23	-259.80
Network charges	-3,109.07	-48,508.82
Currency translation	-12,856.39	-5,390.26
Impairment losses on financial assets	-14,032.36	-7,140.00
Cost of canceling acquisition contract	-2,400,000.00	-
Sundry other operating expenses	-836,883.14	-574,098.55
Other operating expenses	**-6,342,901.32**	**-2,823,950.05**

5.7 FINANCE INCOME AND EXPENSES

Finance income comprises various items of interest income. Finance costs include interest in respect of financial liabilities of EUR 30 thousand (previous year: EUR 69 thousand) and lease liabilities of EUR 4 thousand (previous year: EUR 4 thousand).

5.8 INCOME TAXES

Income taxes break down as shown in the table:

All figures in EUR	January 1 - December 31, **2023**	January 1 - December 31, **2022**
Tax expense/income		
Actual tax expense/income	498,507.02	1,268,629.47
Deferred tax expense/income		
Expense/income from deferred taxes	-66,208.21	66,175.93
Tax income from continuing divisions	**432,298.81**	**1,334,805.40**
Creation or reversal of temporary differences in other comprehensive income	**-27,092,267.69**	**32,269,024.36**

Expense/income from deferred taxes mainly relates to financial assets (the effects of lease agreements are immaterial). The creation or reversal of temporary differences in other comprehensive income relates to financial assets in an amount of EUR -20 thousand (previous year: EUR 23 thousand) and cryptocurrencies in an amount of EUR 27,073 thousand (previous year: EUR 32,292 thousand).

All figures in EUR	January 1 - December 31, **2023**	January 1 - December 31, **2022**
Profit/loss before income taxes	1,503,836.30	-3,743,832.26
Taxes based on the company's domestic tax rate (30%)	-451,150.89	1,093,149.68
Recognition of tax effects previously not taken into account	949,657.91	175,479.79
Tax income	**498,507.02**	**1,268,629.47**

5.9 EARNINGS PER SHARE

Earnings per share are as follows:

		January 1 - December 31, **2023**	January 1 - December 31, **2022**
Net profit for the year after taxes of Bitcoin Group SE	EUR	1,936,135	-2,409,027
Average number of shares			
Basic	Number	5,000,000	5,000,000
Diluted	Number	5,000,000	5,000,000
Earnings per share			
Basic	EUR	0.39	-0.48
Diluted	EUR	0.39	-0.48

As no diluted share options were concluded in the reporting period, there were no dilution effects on earnings per share in the reporting period.

6. STATEMENT OF CASH FLOWS

The statement of cash flows breaks down the cash flows according to inflows and outflows from operating, investing and financing activities. Cash flow from operating activities is derived indirectly from earnings before interest and taxes (EBIT). Earnings before taxes are adjusted for non-cash expenses (essentially depreciation and amortization) and income. The cash flow from operating activities results, taking account of the changes in working capital.

“Cash and cash equivalents” items consist of cash and cash equivalents.

7. OPERATING SEGMENTS

At present, Bitcoin Group SE has one operating segment. The segment generates income and expenses as referred to by IFRS 8.5, which are regularly reported to management in order to assess their performance. No further distinction is made between the business units in this reporting. There is also no financial information completely split between the business units within the segment. The reporting and management of the one segment are conducted in accordance with IFRS.

The operating results of the segment are monitored by the Management Board in order to make decisions about resource allocation and assess the performance of the segment. Segment performance is evaluated based on profit or loss and measured consistently with profit or loss in the consolidated financial statements. Group finance (including financial expenses and income) as well as income taxes are also uniformly managed and allocated throughout the Group.

The Group generates revenue from the transfer of goods and services, predominantly at a point in time, exclusively from Group companies based in Germany. In fiscal 2023 and the previous year, no single customer accounted for more than 10% of Bitcoin Group SE’s consolidated revenue.

8. RELATED PARTY DISCLOSURES

Priority AG holds more than 25% of the voting rights in Bitcoin Group SE and thus has significant influence. Accounting services from Priority AG in an amount of EUR 23.9 thousand (previous year: EUR 21.8 thousand) were utilized in 2023.

Hosting services amounting to EUR 29.7 thousand (previous year: EUR 29.9 thousand) were purchased from Softjury GmbH.

Services were procured for incoming post and invoices from DH Verwaltungs GmbH in an amount of EUR 5.9 thousand (previous year: EUR 12.6 thousand).

In addition, members of the Management Board, Supervisory Board and their related parties hold interests in DESSIXX AG, a shelf company of futurum bank AG, for a total nominal volume of EUR 42 thousand (previous year: EUR 42 thousand).

9. CLASSIFICATION OF FINANCIAL INSTRUMENTS AND FAIR VALUE

Fair value is the price that would be paid for the sale of an asset or for the transfer of a liability in an orderly transaction between market participants on the principal market at the measurement date under current market conditions (e.g. a disposal price), regardless of whether the price is directly observable or estimated using other measurement methods.

A measurement hierarchy (fair value hierarchy) was established in accordance with IFRS 13 "Fair value Measurement". The measurement hierarchy divides the inputs used in measuring fair value into three levels:

- Level 1: Inputs are quoted prices (unadjusted) on active markets for identical assets or liabilities that can be accessed on the measurement date.
- Level 2: Inputs are inputs other than quoted prices in Level 1 that are either directly observable or can be indirectly derived for the asset or liability.
- Level 3: Inputs are unobservable inputs for the asset or liability.

Using this, the Group determines whether there have been any transfers between the hierarchy levels as of the end of the relevant reporting period.

The fair value of financial instruments that do not have a quoted market price on active markets is calculated on the basis of current parameters such as interest and exchange rates as of the reporting date, the use of accepted models such as the discounted cash flow method and taking credit risk into account.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not contain any information on the fair value for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value.

All figures in EUR	Categories according to	Carrying amount	Fair value	Carrying amount	Fair value	
Non-current financial assets	**IFRS 9**	December 31, **2023**	December 31, **2023**	December 31, **2022**	December 31, **2022**	**Hierarchy**
Other non-current financial assets						
Shares and other non-fixed-income securities	FVTOCI	-	-	95,955	95,955	Level 1
Equity investments (Sineus)	FVTOCI	166,606	166,606	166,606	166,606	Level 3
Deposits	AC	23,203	23,203	23,203	23,203	Level 3
Current financial assets						
Trade and other current receivables	AC	111,515	111,515	62,195	62,195	
Shareholdings in listed companies	FVTPL	32,717	32,717	284,342	284,342	Level 1
Creditors with debit balances	AC	-	-	37,123	37,123	
Cash and cash equivalents	AC	11,057,247	-	14,882,911	14,882,911	
Current financial liabilities						
Trade payables and other current liabilities	FLAC	215,873	215,873	62,391	62,391	
Other current financial liabilities	FLAC	52,324	52,324	718,369	718,369	

All figures in EUR	Carrying amounts	
Summary per category	December 31, **2023**	December 31, **2022**
Financial assets at amortized cost (AC)	11,191,965	15,005,432
Financial assets at fair value through other comprehensive income (FVTOCI)	166,606	262,561
Financial assets at fair value through profit or loss (FVTPL)	32,717	284,342
Financial liabilities at amortized cost (FLAC)	268,197	780,760

For the unlisted shares in Sineus acquired in 2018, which were initially assigned to the FVTOCI category, there are no indications as of the end of the reporting period that their cost is not representative of their fair value. The cost is therefore the best estimate for the fair value of these shares as of December 31, 2023.

The net gains/losses on financial instruments by category are as follows:

All figures in EUR	Net profit/loss	
Summary per category	December 31, **2023**	December 31, **2022**
Financial assets at amortized cost (AC)	132,610	25,743
Financial assets at fair value through other comprehensive income (FVTOCI)	-32,586	-22,294
Financial assets at fair value through profit or loss (FVTPL)	91,084	-410,625
Financial liabilities at amortized cost (FLAC)	-30,084	-69,366

The total interest income from financial assets in the AC category amounts to EUR 147 thousand (previous year: EUR 18 thousand).

The total interest expense for FLAC financial liabilities amounts to EUR 30 thousand (previous year: EUR 69 thousand).

10. MANAGEMENT OF THE RISKS OF FINANCIAL INSTRUMENTS

The financial instruments in the Group essentially include shares and equity investments, receivables, liabilities and bank balances.

Risks refer to unexpected events and possible developments that have a negative impact on the achievement of planned objectives. Risks that have a high potential impact on the achievement of the company‘s objectives in terms of its financial position and financial performance are particularly important.

The Group has a solvent customer base. So far there have been no defaults thanks to the automated retention of 1% of the purchase price when selling cryptocurrencies. This is retained automatically in accordance with the advance payment principle. Liabilities are paid within the agreed periods. The objective of the Group‘s financial and risk management is to protect the company against financial risks of all kinds. The company pursues a conservative risk policy in the management of its financial positions. The company has adequate receivables management to minimize the risks of default.

Risk of default

The risk of default is the risk of a full or partial default by a partner. The maximum default risk to the Group of an item is its capitalized amount and thus its carrying amount.

If individual default risks are discernible for individual items, these are recognized as impairment losses (see Note 4.2.1 for further details of impairment losses recognized).

Interest rate risk

The Group sees interest rate risk as the risk of a change in the value of assets or liabilities as a result of the interest rate as a parameter relevant to measurement. The Group has hardly any interest-bearing assets or liabilities. The possible impact of interest rate changes on the Group is therefore highly limited.

Liquidity risk

Liquidity risk is the risk of being unable to meet current or future payment obligations or only on less favorable terms. The Group companies essentially generate cash and cash equivalents from operating activities.

The contractual cash flows from leases due within one year amount to EUR 90 thousand with an amount of EUR 322 thousand due within 1 and 5 years.

The probability of significant remaining liquidity risks is considered very low.

Currency risk

In the event of investments outside the eurozone, currency fluctuations can have a negative or positive effect on the value of equity investments. Exchange rates are monitored regularly. The currency risk is classified as immaterial as most investments are made in the eurozone.

Other market price risks

The Group holds investments for strategic purposes, classified as FVOCI. The Group also holds listed shares for trading purposes.

11. MANAGEMENT OF ECONOMIC CAPITAL

The primary objective of Bitcoin Group SE's capital management is to ensure the financial resources to achieve the company's objectives. The Group's capital structure, and in particular its share of debt, is monitored by the Group as a function of its financial position and financial performance. There were no financial liabilities in either the reporting year or the previous year.

12. EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no further events that would lead to an adjustment of the amounts recognized in the financial statements in accordance with IAS 10.8 et seq.

Bitcoin Group SE has no direct business in Ukraine, Russia or other conflict areas. Sanctions and other circumstances associated with such conflicts may have an indirect effect on Bitcoin. Bitcoin Group SE is therefore tracking further developments very carefully and continually adjusting its risk assessment and operating policy. It is currently not yet possible to make a reliable estimate of the quantitative effects on Bitcoin Group SE's future consolidated financial statements.

13. EXECUTIVE BODIES OF BITCOIN GROUP SE

The management of a European company (SE) can be split between a management board and supervisory board or, as in English-speaking jurisdictions, a board of directors with executive and non-executive managers. Bitcoin Group SE was organized in a single-tier system until July 16, 2021. At the Annual General Meeting on July 16, 2021, Bitcoin Group SE opted to change from a single-tier to a two-tier system. This means that the Board of Directors is replaced by a Management Board and a Supervisory Board.

Since July 16, 2021, the following persons have been members of the **Management Board**:

- Michael Nowak
- Marco Bodewein
- Per Hlawatschek

In fiscal 2023, members of the Management Board received remuneration of EUR 464 thousand (previous year: EUR 777 thousand) for their work, as per their agreements.

During the past reporting period, the following persons were members of the **Supervisory Board:**

- Alexander Müller, (Chairman), computer science graduate, publicly appointed and sworn IT expert, member of the German Bundestag, Niedernhausen
- Prof. Dr. Rainer Hofmann, Hofmann (Deputy Chairman), university professor, Ludwigshafen
- Markus Pertlwieser, Bad Soden am Taunus (until October 15, 2023)
- Oliver Flaskämper, Management Board member of Priority AG and CEO of DH Verwaltungs GmbH & Co.KG, Herford (since November 16, 2023)
- Holger E. Giese, Attorney, Alfter
- Sebastian Borek, General Partner of Peruya Asset Management GmbH and CEO of Visionary Ventures GmbH, Aldeia de Juso, Portugal

The remuneration of the above members of the Supervisory Board in fiscal 2023 amounted to EUR 63 thousand (previous year: EUR 57 thousand). At the Annual General Meeting on July 1, 2022, it was decided to increase the remuneration of the Supervisory Board from 2023 from EUR 8.5 thousand to EUR 10 thousand per member per year.

14. FEE FOR SERVICES BY THE AUDITOR OF THE CONSOLIDATED FINANCIAL STATEMENTS

All figures in EUR thousand	December 31, **2023**	December 31, **2022**
Audits of financial statements (separate and consolidated financial statements)	89	118
Tax advisory services	0	0
Other assurance or valuation services - German Securities Trading Act (WpHG)	25	0
Other services	0	0
Total	**114**	**118**

Herford, June 14, 2024

Marco Bodewein	Michael Nowak	Per Hlawatschek
Management Board	Management Board	Management Board

RESPONSIBILITY STATEMENT

To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the group management report 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.

Herford, June 14, 2024

Marco Bodewein	Michael Nowak	Per Hlawatschek
Management Board	Management Board	Management Board

INDEPENDENT AUDITOR'S REPORT

To Bitcoin Group SE, Herford

Opinions

We have audited the consolidated financial statements of Bitcoin Group SE and its subsidiaries (the Group) - consisting of the consolidated statement of financial position as of December 31, 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from January 1, 2023 to December 31, 2023 as well as the notes to the consolidated financial statements including a summary of significant accounting policies. In addition, we have audited the group management report of Bitcoin Group SE for the financial year from January 1, 2023 to December 31, 2023.

In our opinion, on the basis of the knowledge obtained in the audit,

- The accompanying consolidated financial statements comply in all material respects with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as of December 31, 2023 and of its financial performance for the financial year from January 1, 2023 to December 31, 2023, and
- The accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future developments.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and the group management report.

Basis for the opinions

We conducted our audit of the consolidated financial statements and group management report in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report' section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Other Information

Management is responsible for the other information. The other information comprises the information in the annual report, with the exception of the audited consolidated financial statements and group management report and our auditor's report.

Our opinions on the consolidated financial statements and the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information referred to above and, in so doing, consider whether the other information is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this context.

Responsibilities of Management and the Supervisory Board for the consolidated financial statements and group management report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and for ensuring that the consolidated financial statements, in compliance with the requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. accounting fraud or error) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and the group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and the group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraudulent acts or errors, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraudulent acts or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraudulent acts or errors, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk that material misstatements resulting from fraudulent acts will not be detected is higher than the risk that material misstatements resulting from errors will not be detected, as fraudulent acts may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

- obtain an understanding of the internal control system relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report 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 these systems.

- evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by management in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information or on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Frankfurt am Main, June 14, 2024

RGT TREUHAND
Revisionsgesellschaft mbH
Wirtschaftsprüfungsgesellschaft

sign. Gerhard Klotz
Wirtschaftsprüfer [German Public Auditor]

sign. Jürgen Lohr
Wirtschaftsprüfer [German Public Auditor]

IMPRINT

Published by

Bitcoin Group SE

Luisenstrasse 4

32051 Herford

Germany

+49.5221.69435.20

+49.5221.69435.25

info2024@bitcoingroup.com

This is a translation of the German “Geschäftsbericht 2023“ of Bitcoin Group SE. Sole authoritative and universally valid version is the German language document.

The annual report of Bitcoin Group SE is available on the Internet at www.bitcoingroup.com.

In addition to the employees of Bitcoin Group SE, the following participated in the preparation of this annual report:

Editing:

CROSS ALLIANCE communication GmbH

Bahnhofstrasse 98

82166 Graefelfing/Munich

www.crossalliance.de

Illustrations:

Bitcoin Group SE

BITCOIN GROUP SE
Luisenstrasse 4 | 32051 Herford | Germany

+49.5221.69435.20 +49.5221.69435.25 info2024@bitcoingroup.com bitcoingroup.com

Managing Directors: Michael Nowak, Marco Bodewein, Per Hlawatschek

Chairman of the Supervisory Board: Alexander Müller

Commercial register: HRB 14745, Bad Oeynhausen Local Court

VAT ID no.: DE301318881