

**COINSILIUM GROUP LIMITED**

**UNAUDITED**

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

## UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2021

Coinsilium Group Limited (“Coinsilium” or the “Company”), the Blockchain, DeFi and Crypto Finance venture operator, is pleased to announce its unaudited consolidated interim financial statements for the six months ended 30 June 2021.

### Financial Highlights:

- Profit for the period from continuing operations increased to £326,608 (H1 2020: profit of £26,531).
- Earnings per share of 0.2038 pence (H1 2020: Earnings per share of 0.019 pence).
- As at 30 June 2021, cash and cash equivalents, amounted to £1,874,192 (FY 2020: £173,298), following two successful capital raises.
- Net fair value gain on financial assets of £792,516 as at 30 June 2021 (H1 2020: £98,994).
- Available for sale financial assets at fair value through profit or loss increased to £2.94m at 30 June 2021 (FY 2020: £2.29m).
- Total other current assets (Cryptocurrencies and Tokens) at £1,257,371 at 30 June 2021 (FY2020: £945,376).
- No dividends were paid or recommended to be paid during the period.

### Corporate Highlights:

- Partnership formed with Indorse Pte. Ltd. (“Indorse”) and formation of ‘Nifty Labs Limited’, a Non-Fungible Token (‘NFT’) technology development studio in Gibraltar.
- Nifty Labs commenced development work on a new Non-Fungible Token (“NFT”) project to create an ‘NFT on Bitcoin’ marketplace platform powered by the RSK blockchain, the smart contract platform secured by the Bitcoin network.
- Board strengthened with the appointment of Federica Velardo as a Non-Executive Director
- Early exercise of warrants by IOV Labs Ltd (“IOV”) over 5,500,000 new ordinary shares in the Company at a price of 4.5p for a total consideration of £247,500.
- Successful completion of capital raise of £1.155m gross of expenses for strategic investment purposes, particularly in the NFT and Open Finance sectors, and to accelerate the Company's growth trajectory.

### Outlook and Post Period End Highlights:

- Co-organised the ‘NFT Vision Hack’, a global online hackathon focused on NFT technology. Event was organised by Nifty Labs in partnership with Indorse Pte. Ltd.
- Admitted to the Apex Segment of the AQSE Growth Market, which is intended for larger, more established businesses having met the required conditions
- Launch of BlockBots, a 3D Voxel NFT project currently being developed by Coinsilium investee and partner company Indorse.
- Board further strengthened with appointment of Wayne Almeida as a Non-Executive Director

- NFT and Crypto legal expert Omri Bouton appointed as advisor
- Completed strategic investment in Greengage Global Holding Ltd (“Greengage”). Greengage is currently engaged in the regulatory approval process with the Gibraltar Financial Services Commission (“GFSC”) to receive a Gibraltar banking licence.

**Commenting on the results, Malcolm Palle, Chairman of Coinsilium, said:** “We are very pleased to be reporting our Interim results for what was an incredibly busy six months for Coinsilium. This has continued at pace post-period end, with particular regard to our involvement with NFTs where our operations and activities have placed us at the vanguard of the space.

“This is another period where we can reflect on a healthy cash position, giving us the ability to continue to develop and position ourselves at the forefront of what is a rapidly evolving industry. Interest in cryptocurrencies remains high in spite of some instances of intense volatility that we have experienced year to date; only recently did the Boston-based investment giant Fidelity air a webcast which included a projection that, on a fifteen year-scale, Bitcoin has the ability to reach a price of \$100 million based on the ‘stock-to-flow’ model. In the near term however we remain somewhat more circumspect, though industry projections of a \$100k Bitcoin price by the end of 2021 are no longer considered outlandish.

“This provides us with great confidence in our business strategy, which we will continue to execute as we go through the rest of the financial year and beyond. Our improving profitability and robust cash levels are most pleasing to see, as we remain focused on delivering meaningful long term sustainable returns for shareholders. We would also like to take this opportunity to thank our shareholders for their ongoing confidence and support for the Company.”

**For further information, please contact:**

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**DIRECTORS’ STATEMENT**

I am pleased to report that Coinsilium has made further progress in the first six months of the current financial year, from both a financial and operational perspective. We finished the period in a strong financial position and have made tangible gains in strengthening Coinsilium’s position within the NFT and Open Finance marketplaces, in line with our strategy.

In March 2021 the Company announced that it had received notice from IOV Labs Limited (“IOV”) of the early exercise of warrants over 5,500,000 new ordinary shares in the Company at a price of 4.5p for a total consideration of GBP247,500. Following the exercise of the warrants, IOV Labs’ shareholding in Coinsilium increased from 20,434,000 to 25,934,000 ordinary shares representing an interest of 16.85% of the Company’s outstanding shares at that time.

To further support our growth and delivery of our strategy, we successfully raised a further £1.155m gross of expenses, as announced on 25 May 2021, through a share subscription and placement of 15,400,000 new ordinary shares at a price of 7.5 pence per share from existing and new shareholders. Each Placing Share has an attaching warrant to subscribe for a further new ordinary share at an exercise price of 15p ("Warrants"), valid for two years from the date of issue. The funds raised are primarily for strategic investment purposes, particularly in the NFT and Open Finance sectors, and to accelerate the Company's growth trajectory.

#### *NFT progress – creating NFTs and building a marketplace secured on the RSK blockchain*

During the period, Coinsilium took its first meaningful step into the NFT ecosystem in partnership with the Gibraltar Philatelic Bureau Ltd and RedFOX Labs, with the launch of a limited-edition collection of NFTs (the Gibraltar Genesis Collection) tied to the release of a commemorative limited edition Cryptocurrency Postage Stamp issued by HM Government of Gibraltar. The project was designed as a low cost 'testbed' and commercial pilot which continues to provide us with valuable operational and market experience which is crucial for our ongoing and future NFT projects.

In March 2021, we reported that the Company's wholly-owned Gibraltar subsidiary, TerraStream Limited ('TerraStream'), entered into a Memorandum of Understanding ('MoU') with Indorse Pte. Ltd. ('Indorse'), a Singapore company in which Coinsilium holds a 10% equity interest, to form a Partnership or Joint Venture in order to launch a Non-Fungible Token ('NFT') technology development studio in Gibraltar. The partnership, to be based in Gibraltar and conducted through TerraStream, was renamed 'Nifty Labs Limited' and trades under the commercial name 'Nifty Labs'.

We also announced in March 2021 that Nifty Labs and Indorse continue to advance discussions towards a formal agreement while the Company agreed to provide Nifty Labs with an initial working capital and development facility of up to GBP250k. The progress made at Nifty Labs has been swift, and in May 2021 it commenced development work on a new project to create an 'NFT on Bitcoin' marketplace platform powered by the RSK blockchain, the smart contract platform secured by the Bitcoin network. The initial focus of the marketplace functionality will be on NFT use-cases such as digital art, music, sports, gaming and metaverse assets. RSK is prioritising the build of a token bridge which will enable the transfer and movement of RSK blockchain standard NFTs to other blockchain standard NFTs, including Ethereum ERC721. Post period end, in July 2021, we reported that development of the marketplace was progressing well with project build completion anticipated to be within the initially projected six-month timeframe.

In April 2021, Indorse released the public alpha of 'Nifty Scanner', a digital asset analysis software solution for NFTs. Nifty Scanner is a browser extension and is now available on Google Chrome, Mozilla Firefox, Opera and Brave, which 'scans' NFTs and provides detailed essential background information on how and where the assets (the media and the metadata) associated with an NFT are stored. Currently, Nifty Scanner is compatible with the OpenSea marketplace and we expect it to be compatible with other popular marketplaces in due course.

Post period end, from 7 July to 30 August 2021 Coinsilium co-organised the 'NFT Vision Hack', a global online hackathon focused on NFT technology. The 'NFT Vision Hack' was organised via the Company's wholly owned Gibraltar registered subsidiary, Nifty Labs, in partnership with Indorse. The NFT Vision Hack is the latest in a series of industry leadership initiatives from Nifty Labs and builds on the public alpha release of 'Nifty Scanner' in April 2021, offering a platform to connect talented NFT creators and software engineers with renowned organisations, NFT marketplaces and blockchain protocols. NFT Vision Hack aims to push the technical boundaries of what is considered possible today in the world of NFTs.

Post period end, in August 2021 Coinsilium reported the launch of BlockBots, a 3D Voxel NFT project currently being developed by portfolio company Indorse Pte. Ltd. This new NFT project consists of a deflationary collection of 9,998 unique 3D Voxel avatars. Each BlockBot combines specific traits randomly attributed at the time of minting and can be used as an avatar across metaverses, games and other 3D Voxel NFT-compatible environments. IND tokens will be an integral part of this new NFT project. IND token holders and IND stakers will enjoy multiple benefits throughout various functionalities of BlockBots, including at the NFT sale stage and in the applications to be developed at a later stage.

Indorse also expects that BlockBots will become a major source of utility for the IND token. At the same time, Coinsilium Group was also pleased to announce the appointment of Omri Bouton as a strategic NFT advisor to Coinsilium.

#### *Open Finance progress – momentum accelerating post period end*

Post period end, in August 2021, Coinsilium announced a proposed strategic investment in Greengage Global Holding Ltd ("Greengage"), a UK-registered company which plans to become the first merchant bank for the digital finance sector via its wholly-owned Gibraltar subsidiary Greengage & Co. Ltd. The investment was subsequently completed in September 2021 and was conducted via Coinsilium's wholly-owned Gibraltar registered subsidiary, Seedcoin Limited ("Seedcoin"), whereby Seedcoin invested GBP200,000 in convertible notes and also took GBP300,000 in equity through a secondary stake sale that values Greengage at GBP27.3m.

Coinsilium and Greengage also intend to work closely together to explore opportunities to develop regulatory compliant Decentralised Finance (De-Fi) commercial products and solutions. Given that the vast majority of today's De-Fi solutions operate in a regulatory 'grey-zone', significant challenges still remain as barriers to mainstream adoption. Our focus will therefore be on pursuing opportunities and to research DeFi projects and solutions with the scope to be developed to function within a regulatory perimeter. Greengage's track record and ambitions within regulated markets, combined with Coinsilium's commercial skills and industry knowledge, positions us well for this endeavour and we are most excited by the opportunity.

#### *Board changes*

In March 2021 Federica Velardo joined the Board as a Non-Executive Director. Federica is a qualified solicitor in England and Wales and, having applied for dual qualification in Italy, also practices Italian law. She also gained a Master's Degree in Arts Policy and Administration at Birkbeck, University of London, after studying Art Law at Sotheby's Institute of Art. With her corporate legal background, Federica brings a wealth of experience and expertise to the Board and given the Company's focus on the development and commercialisation of NFT technologies, Federica's knowledge and connections in the Art world are also of note as digital art is a specific area where we expect to see significant opportunities for Coinsilium.

During the period Tony Sarin stepped down from the board after a six-year tenure. The Board wishes to thank him for his significant contribution to the Company and his guidance and support to the Board provided over his six-year tenure. We wish him every success in all his on-going and future endeavours.

Post period end, in September 2021, Wayne Almeida joined the Board as a Non-Executive Director. Wayne has over 16-years of experience working in the financial services sector in Gibraltar. Having previously worked in the trust and corporate services sector, Wayne joined the Fiduciary Group in 2014 and was made a director of the group in 2017. Since then he has formed and led Fiduciary Group's blockchain and cryptocurrency department, providing trust, company secretarial and directorship services to client companies in this space. Wayne also provides advice and guidance to boards of directors, advising on a wide spectrum of matters with particular focus on corporate governance and regulation. Wayne is also a member of the board of IOV Labs Limited, the parent company to RSK, which is the first smart contract platform secured by the Bitcoin network and RSK Infrastructure Framework (RIF) and Gobalsky Labs Limited (Vega Protocol) a protocol for creating and trading derivatives on a fully decentralised network. Wayne recently stepped down as director of Fiduciary Group in order to join Vega as its Chief Operating Officer.

Post period end, in September 2021 Craig Brown stepped down as a non-executive Director of the Company in order to concentrate on his other business interests. The Board wishes to thank him for his significant contribution to the Company and his guidance and support to the Board provided over the past four-years of his tenure, and to wish him every success in all his on-going and future endeavours.

## **Outlook**

Coinsilium is maturing rapidly as a business as we focus on our ongoing evolution into an operating technology company. Pleasingly, this progress was reflected in July 2021 when Coinsilium was admitted to the Apex Segment of the AQSE Growth Market, a segment intended for larger, more established businesses on the AQSE Growth Market.

Over the course of 2021 we have engaged and entered into some very exciting partnerships, and we are most excited about the opportunities that are currently under development as well as those that we have in the pipeline. We are operating in one of the most dynamic technology sectors globally with a sound strategy and a solid financial base, giving us the ability to ensure that we are very well positioned to achieve success in what is a maturing and evolving sector. We look forward to keeping the market updated with our progress as we look to the future with an unprecedented level of confidence.

## **Financial Review**

In the period under review revenue for the six months ended 30 June 2021 was £79,677 compared to £140,230 for the six months ended 30 June 2020.

The Company generated a profit for the six months ended 30 June 2021 from continuing operations of £326,608, which was compared to a profit of £26,531 for the six months ended 30 June 2020.

The earnings per share was a profit of 0.2038 pence for the six months ended 30 June 2021 which was compared to a profit of 0.019 pence per share for the six months ended 30 June 2020.

The financial assets at fair value through profit or loss increased to £2.94m at 30 June 2021 and this compared to £2.29 m at 31 December 2020.

The total other current assets, which is a combination of cryptocurrencies and tokens, amounted to £1,257,371 at 30 June 2021, which was an increase from £945,376 on 31 December 2020.

Cash and cash equivalents amounted to £1,874,192 as at 30 June 2021, compared to £173,298 as at 31 December 2020.

## **Significant Developments for Coinsilium's Investment Portfolio Companies:**

### **Blox**

In early 2020, Blox unveiled a new branch of its operations, Blox Staking, which is focused on providing decentralised, non-custodial Ethereum 2.0 staking services. Blox Staking is an open-source staking platform for Ethereum offering an easy way to run a validator and earn rewards while retaining complete custody over both private keys. As Ethereum's plans to move from a Proof of Work consensus mechanism to a Proof of Stake mechanism, with an announced minimum of 32 ETH (or about USD94,000 at current prices) to be staked by participants to run their own validator nodes, Blox has identified this as an opportunity to provide custody-free Eth2 staking as a service and plans to roll out this service as soon as Ethereum 2.0 launches its initial go-live phase (phase 0).

In February 2021, Blox received an Ethereum Foundation grant for a new service called SSV or Secret Service Validator. SSV.network is an infrastructure service for decentralised ETH staking enabling trustless staking across multiple providers, machines, validator clients and cloud services. SSV was defined by Vitalik Buterin - co-founder of Ethereum - as one of the components in the Eth2 roadmap. SSV reached the testnet stage open to global operators in April 2021.

The Blox Staking service is now operational and Coindash CEO, Alon Muroch, announced on 28 April 2021 that the equivalent of USD50m is staked through Blox Staking.

As of 30 June 2021, Blox Staking clients had staked about 50,000 ETH through Blox Staking's non-custodial, decentralised staking service, or the equivalent of more than USD146m.

**Investment value equivalent in GBP as at 30 June 2021: £162,720 (equivalent to USD225,000)**  
**(Investment value in GBP as at 31 December 2020: £164,677)**

### **Elevate Health**

During the period under review the Elevate team has been working to create an updated Elevate reward token model in preparation for an intended IDO (Initial Dex Offer) before the end of the year.

### **Post Period**

The Elevate team has informed the Company that the token model is complete and work on an updated Whitepaper is now in process. In parallel, a review of suitable Decentralised Exchanges (DEXs) for the IDO is also underway. Upon receipt of confirmation that the IDO will proceed, it is intended that a proportion of new Elevate platform tokens will be allocated to all founder investors. At this point it is also expected that the Gibraltar company, Elevate Limited, will be wound up and the value of Coinsilium's stake in the Elevate project will be represented entirely through its holdings of the new to be issued Elevate platform tokens.

**Investment value equivalent in GBP as at 30 June 2021: £72,320**  
**(Investment value equivalent in GBP as of 31 December 2020: £73,190)**

### **Factom**

In June 2020, the Company announced that it had been notified by the directors of Factom that Factom has filed for reorganisation under Chapter 11 Subchapter V to address structural issues preventing them from raising further capital.

Factom advised that Chapter 11 Subchapter V provisions preserve the position of the existing shareholders and structures the means of paying creditors. The directors of Factom expected Factom to emerge from the Chapter 11 reorganisation in 60 to 90 days.

In April 2021, Coinsilium was notified by Factom that it had received an offer from Inveniam Capital Partners ("ICP") to acquire substantially all of the assets of Factom on terms which would have to be approved by Factom's shareholders.

### **Post Period**

In August, Coinsilium was notified by Factom that ICP had acquired the assets of Factom and that Factom's former shareholders would be entitled to receive ICP shares.

A further notification was received in August to the effect that, pending confirmation of the final amount of liabilities assumed by ICP and the execution of various legal documents, which the Company has yet to receive, subsidiary undertaking Seedcoin should be entitled to receive 307 Series D ICP shares at a valuation of \$40 per share. As of the date of this report these shares have yet to be transferred to Seedcoin.

Although we believe that Seedcoin is likely to receive the ICP shares, there is a material level of uncertainty in respect of the realisable value of such shares which compels us to take the prudent decision to impair our investment in Factom.

### **Helperbit**

Helperbit is an Italian startup that uses blockchain technology to allow people to donate digital and local currencies to charities and to people in need all over the world, trace their donation and how it is used, offering full transparency of economic flows. In March 2021, Guido Baroncini Turrichia, CEO of

Helperbit, shared some possible scenarios about Helperbit's future. Among these scenarios one suggested the liquidation of the company as it seemed unable to remain financially viable in the near future. On 30 March 2021, an extraordinary general assembly gathered shareholders to discuss these scenarios and the shareholders resolved to initiate the liquidation process of the company. On 16 April 2021, a further meeting was convened to finalise the financial statements of Helperbit as of 31 December 2020 and confirm the liquidation at a public notary's office.

The liquidation proceeds are to be shared pro rata among the shareholders, according to their percentage shareholding at the time of liquidation.

## **Indorse**

During the first half of 2021 Indorse continued to work on Indorse 2.0, introducing several new features to the Indorse network including a staking reward platform and DRA rewards (Decentralised Referral Agents). As of 30 June 2021 there were about 6,790,720 IND tokens staked on the Indorse staking platform.

In March 2021, Coinsilium announced that its wholly owned Gibraltar subsidiary, Terrastream Limited ('TerraStream'), had entered into a Memorandum of Understanding ('MoU') with Indorse ('Indorse'), to form a Partnership or Joint Venture ('the Partnership') in order to launch a Non-Fungible Token ('NFT') technology development studio in Gibraltar to be called Nifty Labs.

Indorse founder and CEO Gaurang Torvekar leads the Nifty Labs tech team. Nifty Labs is focused on developing smart contract systems for NFT applications including a bridge for NFTs on Bitcoin using RSK technology.

Through Nifty Labs, Indorse and Coinsilium aim to develop smart contract systems for NFT applications and explore opportunities for other smart contract systems and models with applications across various industry sectors, including NFT applications compatible with the RSK token standard.

In April 2021, Indorse announced the public alpha software release for 'Nifty Scanner', an analysis tool for digital assets. Nifty Scanner is a browser extension available on Google Chrome, Opera, Mozilla Firefox and Brave.

Nifty Scanner 'scans' Non-fungible Tokens ('NFTs') and provides detailed essential background information on how and where the assets (the media and the metadata) associated with an NFT are stored. This data, whilst publicly available on the blockchain is not always published with the NFT in an apparent manner. Currently, Nifty Scanner is compatible with the OpenSea marketplace and is expected to be compatible with other popular marketplaces in due course.

In June 2021, Indorse announced the sponsors of the 'NFT Vision Hack', a global online hackathon focused on non-fungible token ('NFT') technology which ran from 7 July to 30 August 2021. The results of the hackathon were announced on 21 September. The 'NFT Vision Hack' was organised via Nifty Labs and sponsors included HM Government of Gibraltar, IPFS and Filecoin, Rarible and Circle. The hackathon had four challenges: 'Build on the Rarible protocol', 'NFT Payment Solutions', 'Scalable NFT Art Projects', and 'Gaming and NFTs'. Participants were awarded more than USD68,000 in prizes and grants provided by the Hackathon's sponsors.

Talented blockchain developers, artists, game developers, and NFT creators from around the world were invited to build innovative solutions using NFTs to ultimately shape the future of this nascent space. The winning projects were given the opportunity to work, partner, and secure grant programs with the event's sponsors.

**Investment value equivalent in GBP as at 30 June 2021: £867,842**  
**(Investment value equivalent in GBP as at 31 December 2020: £878,276)**



## **RSK / IOV Labs**

In January 2021, Beexo Wallet became the first wallet to integrate RIF Enveloping, a solution designed to make user payment experience akin to those provided in traditional finance.

RIF Enveloping is a solution that supports meta-transactions, enabling third parties to subsidise transaction fees for end users, thereby eliminating the complexity of using native currencies to pay network fees and making the user experience much more intuitive. Applications for the technology include wallet developers covering the cost of new users making their first decentralised finance interactions.

In March 2021, RSK launched a unified digital identity solution ('rLogin') which allows web application developers to integrate blockchain technologies. rLogin is part of the RSK Infrastructure Framework (RIF) suite of tools and is natively compatible with the Bitcoin and Ethereum networks. The solution gives users of any rLogin-enabled application the ability to use their crypto wallets to authenticate and store their data, porting it across different Web 2.0 and Web 3.0 applications as they wish. This also presents an opportunity for users to build their own digital reputation without needing to rely on the traditional banking sector or big tech companies, with the added benefit of being completely in control of how their data is used and managed.

In March 2021, IOV Labs announced Krypton Market, a financial alternative developed on top of RSK to facilitate decentralized transactions through Bitcoin, with over 1,000 associated brands that will offer this option for payment in Argentina, Colombia, Uruguay and Venezuela.

Using the advantages afforded by the crypto economy, Krypton Market will allow customers in Latin America to send money abroad, to buy and sell with a single currency, and to do so at a low cost. Krypton Market is a marketplace of Argentine origin with operations in Argentina, Venezuela and Uruguay. The marketplace is expected to soon be live in Colombia. This new alternative is seeking to revolutionise the financial market through the implementation of RSK smart contracts, a platform that supports collaborative, decentralised economies.

In March 2021, the RSK Bitcoin Smart Contract network and the RIF Platform integrated the DeFi AMLT Oracle, created by global RegTech provider Coinfirm. All operations conducted on RSK's protocol will be fully covered with automated proprietary risk assessments from Coinfirm's C-score based on 270+ red flag algorithms. The use of the Oracle positions the RSK protocol for wider adoption by institutional investors and the traditional financial sector looking to gain exposure to decentralised finance.

In April 2021, IOV Labs announced the launch of Tropykus finance, a decentralized finance protocol that seeks to connect the Bitcoin community with citizens in emerging economies to offer them better access to intuitive and fair financial products. Tropykus is based on RSK smart contracts and is focused on uniting the Bitcoin community and those living in emerging economics in a transparent, decentralized way, respecting users' privacy and giving them full control of their assets. Tropykus's goal is to use the potential of Bitcoin to drive positive change to the financial situation of emerging countries, starting with Latin America. This will be achieved by connecting people who want to make a return on their Bitcoins with people who need access to credit with better conditions than those currently offered by traditional banks.

In May 2021, RSK Network announced it had surpassed Lightning Network (LN) total value locked in Bitcoin (BTC), and at the time stood at 1,445 BTCs locked. The latest milestone was another sign of a strong appetite among users for the Decentralized Finance (DeFi) sector.

The RSK smart contracts platform had over 259,000 transactions, 50,000 active accounts and reached an all-time high of 72% hashing power during April 2021. The number of solutions and integrations in the RSK DeFi ecosystem has experienced significant growth over April - May 2021.

In May 2021, Settle announced RIF's integration with Latamex, the incoming and outgoing fiat to crypto payment platform. Thanks to this partnership, RIF Token will be available to all users in Argentina, Brazil and Mexico through Latamex. RIF (RSK Infrastructure Framework) integrates with Latamex displaying a simple and customizable user interface to guide the user through the KYC and payment steps. After the user completes the payment flow and the payment clears, digital assets are sent to the user's wallet or fiat funds are sent to the user's bank account. This process is quick and easy for users, as no further processing is required.

In June 2021, The Crypto Hall of Fame selection committee announced the twelfth member of the Crypto Hall of Fame: Diego Gutiérrez Zaldívar. Diego is a co-founder of RSK, the first smart contract platform built on Bitcoin that made it fully programmable and is also a co-founder of the Bitcoin Argentina Foundation and the Ibero-American Blockchain Alliance. The Crypto Hall of Fame was launched in April 2021. It celebrates major contributors to the blockchain industry with portraits designed by Max Cryptohead.

**Coinsilium's interest in IOV Labs: Coinsilium shareholding of 65,000 series Seed 1 RSK shares was converted to RIF tokens by way of a 'share for token' swap as announced on 19 November 2018. Coinsilium will receive approximately 1,951,846 RIF tokens over the stated vesting period.**

## **StartupToken**

StartupToken has been based in Singapore since 2019. (Coinsilium holds 30% equity stake in StartupToken)

In early 2020, StartupToken started working on a new service, a Bitcoin storage and payment card called Census described as 'Census Smart Card and Wallet', an NFC powered smart bitcoin card, storing coins with military grade protection, without compromising convenience and usability, making the experience of buying and storing bitcoin as simple as possible.

In August 2020, StartupToken Singapore entered into an agreement with a Hong Kong company for the provision of marketing, technological development and support services in relation to the launch of Minty.Art, a digital art patronage platform. As consideration for this agreement, StartupToken Singapore has been awarded an allocation of 15m Minty platform utility tokens ("Minty Tokens") at an issue price of USD0.20, worth approx. USD6.75m at the market value of Minty tokens on 30 June 2021.

Throughout the first quarter of 2021, StartupToken's focus was on the marketing and technological development of Minty.Art. On 16 June 2021, Minty.Art announced its deployment on Polygon (formally Matic Network), a scaling solution and framework for building and connecting Ethereum-compatible blockchain networks. Minty.Art is leveraging the benefits of Polygon to deploy its NFT platform for art trading and sponsorship.

In June 2021, Samurai Coop, a French film production studio, announced the release of its latest movie in parallel with a sale of exclusive digital collectibles on Minty.Art. The 80-minute Indie film follows the efforts of Pascal Boyart, known in the art world as Pboy, and a team of volunteers to turn an abandoned gold foundry near Paris into a contemporary Sistine Chapel. The volume of trading of PBoy's NFTs has passed the ETH 1,000 mark across several NFT marketplaces.

**Assessed value of Minty tokens allocated to StartupToken at 30 June 2021 (\$0.4895): USD7,342,500 or £5,318,145**

**Total value of Minty tokens allocated to StartupToken at token issuance price 13 May 2021 (\$0.20): USD3m or £2,195,690**

**Assessed total value of StartupToken at 30 June 2021: £6,084,630**  
**(Total value of StartupToken at 31 December 2020: £3,398,707)**

**Assessed value of Minty tokens attributable to Seedcoin at 30 June 2021 (\$0.4895):**  
**USD2,202,750 or £1,595,444**  
**(Value of Minty tokens attributable to Seedcoin at 31 December 2020: USD900,000)**

**Assessed total value of investment at 30 June 2021: £1,825,389**  
**(Total value of investment at 31 December 2020: £1,019,613)**

**Malcolm Palle**  
Executive Chairman

	Note	6 months to 30 June 2021 Unaudited £	6 months to 30 June 2020 Unaudited £
<b>Revenue from contracts with customers</b>		79,677	140,230
Cost of sales		-	-
<b>Gross Profit</b>		79,677	140,230
Administrative expenses		(416,279)	(314,207)
Gain/(loss) on other current assets		24,216	102,433
Net fair value gains/(losses) on financial assets at fair value through profit or loss		792,516	98,994
Investments write-off		(147,628)	-
<b>Profit/(Loss) before Income Tax</b>		332,502	27,450
Financial Income		6	22
Financial Expenses		(3,263)	(941)
Forex Gain/(Loss)		(2,637)	-
<b>Profit/(Loss) for the Period from Continuing Operations Attributable to Owners of the Parent</b>		326,608	26,531
<b>Other Comprehensive Income</b>			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Change in fair value of other current assets at fair value through other comprehensive income		739,921	-
<b>Total Comprehensive Income for the Period, Attributable to Owners of the Parent</b>		1,066,529	26,531
<b>Earnings per Share</b>			
Basic earnings per share attributable to equity holders of the Parent	4	0.2038(p)	0.019(p)

## COINSILIUM GROUP LIMITED

CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION

	Note	As at 30 June 2021	As at 30 June 2020	As at 31 December 2020
		Unaudited £	Unaudited £	Audited £
<b>Assets</b>				
<b>Non-Current Assets</b>				
Intangible assets		3,720	3,720	3,720
Property, plant and equipment		1,886	112	-
Financial assets at fair value through profit or loss	5	2,936,846	1,875,771	2,291,958
Equity accounted investment in Joint Venture		21,469	-	-
		2,963,921	1,879,603	2,295,678
<b>Current Assets</b>				
Trade and other receivables		157,825	376,699	203,502
Cash and cash equivalents		1,874,192	129,212	173,298
Other current assets		1,257,371	331,396	945,376
		3,289,388	837,307	1,322,176
<b>Total Assets</b>		6,253,310	2,716,910	3,617,854
<b>Equity Attributable to Owners of the Parent</b>				
Share capital		-	-	-
Share premium		8,344,974	6,619,974	6,949,974
Treasury Shares		(197,253)	(281,003)	(236,002)
Share option reserve		20,029	20,029	20,029
Other reserve		1,244,035	152,565	504,114
Retained losses		(3,381,656)	(3,991,323)	(3,708,264)
<b>Total Equity Attributable to Owners of the Parent</b>		6,030,129	2,520,242	3,529,851
<b>Current Liabilities</b>				
Trade and other payables		123,071	196,668	88,003
<b>Non-current Liabilities</b>				
Other payables		100,109	-	-
<b>Total Liabilities</b>		223,180	196,668	88,003
<b>Total Equity and Liabilities</b>		6,253,310	2,716,910	3,617,854

## Attributable to equity shareholders

	Share Capital	Share Premium	Treasury Shares	Share Option Reserve	Other Reserves	Retained losses	Total
	£	£	£	£	£	£	£
Balance as at 1 January 2020	-	6,369,974	(281,003)	20,029	152,565	(4,017,854)	2,243,711
Profit for the period	-	-	-	-	-	26,531	26,531
Total comprehensive income	-	-	-	-	-	26,531	26,531
Issue of shares	-	250,000	-	-	-	-	250,000
Balance as at 30 June 2020	-	6,619,974	(281,003)	20,029	152,565	(3,991,323)	2,520,242
Profit for the period	-	-	-	-	-	283,059	283,059
Change in fair value of available for sale financial assets	-	-	-	-	351,549	-	351,549
Total comprehensive income	-	-	-	-	351,549	283,059	634,608
Issue of shares	-	330,000	-	-	-	-	330,000
Sale of treasury shares	-	-	45,000	-	-	-	45,000
	-	330,000	45,000	-	-	-	375,000
Balance as at 1 January 2021	-	6,949,974	(236,004)	20,029	504,114	(3,708,264)	3,529,852
Profit for the period	-	-	-	-	-	326,608	326,608
Change in fair value of available for sale financial assets					739,921		739,921
Total comprehensive income	-	-	-	-	739,921	326,608	1,066,529
Issue of shares	-	1,395,000	-	-	-	-	1,395,000
Sale of treasury shares	-	-	38,750	-	-	-	38,750
	-	1,395,000	38,750	-	1,244,035	504,114	1,433,750
Balance as at 30 June 2021	-	8,344,974	(197,254)	20,029	1,244,035	(3,381,656)	6,030,129

	6 months to 30 June 2021 Unaudited £	6 months to 30 June 2020 Unaudited £	Year to 31 December 2020 Audited £
<b>Cash flows from operating activities</b>			
Profit/(Loss) before taxation	326,608	26,531	309,590
Adjustments for:			
Finance costs	3,263	941	8,473
Depreciation	(1,886)	159	271
Finance income	(6)	(22)	(24)
Reversal of impairment of other current assets	-	(102,433)	(446,852)
Impairment of financial assets at fair value through profit or loss	147,628	-	-
Net fair value gains/(losses) on financial assets at fair value through profit or loss	(792,516)	(98,994)	(624,373)
(Increase)/decrease in trade and other receivables	45,677	(199,456)	(26,259)
(Decrease)/increase in trade and other payables	35,068	100,315	(8,350)
(Decrease)/increase in other payables	100,109	-	-
<b>Net cash generated from/(used in) operating activities</b>	<b>(136,055)</b>	<b>(272,959)</b>	<b>(787,524)</b>
<b>Cash flows from investing activities</b>			
Interest received	6	22	24
Purchase of other current Assets	-	(81,989)	-
Proceeds on disposal of other current assets	427,926	-	-
Proceeds from disposal of financial assets at fair value through profit or loss	-	-	109,191
Investment in equity accounted in joint venture	(21,469)	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(406,463)</b>	<b>(81,967)</b>	<b>109,215</b>
<b>Cash flows from financing activities</b>			
Finance costs	(3,263)	(941)	(8,473)
Sale of treasury shares	38,750	-	45,001
Net cash proceeds from issue of shares	1,395,000	250,000	580,000
<b>Net cash (used in)/generated from financing activities</b>	<b>1,430,487</b>	<b>249,059</b>	<b>616,528</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,700,895</b>	<b>(105,867)</b>	<b>(61,781)</b>
<b>Cash and cash equivalents at the beginning of the period/year</b>	<b>173,298</b>	<b>235,079</b>	<b>235,079</b>
<b>Cash and Cash Equivalents at end of Period/Year</b>	<b>1,874,192</b>	<b>129,212</b>	<b>173,298</b>

## 1. Basis of Preparation

The consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2020, which have been prepared in accordance with International Financial Reporting Standards (IFRS). As permitted, the consolidated interim financial statements have not been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

## 2. Financial Information

The consolidated interim financial statements do not constitute statutory accounts. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS). Except as described below, the accounting policies applied in preparing the interim consolidated financial statements are consistent with those that have been adopted in the Group's 2020 audited financial statements. Statutory financial statements for the year ended 31 December 2020 were approved by the Board of Directors on 30 June 2021. The report of the auditors on those financial statements was unqualified.

### Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the Financial Statements.

### Risks and uncertainties

The key risks that could affect the Group's short and medium term performance, and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2020 Annual Report and Financial Statements, a copy of which is available on the Company's website: [www.coinsilium.com](http://www.coinsilium.com). The Group's key financial risks are liquidity, equity securities price risk and foreign exchange movements.

### Accounting policies

The preparation of consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 4 of the Group's 2020 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period. The consolidated interim financial statements have been prepared on the historical cost basis, except for the measurement to fair value of certain financial instruments.

### Changes in accounting policies and disclosures

There are no new and amended IFRS standards that are effective for the first time for the financial year commencing 1 January 2021 that would be expected to have a material impact on the Group.

The consolidated interim financial statements for the 6 months ended 30 June 2021 and for the 6 months period ended 30 June 2020 have not been reviewed or audited.



**3. Directors Remuneration**

Directors of the Company received total remuneration of £229,100 for the 6 months ended 30 June 2021 (30 June 2020: £130,000).

**4. Earnings Per Share**

Basic earnings per share is calculated by dividing the total comprehensive income attributable to equity shareholders by the weighted average number of ordinary shares outstanding during the period.

	£	Weighted average number of Shares No.	As at 30 June 2021 Earnings per Share £	As at 30 June 2020 Earnings per Share £
<b>Basic EPS</b>				
Earnings attributable to shareholders	326,608	160,238,565	0.2038	0.0189

**5. Financial Assets at fair value through profit and loss**

At 30 June 2021, the Company owns unlisted shares in:

- Factom Inc., a company incorporated in the United States;
- StartupToken Singapore Pte. Ltd. in Singapore;
- Elevate Limited, a company incorporated in Gibraltar;
- Coin-Dash Ltd, a company incorporated in Israel; and
- Indorse Pte. Ltd., a company incorporated in Singapore.

**6. Dividends**

The Directors do not recommend the payment of a dividend.

**7. Approval of Interim Financial Statements**

The interim financial statements were approved by the Board of Directors on 29 September 2021.