

CoinShares Digital Securities Limited

Unaudited interim financial statements for the period ended 30 June 2026

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CoinShares Digital Securities Limited

Company Information

For the period ended 30 June 2026

The Company	CoinShares Digital Securities Limited
Registered Number	127061
Registered Office	2nd Floor 2 Hill Street St Helier Jersey JE2 4UA
Directors	Kirsty Lawrence Michael Fox Stuart Pinnington
Company Secretary	CoinShares Corporate Services (Jersey) Limited
Independent Auditor	BDO LLP (appointed on 11 February 2026) 55 Baker Street London W1U 7EU
Bank	Barclays Bank PLC. 13 Library Place, St Helier Jersey JE4 8NE
Custodian	Komainu Digital 3rd Floor 2 Hill Street St Helier Jersey JE2 4UA

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

The directors present their report and the financial statements of CoinShares Digital Securities Limited (the 'Company') for the period ended 30 June 2026.

Incorporation

The Company is incorporated, domiciled and tax resident in Jersey, Channel Islands.

Principal activity

The principal activity of the Company is to act as an issuer of exchange traded products ('ETPs'). These ETPs, collectively referred to as Digital Securities, are non-interest bearing, secured, undated, limited recourse debt securities that are fully secured by the holdings of the digital assets underlying each ETP. Digital Securities issued by the Company are listed on several stock exchanges and Multilateral Trading Facilities.

Digital Securities do not have a fixed maturity. A Digital Security holder can sell the product on the regulated market on which it is listed, or in accordance with (and subject to) the terms of the Prospectus, may redeem the securities directly with the Issuer in return for an amount of underlying digital assets equal to the aggregate Coin Entitlement of the Digital Securities (less relevant fees and costs) or, in certain limited circumstances, for an amount in US dollars equal to the net proceeds of sale of the aggregate Coin Entitlement (less relevant fees and costs).

The Company is a Special Purpose Vehicle whose sole business is the issue of asset-backed securities. The Company has established a programme for the issue of Digital Securities whose return is linked to the performance of underlying Digital Assets.

Business review and key performance indicators

Crypto-ETP Market

The first half of 2026 was characterised by heightened volatility across digital asset markets. The first quarter saw a broad market correction driven by macroeconomic uncertainty and weaker investor sentiment. While the second quarter experienced a partial recovery as confidence gradually returned, market momentum softened towards the latter part of the second quarter and into the early stages of the third quarter, with digital asset prices remaining below their previous highs.

Company Digital Securities performance in 2026

Despite a challenging first half of 2026 for digital asset markets, the CoinShares ETP suite issued by the Company continued to generate strong net inflows throughout the period. Investor demand remained primarily concentrated in Bitcoin, with the CoinShares Bitcoin ETP attracting \$84 million of net inflows, while the remainder of the CoinShares ETP suite generated a further \$72 million during the first half of 2026.

On 23 February 2026, the Company further reduced the management fee on its CoinShares Bitcoin ETP from 0.25% to 0.15%, reflecting the Group's commitment to maintaining the competitiveness of its ETP product offering and delivering value to investors.

At 30 June 2026, digital assets under management within the CoinShares Physical platform totalled £1.4 billion, a 32% decrease from £2.1 billion at 31 December 2025. This reduction primarily reflects lower digital asset prices over the period rather than investor outflows. Continued positive net inflows across the platform demonstrate sustained investor

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Business review and key performance indicators (continued)

New product launches in 2026

On 6 January 2026, the Company launched a new staking product, the CoinShares BNB Staking ETP ('CBNB'). The product is listed on the SIX Swiss Exchange with a 0% management fee and 0.25% staking yield to ETP holders.

On 24 February 2026, the Company launched a new staking product, the CoinShares Hyperliquid Staking ETP ('LIQD'). The product is listed on the Xetra Exchange with a 0% management fee and 0.5% staking yield to ETP holders.

Changes in existing products in 2026

On 23 February 2026 the Company announced a reduction in the management fees for the CoinShares Bitcoin ETP product. From 23 February 2026 the fees were reduced from 0.25% to 0.15%.

On 17 August 2026 the Company announced a reduction in the Staking Rewards on the CoinShares Tezos Staking ETP from 8% to 7%.

On 17 August 2026 the Company announced a reduction in the Staking Rewards on the CoinShares Polkadot Staking ETP from 2.5% to 1%.

Digital Assets held

	30 June 2026 Number	31 December 2025 Number	30 June 2026 £	31 December 2025 £
By Currency				
Bitcoin	20,415	19,461	900,109,936	1,272,881,980
Ethereum	159,610	133,256	188,347,521	294,980,361
Litecoin	148,047	130,286	4,661,185	7,526,008
XRP	121,207,265	123,007,506	94,910,678	169,894,685
Polkadot	3,978,671	3,395,937	2,449,566	4,573,088
Tezos	23,133,587	22,018,002	3,537,156	8,312,946
Cardano	67,341,523	52,160,945	7,307,595	13,333,639
Solana	2,803,802	2,767,830	154,916,920	257,778,808
Chainlink	1,293,153	1,277,410	6,985,168	11,754,887
Uniswap	1,018,193	794,635	2,129,228	3,457,887
Cosmos	1,006,316	983,669	1,142,059	1,426,609
Matic	39,722,764	34,771,481	2,068,457	2,631,195
Algorand	89,240,763	83,684,482	5,534,676	6,965,307
SEI	21,546,383	20,054,219	766,220	1,683,189
Toncoin	198,666	710,896	225,164	863,721
Binance Coin	1,527	1,475	626,048	946,077
Hyperliquid	310,781	-	15,122,198	-
Digital asset - COIN10	-	-	5,883,852	7,514,973
Digital asset - COINSMRT	-	-	1,096,836	1,814,218
Digital asset - CFTN	-	-	11,119,229	14,227,939
			1,408,939,692	2,082,567,516

Refer to note 7 *Digital assets held* for further details.

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Future developments

The Directors and the wider CoinShares Group will continue to assess the needs of the evolving market in order to design, build and launch products to meet such needs. This will include (but is not limited to) consideration for products referencing digital assets already included within the CoinShares Digital Securities Prospectus, in addition to ongoing assessment of the management fees attached to existing products.

Risks and uncertainties

The Digital Securities provide investors with exposure to Digital Assets or baskets of Digital Assets. Each Digital Security is a debt instrument whose redemption price is linked to the value of the relevant underlying Digital Asset/Digital Assets.

Each class of Digital Securities is issued under limited recourse arrangements whereby the holders have recourse only to the relevant Digital Assets and Basket of Digital Assets held to support the Digital Security and not to the Digital Assets and Basket of Digital Assets of any other class of Digital Security or the Company.

Any movements in the value of the Digital Assets and Basket of Digital Assets are wholly attributable to the holders of the Digital Securities, therefore Company has no residual exposure to movements in the value of the Digital Assets and Basket of Digital Assets.

The overall level of AUM will of course impact the level of Management Fee/Staking Reward retained by the Company/Group respectively, the Company does not retain any net gains or losses or net risk exposures, as the gains or losses on the liability represented by the Digital Securities are matched economically by corresponding losses or gains attributable to the Digital Assets and Basket of Digital Assets.

As a result, the principal risks and uncertainties to which the Company is exposed has not materially changed during the period. There is an inherent risk from the point of view of investors as the values of Digital Assets and Basket of Digital Assets, and thus the value of the Digital Securities, may vary widely due to, amongst other things, changing supply and demand for Digital Assets, government and monetary policy or intervention, interest rate levels and global or regional political, economic or financial events.

The Company has exposure to country and currency risk as the Digital Securities are mainly priced in US Dollars. However, the Directors do not consider the Company to have a significant net exposure to country and currency risk as the gains or losses on the liability represented by the Digital Securities are matched economically by corresponding losses or gains attributable to the Digital Assets and Basket of Digital Assets.

The market price of Digital Securities is a function of supply and demand amongst investors wishing to buy and sell Digital Securities and the bid or offer spread that the market makers are willing to quote.

The following sets out a description of the principal risks inherent in the activities of the Company and to an investment in its products.

Risk factors relating to Digital Securities

The value of a Digital Security can change quickly and could even drop to zero: The price of Digital Assets is volatile and may be affected by a variety of factors. Should demand for a Digital Asset decrease or should it fail to achieve adoption among the Digital Asset community or should it suffer technological or coding failures or hacks, for example, then its value could drop sharply and permanently, which in turn would adversely affect the price of the relevant Digital Securities in the secondary market, as the Digital Securities are designed to track the price of the relevant Digital Asset.

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Risks and uncertainties (continued)

Valuation: Digital Assets do not represent an underlying claim on income or profits, nor do they represent a liability that must be repaid. Their value is a function of the perspective of the participants within the market place (or specific, given, market place) and supply and demand. As a result, the value of Digital Assets may be more speculative and more volatile than traditional assets representing claims on income, or profits or debts.

Risks may differ between various Digital Assets and their underlying protocols: The Company may offer Digital Securities that reference a wide variety of Digital Assets, and some of those individual Digital Assets may have risks that are not comparable to risks of other Digital Currencies.

Liquidity risk in the market for Digital Assets: Exchanges for Digital Assets are not only new, but most are also unregulated. As a result, there is a risk of delay or failure of liquidity in the markets for Digital Assets, market closures or liquidity failures can affect both the price and tradability of underlying Digital Assets and, by extension, the Digital Securities. In such an event, the price of Digital Assets may decline or be more volatile and price determination for a Digital Security may become more difficult. This may in turn reduce the ability of investors to trade the Digital Securities and/or adversely affect the price of the Digital Securities.

Political risk in the market of Digital Assets: The legal status of Digital Assets varies between different countries and is very much in transition. There exists a lack of regulatory consensus concerning the regulation of Digital Assets in Europe. Future regulatory or political developments could adversely affect markets for Digital Assets, their adoption and ultimately their value.

Risk of loss of confidence in the Digital Asset protocols and their networks: Digital Assets are dependent on investors, users and other members of the digital asset maintaining confidence in their underlying protocols. Should Digital Asset investors, miners or exchanges lose confidence in an underlying protocol, the liquidity and/or value of the associated Digital Asset may decrease, which in turn would affect the liquidity and/or value of the corresponding Digital Securities.

Risk of loss of confidence in the Digital Asset exchanges and market infrastructure: Digital Assets trade on a number of exchanges, many of which are unregulated. Disruptions to those exchanges, whether caused by hacks or fraud or operational issues, could materially impact the ability of digital currencies to trade, which in turn would impact their price.

Risk of Liquidity in certain Proof of Stake Protocols: The Issuer may stake coins that are subject to such liquidity restrictions. As a result, the Issuer may hold coins subject to such restrictions, which in turn may hinder the Issuer in satisfying redemption requests. The Issuer will agree with the Staking Agent to provide a necessary liquidity bridge to ensure it can continue to satisfy redemption obligations while its holdings are restricted, but there can be no guarantee that the Staking Agent can provide such alternative liquidity.

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Risks and uncertainties (continued)

Risk factors relating to the Company

Operational risk: Operational risk is the risk of direct or indirect loss arising from the Company's processes and infrastructure, and from external factors other than credit, markets and other price risk and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

These are risks relating to losses as a result of operational matters such as having inappropriate or insufficient routines, human error, systems failures and legal risks. The main operational risk for the Company would be the inability to redeem a security through either systems failures or continuity planning issues. The risk is mitigated through the use of a business continuity plan which has been tested, and demonstrated that the traders can perform their work from anywhere.

The risk of hacking, and losing Bitcoin/Ethereum and other digital assets in digital wallets due to fraud is reduced through the majority of the digital assets being kept in cold storage with Komainu and Zodia, who provide access to a cold storage vault. Komainu has a SOC 1 Type 2 report, the latest covering the period from 1 December 2024 to 30 November 2025. Zodia has a SOC 1 Type 1 report and a SOC 1 Type 2 report for the period 1 January 2025 to 30 September 2025. Both Komainu and Zodia are also ISO27001 certified.

The cyber risks are mitigated through the use of systems to prevent external attacks (such as, but not limited to, firewalls, detection of possible phishing emails, encryption using secure keys and strong physical security). Komainu, as custodian, is subject to periodic reviews.

The risk of theft of the Company's custodied coins is considered minimal owing to the strong control framework built around the storage and transfer of Digital Assets.

The Company consistently monitors its operational risk due to the reliance on third party service providers.

Market Risk: the risk of a loss of value on financial instruments arising from changes in the prevailing parameters of the market. Digital assets are an extremely volatile asset class, which can respond unexpectedly and adversely to events outside of the Company's control. This risk is mitigated by ensuring the value of the obligations to security holders is matched by the value of digital assets held.

Interest rate risk: Interest rate risk is the risk that the value of the Company will be impacted by fluctuations in the prevailing levels of market interest rates. The majority of the Company's financial assets and liabilities are non-interest bearing and as a result, the Company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Digital asset price risk: Digital assets are an extremely volatile asset class. Digital asset price risk arises from the uncertainty about future prices of the digital assets, impacting both the fair value of the digital assets held by the Company and the fair value of the liabilities of the Company towards security holders. To mitigate its exposure to changes in prices of digital assets, any exposure to changes in prices on the digital assets held is matched by the changes in value of the obligations to security holders.

Capital risk management: The capital of the Company is nil. The Company's objective is to undertake the issuance and redemptions of Digital Securities and performing the associated obligations for the Group, in the interest of benefitting the shareholders of the ultimate parent company. This is achieved through frequent evaluation of the Company's products to ensure they meet investor demands.

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Risks and uncertainties (continued)

Credit risk: Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. Digital asset activity has an inherent credit risk due to the nature of the industry, which is non-regulated, extremely volatile, has low barriers to entry and is vulnerable to bad actors.

Credit risk from balances with custodians, banks, brokers and financial institutions is managed, monitored and controlled by the finance department in accordance with the Company policy. It is the Company's policy to only enter into transactions with reputable counterparties, as determined through appropriate due diligence.

The risk of losing Digital Assets in digital wallets due to fraud is reduced through digital assets being kept in cold storage with Komainu, providing a cold storage vault. The Company does not expect to incur material credit losses in respect of digital assets.

Credit risk arising from the ETP creation process is mitigated by the fact that Digital Securities are issued to counterparties only after the underlying Digital Assets have been received. Management Fees and Staking Rewards recognised by the Programme Manager and Staking Agent respectively are deducted from amounts held in relation to the ETPs, therefore not relying on counterparties.

Liquidity risk: Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Liquidity issues could arise as a result of the redemption of securities. In this case, the Company would be required to have sufficient liquidity to finance the redemption of the securities. The prospectus and final terms for each security define the formula at which the securities can be redeemed based on a coin entitlement. Securities holders can request redemption of their securities which will be settled two business days following a valid redemption notice. The Company is required to hold the relevant digital asset at all times to be able to meet these redemptions.

Liquidity risk associated with the payment of suppliers is mitigated through the arrangement whereby expenses of the Company are settled by CoinShares (Jersey) Limited ('CSJL') through the issuance of fees, agreed in the Service Level Agreement dated 21 May 2021.

Sustainability and Corporate Responsibility

Sustainability and corporate responsibility are embedded throughout the business of the CoinShares Group. Directors believe this benefits shareholders and employees of the Group, investors in CoinShares products and services offered as well as wider society.

More information on the Group's corporate social responsibility strategy can be found on the CoinShares website.

The Group Directors acknowledge that climate change and its impact on the global economy is of increasing interest and focus for stakeholders and that, where relevant, stakeholders will seek information from companies regarding how climate change is expected to impact the operations of the business and how climate change risk has been considered in the context of reported results.

In acknowledging the above, the Directors have considered the Company's exposure to climate change and determined that due to the nature of the Company and its operations there are no directly observed impacts of climate change on the business. As a result, the Directors concluded that there is no basis on which to provide extended information of analysis relating to climate change, including as part of the basis of accounting or individual accounting policies adopted by the Company.

The Directors have concluded specifically that climate change, including physical and transition risks, does not have a material impact on the recognition and separate measurement considerations of the assets and liabilities in these interim financial statements as at 30 June 2026.

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Sustainability and Corporate Responsibility (continued)

The liabilities are valued using listed market prices at the period end. These observable inputs and market prices will reflect wider market sentiment, which inherently includes market perspectives relating to the impact of climate change. The Board recognises that government and societal responses to climate change risks are still developing and the future impact cannot be predicted.

Future valuations of assets and liabilities may therefore differ as the market responds to these changing impacts or assesses the impact of current requirements differently.

Corporate Governance

Board of Directors

The Board meets regularly as required by the operations of the Company, but at least quarterly to review the overall business of the Company and to consider matters specifically reserved for its review.

Share Capital and voting rights

No person has a significant direct or indirect holding of securities in the Company. No person has any special rights of control over the Company's share capital. There are no restrictions on voting rights. The Company belongs to a group of companies, the ultimate holding entity of which is CoinShares Plc, incorporated in Jersey, Channel Islands.

The Company's issued share capital consists of 1 fully-paid share of £0.01, which is held by CoinShares International Limited.

Director remuneration

The Directors of the Company who are employees within the CoinShares group do not receive separate remuneration in their capacity as Directors of the Company. The non-executive director receives separate remuneration for their role which is paid by CSJL as the Programme Manager however is recognised as an expense by the Company.

Integration with CoinShares Group governance

During the period the Company did not have any direct employees or subsidiaries. The Company, being a special purpose company established for the purpose of issuing Digital Securities, has not undertaken any business, save for issuing and redeeming Digital Securities, entering into the required documents and performing the associated obligations, since its incorporation.

The Company does not intend to undertake any business other than issuing and redeeming Digital Securities and performing the associated obligations.

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Corporate Governance (continued)

CoinShares Plc is a Jersey, public limited liability company whose shares are listed for trading on Nasdaq Inc and the ultimate parent company of CoinShares Digital Securities Limited. The Corporate Governance framework for CoinShares Plc is grounded in the Company's Articles of Association, Companies (Jersey) Law 1991, as amended, the Code, applicable Nasdaq Listing Rules and the Company's internal rules and guidelines. The internal rules and guidelines include primarily the Board's rules of procedure, the CEO's instructions, the instructions for financial reporting and internal control, and the finance manual.

In addition, CoinShares Plc has a number of policy documents and manuals, including the Code of Conduct, the Corporate Governance Policy, the Insider Policy, and the Information and Communication Policy, as well as other internal rules and recommendations that include principals and provide guidance in the company's operations and for its employees. These governance documents are evaluated and adopted annually by the Board of Directors. As a foreign private issuer listed on Nasdaq, CoinShares Plc complies with the applicable Nasdaq corporate governance requirements and relies on the exemptions available to foreign private issuers where appropriate, while adhering to Jersey corporate governance requirements.

Internal Control

The Group operates the Three Lines of Defence model, which is considered to be industry best practice and comprises the following:

First Line of Defence: The client-facing operations teams are responsible for maintaining a strict control environment over day-to-day operational matters. The first line has a comprehensive control framework, managed and maintained by them; the framework spans both organisation wide controls and department specific controls.

Second Line of Defence: The Group's Compliance Team has a number of key responsibilities including anti-money laundering, countering of terrorism financing, regular testing of the Group's control framework and liaising with the Group's various external regulatory bodies.

Third Line of Defence: The Group relies upon both the annual financial audit process in addition to more focused specialised external work, undertaken on particular parts of the business, for example, the work undertaken by The Network Firm, providing attestation reports on the assets held in support of the Group's ETPs.

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Corporate Governance (continued)

Audit Committee

The sole business of the Company relates to the issuing of asset-backed Digital Securities. Given the limited recourse nature of the Digital Securities issued by the Company, the Board of Directors have concluded that there is currently no need for the Company to have a separate audit committee in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process and the monitoring of the statutory audit and the independence of the statutory auditors.

Service level agreements

The Company and several of its service providers are subsidiaries of the CoinShares Group. Service Level Agreements ('SLAs') were signed by the companies from the CoinShares Group. The SLAs govern the relations between the entities as well as their respective obligations.

Results and dividends

The total comprehensive income for the period amounted to £nil (period ended 30 June 2025: £nil) (year ended 31 December 2025: £nil).

The directors do not recommend the payment of a dividend for the period (period ended 30 June 2025: £nil) (year ended 31 December 2025: £nil).

Directors and Company Secretary

The directors and company secretary who served during the period and up to the date of this report are listed on page 1.

Directors' interest in shares

The directors holding office at the end of the reporting period had no direct interests in the share capital of the Company but did have an interest in the ultimate parent company, CoinShares Plc.

Going concern

In preparing the financial statements the directors made an assessment of the Company's ability to continue as a going concern. In assessing whether the going concern assumption is appropriate the directors considered all available information about the future, which is at least, but is not limited to, twelve months from the date when the financial statements were authorised for issue.

When making the assessment the directors considered and disclosed all material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continue as a going concern.

The Company has net assets of £nil (31 December 2025: £nil) at the end of the reporting period. All expenses of the Company are settled by CSJL through the issuance of fees to CSJL to cover the Company's expenses as agreed in the Service Level Agreement dated 21 May 2021. The directors have prepared these financial statements on a going concern basis due to CSJL's contractual obligation to cover the Company's expenses, and ongoing financial support received from other Group entities, inclusive of its parent company, which will continue to be provided for the foreseeable future.

There is continuing to be increased volatility seen in the price of digital assets. The directors do not consider the price movements to impact the going concern for the Company as the products are fully hedged.

CoinShares Digital Securities Limited

Directors' Report

For the period ended 30 June 2026

Corporate Governance Statement

The Company is wholly owned by CSIL, a Jersey, public limited liability company, which is itself a wholly owned subsidiary of CoinShares PLC, the ultimate parent company of the CoinShares Group. CoinShares Plc is incorporated in Jersey and its shares are listed on the Nasdaq Stock Market.

The Company's corporate governance framework is principally derived from the governance framework established by the CoinShares Group and is underpinned by the Companies (Jersey) Law 1991, as amended, the Articles of Association of the relevant Group companies, applicable Nasdaq listing requirements, and the Group's internal policies and procedures. These include, amongst others, the Code of Conduct, Corporate Governance Policy, Insider Trading Policy, Information and Communication Policy, Board governance procedures and financial reporting and internal control policies. Further details regarding the CoinShares Group's corporate governance framework are available on the CoinShares Group website.

Independent Auditor

The legal provisions applicable to the Company do not require a report from the statutory auditors on the interim financial statements, therefore these interim financial statements for the period ended 30 June 2025 have not been reviewed by the Company's auditor.

The report was approved by the board of directors on 26 August 2026 and signed on its behalf by:



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CoinShares Corporate Services (Jersey) Limited
Company Secretary

CoinShares Digital Securities Limited

Global Statement for the Interim Financial Statements

For the period ended 30 June 2026

Global Statement for the Interim Financial Statements

I certify that, to the best of my knowledge, the interim financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and performance of the Company and that the Director's report attached presents a true and fair view of the development of the business, the performance and the financial position of the Company and that it describes the main risks and uncertainties it faces.



Michael Fox
Director

Date: 26 August 2026

CoinShares Digital Securities Limited

Statement of Comprehensive Income

For the period ended 30 June 2026

		1 January 2026 to 30 June 2026	1 January 2025 to 30 June 2025	1 January 2025 to 31 December 2025
	Note	£	£	£
Revenue	4	1,747,924	2,126,628	4,592,298
Gross profit		1,747,924	2,126,628	4,592,298
Administration expenses	5	(1,743,357)	(2,214,641)	(4,691,190)
Fair value loss on digital assets	7	(435,557,848)	-	(78,613,338)
Gain on ETP liabilities	11	770,030,448	202,510,456	635,385,498
Gain on digital asset payables	13	11,815,641	9,592,488	15,067,961
(Loss)/gain on foreign exchange		(4,567)	88,013	98,892
Operating profit		346,288,241	212,102,944	571,840,121
Profit before taxation		346,288,241	212,102,944	571,840,121
Taxation on profit	6	-	-	-
Profit after taxation		346,288,241	212,102,944	571,840,121
Fair value loss on digital assets through other comprehensive income	7	(346,288,241)	(212,102,944)	(571,840,121)
Other comprehensive loss		(346,288,241)	(212,102,944)	(571,840,121)
Total comprehensive income		-	-	-

All items dealt with in arriving at the result for the periods ended 30 June 2026 and 30 June 2025 and the year ended 31 December 2025 relate to continuing operations.

The above should be read in conjunction with the accompanying notes on pages 17 to 35 which form an integral part of these financial statements.

CoinShares Digital Securities Limited

Statement of Financial Position

As at 30 June 2026

		As at 30 June 2026 £	Restated As at 31 December 2025 £
	Note		
ASSETS			
Current assets			
Digital assets held for collateral purposes	7	1,408,939,692	2,082,567,516
Trade and other receivables	8	880,542	644,569
Digital asset receivables	9	21,105	27,951
Cash and cash equivalents	10	163,257	78,515
Total assets		1,410,004,596	2,083,318,551
LIABILITIES			
Current liabilities			
ETP liabilities	11	1,392,691,747	2,057,822,538
Trade and other payables	12	1,043,799	723,084
Digital asset payables	13	16,269,050	24,772,929
Total liabilities		1,410,004,596	2,083,318,551
Net assets		-	-
EQUITY			
Share capital	14	-	-
Revaluation reserve		-	346,288,241
Retained earnings		-	(346,288,241)
Total equity		-	-

The financial statements on pages 17 to 35 were approved and authorised for issue by the Board of Directors of the Company and signed on its behalf by:



Stuart Pinnington
Director

Date: 26 August 2026

The above should be read in conjunction with the accompanying notes on pages 17 to 35 which form an integral part of these financial statements.

CoinShares Digital Securities Limited

Statement of Changes in Equity

For the period ended 30 June 2026

	Ordinary Shares £	Retained Earnings £	Revaluation Reserve £	Total equity £
At 1 January 2025	-	(925,677,805)	925,677,805	-
Profit for the period	-	212,102,944	-	212,102,944
Other comprehensive loss	-	-	(212,102,944)	(212,102,944)
Total comprehensive income/(loss)	-	212,102,944	(212,102,944)	-
At 30 June 2025	-	(713,574,861)	713,574,861	-
At 1 July 2025	-	(713,574,861)	713,574,861	-
Profit for the period	-	359,737,177	-	359,737,177
Other comprehensive loss	-	-	(359,737,177)	(359,737,177)
Total comprehensive income/(loss)	-	359,737,177	(359,737,177)	-
Transfer of revaluation reserve upon disposal of digital assets	-	7,549,443	(7,549,443)	-
At 31 December 2025 (restated)	-	(346,288,241)	346,288,241	-
At 1 January 2026	-	(346,288,241)	346,288,241	-
Profit for the period	-	346,288,241	-	346,288,241
Other comprehensive loss	-	-	(346,288,241)	(346,288,241)
Total comprehensive income/(loss)	-	346,288,241	(346,288,241)	-
At 30 June 2026	-	-	-	-

The Company has issued 1 share valued at £0.01.

The above should be read in conjunction with the accompanying notes on pages 17 to 35 which form an integral part of these financial statements.

CoinShares Digital Securities Limited

Statement of Cash Flows

For the period ended 30 June 2026

		1 January 2026 to 30 June 2026	1 January 2025 to 30 June 2025	Restated 1 January 2025 to 31 December 2025
	Note	£	£	£
Cash flows from operating activities				
Profit for the period		346,288,241	212,102,944	571,840,121
Adjustments for:				
- Loss on ETP liabilities	11	(770,030,448)	(202,510,456)	(635,385,498)
- Loss on digital asset payables	13	(11,815,641)	(9,592,488)	(15,067,961)
- Gain on digital assets	7	435,557,848	-	78,613,338
		-	-	-
Change in working capital:				
- Trade and other payables	12	84,741	140,967	66,524
Cash generated from operations		84,741	140,967	66,524
Cash flow generated from operating activities		84,741	140,967	66,524
Net increase in cash and cash equivalents		84,741	140,967	66,524
At the beginning of the period		78,515	11,991	11,991
At the end of the period	10	163,256	152,958	78,515

The above should be read in conjunction with the accompanying notes on pages 17 to 35 which form an integral part of these financial statements.

Reconciliation of net debt

		1 January 2026 to 30 June 2026	1 January 2025 to 30 June 2025	1 January 2025 to 31 December 2025
	Note	£	£	£
Non-cash analysis				
Cash flows from operating activities				
- Net increase in digital asset payables	13	3,311,762	3,618,613	8,689,054
- Net receipt of digital asset receivables	9	6,846	78,649	116,015
- Net issuance of ETP liabilities	11	104,899,657	342,259,670	839,589,647
- Net purchase of digital assets	7	(108,218,265)	(345,956,932)	(848,394,716)
Cash flows from financing activities				

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements

For the period ended 30 June 2026

1 General information

The Company operates in Jersey, Channel Islands. The principal activity of the Company is to act as an issuer of exchange traded products ('ETPs').

The Company is a public company limited by shares and is incorporated and domiciled in Jersey. The address of its registered office is 2nd Floor, 2 Hill Street, St Helier, Jersey JE2 4UA and its company registration number is 127061.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS'), which comprise Standards and Interpretations approved by the International Accounting Standards Board ('IASB') and the Companies (Jersey) Law 1991, as amended. There were no material departures from IFRS.

The interim financial statements do not include all of the information required in annual financial statements, and should be read in conjunction with the financial statements for the year ended 31 December 2025. The accounting policies adopted are consistent with those of the previous year, with the exception of the amendments outlined further in this note.

2.2 Change in digital asset valuation methodology

During the period, the Company updated the methodology used to determine the fair value of digital assets at the reporting date. Previously, digital assets were valued using Compass prices as at 4:00pm on the reporting date. The Group now determines fair value using the Lukka Prime pricing methodology as at midnight on the reporting date. Management considers this methodology to provide a more appropriate and consistent measure of fair value at the reporting date, reflecting market information available at the end of the reporting period. The change has been applied prospectively from 1 January 2026.

2.3 Correction of prior period error

During the current reporting period, the Company identified certain prior period errors affecting the presentation of comparative information. Accordingly, the comparative financial information has been restated in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The restatements relate to (a) the presentation of the Consolidated Statement of Cash Flows, and (b) the presentation of the Statement of Changes in Equity. These restatements do not affect the Group's total comprehensive income, total equity or net assets. Further details, including the quantitative impact of the restatements are provided accordingly.

a) Statement of Cash Flows restatement

In the current reporting period, the Company identified a presentation error in the comparative Statement of Cash Flows.

Within the reconciliation of profit for the year to cash generated from operating activities, the line item representing the non-cash gain on digital assets was inadvertently omitted from the "Adjustments for" section due to a presentation error. Although the underlying cash flow calculations and reported cash and cash equivalent balances were correct, the omission caused the subtotals presented within the reconciliation to appear incorrect and prevented the reconciliation from mathematically agreeing.

The omitted adjustment represented a non-cash gain on digital assets of £78,613,338, which should have been added back within operating activities.

Impact of the Restatement

The comparative Statement of Cash Flows has been restated to include the omitted reconciling line item within operating activities. The correction affects only the presentation of the reconciliation between profit for the year and cash generated from operating activities.

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

2 Significant accounting policies (continued)

2.3 Correction of prior period error (continued)

a) Statement of Cash Flows restatement (continued)

The correction has no impact on:

- net cash generated from operating activities;
- net increase (decrease) in cash and cash equivalents;
- cash and cash equivalents at the beginning or end of the period;
- profit for the year;
- total comprehensive income;
- total assets;

Total quantitative impact

The following table summarises the reclassification effect of the adjustment highlighted above for 31 December 2025.

31 December 2025 Line item	As previously reported £	Restatement adjustment £	As restated £
<i>Statement of Cash Flows</i>			
Gain on digital assets	-	78,613,338	78,613,338
Cash generated from operating activities	66,524	-	66,524
Net increase in cash and cash equivalents	66,524	-	66,524

b) Statement of Change in Equity casting error

During the preparation of the current year's financial statements, the Company identified a casting error in the Statement of Changes in Equity relating to the year ended 31 December 2025.

The error arose because the opening balances of the revaluation reserve and retained earnings were not appropriately incorporated into the calculation within the Statement of Changes in Equity. As a result, the closing balances presented for retained earnings and the revaluation reserve were misstated. The error affected only the allocation of amounts between these two components of equity.

The correction of the error resulted in an increase in the revaluation reserve of £925,677,805 and a corresponding decrease in retained earnings of £925,677,805 as at 31 December 2025. The error had no impact on:

- Total equity;
- Profit after tax;
- Total comprehensive income;
- Net assets; or
- Cash flows.

The comparative information has been restated accordingly. The effect of the correction is summarised in the 'Total quantitative impact' section below.

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

2 Significant accounting policies (continued)

2.3 Correction of prior period error (continued)

b) Statement of Change in Equity casting error (continued)

Total quantitative impact

The following tables summarise the reclassification effect of the adjustment highlighted above for 31 December 2025.

	As previously reported £	Restatement adjustment £	As restated £
<i>Statement of Financial Position</i>			
Revaluation reserve	(579,389,564)	925,677,805	346,288,241
Retained earnings	579,389,564	(925,677,805)	(346,288,241)
<i>Statement of Changes in Equity</i>			
Revaluation reserve	(579,389,564)	925,677,805	346,288,241
Retained earnings	579,389,564	(925,677,805)	(346,288,241)

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

3 Operating segments

The following is an analysis of the Company's revenues and expense by reportable segment in the period ended 30 June 2026.

30 June 2026

	Digital Securities with a Management Fee £	Staked Digital Securities £	Index Digital Securities £	Central Costs £	Total £
Revenue	594,501	695,087	85,690	372,646	1,747,924
Gross profit	594,501	695,087	85,690	372,646	1,747,924
Administration expenses	(594,501)	(695,087)	(85,690)	(368,079)	(1,743,357)
Loss on digital assets	(283,106,890)	(147,632,326)	(5,200,932)	382,301	(435,557,848)
Loss on ETP liabilities	506,460,238	254,240,271	9,329,939	-	770,030,448
Gain/(loss) on digital asset payables	1,729,468	10,766,450	5,970	(686,247)	11,815,641
Loss on foreign exchange	-	-	-	(4,567)	(4,567)
Operating profit/(loss)	225,082,816	117,374,395	4,134,977	(303,946)	346,288,241
Profit/(loss) before taxation	225,082,816	117,374,395	4,134,977	(303,946)	346,288,241
Taxation on profit	-	-	-	-	-
Profit/(loss) after taxation	225,082,816	117,374,395	4,134,977	(303,946)	346,288,241
Fair value (loss)/gain on digital assets through other comprehensive income	(225,082,816)	(117,374,395)	(4,134,977)	303,946	(346,288,241)
Other comprehensive (loss)/income	(225,082,816)	(117,374,395)	(4,134,977)	303,946	(346,288,241)
Total comprehensive income	-	-	-	-	-

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

3 Operating segments (continued)

The following is an analysis of the Company's revenues and expense by reportable segment in the period ended 30 June 2025.

30 June 2025

	Digital Securities with a Management Fee £	Staked Digital Securities £	Index Digital Securities £	Central Costs £	Total £
Revenue	536,198	1,236,257	72,254	281,919	2,126,628
Gross profit	536,198	1,236,257	72,254	281,919	2,126,628
Administration expenses	(536,198)	(1,236,257)	(72,254)	(369,932)	(2,214,641)
Gain/(loss) on digital assets	18,960,026	(228,910,066)	(2,152,904)	-	(212,102,944)
(Loss)/gain on ETP liabilities	(19,031,214)	219,388,370	2,153,300	-	202,510,456
Gain/(loss) on digital asset payables	71,188	9,521,696	(396)	-	9,592,488
Gain on foreign exchange	-	-	-	88,013	88,013
Operating profit	-	-	-	-	-
Profit before taxation	-	-	-	-	-
Taxation on profit	-	-	-	-	-
Profit after taxation	-	-	-	-	-
Fair value gain on digital assets through other comprehensive income	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	-	-

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

3 Operating segments (continued)

The following is an analysis of the Company's assets and liabilities by reportable segment as at 30 June 2026.

30 June 2026

	Digital Securities with a Management Fee	Staked Digital Securities	Index Digital Securities	Central Costs	Total
	£	£	£	£	£
Digital assets	1,008,796,195	382,043,580	18,099,917	-	1,408,939,692
Trade and other receivables	-	-	-	880,542	880,542
Digital asset receivables	-	21,105	-	-	21,105
Cash and cash equivalents	-	-	-	163,257	163,257
Total assets	1,008,796,195	382,064,685	18,099,917	1,043,799	1,410,004,596
ETP Liabilities	1,008,550,627	366,102,305	18,038,815	-	1,392,691,747
Trade and other payables	-	-	-	1,043,799	1,043,799
Digital asset payables	245,568	15,962,380	61,102	-	16,269,050
Total liabilities	1,008,796,195	382,064,685	18,099,917	1,043,799	1,410,004,596
Net assets	-	-	-	-	-

The following is an analysis of the Company's assets and liabilities by reportable segment as at 31 December 2025.

31 December 2025

	Digital Securities with a Management Fee	Staked Digital Securities	Index Digital Securities	Central Costs	Total
	£	£	£	£	£
Digital assets	1,465,515,448	593,494,938	23,557,130	-	2,082,567,516
Trade and other receivables	-	-	-	644,569	644,569
Digital asset receivables	-	27,951	-	-	27,951
Cash and cash equivalents	-	-	-	78,515	78,515
Total assets	1,465,515,448	593,522,889	23,557,130	723,084	2,083,318,551
ETP Liabilities	1,465,081,807	569,260,576	23,480,155	-	2,057,822,538
Trade and other payables	-	-	-	723,084	723,084
Digital asset payables	433,641	24,262,313	76,975	-	24,772,929
Total liabilities	1,465,515,448	593,522,889	23,557,130	723,084	2,083,318,551
Net assets	-	-	-	-	-

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

4 Revenue

	1 January 2026 to 30 June 2026 £	1 January 2025 to 30 June 2025 £	1 January 2025 to 31 December 2025 £
Fee income	1,747,924	2,126,628	4,592,298
Other income	-	-	-
	1,747,924	2,126,628	4,592,298

The Company charges fees to the Programme Manager, CoinShares (Jersey) Limited ('CSJL'), to cover its expenses as agreed in the Service Level Agreement dated 21 May 2021. These costs consist primarily of professional expenses, custody fees and trading fees.

Revenue on products is recognised in CSJL and CoinShares Capital Markets (Jersey) Limited ('CSCMJL') as programme manager and staking agent respectively.

Other Income consists solely of ETP creation and redemption fees incurred by the Company and subsequently recharged to Authorised Participants.

5 Administration expenses by nature

Included within administration expenses of £1,743,357 (period ended 30 June 2025: £2,214,641, year ended 31 December 2025: £4,691,190) are the following amounts:

	1 January 2026 to 30 June 2026 £	1 January 2025 to 30 June 2025 £	1 January 2025 to 31 December 2025 £
Audit fees	35,000	32,045	70,000
Directors fees	7,500	7,500	15,000
	42,500	39,545	85,000

6 Taxation

The Company is subject to tax at the rate of 0% (2025: 0%).

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

7 Digital assets held

	30 June 2026 Number	31 December 2025 Number	30 June 2026 £	31 December 2025 £
By Currency				
Bitcoin	20,415	19,461	900,109,936	1,272,881,980
Ethereum	159,610	133,256	188,347,521	294,980,361
Litecoin	148,047	130,286	4,661,185	7,526,008
XRP	121,207,265	123,007,506	94,910,678	169,894,685
Polkadot	3,978,671	3,395,937	2,449,566	4,573,088
Tezos	23,133,587	22,018,002	3,537,156	8,312,946
Cardano	67,341,523	52,160,945	7,307,595	13,333,639
Solana	2,803,802	2,767,830	154,916,920	257,778,808
Chainlink	1,293,153	1,277,410	6,985,168	11,754,887
Uniswap	1,018,193	794,635	2,129,228	3,457,887
Cosmos	1,006,316	983,669	1,142,059	1,426,609
Matic	39,722,764	34,771,481	2,068,457	2,631,195
Algorand	89,240,763	83,684,482	5,534,676	6,965,307
SEI	21,546,383	20,054,219	766,220	1,683,189
Toncoin	198,666	710,896	225,164	863,721
Binance Coin	1,527	1,475	626,048	946,077
Hyperliquid	310,781	-	15,122,198	-
Digital asset - COIN10			5,883,852	7,514,973
Digital asset - COINSMRT			1,096,836	1,814,218
Digital asset - CFTN			11,119,229	14,227,939
			1,408,939,692	2,082,567,516

Other Digital Assets comprise assets provided by CSMJL to satisfy redemptions in CoinShares Physical Products during asset unstaking periods.

Index products comprise a number of underlying Digital Assets in each product. As at period end the balance of the index ETP products comprised the following:

	30 June 2026 Number	31 December 2025 Number	30 June 2026 £	31 December 2025 £
COIN10				
Ethereum	1,557	1,181	1,838,668	2,614,386
Bitcoin	49	42	2,155,885	2,747,299
XRP	951,571	715,307	744,556	987,963
Solana	9,269	6,398	511,628	595,902
Cardano	599,365	462,717	65,207	118,282
Tron	1,531,123	982,948	365,081	206,420
Chainlink	10,983	8,589	59,685	79,037
Stellar Lumens	526,067	377,139	70,652	57,523
Avalanche	6,789	6,022	33,151	55,834
Litecoin	1,240	906	39,339	52,328
Polkadot	-	-	-	-
Uniswap	-	-	-	-
			5,883,852	7,514,973

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

7 Digital assets held (continued)

	30 June 2026 Number	31 December 2025 Number	30 June 2026 £	31 December 2025 £
COINSMRT				
Ethereum	272	308	321,462	681,434
Solana	6,199	6,211	342,136	578,454
Cardano	401,095	448,782	43,637	114,720
Tron	1,024,619	952,991	244,310	200,129
Chainlink	7,350	8,327	39,941	76,626
Stellar Lumens	352,029	365,642	47,279	55,769
Avalanche	4,543	5,839	22,184	54,132
Polkadot	19,119	19,722	11,747	26,559
Near Protocol	13,064	15,120	17,677	16,980
Matic	122,923	124,417	6,463	9,415
			1,096,836	1,814,218
CFTN				
Bitcoin	193	158	8,531,875	10,352,406
Ethereum	1,149	1,024	1,356,811	2,266,370
XRP	636,643	524,373	498,141	724,250
Solana	5,970	4,639	329,515	432,023
Cardano	380,793	321,944	41,428	82,297
Tron	920,634	806,318	219,516	169,327
Chainlink	7,082	5,740	38,483	52,821
Avalanche	-	3,785	-	35,092
Stellar Lumens	354,528	266,229	47,614	40,606
Litecoin	773		24,528	-
Bitcoin Cash	210	164	31,319	72,746
			11,119,229	14,227,939
			18,099,917	23,557,129
			30 June 2026 £	31 December 2025 £
Reconciliation of Digital Assets				
Digital assets as at 1 January			2,082,567,516	1,884,626,259
Additions to digital assets			362,469,957	1,417,416,218
Net staking rewards			4,677,751	21,672,048
Disposals of digital assets			(246,135,230)	(583,228,980)
Management fees paid to CSJL			(12,794,213)	(7,464,570)
Fair value loss through profit and loss			(781,846,089)	(650,453,459)
Digital assets closing balance			1,408,939,692	2,082,567,516

On 14 January 2025 the Company announced a reduction in the management fees for the CoinShares Physical Bitcoin ETP product. From 14 January 2025 the fees were reduced from 0.35% per annum to 0.25% per annum.

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

8 Trade and other receivables

	30 June 2026 £	31 December 2025 £
Amounts owed by Group undertakings	802,137	620,149
Prepayments and sundry debtors	78,405	24,420
	880,542	644,569

Fee income of £1,747,924 (year ended 31 December 2025: £4,592,298) was earned from CSJL, as programme manager, to cover the Company's expenses as per the Service Level Agreement, of which £802,137 (31 December 2025: £620,149) was outstanding at period end.

9 Digital asset receivables

	30 June 2026 Number	31 December 2025 Number	30 June 2026 £	31 December 2025 £
Amounts owed by third parties				
Staking rewards - Algorand	340,299	-	21,105	27,951
			21,105	27,951

Staking rewards in respect of the CoinShares Physical Staked Algorand product are received quarterly. At the period-end, the Company had an outstanding receivable of £27,951 (31 December 2025: £65,317) in respect of accrued staking rewards.

	30 June 2026 £	31 December 2025 £
Reconciliation of digital asset receivables		
Digital asset receivables as at 1 January	27,951	143,966
Increase in digital asset receivables	21,105	27,951
Settlement of digital asset receivables	(27,951)	(143,966)
Digital asset receivables closing balance	21,105	27,951

10 Cash and cash equivalents

	30 June 2026 £	31 December 2025 £
Cash at bank	163,257	78,515
	163,257	78,515

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

11 ETP liabilities

	30 June 2026 Number	31 December 2025 Number	30 June 2026 £	31 December 2025 £
Securities type				
CoinShares Bitcoin ETP	21,206,757	19,988,307	899,998,491	1,272,692,550
CoinShares Ethereum Staking ETP	5,258,973	4,386,673	188,093,929	294,651,707
CoinShares Litecoin ETP	800,220	698,920	4,655,516	7,516,436
CoinShares XRP ETP	3,274,564	3,298,284	94,793,438	169,679,555
CoinShares Polkadot Staking ETP	3,216,000	2,775,000	2,439,784	4,526,452
CoinShares Tezos Staking ETP	3,807,400	3,760,900	3,299,129	7,950,771
CoinShares Cardano Staking ETP	61,015,625	47,690,625	7,299,278	13,325,089
CoinShares Solana Staking ETP	23,466,523	23,560,223	139,670,355	234,334,539
CoinShares Chainlink ETP	13,753,400	13,483,400	6,976,807	11,739,839
CoinShares Uniswap ETP	10,827,500	8,387,500	2,126,375	3,453,427
CoinShares Cosmos Staking ETP	1,630,500	1,630,500	1,125,964	1,404,491
CoinShares Polygon Staking ETP	3,501,500	3,101,500	2,068,395	2,630,001
CoinShares Algorand Staking ETP	8,229,700	7,794,700	5,520,568	6,948,656
CoinShares SEI Staking ETP	2,111,000	1,985,000	764,553	1,680,209
CoinShares Toncoin Staking ETP	360,000	1,415,000	208,758	862,584
CoinShares BNB Staking ETP	305,000	295,000	625,343	946,077
CoinShares HYPE Staking ETP	4,730,200	-	14,986,249	
CoinShares Top 10 Crypto Market	423,800	332,600	5,868,436	7,497,641
CoinShares Smart Contract	112,000	119,000	1,090,287	1,802,405
CoinShares Finanzen.net Top 10 Crypto	1,683,000	1,394,500	11,080,092	14,180,109
	169,713,662	146,097,632	1,392,691,747	2,057,822,538

	30 June 2026 £	31 December 2025 £
Reconciliation of ETP liabilities		
ETP liabilities as at 1 January	2,057,822,538	1,853,618,389
Creations of ETPs	349,224,331	1,417,425,671
Redemptions of ETPs	(246,129,386)	(582,180,697)
Net movement on staking rewards	3,695,563	9,811,675
Net movement on management fee	(1,890,851)	(5,467,002)
Fair value gain	(770,030,448)	(635,385,498)
ETP liabilities closing balance	1,392,691,747	2,057,822,538

	30 June 2026 £	31 December 2025 £
Gain on ETPs to CSCMJL and Third Parties	193,098,481	140,326,358
Gain on other ETP liabilities	576,931,967	495,059,140
Total gain on ETP liabilities	770,030,448	635,385,498

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

12 Trade and other payables

	30 June 2026 £	31 December 2025 £
Trade payables	170,596	21,617
Amounts payable to parent company	345,727	141,227
Accrued liabilities	527,476	560,240
	1,043,799	723,084

Amounts owed to the ultimate parent company, CSIL, of £345,727 (31 December 2025: £nil) consist of expenses settled on behalf of the Company. These amounts are repayable on demand, bear interest at 0% and are unsecured.

13 Digital asset payables

	30 June 2026 Number	31 December 2025 Number	30 June 2026 £	31 December 2025 £
Amounts payable to Group undertakings				
CSJL - Bitcoin	2	3	82,325	189,431
CSJL - Litecoin	180	166	5,669	9,572
CSJL - XRP	149,723	155,759	117,240	215,130
CSJL - Solana	903	1,356	49,913	-
CSJL - Chainlink	1,548	1,635	8,361	15,048
CSJL - Uniswap	1,364	1,025	2,853	4,460
CSJL - CFTN	-	-	39,137	47,830
CSCMJL - Bitcoin	1	-	29,120	-
CSCMJL - Ethereum	215	148	253,592	328,654
CSCMJL - Polkadot	15,889	34,632	9,782	46,635
CSCMJL - Tezos	1,051	23,274	161	8,787
CSCMJL - Cardano	76,647	33,447	8,317	8,550
CSCMJL - Cosmos	14,182	15,251	16,095	22,118
CSCMJL - Solana	5,160	6,795	285,093	759,138
CSCMJL - Matic	1,200	15,774	62	1,194
CSCMJL - Algorand	567,780	200,054	35,213	44,602
CSCMJL - SEI	46,868	35,504	1,667	2,980
CSCMJL - Toncoin	14,476	935	16,406	1,136
CSCMJL - BNB	2	-	705	-
CSCMJL - HYPE	2,794	-	135,949	-
CSCMJL - COIN10			15,416	17,332
CSCMJL - COINSMRT			6,549	11,813
			1,119,625	1,734,410
Amounts payable to third parties				
Third parties - Solana	269,881	243,575	14,911,559	22,685,131
Third parties - Tezos	1,555,684	-	237,866	353,388
			15,149,425	23,038,519
			16,269,050	24,772,929

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

13 Digital asset payables (continued)

Amounts owed to Group undertakings relate to either digital assets which are due to be paid to CSJL for the management fee or CSCMJL for the staking rewards as per the prospectus, assets provided by CSCMJL to test future digital asset products or assets provided by CSMJL to satisfy redemptions in CoinShares Physical Products during asset unstaking periods. These amounts are denominated in the relevant digital asset.

Amounts owed to third parties relate to fees where seed capital has been provided for products. These amounts are denominated in the relevant digital asset.

	30 June 2026 £	31 December 2025 £
Reconciliation of digital asset payables		
Digital asset payables as at 1 January	24,772,929	31,151,835
Increase in digital asset payables	21,961,358	30,945,748
Settlement of digital asset payables	(18,649,596)	(22,256,693)
Gain on digital asset payables	(11,815,641)	(15,067,961)
Digital asset payables closing balance	16,269,050	24,772,929

14 Share capital

Shares classified as equity

	Allotted, called-up and paid			
	30 June 2026 Number	31 December 2025 Number	30 June 2026 £	31 December 2025 £
Ordinary shares of £0.01 each	1	1	-	-
	1	1	-	-

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

14 Share capital (continued)

The Company is authorised to issue 10,000 ordinary shares of £0.01 each, they confer on the holder the right to receive dividends at the Company's discretion. If, at the Company's discretion, there is a return of assets, ordinary shares confer on the holders thereof the rights in respect of the assets of the Company available for distribution among the shareholders. Ordinary shares issued and allotted are accounted for as equity.

15 Risk management

The Company issues securities which are 100% physically backed and therefore has a liability towards security holders linked to digital assets, as well as the specific operational risks to holding digital assets. The following sets out a description of the principal risks inherent in the activities of the Company along with the action taken to manage these risks.

a) Market risk

i) Interest rate risk

Interest rate risk is the risk that the value of the Company will be impacted by fluctuations in the prevailing levels of market interest rates. The majority of the Company's financial assets and liabilities are either non-interest bearing, or at a fixed interest rate and as a result, the Company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

ii) Digital asset price risk

Digital assets are an extremely volatile asset class. Digital asset price risk arises from the uncertainty about future prices of the digital assets, impacting both the fair value of the digital assets held by the Company and the fair value of the liabilities of the Company towards security holders.

To mitigate its exposure to changes in prices of digital assets, any exposure to changes in prices on the digital assets held is matched by the changes in value of the obligations to security holders.

iii) Currency risk

GBP is the functional currency of the Company. From time to time the Company may incur operational expenses which are billed in foreign currencies, such as USD and EUR. All expenses of the Company are settled by CSJL through the issuance of fees, the Company therefore has limited exposure to currency risk.

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

15 Risk management (continued)

a) Market risk (continued)

i) Interest rate risk (continued)

	Carrying amount as at 30 June 2026 £	Price change -50% £	Price change 100% £
Assets			
Bitcoin	900,109,936	450,054,965	1,800,219,872
Ethereum	188,347,521	94,173,761	376,695,042
Litecoin	4,661,185	2,330,593	9,322,370
XRP	94,910,678	47,455,339	189,821,356
Polkadot	2,449,566	1,224,783	4,899,132
Tezos	3,537,156	1,768,578	7,074,312
Cardano	7,307,595	3,653,798	14,615,190
Solana	154,916,920	77,458,460	309,833,840
Chainlink	6,985,168	3,492,584	13,970,336
Uniswap	2,129,228	1,064,614	4,258,456
Cosmos	1,142,059	571,030	2,284,118
Matic	2,068,457	1,034,229	4,136,914
Algorand	5,534,676	2,767,338	11,069,352
SEI	766,220	383,110	1,532,440
Toncoin	225,164	112,582	450,328
Binance Coin	626,048	313,024	1,252,096
Hyperliquid	15,122,198	7,561,099	30,244,396
Digital asset - COIN10	5,883,852	2,941,926	11,767,704
Digital asset - COINSMRT	1,096,836	548,418	2,193,672
Digital asset - CFTN	11,119,229	5,559,615	22,238,458
Digital asset receivables	21,105	10,553	42,210
Other assets	1,043,799	1,043,799	1,043,799
Total assets	1,410,004,596	705,524,198	2,818,965,393
Liabilities			
ETP liability	1,392,691,747	696,345,874	2,785,383,494
Digital assets payable	16,269,050	8,134,525	32,538,100
Other liabilities	1,043,799	1,043,799	1,043,799
Total liabilities	1,410,004,596	705,524,198	2,818,965,393
Net assets	-	-	-

The above analysis shows the impact of both a fifty percent decline and a one hundred percent increase in digital assets prices. A change in price does not impact the NAV due to hedging arrangements in place.

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

15 Risk management (continued)

b) Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. Digital asset activity has an inherent credit risk due to the nature of the industry, which is non-regulated, extremely volatile, has low barriers to entry and is vulnerable to bad actors.

Credit risk from balances with custodians, banks, brokers and financial institutions is managed, monitored and controlled by the finance department in accordance with the Company policy. It is the Company's policy to only enter into transactions with reputable counterparties, as determined through appropriate due diligence. The Company's primary banking relationship is with Barclays Bank PLC, which holds a credit rating of 'A' with Fitch Ratings.

In order for customers to purchase Digital Securities, Digital Assets are required to be deposited with the Company prior to the issuance of the Digital Securities. The risk of losing Digital Assets in digital wallets due to fraud is reduced through digital assets being kept in cold storage with Komainu, who provide a cold storage vault. The Company does not expect to incur material credit losses in respect of digital assets.

Credit risk arising from the ETP creation process is mitigated by the fact that Digital Securities are issued to counterparties only after the underlying Digital Assets have been received. Management Fees and Staking Rewards recognised by the Programme Manager and Staking Agent respectively are deducted from amounts held in relation to the ETPs, therefore not relying on counterparties.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities, in particular towards security holders. Digital assets and ETP liabilities are not financial instruments however there is an active market and they are readily realisable on demand.

Liquidity issues could arise as a result of the redemption of securities. In this case, the Company would be required to have sufficient liquidity to finance the redemption of the securities. The prospectus and final terms for each security define the formula at which the securities can be redeemed based on a coin entitlement. Securities holders can request redemption of their securities which will be settled two business days following a valid redemption notice. The Company ensures that it holds the relevant digital asset at all times to be able to meet these redemptions. The Directors believe that the risk is adequately mitigated and therefore no sensitivity analysis is required.

Liquidity risk associated with the payment of suppliers is mitigated through the arrangement whereby expenses of the Company are settled by CSJL through the issuance of fees as agreed in the Service Level Agreement dated 21 May 2021.

d) Capital risk management

The capital of the Company is nil. The Company's objective is to undertake the issuance and redemptions of Digital Securities and performing the associated obligations for the Group, in the interest of benefitting the shareholders of the ultimate parent company. This is achieved through frequent evaluation of the Company's products to ensure they meet investor demands.

e) Operational risk

These are risks relating to losses as a result of operational matters such as having inappropriate or insufficient routines, human error, systems failures and legal risks. The main operational risk for the Company would be the inability to redeem a security through either systems failures or continuity planning issues. The risk is mitigated through the use of a business continuity plan which has been tested, and demonstrated that the traders can perform their work from anywhere.

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

15 Risk management (continued)

e) Operational risk (continued)

The risk of hacking, and losing Bitcoin/Ethereum and other digital assets in digital wallets due to fraud is reduced through the majority of the digital assets being kept in cold storage with Komainu and Zodia, who provide access to a cold storage vault. Komainu has a SOC 1 Type 2 report, the latest covering the period from 1 December 2024 to 30 November 2025. Zodia has a SOC 1 Type 1 report and a SOC 1 Type 2 report for the period 1 January 2025 to 30 September 2025. Both Komainu and Zodia are also ISO27001 certified.

The cyber risks are mitigated through the use of systems to prevent external attacks (such as, but not limited to, firewalls, detection of possible phishing emails, encryption using secure keys and strong physical security). Komainu, as custodian, are subject to periodic reviews. The risk of theft of the Company's custodied coins is considered minimal owing to the strong control framework built around the storage and transfer of Digital Assets.

16 Related party transactions

The Group consists of the Company and the following entities held by the ultimate parent company, CS PLC:

Name	Defined as	Investee Relationship	CSIL's Ownership %	Jurisdiction	Date of Acquisition
CoinShares XBT Provider AB (publ)	XBTP	Subsidiary	100%	Sweden	25/09/2017
CoinShares Corporate Services (Jersey) Limited	CSCSJL	Subsidiary	100%	Jersey	25/06/2018
CoinShares Co	CSCo	Subsidiary	100%	USA	01/07/2018
CoinShares Employment Services (Jersey) Limited	CSESJL	Subsidiary	100%	Jersey	09/08/2018
CoinShares (Jersey) Limited	CSJL	Subsidiary	100%	Jersey	26/09/2018
CoinShares Capital Markets (Jersey) Limited	CSCMJL	Subsidiary	100%	Jersey	30/06/2019
CoinShares Capital Markets (UK) Limited	CSCMUKL	Subsidiary	100%	UK	30/06/2019
CoinShares Capital, LLC	CS Cap	Subsidiary	100%	USA	18/09/2019
CoinShares GP I LLC	CSGPI	Subsidiary	100%	USA	20/03/2020
FlowB Holding Switzerland SA	Flowbank	Associate	28%	Switzerland	02/10/2021
CoinShares France	CSF	Subsidiary	100%	France	17/12/2021
CoinShares Asset Management	CSAM	Subsidiary	100%	France	17/12/2021
CoinShares Bastion Market Neutral BTC Master Fund Limited	BNM BTC MF	Subsidiary	100%	Jersey	27/02/2023
CoinShares Bastion Market Neutral BTC Feeder Fund Limited	BNM BTC FF	Subsidiary	100%	Jersey	27/02/2023
CoinShares International Limited	CSIL	Subsidiary	100%	Jersey	31/03/2026

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

16 Related party transactions (continued)

Name	Defined as	Investee Relationship	CSIL's Ownership %	Jurisdiction	Date of Acquisition
CoinShares Bastion Market Neutral USD Master Fund Limited	BNM USD MF	Subsidiary	100%	Jersey	06/04/2023
CoinShares Bastion Market Neutral USD Feeder Fund Limited	BNM USD FF	Subsidiary	100%	Jersey	06/04/2023
CoinShares Switzerland AG	CSSAG	Subsidiary	100%	Switzerland	24/05/2023
CoinShares Bastion Market Neutral (US) Feeder Fund, LP	BUS Feeder	Subsidiary	100%	USA	05/06/2023
CoinShares Relative Value Opportunities US Feeder Fund, LP	RVO US Feeder	Subsidiary	100%	USA	27/07/2023
CoinShares Bastion Market Neutral BTC GP Limited	BNM BTC GP	Subsidiary	100%	Jersey	29/11/2023
CoinShares Bastion Market Neutral USD GP Limited	BNM USD GP	Subsidiary	100%	Jersey	29/11/2023
Valkyrie Funds LLC	VF LLC	Subsidiary	100%	USA	12/03/2024
Circa5000 ICAV	Circa5000	Subsidiary	100%	UK	03/12/2024

After the end of the financial year, a reorganization of the group structure was carried out. A new parent company, CoinShares Plc, registration number 161481, with its registered office on Jersey, was established and is the ultimate parent company of the group as of 31 March 2026.

CSIL is the Company's ultimate parent company. CSIL has settled costs of £200,717 (period ended 30 June 2025: £65,015, year ended 31 December 2025: £144,131), and at period end, there is an outstanding payable of £345,727 (31 December 2025: £141,227).

CSJL is the programme manager for the programme and is also a subsidiary of CSIL. CSJL pays for the costs of the Company through a fee. CSJL has settled expenditure directly of £21,794 (period ended 30 June 2025: £12,609, year ended 31 December 2025: £32,137) and has been charged fees of £1,736,338 (period ended 30 June 2025: £2,126,628, year ended 31 December 2025: £4,592,298). As at the period end, the Company has an outstanding receivable of £802,137 (31 December 2025: £620,149). The Company also holds the management fee in digital assets on behalf of CSJL before it gets paid. At the period end, the Company holds digital assets as payables to CSJL as detailed in note 13.

CSCMJL is the provider and staking agent for the programme and earns staking rewards through staked products. CSCMJL is also a subsidiary of CSIL. CSCMJL has seeded digital assets to the Company as detailed in the following tables. The Company also holds the staking rewards in digital assets on behalf of CSCMJL before it gets paid. At the period end, the Company also has receivables and payables with CSCMJL as detailed in notes 9 and 13.

CoinShares Digital Securities Limited

Notes to the Interim Financial Statements (continued)

For the period ended 30 June 2026

16 Related party transactions (continued)

	30 June 2026	30 June 2026	30 June 2026
	Digital assets	Securities issued	£
Seeded by CSCMJL			
Bitcoin	5,294	5,500,000	233,415,779
Ethereum	34,401	1,135,000	40,594,734
			274,010,513
	31 December 2025	31 December 2025	31 December 2025
	Digital assets	Securities issued	£
Seeded by CSCMJL			
Bitcoin	5,500	5,500,000	359,741,100
Ethereum	35,154	1,135,000	77,817,832
			437,558,931

Komainu Holdings Limited is an investment of CSIL, and is the parent company to Komainu (Jersey) Limited ('KJL'). KJL provides custody services to the Company. During the period, KJL charged custody fees of £699,674 (period ended 30 June 2025: £1,370,005, year ended 31 December 2025: £2,891,477), of which £26,776 (31 December 2025: £nil) remains outstanding at the period end.

During the period, Directors charged fees of £7,500 (period ended 30 June 2025: £7,500, year ended 31 December 2025: £15,000), of which £nil (31 December 2025: £nil) remains outstanding at the period end.

17 Events after the reporting date

On 17 August 2026 the Company announced a reduction in the Staking Rewards on the CoinShares Tezos Staking ETP from 8% to 7%.

On 17 August 2026 the Company announced a reduction in the Staking Rewards on the CoinShares Polkadot Staking ETP from 2.5% to 1%.

18 Ultimate controlling party

The Company's parent company is CSIL, a company incorporated in Jersey, Channel Islands at 2nd Floor, 2 Hill Street, St Helier, Jersey, JE2 4UA. CSIL's parent company, CoinShares Plc, registration number 161481, with its registered office on Jersey, was established and is the ultimate parent company of the group as of 31 March 2026.

Audited annual financial statements for the ultimate controlling party are available at the Company's website:

www.coinshares.com/investor-relations