

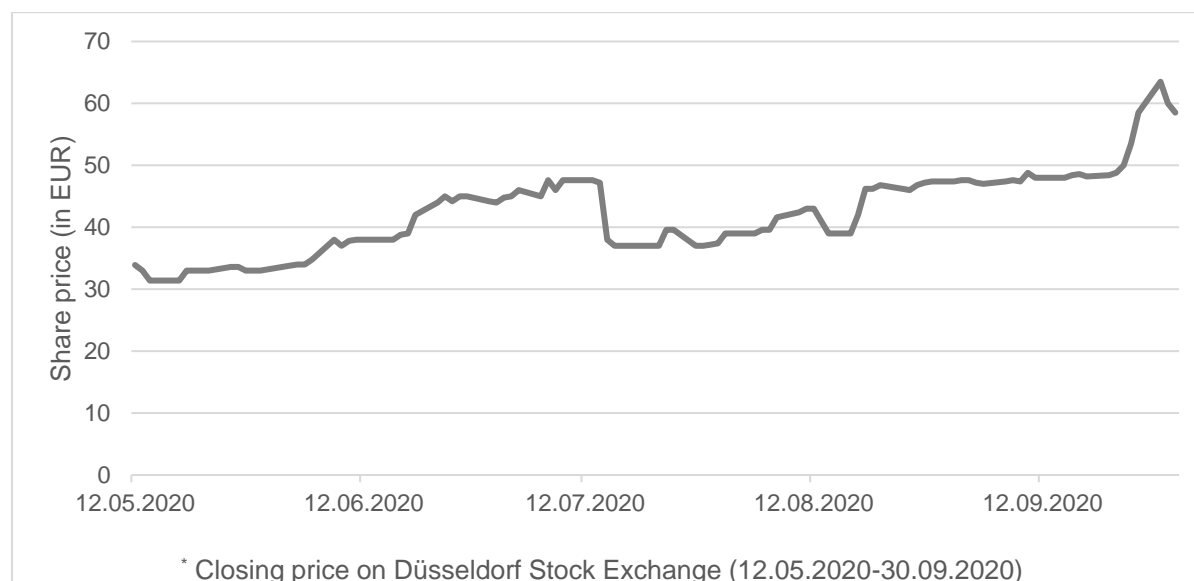
Interim Report | **H1 2020** (IFRS)



Cryptology on the capital market

The shares of Cryptology Asset Group p.l.c., Sliema/Republic of Malta (ISIN MT0001770107) are included in the primary market of the Düsseldorf Stock Exchange since October 2020. Previously, they had been listed in the general open market of the Düsseldorf Stock Exchange since of May 12, 2020. Following the upgrade to the primary market, Cryptology is also aiming to have its shares listed on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange and included in the XETRA trading of Deutsche Börse.

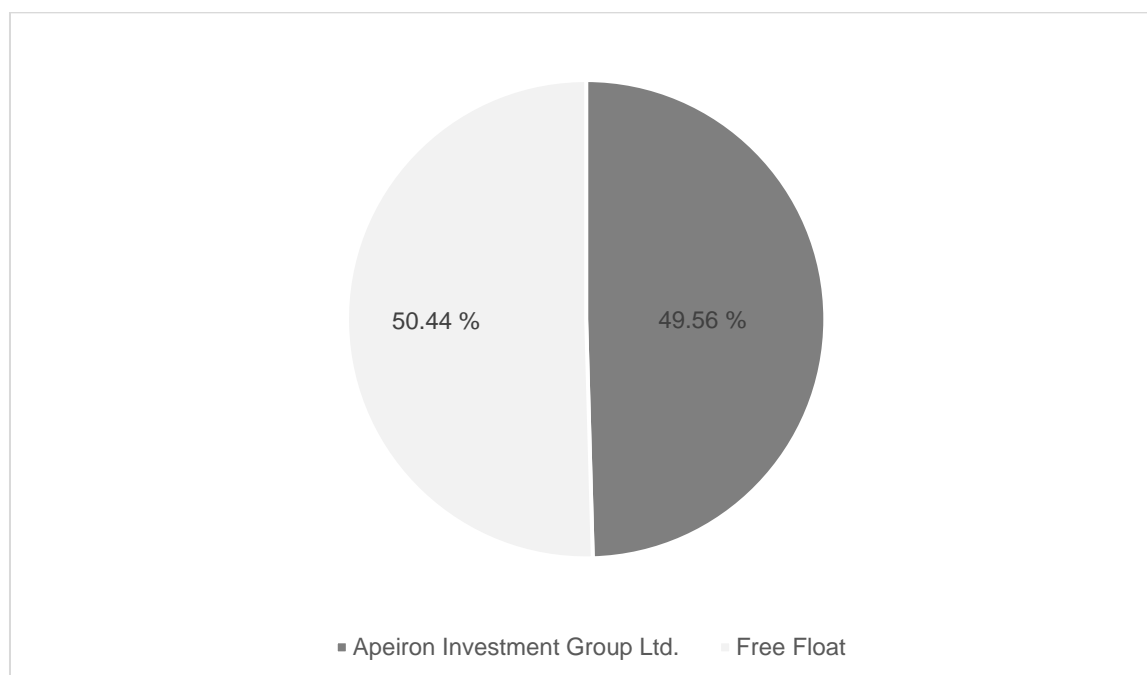
Share price *



General share information

| | |
|---|---|
| Share Capital | EUR 2,732,500.00 |
| Type and Number of Shares | 2,732,500 ordinary shares with a proportionate amount of the share capital of EUR 1.00 per share |
| International Securities Identification Number (ISIN) | MT0001770107 |
| German Security Identification Number (WKN) | A2JDEW |
| Stock Exchange | Primary market segment (Primärmarkt) of the open market (Freiverkehr) of the Düsseldorf Stock Exchange (Börse Düsseldorf) |
| Ticker Symbol | 4UD |

Shareholder structure



The largest shareholder of Cryptology Asset Group p.l.c. (hereafter also referred to as “Company” or “Cryptology”) is Apeiron Investment Group Limited, holding 49.56 % of total shareholding. Apeiron is the family office and merchant banking business of Mr. Christian Angermayer. The remaining shares are held by various other investors.

Buy-back of shares

On June 4, 2020, the Board of Directors of Cryptology has decided to implement the authorization to acquire treasury shares pursuant to Clause 41 of the Articles of Association granted by the Extraordinary Shareholders' Meeting as of May 4, 2020 and to acquire up to 273,250 treasury shares in the period from June 4, 2020, to November 3, 2021, whereby the buy-back is limited to such a number of shares or to a total purchase price of up to EUR 10,930,000. The buy-back will be carried out via the stock exchange. The price per share paid by the Company (excluding incidental acquisition costs) may not be more than 5 % higher or lower than the average closing price for shares of the same class on the last trading day prior to the acquisition.

The Company's shares repurchase is intended to provide existing shareholders with the benefit of potentially higher earnings per share.

Changes to buy-back of shares

The Board of Directors decided on August 7, 2020, to amend the buy-back of shares. The maximum number of shares to be repurchased will be limited now up to 136,625 shares with a total purchase price of up to EUR 10,930,000 and up to a maximum of EUR 80 per share. Otherwise, the resolved buy-back remains unchanged.

All share repurchase transactions have been announced weekly after their execution on the company's website (<https://cryptology-ag.com/>) in the Investor Relations section.

Financial calendar

| Date | Events |
|--------------------|------------------------|
| December 31, 2020 | End of fiscal year |
| May 31, 2021 | Annual Report 2020 |
| June 30, 2021 | Annual General Meeting |
| September 30, 2021 | Half-year Report 2021 |

Interim Group Management Report

I. General corporate information

1.1 Business model and strategy

Cryptology Asset Group p.l.c. (“Cryptology”) is a Malta based and stock exchange listed company investing in crypto assets and blockchain related models around the globe as well as advising blockchain based businesses. Founded in January 2018 by Christian Angermayer’s family office Apeiron Investment Group, the Company aims to become the leading crypto asset holding in Europe. Cryptology both takes minority and majority stakes in crypto companies, and may also hold tokens and crypto assets.

The company follows a collaborative approach in its activities and works with leading global crypto investors. By using business expertise and capital, the Company aims to support young companies in setting up, financing, growing and – if appropriate – selling. Investments are primarily made through equity capital, otherwise mostly through convertible loans, which may later be turned into equity capital.

In addition, Cryptology manages a considerable amount of assets for third parties, as long as no specific licenses are required for doing so. In cases where licenses are required, the Company relies on companies with appropriate licenses in which it has made investments, such as nextmarkets and Iconic Fund, or cooperates with partners such as EOS VC Fund of FinLab.

Cryptology also manages a concentrated portfolio of prominent investments. The Company’s core assets comprise interests in Block.one and Northern Data AG. The Company and Iconic Holding have entered into a 50:50 joint venture called “Iconic Funds” with a view of expanding asset management activities. The acquisition of further interests will occur on an opportunistic basis, in line with the strategy of maintaining a concentrated portfolio.

1.2 Investment approach

Generally, Cryptology employs a multi-tiered investment approach by investing through its own balance sheet, managing third-party money, and taking stakes in other asset managers. The main approach of Cryptology’s investment strategy is to invest in dynamic and growing markets where a consolidation of crypto assets can be expected.

Cryptology makes proprietary investments from its own balance sheet, mainly into blockchain modelled ventures. Key investments include amongst others Block.one, creator of the EOS token, and Northern Data AG, an infrastructure and service company in the fields of blockchain applications, machine learning and artificial intelligence, big data analysis, game streaming and others.

In its managing third-party money business, Cryptology proceeds in two ways:

- Iconic Funds, a 50 %-owned joint-venture with Iconic Holding, creating investment products for institutional and retail investors. Products include exchange-traded notes (ETNs) that track the price of crypto coins, creating index trackers for institutional investors such as “Crypto 20”, which tracks the 20 largest crypto tokens. The Company intends to launch an ETN on a major exchange later this year, thus opening the gates for mainstream investors; and
- Private clients, placing investments into specific opportunities such as Block.one by way of carry agreements. This is in addition to Cryptology’s own significant 2.44 % stake in Block.one. The Company intends to take the same approach with similar opportunities in the future, scaling up the funds it manages on behalf of third-party investors.

Additionally, if it is considered to be financially reasonable, Cryptology may also invest in other asset management companies.

The Company’s advisory board has a key position in making investment decisions. The advisory board seeks to identify, evaluate and select ongoing viable projects that are likely to have a significant positive impact on the company’s results. The board is composed of three key personnel well trained and experienced in the field: current members are Christian Angermayer, Michael Edward Novogratz, and Joram Voelklein.

1.3 Investment portfolio

As of June 30, 2020, Cryptology holds the following interests:

Block.one LLC – 2.44 % stake

Block.one LLC is a Cayman Islands based developer of an operating system called EOS, which allows for the development and management of scalable decentralized autonomous communities. Block.one earned around USD 4 billion in its initial coin offering in 2018. In addition, Block.one introduced "Voice", a next-generation social media platform based on the EOS.IO platform. Voice aims to solve the tremendous trust issues that exist on Facebook and Twitter, with verified users and offering complete visibility into what is happening. Voice users will earn money for their content and will also share in the success of the network. As of June 30, 2020, Cryptology holds 24,000 of the company's total number of issued shares, which represents an interest of approximately 2.44 %.

Cloudeo International Holding Inc. – 14.3 % stake

Cloudeo is a leading marketplace for geodata and geoservices. Cloudeo recently entered into a EUR 6.8 million agreement with the European Space Association (ESA). Cloudeo will utilize blockchain technology to develop novel data monetization opportunities by taking advantage of the related transparency and security. Cloudeo international Holding Inc. is headquartered in Delaware and acts as the holding company of the Group. Business operations are conducted by two wholly owned subsidiaries: Cloudeo LLC, Delaware, which is responsible for operations in the US and Cloudeo AG, Munich. As of June 30, 2020, Cryptology holds 3,000 of the company's 20,979 issued shares, which represents an interest of approximately 14.3 %.

Northern Data AG – 17.84 % stake

Northern Data AG is headquartered in Frankfurt and develops and produces infrastructure solutions in the High-Performance Computing (HPC) area, offering solutions in machine learning, artificial intelligence, big data analytics, blockchain, game streaming and other areas. The company is the result of a merger between the German company Northern Bitcoin AG and the American company Whinstone US Inc. It is now a recognized global market leader in HPC solutions, which it offers on both a stationary basis in large, modern computing centers as well as mobile high-tech computing centers operating on a container basis, which can be set up at any given location around the world. In doing so, the company combines its proprietary software and hardware with intelligent concepts to provide sustainable energy supply. In Texas, Northern Data AG is currently building the largest HPC computing center in the USA, which will concurrently serve as the largest site in the world dedicated to HPC applications. As of June 30, 2020, Cryptology holds 2,585,647 of the company's total number of issued shares, which represents an interest of approximately 17.84 %.

Nextmarkets GmbH – 30.45 % stake

nextmarkets is an online broker with an innovative trading platform built on a proprietary in-house technology top to bottom, enabling cutting-edge product innovation. It is one of the few online brokers with a wide range of licenses, from the securities trading bank, to portfolio management and investment advice. nextmarkets also offers expert-curated investing, having a dozen hand-picked coaches generating investment ideas across all asset classes for the benefit of its customers. In the future, nextmarkets is expected to accommodate derivatives trading in crypto-assets. The platform is being financed by a number of investors including Peter Thiel, Founders Fund, FinLab AG and Falk Strascheg. As of June 30, 2020, Cryptology holds 32,098 of the company's total number of issued shares, which represents an interest of approximately 30.45 %.

Iconic Lab Holdings GmbH – 11.14 % stake

Iconic is headquartered in Frankfurt and offers crypto-asset investment opportunities for both institutional and retail investors. Cryptology and Iconic Holding have formed a 50:50 joint venture called Iconic Funds GmbH. ETNs are listed debt securities which track the valuation of a referenced underlying asset. As of June 30, 2020, Cryptology holds 5,734 of the company's total number of issued shares, which represents an interest of 11.14 %.

Additional fund interests

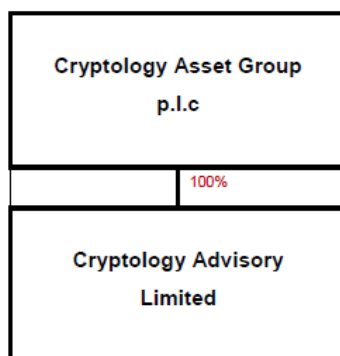
As of June 30, 2020, Cryptology also holds interests in some further funds valued at EUR 4.22 million in total.

Current and future material investments

There are no material investments of Cryptology in progress and Cryptology has not already made any firm commitment for any material investments.

1.4 Group structure, locations and employees

Cryptology has very lean structures. As shown in the following organizational diagram, the Company has a wholly owned subsidiary, Cryptology Advisory Limited, Sliema/Republic of Malta, which provides consultancy services for the Company. Dated June 30, 2020 the Company employs one full-time employee and one part-time employee, the Company's CEO.



1.5 Management system and performance indicators

The most important operating performance indicator for the significant business units of Cryptology is the Net Asset Value (NAV). In the NAV, all of Cryptology's portfolio companies are either valued at cost or, if there has been a more recent financing round/valuation event involving 3rd-party investors, then we took this more recent valuation. Stock-market-listed portfolio companies have been valued according to their market price. Some portfolio companies may not have had a 3rd-party valuation for some time. Cryptology prepares its figures in accordance with IFRS standards.

The relative change in the NAV plays an important role for the Company in order to ensure sustainable corporate success. Cryptology uses this key figure to measure its operating performance and the success of its individual investments. The monthly NAV estimate is published on the Company's website in the Investor Relations section.

As of June 30, 2020, the NAV is estimated at EUR 80.29 per share.

II. Financial Report

2.1 Market overview

World / Europe

In the context of the COVID-19 pandemic, the International Monetary Fund (IMF) expects negative global economic growth of -4.9 % for the current year 2020. For next year the IMF prognosticates a growth of 5.4 %. The global GDP in 2021 is expected to just exceed its 2019 level.

According to the IMF, economic growth in the euro zone with -10.2 % is expected to be significantly negative in 2020, while for 2021 a positive economic growth of 6.0 % is expected. In its summer outlook, the EU Commission published a similar scenario: -8.3 % in 2020, but growth of 5.8 % for 2021. Inflation remains low in 2020 at probably 0.6 %.

Germany

A significant economic recession is also seen in Germany. Five leading economic institutes expect the German economy to shrink by 4.2 % in 2020, while recovery starts 2021 with a growth of 5.8 %. The IMF assumes a similar scenario: an economic shrinkage of 7.8 % in 2020 followed by a growth of 5.4 % in the subsequent year. The German ifo Institute however prognosticates that the economy in Germany will pick up speed again already in the second half of 2020: strong growth rates of 6.9 % and 3.8 % are expected for the third and fourth quarters. Still, the economic output will decline by 6.7 % overall in 2020. But the recovery already taken place will continue next year: according to ifo, the German GDP will grow by 6.4 % in 2021.

Foreign currencies

The euro seems to be a crisis winner compared to the US dollar. After an upward trend at the beginning of 2020, at some point the exchange rate fell from USD 1.14 on March 10 to USD 1.07 on March 19, 2020. In view of economic worries caused by the pandemic in mid-March, the US Federal Reserve System had lowered Federal-Funds-Rate, which is now in the 0 to 0.25 % corridor. Due to this adjustment, the dollar has stopped its long-standing rise for the time being and the euro regained strength against the US dollar. On June 30, 2020, the euro was traded again at USD 1.13.

Development of crypto- and blockchain

Crypto and crypto-based assets comprise a novel, dynamic and fast-growing market. Following the so-called "crypto winter", which resulted in a consolidation of the crypto assets market, players such as Block.one and Northern Data AG have established themselves as market leaders. The security token market is also slowly developing and could become an attractive asset class for institutional investors. Blockchain technology is gaining acceptance in a number of different industries and as a result increased novel securities issues can be expected in this area, in conjunction with growing market volume. For instance, the German restaurant chain L'Osteria issued the first token-based bond using the crowd lending platform Kapilendo in December 2019. Germany seeks a leading role in the creation of a robust regulatory framework for crypto assets and unveiled its blockchain strategy in the fall of 2019. In early 2020, revisions to the German Banking Act (Kreditwesengesetz, KWG) expanding financial instruments linked to crypto assets and financial services related to crypto asset custody came into effect.

At the beginning of 2020, more than 40 financial intermediaries already expressed interest in obtaining a license from BaFin to be allowed to manage digital assets. In addition, in August 2020, the German legislator published a new draft law that will make the previously obligatory paper-based certificate for securities optional only. This development can be seen as revolutionary – it means a break with a system that is more than one hundred years old.

Other countries including Switzerland have also indicated that their desire to be at the forefront of promoting and regulating blockchain technologies with a view to establishing themselves as leading and sustainable locations for fintech and distributed ledger technologies. Cryptology sees itself as a globally active investor with the goal of becoming Europe's largest asset manager in the area of crypto-asset and blockchain-based business models. While Cryptology primarily operates in Europe and USA, the Company is always searching for new business opportunities worldwide.

2.2 Course of business

Cryptology has remained focused in its investments in blockchain modelled businesses in the first half of 2020 and continues to offer support and advice to companies in developing their business towards a blockchain platform.

The first half-year of 2020 has been a very promising period where opportunities were availed by securing further holds in investments which are expected to render favorable results. During the reporting period, the company has relied on investees that hold the necessary licenses from their respective regulatory jurisdictions.

Nevertheless, the behaviour of investors seems to be less negative-oriented as Cryptology originally, during and shortly after the outbreak of the COVID-19 pandemic, had assumed. The share prices of the Company's investees have performed well and, rather, we have seen an increase in our investments.

The core assets remained as in previous year's with Block.one and Northern Data taking a prominent role in the company's performance. In addition, Cryptology increased its equity investments in nextmarkets GmbH and invested in funds. Such interests in investing further in these companies was based on identified opportunities that would benefit the Company in the forthcoming years.

The following were the main activities in the first half of 2020:

- Apart from its interests in Block.one LLC, Northern Data AG, Cloudeo International Holding Inc., nextmarkets GmbH and Iconic Lab Holding GmbH, Cryptology holds a total of EUR 4.22 million in some further funds.
- Furthermore, on June 30, 2020, Cryptology had EUR 5.96 million convertible loans on nextmarkets GmbH, that were converted into shares the subsequent months.
- In Iconic Lab Holding GmbH the Company invested an additional EUR 200,000.

All in all, the first half of 2020 has shown a positive growth for the company in terms of 'fair value measurements' of investments held, and these were the main drivers, particularly with Block.one and Northern Data. The Company still expects further value in the future from such investments in addition to the equity investments in nextmarkets GmbH, which is expected to return value to the Company in the forthcoming years.

Cryptology will continue using its experience in the crypto-asset and blockchain sectors and expects growth in these sectors that would have a favorable impact on the Company's growth.

2.3 Financial performance and financial position

As this is the first time that Cryptology has to publish a half-yearly report, no corresponding figures exist for the period of the previous year.

In the first half of 2020 Cryptology achieved **revenue** in the amount of EUR 5.0 million. These resulted primarily from the sale of held-for-trading investments. Accordingly, the **net operating profit before taxes** for the first six months of the financial year 2020 amounted to EUR 1.9 million. **Other comprehensive income**, that reflects the fair value movements in the Company's investments, amounted to EUR 146.6 million. **Total comprehensive income** for the reporting period was EUR 148.3 million.

As of June 30, 2020, Cryptology reports **equity holdings** of EUR 218.8 million. These are countered by **assets available for resale investments** of EUR 243.0 million, **current liabilities** of EUR 12.1 million and **non-current liabilities** of EUR 13.1 million.

2.4 Report on opportunities and risks

Risks posed by COVID-19

At the start of 2020, the existence of a new coronavirus (COVID-19) was confirmed and has spread across a number of countries. COVID-19 has caused interruption to businesses and economic activity which has been reflected in recent fluctuations in global stock markets. The directors of the Company are monitoring the COVID-19 Situation

very closely and are planning for situational analysis to counteract the impact of COVID-19. The directors expect that the impact of COVID-19 on the Company's financial position will very much depend on how long the virus persists and will depend on the financial sustainability of the company. If this pandemic prolongs, the directors foresee a potential global recession with huge financial impact where results on operations will be affected, and future liquidity and capital resources may also become scarce. Such a scenario may impact on consumer confidence and the risk appetites of capital investors. Since the Company's investment approach is to invest in blockchain models, these are likely to gain ground as more confidence is triggered when trust in banks diminishes. Notwithstanding all this, the company shall be exploring avenues of adopting a remote-approach in carrying on with its activities, hence investing in new IT technologies.

The directors will be better placed to assess matters in the coming months, and will continue to monitor the situation to align the business risk model. The directors remain confident that by the end of 2020 things will settle down and will continue to invest in the business to ensure that they achieve their future projections.

Other risks

Other than the risks posed by COVID-19, there have been no significant changes to the opportunities and risks presented in the Annual Report 2019. These are related to the fact that investing in companies that hold cryptocurrencies and are modelled on blockchain involves a high degree of risk. Whilst Cryptology is cognisant of this fact, it will continue to spread its portfolio to lessen, as much as possible, the dependency of such high-risk virtual-currency holding investees. Therefore, Cryptology has divided such risks in different scenarios:

Credit risk

This represents the risk of loss of principal or of the interest to be earned from a borrower's failure to repay its debts to the company or else failure to meet contractual obligations. As at the reporting date of this interim report on the first half 2020, Cryptology did not provide any loans to either its subsidiary undertaking or to third parties. The contractual obligations entered into by the company are on a long-term basis and these are reachable. Furthermore, Cryptology does not hold investments that render a yield on bonds, hence there is no corresponding risk. The credit risk for cash and cash equivalent is considered negligible too, since the financial institutions that Cryptology works with are reputable with high credit ratings.

Liquidity risk

This represents the risk to Cryptology in being unable to raise funds to meet its commitments associated with the financial securities. On June 30, 2020, Cryptology does not envisage such a scenario. The Company recognises that the majority of its investments can quickly be sold to, at least, recover its investment cost. In relation to its banking facilities, the company will meet its obligations towards the respective financial institutions as EUR 6 million is on a medium-term and the balance is repayable by end of December 2020.

Market risk

Cryptology recognises this risk as an important factor; not so much as interest risk or currency risk, although the latter may have an impact, but rather on the price-risk. On June 30, 2020, the currency risk does not feature in the formula, rather it was a favourable result due to the appreciation of the US-dollar against the euro; the market prices, on the other hand, performed favourably and these are reflected in the financial reports submitted herewith.

2.5 Events after the reporting period

The Board of Directors decided on August 7, 2020 to amend the buy-back of shares adopted on June 3, 2020 and notified under Article 17 of MAR, on the basis of the new authorisation granted by the Extraordinary General Meeting of Shareholders on August 4, 2020. The maximum number of shares to be repurchased will be limited from previously up to 273,250 shares to now up to 136,625 shares with a total purchase price of up to EUR 10,930,000, up to a maximum of EUR 80 per share. Otherwise, the resolved buy-back remains unchanged.

Furthermore, no other events occurred after the end of the reporting period that would have had a material impact on the Group's financial position and financial performance

2.6 Report on expected developments

Expected development of the market environment

Enterprise adoption of the blockchain technology has quietly reached a tipping point across multiple use cases. Companies who have recognized value from their initial pilot projects are now moving towards turning these projects into production. Specifically, there is still uncertainty about this technology in the areas of regulations and governance, but the adoption of blockchain for financial services, identity, trade and other markets are increasing.

Global blockchain spending will be led by the banking industry followed by discrete manufacturing and process manufacturing with a combined market share of about 50 % of overall spending. In the banking industry, the spending will be driven by two of the largest use cases – cross border payments & settlements and trade finance & post-trade settlements.

Spending on blockchain solutions will be the highest in the United States followed by Western Europe and China. The US has historically led the way for Blockchain funding (4x more capital raised than in Europe), powered by specialised funds with 20x more AuM (Assets under Management) relative to Europe. But Europe is now catching up, since the blockchain system in Europe is growing faster for this moment. With 500+ new start-ups created a year, not only in size, but also in quality, with more talented professionals with relevant industry or entrepreneurship experience and with growing revenues and already 20 % of the startups generating more than EUR 250,000 on an annual basis.

Such a market environment, which is still very young and little consolidated, offers opportunities. However, despite the enormous potential of block chain technology, there is still a risk that the current market will not fully meet the expectations of market parties.

Expected development of the Group

Since its foundation, the Company has posted positive growth despite a very volatile market environment in the crypto-asset and blockchain sector (particularly during the so-called "crypto winter"). This is primarily the result of its being able to access investments with good prospects through its strong network. Nevertheless, Cryptology's core investments, Block.one and Northern Data AG, which are concurrently the Company's biggest growth drivers, remain in an early phase of their development. As a result, the Company expects these assets to gain further value in the future. The potential growth of Northern Data AG hinges on the expansion of its capacities in the high-performance computing area, while Block.one is expected to come to fruition in line with the further development of the EOS blockchain, which already boasts the highest number of blockchain transactions worldwide. In addition, Block.one's "VOICE" platform, which is currently in the beta testing phase and is expected to be launched in the coming months, is expected to have a significant positive impact on Block.one's performance.

Cryptology continues to believe in its investment strategy by investing in dynamic and fast-growing markets, since the company expects the crypto-asset and blockchain sectors to experience high growth in the coming years. The company will continue using its experience and growing a pace higher than the rest of the market.

Cryptology intends to expand its investments opportunistically by acquiring interests in additional portfolio companies that, in management's view, complement existing interests and thus promote the Company's strategy of building a diversified portfolio comprising companies with blockchain-based business models.

Forward-looking statements

This report contains forward-looking statements based on current assumptions and forecasts made by the management of Cryptology. Such statements are subject to risks and uncertainties. These and other factors may cause the actual results, financial position, developments or performance of the company to differ substantially from the estimates given here. The company accepts no obligation to update such forward-looking statements or to revise them in order to match future events or developments.

Condensed interim consolidated financial statements

Statement of comprehensive income covering period from January 1 to June 30, 2020

| | Note | | in EUR |
|---|----------|-----------|--------------------|
| Revenue | 1 | | 4,984,376 |
| - Cost of Investment | | 2,561,772 | |
| Gross Income | 2 | | 2,422,604 |
| - Administrative Expenses | | 257,047 | |
| Profit from ordinary activities | | | 2,165,557 |
| - Finance costs | 3 | 255,089 | |
| Withholding tax | 4 | 16,535 | |
| Net profit after finance and tax | | | 1,893,933 |
| Other Comprehensive Income | 5 | | 146,452,414 |
| | | | |
| Total net profit after OCI | | | 148,346,347 |

Statement of financial position as of June 30, 2020

Assets

| | Note | in EUR |
|--------------------------------|------|--------------------|
| Non-current Assets | | |
| Intangible Assets | 6 | 189,665 |
| Software & Computer Equipment | 7 | 26,912 |
| Shares in Subsidiaries | 8 | 240 |
| Available for Sale Investments | 5 | 237,671,324 |
| Convertible Loans | 9 | 5,099,000 |
| | | 242,987,414 |
| Current Assets | | |
| Investments held for Trading | 10 | - |
| Cash and cash equivalents | | 791,454 |
| Other receivables | 11 | 278,466 |
| | | 1,070,011 |
| Total Assets | | 244,057,152 |

Statement of financial position as of 30th June 2020

Equity & Liabilities

| | Note | in EUR |
|---------------------------------------|-----------|--------------------|
| Equity | | |
| Share Capital | 12a | 2,725,100 |
| Treasury Stock (own shares) | 12b | 7,400 |
| Capital Reserves | 12c | 23,862,113 |
| Retained Earnings | 12d | 192,201,595 |
| | | 218,796,208 |
| Non-current Liabilities | | |
| Other Payables | 13 | 13,119,936 |
| Current Liabilities | | |
| Bank overdraft | 14 | 9,943,605 |
| Trade and other Payables | 15 | 562,562 |
| Deferred Payment | 16 | 1,634,841 |
| | | 12,141,008 |
| Total Equity & Liabilities | | 244,057,152 |
| Net Asset Value per Share | 17 | 80.29 |

Notes to the consolidated interim financial statements as of June 30, 2020

Statement of Compliance

The financial statements of Cryptology Asset Group plc have been prepared in accordance with the requirements of IFRS as issued by the IASB and as adopted by the EU.

Assets and liabilities are measured at historical cost except for the financial assets where these were measured at fair value through other comprehensive income (FVTOCI) and those at fair value through profit or loss (FVTPL).

Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements have been consistently applied to all the financial periods presented, unless otherwise stated.

Equity Instruments: The company elects, on an investment-by-investment basis, to recognise an equity investment that is not held for trading. Other equity instruments are classified as measured at FVTPL.

Total gains or losses recognized in OCI are kept within OCI on disposal of an investment.

Equity instruments are classified either as 'held-for-trading' or 'available-for-sale' assets in view of the fact that the latter would be intended to be held for an indefinite period of time.

Further Notes

1. Revenue

Comprising the following (in EUR):

| | |
|--------------------------------------|-----------|
| Sale of cryptocurrencies and tokens | 827,922 |
| Sale of held-for-trading investments | 4,024,645 |
| Interest earned | 131,809 |

2. Gross Income

Gross income is arrived at after deducting the cost of the sold equity investments that were held for sale.

3. Finance cost

Bank interest and charges: EUR 255,088

4. Withholding tax

The tax of EUR 16,535 represents full VAT tax incurred on proceeds made on sale of investments

5. Other comprehensive income

Available-for-sale investments.

| | in EUR |
|---|-------------|
| Quoted equity measured at FVOCI | |
| Amount as at January 1, 2020 | 38,266,375 |
| Additions and disposals | 335,258 |
| Convertible Loan | 5,099,000 |
| Fair value movement | 141,372,680 |
| Convertible Loans of 5,099,000 shown separately in the financial statements ¹¹ | |
| Unquoted Equity measured at FVOCI | |
| Amount as at January 1, 2020 | 34,798,075 |
| Additions and disposals | 10,950,126 |
| Fair value movement | 5,308,225 |
| Asset Under Management | |
| Amount as at January 1, 2020 | 6,869,076 |
| Unrealised Exchange difference | -228,491 |

6. Intangible Assets

Cryptocurrencies and tokens disposed of during the period at cost of EUR 866,715

7. Software & Computer Equipment

Software and computer equipment (in EUR):

| | Computer Equipment | Computer Software |
|-----------------------------|--------------------|-------------------|
| Costs as at 1 January, 2020 | 1,303 | 18,725 |
| Additions | 209 | 22,938 |
| Accum depreciation & amort | -814 | -15,449 |

8. Shares in subsidiaries

This represents shares held in Cryptology Advisory Limited of 1,199 Ordinary 'A' shares at EUR 1.00 each, 20 % paid-up.

9. Convertible Loans

Amount falling due in less than 12-months will be converted to equity investments within the current financial year. This amount shall be transferred to 'Available-for Sale investments' once the conversion is exercised.

10. Investments held for Trading

There were no investments that at time of reporting were intended for sale. This may however change as per decisions that are taken regularly.

11. Other receivables

Amount falling due in less than 12-months will be converted to equity investments within the current financial year. This amount shall be transferred to 'Available-for Sale investments' once the conversion is exercised.

12. Equity

- a. Share Capital issued, allotted and 100 % paid up: EUR 2,732,500
- b. Re-purchase of own shares: EUR 7,400
- c. Capital reserves represent the excess paid by shareholders over the nominal value of the shares at EUR 1.00 each.
- d. Being accumulated earnings of operating profits after taxation paid for the financial year up to December 31, 2019, and after adjusting for other comprehensive income.

13. Other Payables

Other Payables are non-current liabilities made up as following:

- Exchangeable Note exercisable against Asset Management Investment: EUR 6,869,076
- Loan advance from third parties which is payable latest by March 15, 2029, or upon sale of shares: EUR 6,250,860

14. Bank overdraft

Cryptology holds two overdraft accounts as short-term facilities, EUR 2 million which will be repaid by end of current financial year. These overdrafts are pledged by the mentioned investments held by the company.

15. Trade and Other Payables

| | | |
|--------------------------------|--------------------------------------|---------|
| Trade and Other Payables (EUR) | Amount due to subsidiary undertaking | 281,116 |
| | Taxation | 13,940 |
| | Accruals | 66,433 |
| | Trade creditors | 201,073 |

16. Deferred Payment

Amount due within the current financial year as committed for an equity investment.

17. Net Asset Value per Share

Earnings per share at the reporting date is EUR 80.29.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the interim consolidated financial statements for the period from January 1, 2020, to June 30, 2020, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Sliema, January, 2021

The Board of Management

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