



## WisdomTree Issuer X Limited

**Registered No: 129881**

**Annual Report and Financial Statements for the  
year ended on 31 December 2024**

## WisdomTree Issuer X Limited

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## WisdomTree Issuer X Limited

### Management and Administration

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#### Directors

Bryan Governey  
Hilary Jones  
Peter Ziemba  
Alan Baird  
Benjamin Durbano (appointed 22 August 2024 as alternate to Alan Baird)

#### Registered Office

28 Esplanade  
St Helier  
Jersey, JE2 3QA

#### Manager

WisdomTree Management Jersey Limited  
IFC 5  
St Helier  
Jersey, JE1 1ST

#### Custodians

Swissquote Bank Ltd  
Chemin de la Crétaux 33  
CH-1196 Gland  
Switzerland

Coinbase Custody Trust Company, LLC  
348 3<sup>rd</sup> St  
434 Oakland  
CA 9460  
United States of America

#### Auditor

Ernst & Young LLP  
Royal Chambers  
St Julian's Avenue  
St Peter Port  
Guernsey  
GY1 4AF

#### Administrator

JTC Fund Solutions (Jersey)  
Limited  
28 Esplanade  
St Helier  
Jersey, JE4 2QP

#### Registrar

Computershare Investor Services  
(Jersey) Limited  
13 Castle Street  
St Helier  
Jersey JE1 1EY  
Channel Islands

#### Trustee

The Law Debenture Trust  
Corporation plc  
8th Floor  
100 Bishopsgate  
London, EC2N 4AG  
United Kingdom

#### Company Secretary

JTC Fund Solutions (Jersey)  
Limited  
28 Esplanade  
St Helier  
Jersey, JE4 2QP

#### Jersey Legal Advisers

Mourant Ozannes (Jersey) LLP  
22 Grenville Street  
St Helier  
Jersey, JE4 8PX

**WisdomTree Issuer X Limited****Directors' Report**

The directors of WisdomTree Issuer X Limited ("Issuer X" or the "Company"), submit herewith the annual report and audited financial statements of the Company for the year end 31 December 2024. The comparative period is for the year ended 31 December 2023.

**Directors**

The names and particulars of the directors of the Company during the year and up to date of this financial statement are:

Bryan Governey  
 Hilary Jones  
 Peter Ziemba  
 Alan George Baird  
 Benjamin Durbano (appointed 22 August 2024 as alternate to Alan Baird)

**Directors' Interests**

No director has an interest in the Shares of the Company or Digital Security as at the date of this report.

**Principal Activities**

The Company's principal activity is the issue and listing of securities ("Digital Securities") that track the performance of digital currencies.

The Company provides exposure to Single Digital Asset backed products such as:

- WisdomTree Physical Bitcoin
- WisdomTree Physical Ethereum
- WisdomTree Physical Polkadot
- WisdomTree Physical Cardano
- WisdomTree Physical Solana
- WisdomTree Physical XRP

The Company also offers exposure to a combination of Digital Assets through the following Digital Securities (collectively referred to as the "Baskets"):

<b>Baskets</b>	<b>WisdomTree Physical Mega Cap Equal Weight</b>	<b>WisdomTree Physical Crypto Markets</b>	<b>WisdomTree Physical Crypto Altcoins</b>
Bitcoin	x	x	
Ethereum	x	x	
Bitcoin Cash		x	x
Litecoin		x	x
Solana		x	x
Cardano		x	x
Polkadot		x	x
Avalanche		x	x
Chainlink*		x	x
Ripple*		x	x

\*Chainlink and Ripple added into the portfolio on 17 May 2024 and 18 November 2024 respectively.

Cosmos and Polygon Matic held during the period and rebalanced out on 17 May 2024 and 18 November 2024 respectively.

**WisdomTree Issuer X Limited****Directors' Report (Continued)****Principal Activities (continued)**

The Baskets are subject to rebalancing due to their composition. Digital Securities can be issued to or redeemed by Authorised Participants (the "AP"). An eligible AP is a securities house or other market professional approved by the Company and with which the Company has entered into an Authorised Participant Agreement with, at its absolute discretion. The Company launched Staking of WisdomTree Physical Solana As of 3 May 2022 and WisdomTree Physical Ethereum as of 21 August 2023 through Coinbase Custody Trust Company, LLC ("Coinbase Custody").

Digital Securities allow investors to gain exposure to digital currencies without needing to take delivery of those digital currencies. It also allows investors to buy and sell their interest through the trading of a security on the SIX Swiss, Euronext Paris, Euronext Amsterdam and Xetra Stock Exchanges and any other exchange to which that security may be admitted to trading from time to time. A Digital Security is an undated secured limited recourse debt obligation of the Company, constituted by a trust instrument. Under the terms of this trust instrument, the Digital Securities are secured on an amount of digital currency or combination of digital currencies equivalent to the entitlement to that digital currency (the "Digital Asset") in respect of each Digital Security (referred to as the "Entitlement"), which is calculated in accordance with an agreed formula published in the Prospectus. The Digital Assets are held in custody by designated custodians or their sub-custodians and are the subject of fixed and floating charges in favour of the Trustee. A holder of a Digital Security may facilitate the redemption of that Digital Security through an Authorised Participant and in certain circumstances may be compulsorily redeemed by the Company or in the event where there is no Authorised Participant in the market, directly by the holder of the Digital Security. The amount of Digital Assets equal to the Entitlement on the date of redemption (and subject to applicable order fees).

The Company earns a management fee by reducing the Entitlement of each class of Digital Security on a daily basis by an agreed amount (the "Management Fee"). The Management Fee is calculated with reference to, and settled in the form of digital currency.

The Company has entered into a service agreement with WisdomTree Management Jersey Limited ("ManJer" or the "Manager"), whereby ManJer is responsible for supplying or procuring the supply of all management and administration services required by the Company, (including marketing) as well as the payment of costs relating to the listing and issue of Digital Securities. In return for these services, the Company has an obligation to remunerate ManJer with an amount equal to the aggregate of the Management Fees, order fees and 25% of staking income (the "ManJer Fee"). The Digital Assets in respect of the Management Fee are transferred by the Trustee from the Company's Custodian accounts directly to ManJer. In addition, the monetary amounts in respect of the order fees are transferred from the subscribing investor directly to ManJer and there are no cash flows through the Company.

**Review of Operations**

The most recent Prospectus was issued on 7 February 2025. The table below provides the respective launch dates for each class of digital security offered by the Company together with the listing date per exchange.

<b>WT Securities Programme</b>	<b>Launch date</b>	<b>Six Listing</b>	<b>Euronext Paris Listing</b>	<b>Euronext Amsterdam Listing</b>	<b>Xetra Listing</b>	<b>London Stock Exchange</b>
WisdomTree Physical Bitcoin	28/11/2019	03/12/2019	01/06/2021	01/06/2021	14/04/2021	28/05/2024
WisdomTree Physical Ethereum	27/04/2021	29/04/2021	01/06/2021	03/06/2021	29/04/2021	28/05/2024
WisdomTree Physical Solana	21/03/2022	29/03/2022	31/03/2022	31/03/2022	29/03/2022	-
WisdomTree Physical Cardano	21/03/2022	29/03/2022	31/03/2022	31/03/2022	29/03/2022	-
WisdomTree Physical Polkadot	21/03/2022	29/03/2022	31/03/2022	31/03/2022	29/03/2022	-
WisdomTree Physical XRP	18/11/2024	21/11/2024	21/11/2024	21/11/2024	21/11/2024	-

## WisdomTree Issuer X Limited

### Directors' Report (Continued)



#### Review of Operations (continued)

WT Securities Programme	Launch date	Six Listing	Euronext Paris Listing	Euronext Amsterdam Listing	Xetra Listing	London Stock Exchange
WisdomTree Physical Crypto Market	18/11/2021	29/11/2021	29/11/2021	14/02/2022	29/11/2021	-
WisdomTree Physical Crypto Altcoins	22/11/2021	29/11/2021	14/02/2022	14/02/2022	29/11/2021	-
WisdomTree Physical Mega Cap Equal Weight	24/11/2021	29/11/2021	02/12/2021	02/12/2021	29/11/2021	-

As at 31 December 2024, the amount of Digital Assets under management amounted to USD 1,541.1 million (31 December 2023: USD 410.2 million). The Company recognises its assets (Digital Assets) at revalued amounts and financial liabilities (Digital Securities) at fair valued amounts in the Statement of Financial Position.

The Company holds Digital Assets to support the Digital Securities as determined by the Entitlement. The Company has entered into contractual obligations to issue and redeem Digital Securities in exchange for Digital Assets as determined by the Entitlement of each class of Digital Security on each trading day. The value of the Digital Assets in respect of each creation and redemption is recorded using the price on the transaction date. The fair value of digital assets under management as at 31 December amounted to:

Digital Assets	Holdings 2024	USD 2024	Holdings 2023	USD 2023
Bitcoin	10,931	1,034,989,219	7,272	309,950,482
Ethereum - Unstaked	30,315	103,153,569	19,595	45,127,548
Ethereum - Staked	22,688	77,201,365	4,640	10,686,198
Bitcoin Cash	2,794	1,254,248	1,606	423,714
Litecoin	13,569	1,413,354	6,548	485,424
Solana - Unstaked	139,101	27,576,733	105,966	10,944,154
Solana - Staked	249,058	49,375,785	258,108	26,657,407
Cardano	11,338,281	9,818,951	6,496,868	3,913,063
Polkadot	527,057	3,587,679	90,901	775,295
Avalanche	38,489	1,407,915	10,976	436,192
Polygon Matic	-	-	572,017	578,652
Cosmos	-	-	21,095	230,732
Chainlink	92,344	1,902,112	-	-
Ripple	108,440,596	229,384,393	-	-
		<b>1,541,065,323</b>		<b>410,208,861</b>

IFRS 13 requires the Company to identify the principal market for its assets and liabilities, and to utilise the available price within that principal market.

The directors consider the exchanges where the Digital Assets may be traded to constitute markets, and the principal market is an exchange where:

- The Company is not restricted from establishing a trading relationship with the exchange;
- The exchange publishes independent prices; and
- The exchange meets a number of the Company's pre-set eligibility criteria (including reliability of published data, and the greatest trading volumes, particularly in exchanging the underlying Digital Assets for US Dollars, being the functional currency for financial reporting purposes).

In terms of IFRS 13, paragraph 17, the market in which the entity would normally enter into a transaction to sell the asset or to transfer the liability is presumed to be the principal market. During the period the company executed all trades in relation to portfolio rebalancing through Coinbase and it is therefore regarded as its principal market.

**WisdomTree Issuer X Limited****Directors' Report (Continued)****Review of Operations (continued)**

As a result, the Digital Assets are revalued at fair value using the exchange price for that digital asset, published by an exchange meeting those requirements (the "Quoted Price"). During the period (and subsequently to the date of this report) the exchange considered by the directors to meet these requirements is Coinbase, Inc. ("Coinbase"). A gain on Digital Assets is recognised in Other Comprehensive Income however, a gain shall be recognised in Profit or Loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in Profit or Loss and an overall loss on Digital Assets is recognised in Profit or Loss (refer to note 2).

In addition, the directors consider the stock exchanges where the Digital Securities are listed to be the principal market and as a result the fair value of the Digital Securities is the on-exchange price as quoted on those stock exchanges demonstrating the greatest volume of active trading. The gain or loss on Digital Securities is recognised through Profit or Loss in line with the Company's accounting policy.

The revalued amounts resulted in a Loss for the period of USD 572,688,764 (2023: loss of USD 123,048,834), and Other Comprehensive Income for the period of USD 609,066,114 (2023: income of USD 117,745,301).

As a result of the difference in valuation between Digital Assets and Digital Securities there is a mis-match between the values recognised (through the application of the Quoted Price against the Digital Assets held to support the Digital Securities) and the market price of Digital Securities.

Digital Assets were revalued as at 31 December 2024 and Digital Securities are at fair valued amounts as at 30 December 2024, being the last trading day of the year. Furthermore, due to a difference in accounting requirements applied to the gains or losses on the Digital Assets and Digital Securities the results and comprehensive income of the Company will reflect a difference. This is presented in more detail in note 15 to these financial statements.

The Company is entitled to a Management Fee which is calculated by reducing the Entitlement of each class of Digital Security on a daily basis. The Management fees charged for the financial year for WisdomTree Physical Bitcoin and WisdomTree Physical Ethereum was 0.35% per annum, WisdomTree Physical Cardano, WisdomTree Physical Polkadot, WisdomTree Physical Solana and WisdomTree Physical XRP was 0.50% per annum, WisdomTree Physical Mega Cap was 0.40% per annum and for WisdomTree Physical Crypto Markets and WisdomTree Physical Crypto Altcoins was 0.70% per annum.

During the current and prior period, the Company did not charge any order fees and generated income from Management Fees and Staking Income from Solana and Ethereum as follows:

	<b>Year Ended 31 December 2024 USD</b>	<b>Year Ended 31 December 2023 USD</b>
Management Fees	3,231,034	2,482,596
Staking Income	3,661,012	257,339
Total Fee Income	<u>6,892,046</u>	<u>2,739,935</u>

**Non-GAAP Performance Measures**

Under the terms of the service agreement with ManJer, the Company accrued expenses equal to the Management Fee, order fees and staking income which, after taking into account other investment income and expenses, resulted in a result before fair value movements for the period of USD Nil. (2023: USD Nil)

As the difference in the valuation of Digital Assets (held to support the Digital Securities) and Digital Securities would be eliminated on a subsequent redemption of the Digital Securities and transfer of the corresponding Digital Asset (as described further in note 8), the Company presents an adjusted Statement of Profit or Loss and Total Comprehensive Income and an adjusted Statement of Changes in Equity for the period in note 15 of the financial statements.



***Review of Operations (continued)******Geopolitical conflicts***

The Board continues to monitor and assess the impact of ongoing geopolitical conflicts on the Company's portfolio operations and valuation and will take any further actions needed or as required under the terms of the Prospectus, as facts and circumstances are subject to change and may be specific to investment strategies, and jurisdictions. Whilst it is not currently possible to predict future market conditions and therefore determine if any further action may be required on any other classes of Digital Securities, the action that may be required includes, but is not limited to, temporarily not accepting applications for Digital Securities, temporarily suspending Digital Securities from trading on Stock Exchanges or a compulsory redemption of Digital Securities. The Company has not initiated any of these further actions to date. Any such action will be undertaken in accordance with the constitutive documents of the Digital Securities.

***Going Concern***

The nature of the Company's business dictates that the outstanding Digital Securities may be redeemed at any time by the holder through an Authorised Participant and in certain circumstances may be compulsorily redeemed by the Company or in the event where there is no Authorised Participant in the market, directly by the holder of the Digital Security. As the redemption of Digital Securities will coincide with the transfer of an equal amount of Digital Assets, and furthermore, the Company will hold the Digital Assets received to support the Digital Securities issued and will only transfer out Digital Assets to facilitate the payment of Management Fees, rebalancing the Baskets or the redemption of Digital Securities, this process is considered to minimise exposure to liquidity risk. Staking Expenses are met by the Company, out of the staking income. All other expenses are met by ManJer. The directors are closely monitoring the financial position and performance of ManJer, its assets under management, and therefore its related revenue streams, in respect of fulfilling the obligations under the service agreement. The directors consider the operations of the Company to be ongoing, with a reasonable expectation that the Company has adequate resources to continue in operation existence until at least 30 April 2026 (being the period of assessment), and accordingly these financial statements have been prepared on the going concern basis.

***Future Developments***

The Digital Securities are admitted for listing on the SIX Swiss Exchange, Euronext Paris and Amsterdam Exchange, Xetra Exchange and London Stock Exchange (refer to page 3) and the directors are actively seeking to list the Digital Securities on other exchanges in the European Union.

The Board are not aware of any other developments that might have a significant effect on the operations of the Company in subsequent financial periods not already disclosed in this report or the attached financial statements. Refer to Note 14 for changes in Management fee rates in subsequent periods.

***Dividends***

Due to the design of the Digital securities, the Company will never have sufficient distributable reserves to enable any declaration or payment of a dividend.

***Employees***

The Company does not have any employees. It is the Company's policy to use the services of specialist subcontractors or consultants as far as possible.

***Directors' Remuneration***

No director has a service contract with the Company. The directors of the Company who are employees within the WisdomTree, Inc. group, the ultimate parent to ManJer, do not receive separate remuneration in their capacity as directors of the Company. JTC Fund Solutions (Jersey) Limited ("JTC") received a fee in respect of the directors of the Company who are employees of JTC.



**WisdomTree Issuer X Limited****Directors' Report (Continued)****Review of Operations (continued)****Directors' Remuneration (continued)**

The following director's fees have been paid by ManJer on behalf of the Company for the year:

	<b>Year Ended 31 December 2024 GBP</b>	<b>Year Ended 31 December 2023 GBP</b>
Bryan Governey	Nil	Nil
Hilary Jones*	11,178	11,040
Alan Baird*	11,178	11,040
Peter Ziemba	Nil	Nil
Benjamin Durbano*	Nil	Nil

\*Directors fees paid to JTC Fund Solutions (Jersey) Limited for the provision of directors to the Company from the date of their appointment.

Benjamin Durbano was appointed on the 22 August 2024 as alternate to Alan Baird.

There were no amounts of loans, advanced payments and guarantees granted to or on behalf of any Director of the Company.

**Auditor**

The Independent Auditor is Ernst & Young LLP. A resolution to re-appoint Ernst & Young LLP on behalf of the sole shareholder, will be proposed at the next Board meeting of the directors.

The statutory audit fees for the year ended 31 December 2024 was GBP 175,000 (31 December 2023: GBP 107,067) and is borne by ManJer.

**Principal risks and uncertainties**

There is an inherent risk from the point of view of investors as the values 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 market price of Digital Securities is (and will remain) 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.

Each Digital Security is a debt instrument whose redemption price is linked to the value of the relevant underlying digital asset or as in the Baskets, a combination of digital assets. Each Digital Security is issued under limited recourse arrangements whereby the holders have recourse only to the relevant Digital Assets (Held to support the Digital Securities) and not to the Digital Assets of any other class of Digital Security or to the Company. The Company holds Digital Assets to support the Digital Securities.

As a result, gains or losses on the liability represented by the Digital Securities are offset by corresponding losses or gains attributable to the Digital Assets (see detail on page 3 regarding the accounting mis-match). However, the difference in valuation between Digital Assets (held to support the Digital Securities) and Digital Securities creates a mis-match between the values reported within these financial statements. The Company's exposure to risks, including further details surrounding the value of Digital Securities and the Digital Assets (held to support the Digital Securities), are disclosed in note 12 and note 15 to the financial statements.

Movements in the value of the Digital Assets (held to support the Digital Securities), and thus the value of the Digital Securities, may vary widely which could have an impact on the demand for the Digital Securities issued by the Company. These movements are shown in notes 7 and 8.

**WisdomTree Issuer X Limited****Directors' Report (Continued)****Review of Operations (continued)****Principal risks and uncertainties (continued)**

Furthermore, the Company has an obligation to remunerate ManJer with an amount equal to the management fee, the creation and redemption fees earned (the "ManJer Fee") and 25% of staking income earned, which results in the Company recognising a result before fair value movements of nil for each period. As a result, the principal risks and uncertainties to which the Company is exposed has not materially changed during 2024.

Additional information on other financial and operational risks and uncertainties faced by the Company are disclosed in note 12 of these financial statements.

The fair value of Digital Securities as at 31 December amounted to:

<b>Digital Security</b>	<b>In Issue 2024</b>	<b>USD 2024</b>	<b>In Issue 2023</b>	<b>USD 2023</b>
WisdomTree Physical Bitcoin	45,139,047	1,003,428,827	29,840,158	306,756,824
WisdomTree Physical Ethereum	5,114,228	168,525,729	2,336,328	54,284,581
WisdomTree Physical Cardano	612,500	6,450,314	333,000	2,546,493
WisdomTree Physical Polkadot	642,270	2,469,810	67,270	325,375
WisdomTree Physical Solana	2,510,800	63,506,493	2,679,000	36,567,254
WisdomTree Physical XRP	2,581,261	211,898,361	-	-
WisdomTree Physical Crypto Mega Cap Equal Weight	1,145,000	12,854,509	490,000	3,112,931
WisdomTree Physical Crypto Market	1,339,272	11,626,304	1,259,272	6,394,762
WisdomTree Physical Crypto Altcoins	5,794,281	28,357,796	1,654,281	4,650,811
		<b>1,509,118,143</b>		<b>414,639,031</b>

Further information on the contractual value of the Digital Securities on a daily basis can be found on the WisdomTree website (<https://www.wisdomtree.eu/en-gb/products>).

Movements in the value of the underlying Digital Assets (held to support the Digital Security), and thus the value of the Digital Securities, may vary widely which could have an impact on the demand for the Digital Securities issued by the company. These movements are shown in note 7 and 8.

The movement in the prices of the Digital Assets, as at 31 December are:

<b>Digital Assets</b>	<b>USD 2024</b>	<b>USD 2023</b>	<b>% Movement</b>
Bitcoin	94,684.58	42,622.28	122%
Ethereum	3,402.74	2,303.06	48%
Bitcoin Cash	448.90	263.85	70%
Litecoin	104.16	74.13	41%
Solana	198.25	103.28	92%
Cardano	0.87	0.60	45%
Polkadot	6.81	8.53	-20%
Avalanche	36.58	39.74	-8%
Polygon Matic	0.47	1.01	-54%
Cosmos	6.43	10.94	-41%
Chainlink	20.6	-	-
Polygon	0.47	-	-
Ripple	2.12	-	-

**Corporate Governance**

There is no standard code of corporate governance in Jersey. The operations, as previously described in the directors' report, are such that the directors have determined that the Company is not required to apply, and has elected not to voluntarily apply, the Dutch Corporate Governance Code.

***Review of Operations (continued)******Corporate Governance (continued)***

As the Board is small, there is no nomination committee and appointments of new directors are considered by the Board as a whole. The Board does not consider it appropriate that directors should be appointed for a specific term. Furthermore, the structure of the Board is such that it is considered unnecessary to identify a senior non-executive director.

The constitution of the Board is disclosed on page 2. 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.

***Internal Control***

During the period the Company did not have any employees or subsidiaries, and there is no intention that this will change. 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 agreements and performing the obligations and exercising its rights in relation thereto, since its incorporation. The Company does not intend to undertake any business other than issuing and redeeming Digital Securities and performing the obligations and exercising its rights in relation thereto.

The Company is dependent upon ManJer to provide management and administration services to it. ManJer is licensed under the Financial Services (Jersey) Law 1998 to conduct classes U and Z of Fund Services Business. ManJer outsources the administration services in respect of the Company to JTC Fund Solutions (Jersey) Limited. Documented contractual arrangements are in place with the Administrator that defines the areas where the authority is delegated to them. The performance of the Manager and Administrator are reviewed on an ongoing basis by the Board through their review of periodic reports.

ManJer provides management and other services to both the Company and other companies issuing commodity and index tracking securities.

The Board having reviewed the effectiveness of the internal control systems of the Manager and Administrator and does not consider that there is a need for the Company to establish its own internal audit function.

***Audit Committee***

The Board has not established a separate audit committee; instead, the Board meets to consider the financial reporting by the Company, the internal controls, and relations with the external auditors. In addition, the Board reviews the independence and objectivity of the auditor.

***Corporate Social Responsibility***

Sustainability and corporate responsibility are embedded throughout the business of the WisdomTree group, as we believe this benefits shareholders and employees of the WisdomTree group, investors in WisdomTree's products as well as wider society.

Environmental, Social and Governance ("ESG") investing is guided at the WisdomTree group level by an ESG Steering Committee, which includes senior leaders from across the WisdomTree group business, and which includes several sub-committees focused on particular ESG considerations, such as improving data and transparency into the ESG attributes of WisdomTree's products. Particular ESG considerations relevant to the Company's products are overseen by the directors, leveraging the work undertaken by the ESG Steering Committee. More information on WisdomTree's corporate social responsibility strategy can be found on the WisdomTree group website (<https://www.wisdomtree.eu/en-gb/wisdomtree-corporate-responsibility>).

The Board acknowledges 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.

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***Review of Operations (continued)******Corporate Social Responsibility (continued)***

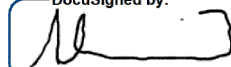
In acknowledging the above, the Board has considered the Company's exposure to climate change and determined that due to the nature of the Company and its operations there are no directly observed impacts of climate change on the business. As a result, the Board concluded that there is no basis on which 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.

In the above determination, the Board has 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 financial statements as at 31 December 2024.

This conclusion is based on the fact that assets are reported at fair value under IFRS, and as set out in note 12 are categorised as level 1 due to the use of observable, verifiable inputs which is based on market transactions of identical assets through third party pricing sources. The liabilities are valued utilising 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.

The Board has 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 financial statements as at 31 December 2024.

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**Alan Baird**  
Director  
Jersey  
28 April 2025

**WisdomTree Issuer X Limited****Statement of Directors' Responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law, they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.


The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Under the Directive 2004/109/EC, amended by Directive 2013/50/EU (collectively the Transparency Directive), and having regard to the Dutch Financial Supervision Act and Book 2 of the Dutch Civil Code, the directors confirm that to the best of their knowledge that:

- the financial statements for the year ended 31 December 2024 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by law and in accordance with IFRS as issued by the IASB; and
- the Directors' Report gives a fair view of the development and performance of the Company's business, including financial position and the important events that have occurred during the year, and their impact on these financial statements, together with a description of the principal risks and uncertainties they face.

By order of the Board

DocuSigned by:  
  
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**Alan Baird**  
Director  
Jersey  
28 April 2025

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED**

### **Opinion**

We have audited the financial statements of WisdomTree Issuer X Limited (the "company") for the year ended 31 December 2024 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity, and the related notes 1 to 15, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

In our opinion, the financial statements:

- ▶ give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the period then ended;
- ▶ have been properly prepared in accordance with IFRS;
- ▶ have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the UK FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- ▶ We obtained an understanding of management's rationale for using the going concern basis of accounting and confirmed our understanding of management's Going Concern assessment process including the process they adopted to capture all key factors in their assessment;
- ▶ We obtained management's board approved going concern assessment covering the period of assessment from the date of signing to 30 April 2026. Management's assessment has focused on a combination of;
  - ▶ Assessing the ongoing viability of the company through continued involvement of its Custodians and Authorised Participants;
  - ▶ Assessing the ongoing ability of WisdomTree Management Jersey Limited ("ManJer") to continue to meet its obligations as manager and pay all expenses of the Company. This includes consideration of the assets under management of all managed issuer entities ("Issuer Platform") which includes this Company. In assessing this ability, we considered the fixed and variable operating costs that could be supported under varying levels of total assets under management for the Issuer Platform.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**

- ▶ Using our understanding of the business, we evaluated whether the considerations and method adopted by management in assessing going concern was appropriate.
- ▶ We performed reverse stress testing on the forecasts to understand how severe the downside scenarios would have to be, and in particular the reduction in platform assets under management, to result in the platform generating insufficient management fees to cover operating costs. We observed significant headroom in management fee income, at current Assets Under Management ("AUM") levels, in excess of fixed and AUM based costs which supports management's assumption that the Issuer Platform is able to absorb heightened levels of volatility in AUM.
- ▶ We considered whether management's disclosures, in the Annual Report and financial statements, sufficiently and appropriately discloses information required in respect of the going concern assumption applied through consideration of relevant disclosure standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to 30 April 2026.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

### **Overview of our audit approach**

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Key audit matters	▶ Valuation of Digital Assets
	▶ Valuation of Digital Securities
	▶ Existence of Crypto and Digital Key

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Materiality	▶ Overall materiality of US\$15.4m which represents 1% of total assets.
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### **An overview of the scope of our audit**

#### **Tailoring the scope**

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the company and effectiveness of controls, changes in the business environment and the potential impact of climate change when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

#### **Changes from the prior year**

We assessed management's classification of staked digital assets in prior year when staking was first undertaken by the company and therefore this has been removed as a key audit matter in the current year. Staking income earned from staked assets also falls below our performance materiality.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**

**Climate change**

There has been increasing interest from stakeholders as to how climate change will impact companies. The Company has determined that there are no directly observed impacts of climate on the business due to the nature of the company and its operations. This is explained on page 9 in the corporate social responsibility section, which forms part of the "Other information," rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated.

Our audit effort in considering the impact of climate change was focused on evaluating management's assessment of the impact of climate risk, physical and transition, the adequacy of the company's disclosures in the financial statements as set out in note 2 and conclusion that there was no further impact of climate change to be taken into account as the material assets and liabilities are valued based on market pricing as required by IFRS.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Risk</b>	<b>Our response to the risk</b>	<b>Key observations communicated to the Board</b>
<p><b>Valuation of Digital Assets</b>  <b>2024 USD 1,541,065,323</b>  <b>(2023: USD 410,208,861)</b></p> <p><i>Refer to the Accounting policies (pages 28-30); and Note 7 of the Financial Statements (pages 34-36)</i></p> <p>Risk that Digital Asset values are misstated or that valuations are incorrectly calculated.</p> <p>Misstatements that occur in relation to this valuation risk would affect the Digital Assets account on the balance sheet and the net gain or loss on Digital Assets in comprehensive income.</p>	<p>Our response to the risk comprised:</p> <p>We identified fraud risks during the planning stages.</p> <p>We inquired of management about risks of fraud and the controls put in place to address those risks.</p> <p>We understood the oversight given by those charged with governance of management's processes over fraud.</p> <p>We discussed with those charged with governance the risks of fraud in the entity, including those risks that are specific to the entity's business sector (those that may arise from economic industry and operating conditions).</p>	<p>There were no matters identified during our audit work on valuation of Digital Assets that we brought to the attention of the Board of Directors of the company.</p> <p>Based on our testing we are satisfied that the valuation of the Digital Assets is not materially misstated.</p>

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**

Risk	Our response to the risk	Key observations communicated to the Board
<p>The risk comprises the risk of errors in both the valuation methodology applied; and in the source and timing of valuation inputs utilised.</p> <p>The balance of Digital Assets represents in excess of 99% of the company's total assets as at 31 December 2024 (2023: 99%) and therefore any error in valuation approach could be significant.</p> <p>The risk has remained consistent with that observed in the prior year.</p>	<p>We considered the effectiveness of management's controls designed to address the risk of fraud.</p> <p>We performed mandatory procedures regardless of specifically identified fraud risks, including testing of journal entries and other adjustments in the preparation of the financial statements.</p> <p>We walked through the Company's systems and controls implemented in respect of Digital Asset valuation.</p> <p>We assessed the design of the company's systems and controls implemented in respect of Digital Asset valuation.</p> <p>In executing our strategy, we adopted a substantive audit approach.</p> <p>We understood the process applied by management in the computation of Digital Asset valuation, including the valuation methodology used and nature and source of key input data.</p> <p>We understood any restrictions on withdrawals from the digital wallet and their impact on valuation.</p> <p>We identified and validated key inputs and assumptions used to derive the value of the Digital Assets held including assessment of the principal market through volumes analysis.</p> <p>We recalculated the fair value of 100% of the Digital Assets held through agreement of prices to an external source and determined that the valuation methodology applied is consistent with the valuation requirements of IFRS.</p>	

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**

<b>Risk</b>	<b>Our response to the risk</b>	<b>Key observations communicated to the Board</b>
<p><b>Valuation of Digital Securities Issued</b>  <b>USD 1,509,118,143</b>  <b>(2023: USD 414,639,031 )</b></p> <p><i>Refer to the Accounting policies (page 31); and Note 8 of the Financial Statements (pages 36-38)</i></p> <p>Risk that values of securities in issue are misstated or that valuations are incorrectly captured, either as a result of an inappropriate pricing source being used or incorrect timing of price capture.</p> <p>The Digital Securities in issue comprise a range of financial instruments that provide holders of issued securities with exposure to movements in prices of digital assets.</p> <p>The risk comprises the risk of errors in both the valuation methodology applied; and in the source and timing of valuation inputs utilised.</p> <p>Misstatements that occur in relation to this valuation risk would affect the Digital Securities liability account on the balance sheet and the net gain or loss on Digital Securities in the income statement.</p> <p>The balance of Digital Securities represents in excess of 99% of the company's total liabilities as at 31 December 2024 (2023: 99%) and therefore any error in valuation approach could be significant.</p> <p>The risk has remained consistent with that observed in the prior year.</p>	<p>Our response to the risk comprised:</p> <p>We walked through the Company's systems, controls and processes implemented in respect of the valuation of Digital Securities.</p> <p>We assessed the design of the company's systems and controls implemented in respect of Digital Securities valuation.</p> <p>In executing our strategy, we adopted a substantive audit approach.</p> <p>We assessed the appropriateness of the valuation methodology applied, comprising the use of traded security prices to value the Digital Securities, against relevant IFRS requirements.</p> <p>We independently obtained security prices using external pricing sources at the balance sheet date.</p> <p>We recalculated the value of Digital Securities held at 31 December 2024, by multiplying the security price by the confirmed security balance in issue. This represented 100% of the total value of Digital Securities in issue.</p>	<p>We concluded that there were no matters identified during our audit work on valuation of Digital Securities issued that we wanted to bring to the attention of the Board of Directors of the company.</p> <p>Based on our testing we are satisfied that the valuation of Digital Securities is not materially misstated.</p>

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**

<b>Risk</b>	<b>Our response to the risk</b>	<b>Key observations communicated to the Board</b>
<p><b>Existence of Crypto and Digital Key USD 1,541,065,323</b> <b>(2023: USD 410,208,861)</b></p> <p><i>Refer to the Accounting policies (pages 28-30); and Note 7 of the Financial Statements (pages 34-36)</i></p> <p>Digital Assets are digital currencies held by the company.</p> <p>Due to the significance of the carrying value of these investments there is a risk of potential misappropriation of Digital Assets, which may result if the private key is compromised, or through potential loss or destruction of the private key resulting in an inability to access the Digital Assets.</p> <p>Misstatements that occur in relation to this existence risk would affect the Digital Assets on the balance sheet and the net gain or loss on Digital Assets in comprehensive income.</p> <p>The risk has remained consistent with that observed in the prior year.</p>	<p>Our response to the risk comprised:</p> <p>We walked through the Company's systems, controls and processes implemented in respect of existence of Crypto and digital key.</p> <p>We assessed the design of the company's systems and controls implemented in respect of existence of Crypto and digital key. .</p> <p>In executing our strategy, we adopted a substantive audit approach.</p> <p>We observed management perform a withdrawal after the period end to confirm continued access to the private keys for a sample of wallets exceeding 97% of Digital Assets.</p> <p>We obtained confirmation of holdings as at the balance sheet date from the custodian.</p> <p>We used blockchain analyser tool and a public data node to corroborate recorded transactions on the blockchain and the period end balance of all Digital Assets.</p>	<p>There were no matters identified during our audit work on existence of Crypto and digital key. that we brought to the attention of the Board of Directors of the company.</p> <p>Based on our testing we are satisfied that the Digital Assets reported in the financial statements are not materially misstated.</p>

**Our application of materiality**

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**

**Materiality**

*The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.*

We determined materiality for the company to be US\$15.42 million (2023: US\$4.10 million), which is 1% of total assets. We believe that Total Assets provides us with an appropriate basis for audit materiality as Total Asset value reflects the relevant exposure of holders of issued securities to the underlying Digital Asset base.

**Performance materiality**

*The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.*

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgement was that performance materiality was 50% (2023: 50%) of our planning materiality, namely US\$7.7m (2023: US\$2.1m). We have set performance materiality at this percentage in response to the value of errors identified and corrected in the prior year financial statement close process. We had set performance materiality at 50% of our planning materiality in the prior year based on our prior experience of not identifying errors or significant audit differences.

**Reporting threshold**

*An amount below which identified misstatements are considered as being clearly trivial.*

We agreed with the Board that we would report to them all uncorrected audit differences in excess of US\$0.8m (2023: US\$0.2m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

**Other information**

The other information comprises the information included in the annual report set out on pages 1 to 11, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- ▶ proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the financial statements are not in agreement with the company's accounting records and returns; or
- ▶ we have not received all the information and explanations we require for our audit.

**European Single Electronic Format (ESEF)**

The Company has prepared its annual report and financial statements in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report and financial statements prepared in XHTML format complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report and financial statements in accordance with the RTS on ESEF.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report and financial statements complies with the RTS on ESEF.

We performed our procedures having regard for Dutch Standard 3950N 'Assurance engagements relating to criteria for digital reporting'. Our procedures included amongst others:

- ▶ obtaining an understanding of the entity's financial reporting process, including the preparation of the annual report and financial statements in XHTML-format;
- ▶ Identifying and assessing the risks that the annual report and financial statements does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including obtaining the annual report and financial statements in XHTML format and performing validations to determine whether the annual report and financial statements complies with the RTS on ESEF.

**Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- ▶ We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework, comprising IFRS, the Companies (Jersey) Law 1991 and the listing rules of Euronext Amsterdam;
- ▶ We understood how WisdomTree Issuer X Limited is complying with those frameworks by making enquiries of the directors and key management of the administrative service provider. We corroborated our enquiries through our review of minutes of Board meetings, papers provided to the board and correspondence received from regulatory bodies. We considered assessments made by management in relation to compliance with the rules of Euronext Amsterdam;
- ▶ We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by understanding the investment objectives of the Company and discussing with management to understand where reporting was considered susceptible to fraud. Where this risk was considered to be higher, we performed audit procedures in response to the identified fraud risk. These procedures included testing of transactions to supporting documentation, testing of specific accounting journal entries and focussed testing, including that referred to in the key audit matters section above. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error;
- ▶ Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved a review of board minutes to identify any non-compliance with laws and regulations, a review of any associated reporting submitted to the board on compliance with laws and regulations and enquiries of members of management of the appointed administrative service provider;
- ▶ As the Company operates in the asset management industry the Audit Partner reviewed the experience of the engagement team and concluded that the team had the appropriate competence and capabilities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF WISDOMTREE ISSUER X LIMITED (continued)**


**Other matters we are required to address**

Following the recommendation from the audit committee, we were appointed by the company on 26 November 2019 to audit the financial statements. The first statutory period was for the period ending 31 December 2020. The period of total uninterrupted engagement including previous renewals and reappointments is 5 years, covering the statutory period and years ending 31 December 2020 to 31 December 2024 respectively.

- ▶ The non-audit services prohibited by the FRC's Ethical Standard were not provided to the company and we remain independent of the company in conducting the audit.
- ▶ The audit opinion is consistent with the additional report to those charged with governance.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:  
  
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Ove Toennes Svejstrup  
for and on behalf of Ernst & Young LLP  
Guernsey, Channel Islands  
Date: 28 April 2025

**WisdomTree Issuer X Limited****Statement of Profit or Loss and Other Comprehensive Income**

		<b>Year Ended 31 December 2024 USD</b>	<b>Year Ended 31 December 2023 USD</b>
	<b>Notes</b>		
<b>Profit or Loss</b>			
<b>Income</b>			
Management fee Income	3	3,231,034	2,482,596
Staking Income	3	3,661,012	257,339
<b>Expense</b>			
Management fee Expenses	3	(4,204,728)	(2,546,962)
Staking Expense	3	(2,687,318)	(192,973)
<b>Result Before Fair Value Movements</b>	3	<b>-</b>	<b>-</b>
Net Loss Arising on Fair Value of Digital Securities	8	(571,697,833)	(233,350,789)
Net Loss Arising on Fair Value of Management Fee Payable		(193,772)	(97,589)
Net (Loss) and Reversal of Loss Arising on Fair Value of Digital Assets	7	(797,159)	110,399,544
<b>Loss for the Year</b>		<b>(572,688,764)</b>	<b>(123,048,834)</b>
<b>Other Comprehensive Income</b>			
<b>Items that may not be Reclassified Subsequently to Profit or Loss:</b>			
Net Gain Arising on Fair Value of Digital Assets	7	608,872,342	117,647,712
Net Gain Arising on Fair Value of Digital Assets Held in Respect of Management Fees		193,772	97,589
<b>Other Comprehensive Income for the Year</b>		<b>609,066,114</b>	<b>117,745,301</b>
<b>Total Comprehensive Income/(Loss) for the Year<sup>1</sup></b>		<b>36,377,350</b>	<b>(5,303,533)</b>

The directors consider the Company's activities as continuing.

The notes on pages 26 to 51 form part of these annual financial statements

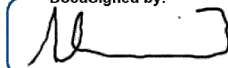
<sup>1</sup> A non-statutory and non-GAAP Statement of Profit or Loss and Total Comprehensive Loss reflecting adjustments representing the movement in the difference between the value of Digital Assets (held to support the Digital Securities) and the price of Digital Securities is set out in note 15.

**WisdomTree Issuer X Limited****Statement of Financial Position**

		<b>As at 31 December 2024 USD</b>	<b>As at 31 December 2023 USD</b>
	<b>Notes</b>		
<b>Assets</b>			
Digital Assets	7	1,541,065,323	410,208,861
Digital Assets Held in Respect of Management Fees	5	675,271	377,438
Trade and Other Receivables	6	2	2
<b>Total Assets</b>		<b>1,541,740,596</b>	<b>410,586,301</b>
<b>Liabilities</b>			
Digital Securities	8	1,509,118,143	414,639,031
Trade and Other Payables	9	675,271	377,438
<b>Total Liabilities</b>		<b>1,509,793,414</b>	<b>415,016,469</b>
<b>Equity</b>			
Stated Capital	10	2	2
Retained Losses		(596,418,636)	(117,673,540)
Revaluation Reserve		628,365,816	113,243,370
<b>Total Equity</b>		<b>31,947,182</b>	<b>(4,430,168)</b>
<b>Total Equity and Liabilities</b>		<b>1,541,740,596</b>	<b>410,586,301</b>

The assets and liabilities in the above Statement of Financial Position are presented in order of liquidity from most to least liquid.

The financial statements on pages 22 to 51 were approved and authorised for issue by the board of directors and signed on its behalf on 28 April 2025.

DocuSigned by:  
  
 CEAAD27A446A42F...  
**Alan Baird**  
 Director

The notes on pages 26 to 51 form part of these annual financial statements

**WisdomTree Issuer X Limited****Statement of Cash Flows**

		<b>Year Ended 31 December 2024 USD</b>	<b>Year Ended 31 December 2023 USD</b>
<b>Loss for the Year</b>		<b>(572,688,764)</b>	<b>(123,048,834)</b>
<b>Non-cash Reconciling Items</b>			
Net Loss Arising on Fair Value of Digital Securities	8	571,697,833	233,350,789
Net Loss Arising on Fair Value of Management Fee Payable		193,772	97,589
Net Loss and Reversal of (Loss) Arising on Fair Value of Digital Assets	7	797,159	(110,399,544)
Increase in Digital Assets Held in Respect of Management Fees		(297,833)	(263,592)
Increase in Trade and Other Payables		297,833	263,592
		<b>572,688,764</b>	<b>123,048,834</b>
<b>Cash Generated from Operating Activities</b>		-	-
<b>Investing Activities</b>			
Cash Received from Rebalancing transactions		8,737,085	1,263,363
Cash Paid from Rebalancing Transactions		(8,737,085)	(1,263,363)
		-	-
<b>Net Increase in Cash and Cash Equivalents</b>		-	-
Cash and Cash Equivalents		-	-
Net Increase in Cash and Cash Equivalents		-	-
<b>Cash and Cash Equivalents at the End of the Year</b>		-	-

Digital Securities are issued through a direct transfer of Digital Assets from the Authorised Participants to the Custodian or redeemed by the direct transfer of Digital Assets by the Custodian to the Authorised Participants. As such the Company is not a party to any cash transactions with the Authorised Participants. The creations and redemptions of Digital Securities and additions and disposals of Digital Assets (other than the rebalancing transactions included in investing activities), which are non-cash transactions for the Company, are disclosed in notes 7 and 8 in the reconciliation of opening to closing Digital Securities and Digital Assets. The Company does hold a cash account with the Custodian to enable rebalancing of the Baskets where direct pairs of Digital Assets cannot be traded. In such circumstances, the Custodian will convert the Digital Asset to USD in order to purchase the corresponding Digital Asset required for the rebalancing and no cash will remain in the account.

The Company has entered into a service agreement with WisdomTree Management Jersey Limited ("ManJer" or the "Manager"), whereby ManJer is responsible for supplying or procuring the supply of all management and administration services required by the Company, (including marketing) as well as the payment of costs relating to the listing and issue of Digital Securities. In return for these services, the Company has an obligation to remunerate ManJer with an amount equal to the aggregate of the Management Fee, the order fees and 25% of the staking income (the "ManJer Fee"). The Digital Assets in respect of the Management Fee are transferred from the Company's Custodian accounts to ManJer's Custodian accounts in Digital Assets as disclosed in note 7. In addition, the order fees are transferred directly from the Authorised Participants to ManJer and there are no cash flows through the Company.

The notes on pages 26 to 51 form part of these annual financial statements

## WisdomTree Issuer X Limited

### Statement of Changes in Equity



	Stated Capital	Retained (Losses)/ Earnings	Revaluation Reserve	Total Equity
	USD	USD	USD	USD
<b>Opening Balance at 01 January 2023</b>	<b>2</b>	<b>873,363</b>	<b>-</b>	<b>873,365</b>
Loss for the Period	-	(123,048,834)	-	(123,048,834)
Other Comprehensive Income for the Year	-	-	117,745,301	117,745,301
<b>Total Comprehensive Loss for the Year</b>	<b>-</b>	<b>(123,048,834)</b>	<b>117,745,301</b>	<b>(5,303,533)</b>
Transfer on sale of Digital Assets and Digital Assets held in respect of Management Fees	-	4,501,931	(4,501,931)	-
<b>Closing Balance at 31 December 2023<sup>2</sup></b>	<b>2</b>	<b>(117,673,540)</b>	<b>113,243,370</b>	<b>(4,430,168)</b>
<b>Opening Balance at 01 January 2024</b>	<b>2</b>	<b>(117,673,540)</b>	<b>113,243,370</b>	<b>(4,430,168)</b>
Loss for the Period	-	(572,688,764)	-	(572,688,764)
Other Comprehensive Income for the Year	-	-	609,066,114	609,066,114
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>(572,688,764)</b>	<b>609,066,114</b>	<b>36,377,350</b>
Transfer on sale of Digital Assets and Digital Assets held in respect of Management Fees	-	93,943,668	(93,943,668)	-
<b>Closing Balance at 31 December 2024<sup>2</sup></b>	<b>2</b>	<b>(596,418,636)</b>	<b>628,365,816</b>	<b>31,947,182</b>

The notes on pages 26 to 51 form part of these annual financial statements

<sup>2</sup> A non-statutory and non-GAAP Statement of Changes in Equity reflecting adjustments representing the difference between the value of Digital Assets (held to support the Digital Securities) and the price of Digital Securities is set out in note 15.

## 1. General Information

WisdomTree Issuer X Limited (the “Company”) is a company incorporated and domiciled in Jersey. The address of the registered office is 28 Esplanade, St. Helier, Jersey, JE2 3QA.

The purpose of the Company is to provide a vehicle that facilitates the issuance and subsequent listing and trading of securities that track the performance of digital currencies (“Digital Securities”). The most recent Prospectus was issued on 7 February 2025. Details regarding the listing of each class of Digital Security can be found on page 3 of the Directors’ Report.

Each Digital Security is issued under limited recourse arrangements whereby the holders have recourse only to the relevant digital currencies (held to support the Digital Securities) and not to the digital currencies of any other Digital Security or to the Company. The Digital Securities are secured on an amount of digital currencies equivalent to the entitlement to that digital asset (the “Digital Asset”) in respect of each Digital Security (referred to as the “Entitlement”), which is calculated in accordance with an agreed formula published in the Prospectus. The Company holds Digital Assets to support the Digital Securities as determined by the Entitlement. The Company does not make gains from trading in the Digital Assets (held to support the Digital Securities). However, the difference in valuation between Digital Assets (held to support the Digital Securities) and Digital Securities creates a mis-match between the values reported within these financial statements (refer to note 2). This difference in valuation would be eliminated on a subsequent redemption of the Digital Securities and transfer of the corresponding Digital Asset. Further details are disclosed within the Accounting Policies and in note 15, with additional information regarding the risks of the Company disclosed in note 12. Furthermore, the Company presents an adjusted Statement of Profit or Loss and Total Comprehensive Income and an adjusted Statement of Changes in Equity for the period in note 15 of the financial statements.

Exchange traded products are not typically actively managed, are significantly lower in cost when compared to actively managed mutual funds and are easily accessible to investors. Other than in the case of rebalancing the Baskets, no active trading or management of Digital Assets is required of the Company because the Company only receives or delivers Digital Assets on the issue and redemption of Digital Securities, and only holds Digital Assets as determined by the Entitlement of each class to support the Digital Securities.

The Company is entitled to:

- (1) a management fee which is calculated by reducing the Entitlement of each class of Digital Security on a daily basis by an agreed amount (the “Management Fee”);
- (2) Staking income earned on staked Digital Assets, and
- (3) order fees on the issue and redemption of the Digital Securities.

No order fees are payable to the Company when investors trade in the Digital Securities on a listed market such as the SIX Swiss Exchange. Order fees may also be waived with certain approved persons where applicable.

The Company has entered into a service agreement with WisdomTree Management Jersey Limited (“ManJer” or the “Manager”), whereby ManJer is responsible for supplying or procuring the supply of all management and administration services required by the Company, (including marketing) as well as the payment of costs relating to the listing and issuance of Digital Securities. In return for these services, the Company pays ManJer an amount equal to the Management Fee, 25% of staking income and the order fees earned (the “ManJer Fee”). As a result, there is no result before fair value movements recognised through the Company.

## 2. Accounting Policies

The main accounting policies of the Company are described below.

### Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB. The financial statements have been prepared under the historical cost convention, except for:

- financial liabilities held at fair value through profit or loss;
- revaluation of Digital Assets at fair value; and
- revaluation of Digital Assets Held in Respect of Management Fees.

### Corporate Social Responsibility

The Board has 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 Board 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.

In the above determination, the Board has 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 financial statements as at 31 December 2024.

This conclusion is based on the fact that assets are reported at fair value under IFRS, and as set out in note 12 are categorised as level 1 due to the use of observable, verifiable inputs from an exchange. The liabilities are valued utilising listed market prices at the period end. These observable inputs and market prices will reflect wider market sentiment, which includes market perspectives relating to the impact of climate change.

### Critical Accounting Estimates and Judgements

The presentation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The Company can make estimates and judgements that affect the reported amounts of assets and liability. Where estimates and judgements are made, they are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company did not make any estimates during the year and the key accounting judgements required to prepare these financial statements are:

#### 1. The determination of the functional currency.

The principal activity of the Company is to hold Digital Assets to support the Digital Securities issued, and the Company has entered into contractual obligations to issue Digital Securities through a direct transfer of Digital Assets from the Authorised Participant to the Custodian or redeemed by the direct transfer of Digital Assets by the Custodian to the Authorised Participant. Furthermore, the majority of the Company's income and expenses are transacted through the transfer of Digital Assets.

Given that the activities described above the Company also considered other factors in determining the functional currency, specifically:

- the base currency denomination of the Digital Securities issued;
- the denomination of the order fees; and
- the level of trading of Digital Assets on a variety of exchanges, against fiat currencies.

As a result of the assessment, the Company concluded that United States Dollars is the functional currency of the Company.



## 2. Accounting Policies (continued)

### Critical Accounting Estimates and Judgements (continued)

#### 2. The determination of the valuation methodology applied to Digital Assets.

The Prospectus includes a description of a methodology for investors to calculate an indicative net asset value ("NAV") of the WisdomTree Physical Bitcoin and WisdomTree Physical Ethereum securities using the relevant Reference Rate published by the Chicago Mercantile Exchange Group ("CME"), being either the CME CF Bitcoin Reference Rate or the CME CF Ethereum Reference Rate (collectively the "CME Price").

The application of the IAS 38 revaluation model requires an active market for the transfer and sale of the Digital Assets that the Company holds, and that the fair value shall be calculated by reference to the market price. The CME Price is designed to represent the daily price by applying transparent indicators with independent governance and oversight. It is calculated based on the transactions of all constituent exchanges (i.e. being observed on-market prices) included in the index (the "CME Relevant Transactions").

As a result, the CME Price is not considered to meet the definition of a level 1 fair value price under IFRS 13 (as required by the application of revaluation model under IAS 38), which requires the Company to identify the principal market and to utilise the available prices within that principal market, and is therefore not suitable to be applied for use in measurement of fair value of assets within these financial statements. Consequently, a difference arises between the indicative NAV of the Digital Securities applying the CME Price (as set out in the Prospectus) and the value of the Digital Assets are presented in these financial statements.

There are various exchanges that each have their own independent digital currency prices each day, and the Company could access any one of these exchanges to be able to transact. As a result, there is judgement required in determining the principal market and therefore the appropriate market price to be applied, in accordance with the provisions of IFRS 13.

The directors shall select the principal market based on the following criteria:

- The Company is not restricted from establishing a trading relationship with the exchange;
- The exchange publishes independent prices; and
- The exchange meets a number of the Company's pre-set eligibility criteria (including reliability of published data, and greatest trading volumes particularly in exchanging the underlying Digital Assets for US Dollars being the functional currency for financial reporting purposes).

In terms of IFRS 13, paragraph 17, the market in which the entity would normally enter into a transaction to sell the asset or to transfer the liability is presumed to be the principal market which is Coinbase. During the period the company concluded all trades in relation to portfolio rebalancing through Coinbase and it is therefore regarded as its principal market.

The Digital Assets are revalued using the exchange price for that digital asset, published by an exchange meeting those requirements (the "Quoted Price"). In addition, the directors shall re-assess the principal market at the start of each financial, or interim financial period, as well as at any time it is determined the current principal market is no longer meets the determined criteria as set out above. During the period (and subsequently to the date of this report) the exchange considered by the directors to meet these requirements is Coinbase.

Furthermore, digital currency trading exchanges are generally open to trade 24 hours a day and the directors have been required to apply further judgment in selecting the time at which the Quoted Price is taken as the markets do not have a 'close'. The directors have determined that the Quoted Price of the Digital Assets shall be taken at 4:30pm (GMT) as this mirrors the time that the markets of the Digital Securities close for trading, and it is considered that this would minimise the potential mismatch between the assets and liabilities.

Digital Assets were revalued as at 31 December 2024 and Digital Securities are at fair valued amounts as at 30 December 2024, being the last trading day of the year. The directors do not consider that any significant estimates have been applied in the preparation of these financial statements.

## 2. Accounting Policies (continued)

### Critical Accounting Estimates and Judgements (continued)

#### 3. The determination of recognition of the staked digital assets.

The Company has enabled staking of Digital Assets, staking a target of 80% of the amount of assets of WisdomTree Physical Solana and a target of initially 20% of the amount of assets of WisdomTree Physical Ethereum which increased to 50% on 21 October 2024 through Coinbase Validators and its Service Providers via Coinbase Custody. The average staking period for assets relating to WisdomTree Physical Solana and WisdomTree Physical Ethereum are 2.5 days and 10 days, respectively.

The characteristics of the staked assets is as follows:

- The staked assets are unregulated and not controlled by a central authority
- The staked assets are digital coins or tokens recorded using a distributed ledger infrastructure
- The coins are intangible in nature and non-monetary
- The coins are staked using private validators
- The coins are held in cold storage wallets for the duration of the staking period

Having considered the above characteristics and the fact that the Company still has the rights to control the assets as they remain in cold storage and can unstake the digital assets in under 30 days and trade them, Management has analysed and concluded not to derecognise the original unstaked assets and continue to measure the staked Digital Assets using the revaluation model under IAS 38.

### Significant Judgements

The key accounting judgement required to prepare these financial statements is in respect of the presentation of non-statutory and non-GAAP adjustments to the Statement of Profit or Loss and Other comprehensive Income and the Statement of Changes in Equity, as disclosed in note 15.

### Going Concern

The nature of the Company's business dictates that the outstanding Digital Securities may be redeemed at any time by the holder through an Authorised Participant and in certain circumstances may be compulsorily redeemed by the Company or in the event where there is no Authorised Participant in the market, directly by the holder of the Digital Security. As the redemption of Digital Securities will coincide with the transfer of an equal amount of Digital Assets, and furthermore, the Company will hold the Digital Assets received to support the Digital Securities issued and will only transfer out Digital Assets to facilitate the payment of Management Fees, rebalancing the Baskets or the redemption of Digital Securities, no net liquidity risk is considered to arise. Staking Expenses are met by the Company, out of the staking income. All other expenses are met by ManJer. The directors are closely monitoring the financial position and performance of ManJer, its assets under management, and therefore its related revenue streams, in respect of fulfilling the obligations under the service agreement. The directors consider the operations of the Company to be ongoing, with a reasonable expectation that the Company has adequate resources to continue in operation existence until at least 30 April 2026 (being the period of assessment), and accordingly these financial statements have been prepared on the going concern basis.

### Accounting Standards

#### (a) Standards, amendments and interpretations not applicable to the Company:

- Amendments to IFRS 16 Leases (effective for annual periods beginning on or after 1 January 2024)
- Amendments to IAS 1 Non-current liabilities with covenants (effective for annual periods beginning on or after 1 January 2024.)

## 2. Accounting Policies (continued)

### Accounting Standards (continued)

#### (b) New and revised IFRSs in issue

- Amendments to IAS 1 Preparation of Financial Statements (effective for annual periods beginning on or after 1 January 2024)

#### (c) New and revised IFRSs in issue but not yet effective:

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

- Amendments to IAS 21 Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)
- Amendments to the classification and measurement of financial instruments (effective for annual periods beginning on or after 1 January 2026)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods on or after 1 January 2027)

The directors do not expect the adoption of the above standards, amendments and interpretations that are in issue but not yet effective will have a material impact on the financial statements of the Company in future periods.

### Digital Assets

The Company holds Digital Assets equal to the amount due to holders of Digital Securities solely for the purposes of meeting its obligations under the terms of the Digital Securities.

Whilst the IFRS Interpretation Committee issued an agenda decision on the accounting for digital currencies in June 2019, there is not one standard under IFRS which details how digital currencies are to be accounted for. Following a review of the facts and circumstances, the directors have determined that the Digital Assets fall within the scope of IAS 38 Intangible Assets. Furthermore, the directors have determined to account for Digital Assets under the IAS 38 revaluation model being its fair value on the basis there is an active market for the transfer and sale of the Digital Assets that the Company holds. The Digital Assets are held to provide the security holders with the exposure to changes in the fair value of Digital Assets and therefore the directors consider that carrying the Digital Assets at fair value reflects the objectives and the purpose of holding the asset.

Digital Assets are priced on a daily basis based on the amount of the Digital Assets held using the relevant Quoted Price and is considered to be the fair value of the Digital Assets. Also, on a daily basis an amount is reclassified to Digital Assets held in respect of the Management Fee which is converted to USD on a monthly basis using month end price.

#### i) *Issue and Redemption*

Upon initial recognition and the receipt of Digital Assets, they are recorded at cost which is determined to be the fair value using the Quoted Price.

Upon redemption of Digital Securities and the transfer out of Digital Assets, the attributable cost shall be calculated in accordance with the average cost methodology, and the overall cost reduced accordingly to represent the de-recognition of the Digital Assets. Any previously recognised gains on the Digital Assets de-recognised as a result of the transfer are reclassified to retained earnings.

#### ii) *Subsequent Measurement*

An increase in fair value is recorded first through Profit or Loss in respect of any previous losses below the original cost recognised being reversed, with any further gains being recognised through Other Comprehensive Income. A decrease in fair value is recorded first through Other Comprehensive Income in respect of any previous gains recognised being reversed, with any further loss being recognised through Profit or Loss.

## 2. Accounting Policies (continued)

### Digital Securities

#### i) *Issue and Redemption*

Each time a Digital Security is issued or redeemed by the Company a corresponding amount of the corresponding Digital Asset is transferred into or from the relevant secured account held by the Custodian. Upon initial recognition, the fair value is recorded using the Quoted Price applied to the Digital Asset transferred.

Financial liabilities are recognised and de-recognised on the transaction (trade) date.

#### ii) *Pricing*

IFRS 13 requires the Company to identify the principal market and to utilise the available price within that principal market. The directors consider that the stock exchanges where the Digital Securities are listed to be the principal market and as a result the fair value of the Digital Securities is the on-exchange price as quoted on those stock exchanges demonstrating active trading. The Digital Securities are priced using the closing mid-market price on the Statement of Financial Position date.

Consequently, a difference arises between the value of Digital Assets (held to support the Digital Securities) and Digital Securities (at fair value) presented in the Statement of Financial Position. This difference is reversed on a subsequent redemption of the Digital Securities and transfer of the corresponding Digital Asset.

#### iii) *Classification at fair value through Profit or Loss*

Digital Securities comprise a financial instrument as they are readily convertible to cash, whose redemption price is linked to the value of the underlying Digital Asset. Digital Securities are classified as liabilities at fair value through profit or loss under IFRS 9 due to an embedded derivative. In accordance with IFRS 9, embedded derivatives are not separated for accounting purposes if the non-derivative host is a financial instrument and the classification criteria of IFRS 9 is applied to the instrument as a whole.

### Digital Assets and Digital Securities Awaiting Settlement

The issue and redemption of Digital Securities, and the transfer in and out of Digital Assets, is accounted for on the transaction date. The transaction will not settle until two days after the transaction date. Where transactions are awaiting settlement at the period end, the value of the Digital Asset and the Digital Securities due to be settled is separately disclosed within the relevant assets and liabilities on the Statement of Financial Position. The digital securities awaiting settlement are classified as liabilities at fair value through profit or loss under IFRS 9 due to an embedded derivative. The receivables and payables are carried at their fair value.

### Digital Assets Held in Respect of Management Fees

As described above, Management Fees are accrued by reducing the Entitlement of each class of Digital Security on a daily basis by an agreed amount. At the same time an equivalent amount is transferred from Digital Assets to Digital Assets Held in respect of Management Fees.

As described above, under IFRS there is no standard treatment for the classification of digital currencies, and therefore applying the same judgement described under the Digital Assets Policy, the Digital Assets held or receivable in respect of Management Fees are accounted for in accordance with IAS38 revaluation model.

The fair value of the Digital Assets transferred to Digital Assets Held in Respect of Management Fees at the Statement of Financial Position date is re-measured using the latest Quoted Price on that date. An increase in fair value is recorded first through Profit or Loss in respect of any previous losses recognised being reversed, with any further gains being recognised through Other Comprehensive Income. A decrease in fair value of Digital Assets is recorded through Other Comprehensive Income in respect of any previous gains recognised being reversed, with any further losses being recognised through Profit or Loss. Upon de-recognition of the Digital Assets recognised in respect of Management Fees (as a result of the transfer to settle the Management Fee payable), any previously recognised gains shall be transferred from the Revaluation Reserve to retained earnings.



## 2. Accounting Policies (continued)

### Management Fee Payable

Management Fees payable are also accrued based on the income recognised by the company, less any expenditure, in accordance with the agreement with ManJer. These fees are settled in Digital Assets which is a non-financial asset, generally such contracts would not meet the definition of a financial liability. However, as the Digital Assets are readily convertible to cash they are required to be accounted for under IFRS 9, Management Fees are within the scope of IAS 32 and IFRS 9 respectively, because they exhibit similar characteristics to financial instruments. The company has classified these liabilities at fair value through profit or loss as equivalent to a derivative.

### Reserves

A revaluation reserve and a retained earnings reserve are maintained within equity. All profits or losses, including gains and losses on the movement in the fair value of Digital Securities are taken to the retained earnings reserve at the end of each accounting period. Gains and reversals of previously recognised gains arising on the movement in the fair value of Digital Assets, above cost, are taken to the revaluation reserve at the end of each accounting period. Losses and reversals of previously recognised losses on the movement in the fair value of Digital Assets, below cost, are taken to the retained earnings reserve at the end of each accounting period.

### Other financial assets

Other financial assets include trade and other receivables with a fixed payment amount and are not quoted in an active market. After initial measurement the other financial assets are subsequently measured at amortised cost.

### Income

The Company derives its income over time (in respect of Management Fees), and at a point in time (in respect of order fees and Staking Income) as follows:

#### i) *Management Fees*

Management Fees are calculated by applying a fixed percentage to reduce the Entitlement of each class of Digital Security on a daily basis in accordance with the terms of the securities issued. The change in Entitlement reduces the value of the Digital Security. This reduction equates to the Management Fee amount in the relevant Digital Asset that is recognised for that day per each Digital Security in issue on that day. The amount of the Management fees is recognised by converting the Digital Assets into the functional currency by application of the Quoted Price on a monthly basis using the month end price.

#### ii) *Staking Income*

The Company receives staking income as the reward received on staked Digital Assets during the staking period, referred to as an epoch, and this income is received as additional Digital Assets deposited into the Company's custody wallets held at Coinbase. The income is recognised at the fair value being the Quoted Price on the date the staking income is received in the Company's wallets.

#### iii) *Staking Expense to Digital Securities*

As announced on 03 January 2023 for WisdomTree Physical Solana and 04 September 2023 for WisdomTree Physical Ethereum the Digital Security Holders gain exposure to 75% of the staking income earned by the company during the accounting period through a capital adjustment factor in the coin entitlement.

#### iv) *Order Fees*

Fees for the issue and redemption of Digital Securities are recognised at the fair value of the consideration expected to be received, on the date on which the transaction becomes legally binding. Accrued order fees are invoiced and settled on a quarterly basis.

## 2. Accounting Policies (continued)

### Foreign Currency Translation

The financial statements of the Company are presented in the currency in which the majority of the Digital Securities issued by the Company are denominated (its functional currency). For the purpose of the financial statements, the results and financial position of the Company are expressed in United States Dollars (refer to note 2 Critical Accounting Estimates and Judgments), which is the functional currency of the Company and the presentation currency of the financial statements.

Transactions in foreign currencies are initially recorded at the spot rate of the date the transaction. Monetary assets and liabilities denominated in foreign currencies at the period end date are translated at rates ruling at that date. The resulting differences are accounted for through profit or loss.

### Segmental Reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Operating Decision Maker ("CODM") in order to allocate resources to the segments and to assess their performance. The CODM has been determined as the board of directors. A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products and services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The Company has not provided segmental information as the Company has only one business or product group, Digital Assets, and one geographical segment which is Europe. In addition, the Company has no single major customer from which greater than 10% of income is generated. All information relevant to the understanding of the Company's activities is included in these financial statements.

## 3. Result Before Fair Value Movements

Result before fair value movements for the period comprised:

	Year Ended 31 December 2024 USD	Year Ended 31 December 2023 USD
Management Fees	3,231,034	2,482,596
Staking Income	3,661,012	257,339
<b>Total Income</b>	<b>6,892,046</b>	<b>2,739,935</b>
ManJer Fees	(4,204,728)	(2,546,962)
Staking Expense	(2,687,318)	(192,973)
<b>Total Operating Expenses</b>	<b>(6,892,046)</b>	<b>(2,739,935)</b>
<b>Result Before Fair Value Movements</b>	<b>-</b>	<b>-</b>

## 4. Taxation

The Company is subject to Jersey Income Tax. During the period the Jersey Income Tax rate applicable to the Company is zero percent.

**5. Digital Assets Held in Respect of Management Fees**

	As At 31 December 2024 USD	As At 31 December 2023 USD
Digital Assets Held in Respect of Management Fees	675,271	377,438
	<b>675,271</b>	<b>377,438</b>

Digital Assets held in respect of Management Fees are recorded at fair value.

**6. Trade and Other Receivables**

	As At 31 December 2024 USD	As at 31 December 2023 USD
Receivable from Related Party	2	2
	<b>2</b>	<b>2</b>

The fair value of trade and other receivables is equal to the carrying value. The Trade and Other Receivables are due to be recovered within 12 months of the period end.

**7. Digital Assets**

	31 December 2024 USD	31 December 2023 USD
<b>Net Gain Arising on Fair Value of Digital Assets</b>	<b>608,075,183</b>	<b>228,047,256</b>
Net (Loss) and Reversal of Loss Arising on Fair Value of Digital Assets through Profit and Loss	(797,159)	110,399,544
- Realised Loss on Digital Assets	(1,117,715)	(8,569,555)
- Reversal of Loss on Digital Assets	320,556	118,969,099
Net Gain Arising on Fair Value of Digital Assets through Other Comprehensive Income	608,872,342	117,647,712
- Realised Gain on Digital Assets	93,749,897	4,404,342
- Gain on Digital Assets	515,122,445	113,243,370
Digital Assets at Fair Value	<b>1,541,065,323</b>	<b>410,208,861</b>

As at 31 December 2024, Digital Assets amounting to USD Nil (31 December 2023: USD Nil) were awaiting settlement in respect of a redemption of Digital Securities with transaction dates before the year end and settlement dates in the following year. All Digital Assets have been valued using the Quoted Price on 31 December 2024. The below table is a reconciliation of changes in Digital Assets:



## 7. Digital Assets (continued)

	Year Ended 31 December 2024 Audited USD	Year Ended 31 December 2023 Audited USD
<b>Opening Digital Assets</b>	<b>410,208,861</b>	<b>134,323,057</b>
Additions	756,609,216	99,545,677
Disposals	(233,284,221)	(49,417,506)
Transfer to Digital Assets Held in Respect of Management Fees	(4,204,728)	(2,546,962)
Staking Income	3,661,012	257,339
Change in Fair Value	608,075,183	228,047,256
<b>Closing Digital Assets</b>	<b>1,541,065,323</b>	<b>410,208,861</b>

## Portfolio Composition

		Year Ended 31 December 2024 Cost USD	Year Ended 31 December 2024 Market Value USD
<b>Portfolio:</b>	<b>Holdings</b>		
Bitcoin	10,931	507,685,990	1,034,989,219
Ethereum - Unstaked	30,315	88,486,448	103,153,569
Ethereum - Staked	22,688	66,223,999	77,201,365
Bitcoin Cash	2,794	1,029,695	1,254,248
Litecoin	13,569	1,176,044	1,413,354
Solana - Unstaked	139,101	20,291,763	27,576,733
Solana - Staked	249,058	36,332,060	49,375,785
Cardano	11,338,281	6,851,134	9,818,951
Polkadot	527,057	3,600,378	3,587,679
Avalanche	38,489	1,251,537	1,407,915
Chainlink	92,344	1,443,161	1,902,112
Ripple	108,440,596	178,339,124	229,384,393
<b>Total Portfolio</b>		<b>912,711,333</b>	<b>1,541,065,323</b>

## Portfolio Composition

		Year Ended 31 December 2023 Cost USD	Year Ended 31 December 2023 Market Value USD
<b>Portfolio:</b>	<b>Holdings</b>		
Bitcoin	7,272	216,861,955	309,950,482
Ethereum - Unstaked	19,595	47,933,636	45,127,548
Ethereum - Staked	4,640	8,124,291	10,686,198
Bitcoin Cash	1,606	358,123	423,714
Litecoin	6,548	574,366	485,424
Solana - Unstaked	105,966	4,493,721	10,944,154
Solana - Staked	258,108	14,646,236	26,657,407
Cardano	6,496,868	2,736,486	3,913,063
Polkadot	90,901	693,487	775,295
Avalanche	10,976	180,753	436,192
Polygon Matic	572,017	468,574	578,652
Cosmos	21,095	226,115	230,732
<b>Total Portfolio</b>		<b>297,297,743</b>	<b>410,208,861</b>

## 7. Digital Assets (continued)

The directors consider that the useful life of the Digital Assets are assessed as indefinite on the basis that they can be held, exchanged and transferred as a store of value without an expiration date.

On 3 May 2022, the Company launched Staking of WisdomTree Physical Solana and as of 21 August 2023 the Company launch staking of WisdomTree Physical Ethereum through Coinbase Custody via Coinbase Validators and its Service Providers. The coins while staked, do not leave the Coinbase wallet and staking income is earned on the coins if they remain staked for the duration of the epoch. Staking places a short-term restriction on the Company's ability to sell and transfer staked assets. The Company has the option to unstake the coins at any point in time during or after an epoch cycle at no cost. In a scenario where coins are unstaked, the Company will receive staking income up to the point the assets were held in stake. As announced on 03 January 2023 for WisdomTree Physical Solana and 04 September 2023 for WisdomTree Physical Ethereum the Digital Security Holders gain exposure to 75% of the staking income earned by the company during the accounting period through a capital adjustment factor in the coin entitlement. The remaining 25% is paid to ManJer.

The staked assets are recorded at fair value using the quoted market price as at 31 December 2024. The below table reflects the assets that were staked per product as at 31 December 2024 and the staking income earned per product during the year. The epoch cycle ranges from 2.5 days to 10 days. These assets are included in the Portfolio Composition above.

Product	Holdings	Market Value	Staking Income Earned
WisdomTree Physical Solana	249,058	49,375,785	2,740,370
WisdomTree Physical Ethereum	22,688	77,201,365	920,642

## 8. Digital Securities

Whilst the Digital Securities are quoted on the open market, the Company's ultimate liability relates to its contractual obligations to issue and redeem Digital Securities in exchange for Digital Assets as determined by the Entitlement of each class of Digital Security on each trading day. The fair value of each creation and redemption of Digital Securities is recorded using the Quoted Price on the transaction date. The issue and redemption of Digital Securities is recorded at a value that corresponds to the value of the Digital Assets transferred in respect of the issue and redemption. However, the difference in valuation between the Digital Assets (held to support the Digital Securities) and Digital Securities creates a mis-match between the values reported within these financial statements.

The Company measures the Digital Securities at their fair value in accordance with IFRS 13 rather than at the contractual obligation described above. The fair value is deemed to be the price quoted on exchanges where the Digital Securities are listed or traded, and it is determined based on the highest volume of trades, concluded on the respective exchange, where there are multiple exchanges.

The fair values and changes thereof during the period based on prices available on the open market as recognised in the financial statements are:

	31 December 2024 USD	31 December 2023 USD
Net Loss Arising on Fair Value of Digital Securities	(571,697,833)	(233,350,789)
- Realised (Loss)/ Gain on Digital Securities	(91,099,738)	3,181,643
- Unrealised Loss on Digital Securities	(480,598,095)	(236,532,432)
Digital Securities at Fair Value	1,509,118,143	414,639,031

## 8. Digital Securities (continued)

The contractual redemption values and changes thereof during the period based on the contractual settlement values are:

	31 December 2024 USD	31 December 2023 USD
Change in Contractual Redemption Value for the Period	(590,806,856)	(110,208,759)
Digital Securities at Contractual Redemption Value	1,541,065,323	410,208,861

The gain or loss on the difference between the value of the Digital Assets (held to support the Digital Securities) and the fair value of Digital Securities would be reversed on a subsequent redemption of the Digital Securities and transfer of the corresponding Digital Assets. Refer to note 15 for the non-statutory and non-GAAP adjustments which reflect the results of this reversal.

As at 31 December 2024, Digital Securities amounting to USD Nil (31 December 2023: USD Nil) were awaiting settlement in respect of a redemption with transaction date before the year end and settlement dates in the following year.

The below reconciliation of changes in the Digital Securities, being liabilities arising from financing activities, includes only non-cash changes.

	Year Ended 31 December 2024 USD	Year Ended 31 December 2023 USD
<b>Opening Digital Securities</b>	<b>414,639,031</b>	<b>133,449,694</b>
Creations	745,792,516	98,116,119
Redemptions	(222,467,521)	(47,987,948)
Management Fee	(3,231,034)	(2,482,596)
Staking Expense	2,687,318	192,973
Change in Fair Value	571,697,833	233,350,789
<b>Closing Digital Securities at Fair Value</b>	<b>1,509,118,143</b>	<b>414,639,031</b>

Digital Security	In Issue	Year Ended 31 December 2024 Cost USD	Year Ended 31 December 2024 Market Value USD
WisdomTree Physical Bitcoin	45,139,047	506,471,257	1,003,428,827
WisdomTree Physical Ethereum	5,114,228	147,472,024	168,525,729
WisdomTree Physical Cardano	612,500	4,538,429	6,450,314
WisdomTree Physical Polkadot	642,270	2,511,643	2,469,810
WisdomTree Physical Solana	2,510,800	48,916,276	63,506,493
WisdomTree Physical XRP	2,581,261	172,606,604	211,898,361
WisdomTree Physical Mega Cap Equal Weight*	1,145,000	9,037,922	12,854,509
WisdomTree Physical Crypto Markets*	1,339,272	6,705,937	11,626,304
WisdomTree Physical Crypto Altcoins*	5,794,281	20,051,194	28,357,796
<b>Total Digital Security</b>		<b>918,311,286</b>	<b>1,509,118,143</b>

\*Baskets

**8. Digital Securities (continued)**

Digital Security	In Issue	Year Ended 31 December 2023 Cost USD	Year Ended 31 December 2023 Market Value USD
WisdomTree Physical Bitcoin	29,840,158	217,386,819	306,756,824
WisdomTree Physical Ethereum	2,336,328	53,551,585	54,284,581
WisdomTree Physical Cardano	333,000	1,617,206	2,546,493
WisdomTree Physical Polkadot	67,270	298,385	325,375
WisdomTree Physical Solana	2,679,000	18,283,590	36,567,254
WisdomTree Physical Mega Cap Equal Weight*	490,000	3,176,216	3,112,931
WisdomTree Physical Crypto Markets*	1,259,272	5,887,501	6,394,762
WisdomTree Physical Crypto Altcoins*	1,654,281	4,228,971	4,650,811
		<b>304,430,273</b>	<b>414,639,031</b>

\*Baskets

Digital Assets were revalued as at 31 December 2024 and Digital Securities are at fair valued amounts as at 31 December 2024, being the last trading day of the year.

**9. Trade and Other Payables**

	As At 31 December 2024 USD	As At 31 December 2023 USD
ManJer Fees Payable	<b>675,271</b>	<b>377,438</b>

Management Fees payable by transfer of Digital Assets are recorded at fair value. The fair value of the remaining payables is equal to the carrying value. The ManJer Fee Payable is due to be settled within 12 months of the period end.

**10. Stated Capital**

	As At 31 December 2024 USD	As At 31 December 2023 USD
2 Shares of Nil Par Value, Issued at GBP 1 Each	<b>2</b>	<b>2</b>

The Company can issue an unlimited capital of nil par value shares in accordance with its Memorandum of Association.

All Shares issued by the Company carry one vote per Share without restriction and carry the right to dividends. All Shares are held by WisdomTree Holdings Jersey Limited ("HoldCo").

The Company Issued 2 Shares at incorporation and the shares were translated on initial recognition at the USD/GBP rate of 0.8098. The shares remain unpaid.

## 11. Related Party Disclosures

Entities and individuals which have significant influence over the Company, either through ownership or by virtue of being a director of the Company are considered to be related parties. In addition, entities with common ownership to the Company and entities with common directors are also considered to be related parties.

*Fees charged by ManJer during the period:*

	Year Ended 31 December 2024 USD	Year Ended 31 December 2023 USD
ManJer Fees	4,204,728	2,546,962
	<b>4,204,728</b>	<b>2,546,962</b>

*The following balances were due to ManJer at the period end:*

	As At 31 December 2024 USD	As At 31 December 2023 USD
ManJer Fees Payable	<b>675,271</b>	<b>377,438</b>

At 31 December 2024, USD 2 is receivable from HoldCo (31 December 2023: USD 2).

As disclosed in the Directors' Report, ManJer paid director's fees in respect of the Company as per below.

	Year Ended 31 December 2024 GBP	Year Ended 31 December 2023 GBP
Bryan Governey	Nil	Nil
Hilary Jones*	11,178	11,040
Alan Baird*	11,178	11,040
Peter Ziemba	Nil	Nil
Benjamin Durbano*	Nil	Nil

\*Directors fees paid to JTC Fund Solutions (Jersey) Limited for the provision of Directors to the Company from the date of their appointment.

Benjamin Durbano was appointed on the 22 August 2024 as alternate to Alan Baird.

There were no amounts of loans, advanced payments and guarantees granted to or on behalf of any Director of the Company.

Alan Baird is a Director and Hilary Jones is an employee of JTC Fund Solutions (Jersey) Limited. During the year, ManJer paid administration fees of GBP 120,000 (31 December 2023 GBP 128,320) to JTC Fund Solutions (Jersey) Limited on the Company's behalf.

Peter Ziemba is an officer of WisdomTree, Inc. and Bryan Governey is an employee of WisdomTree Ireland Limited.

## 12. Financial Risk Management

The Company is exposed to a number of risks arising from its activities, including credit risk, risk factors relating to the Digital Assets, liquidity risk, settlement risk and market risk. The Board is responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board meets frequently to consider the risk exposures of the Company and to determine appropriate management policies. The risk management policies employed by the Company to manage these are discussed below.

The Digital Securities are subject to normal market fluctuations and other risks inherent in investing in securities and other financial instruments. There can be no assurance that any appreciation in the value of securities will occur, and the capital value of an investor's original investment is not guaranteed. The value of investments may go down as well as up, and an investor may not get back the original amount invested.

The information provided below is not intended to be a comprehensive summary of all the risks associated with the Digital Securities and investors should refer to the most recent Prospectus for a detailed summary of the risks inherent in investing in the Digital Securities. Any data provided should not be used or interpreted as a basis for future forecast or investment performance.

### (a) Credit Risk

Credit risk primarily refers to the risk that Authorised Participants or the Custodian will default on its contractual obligations resulting in financial loss. At the reporting date the Company had no Digital Securities awaiting the transfer of Digital Assets.

Credit risk is managed by the Company by only dealing with Authorised Participants who are believed to be creditworthy. The Company assesses the creditworthiness of the Authorised Participant by ensuring that they deal with reputable organisations and regularly reviewing their business and its operations. In the event the Authorised Participants fail to complete their obligation, no Digital Securities will be created therefore the Company does not have the risk of loss of the amount expected to be received. Each class of Digital Security is issued under limited recourse arrangements whereby the holders have recourse only to the relevant Digital Assets (held to support the Digital Securities) and not to the Digital Assets of any other class of Digital Security, or to the Company, therefore limiting the credit risk of the Company in connection with the Digital Assets (held in support of the Digital Securities).

Further detail in respect of custodial risk is presented below under Risk Factors Relating to Digital Assets.

### (b) Risk Factors Relating to Digital Assets

#### i) Custodial risk

Custodial risk is managed by the Company by subjecting each Custodian to a detailed due diligence review prior to their appointment, as well as undertaking regular due diligence updates and undertaking ongoing monitoring of their service. The Custodians are not required to take out insurance and neither is the Trustee. Accordingly, there is a risk that the secured Digital Assets could be stolen and the Company would not be able to satisfy its obligations in respect of the Digital Securities. The Company engages two Custodians, namely Swissquote Bank Ltd ("Swissquote") and Coinbase Custody Trust Company, LLC ("Coinbase Custody"). All Digital Assets are stored in secured wallets and in addition the Company spreads its risk on WisdomTree Physical Bitcoin and WisdomTree Physical Ethereum by holding certain exposures to Bitcoin and Ethereum respectively in wallets with both Custodians. The Company monitors the level of Bitcoin and Ethereum held in these wallets daily using internally determined limits in order to monitor exposure and minimise risk and has adopted similar risk measures for all other digital assets held in the Baskets as volumes increase. Currently Coinbase Custody is the sole custodian of all other digital assets held in the Baskets. The Moody's credit rating for Coinbase Custody was Ba3 and Swissquote is not rated by any agency, however is a listed Company. Carrying amounts of the Digital Assets and Digital Assets Held in Respect of Management Fees and Digital Assets awaiting settlement best represent the maximum credit risk exposure at the Statement of Financial Position date.



## 12. Financial Risk Management (continued)

### (b) Risk Factors Relating to Digital Assets (continued)

#### ii) Forking

A fork is a change of the blockchain protocol version which is distinct from the main one. It can cause several risks such as the trading may be temporarily or indefinitely suspended, and the prices can be negatively impacted. A hard fork may result in Digital Currency held as collateral with respect to Digital Securities becoming a new forked digital asset. If this were to happen then it could reduce the amount of Digital Currency held as collateral with the relevant Custodian, the coin entitlement of a Security holder, and the value of the Security holder's holding of Digital Securities.

Security holders may not receive the benefit of the forked currency depending on the Custodian and the Company's policy. There is no obligation for the Custodians or the Company to support the inclusion of any forked assets. The reasons of the fork and the occurrence of this one for a specific Digital Currency can be different and unique so it can cause several risks in terms of trading, operation, settlement, security, pricing and so on.

The Company may seek not to obtain any forked assets even in the case where they are supported by a Custodian and/or may compulsorily redeem any Digital Securities whose underlying digital assets are subject to a fork event. As a result, holders of Digital Securities may lose value or not be able to participate in any upside of forked assets.

#### iii) Airdrops

An airdrop occurs when the issuer of a new digital asset declares to the holder of another specific digital asset that they will be entitled to claim for free a quantity of the new digital asset because they are holding this specific existing digital asset. If an airdrop occurs intended to benefit holders of a Digital Asset, then the ability of a holder of Digital Securities relating to such Digital Asset to participate in the airdrop will depend on the support of the Custodian. There is no obligation on the Custodian to support any airdrop or hold the airdropped digital asset and so there is no certainty that holders of Digital Securities will be able to obtain any airdropped digital currencies or realise any value from them. Airdrops are primarily used to promote awareness of new digital asset and do not impact the existing digital asset.

### (c) Risk of Slashing

#### (i) Slashing

Slashing is a penalty imposed on proof-of-stake blockchain designed to deter dishonest and malicious validator behaviour activity. A Validator is penalised, and penalties could result in a loss of assets or being excluded from the network. Slashing is triggered by one of two conditions, validator downtime or double signing. Downtime is where a validator fails to participate in the consensus process as required by the network and double signing occurs when a validating entity submits two signed messages for the same block. The network detects this behaviour and triggers slashing to penalise the validator for attempting to compromise the consensus mechanism. Typically, though, downtime results in a very small penalty being imposed (simply not earning staking income) whereas double signing can incur a much higher penalty. These penalties are passed to the holder of the assets in the same way that earned staking income are shared. The Issuer stakes its assets with Coinbase Validators and its Service Providers, and the risk of slashing is considered materially low. Coinbase reports zero instances of their validators being slashed and in instances where such penalties result from Coinbase Validator due to a mistake made by Coinbase or any of its third-party validators, Coinbase acknowledges per agreement to fully compensate the Issuer. The risk of slashing under the current arrangement is therefore considered a low risk to the Issuer.

## 12. Financial Risk Management (continued)

### (d) *Liquidity Risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities as they fall due. The Company's receivables and payables in respect of order fees are all payable on demand and generally settled on a short-term basis. In addition, amounts in respect of the order fees are transferred from the relevant counterparties directly to ManJer and there are no cash flows through the Company other than on rebalancing events of the Baskets. In the case of a rebalancing event, where a trade cannot be placed between direct pairs of digital currencies, the Custodian will sell specific amounts of one digital currency to US Dollars, using the proceeds to buy another digital currency. This buying and selling of US Dollars nets off and the Company will not have a cash surplus or shortfall. The Company's Digital Assets receivable and payable in respect of Management Fees are also payable on demand and generally settled on a short-term basis.

The Digital Securities do not have a contractual maturity date and will only be redeemed at the request of the holder of the security through an Authorised Participant, which may be requested at any time, with the transaction settling through the transfer of the required Digital Assets two days after the transaction date, or in the case of a compulsory redemption, by either transferring the required Digital Assets, or by realising those Digital Assets for cash (on an active market) and settling the cash proceeds to holders on a short term basis. Generally, only Security Holders who have entered into an authorised participant agreement with the Company can submit applications and redemptions directly with the Company.

In certain circumstances, for example, in the event of volatility in the relevant markets, the Company and/or Authorised Participants may seek to limit or restrict the ability of Authorised Participants to apply for new, or to redeem Digital Securities. The Company will inform the holders of the relevant Digital Securities of any such actions by Regulatory Information Service ("RIS") announcement.

When Digital Securities are redeemed, the Company returns the corresponding amount of Digital Assets determined by the Entitlement of those Digital Securities, therefore the redemption of Digital Securities would not impact the liquidity of the Company. The Company currently stakes Solana and Ethereum which places short term restrictions on the ability of the Company to transfer the assets in order to fund redemptions. The Company closely monitor redemption activity and can delay settlement of redemptions until a epoch ends and the Company is able to unstake. The Company also stakes assets in multiple wallets allowing it to unstake only necessary amounts to fund redemptions. As such the Company manages liquidity risk of being unable to meet redemption requests from Digital Securities by staking in multiple wallets and staking a portion of the assets while still having the ability to unstake if required.

Consequently, the Company has not presented any tabular information in respect of liquidity risk.

### (e) *Settlement Risk*

Settlement risk primarily refers to the risk that an Authorised Participant will default on its contractual obligations resulting in financial loss.

The directors believe that settlement risk would only be caused by the risk of the Company's trading counterparty not delivering Digital Assets or Digital Securities on the settlement date. The Digital Securities settle through the CREST system. The directors feel that this risk is mitigated as Digital Securities are not issued until the required amount of Digital Asset has been received in the Custodian account, and Digital Assets are not transferred until the relevant Digital Securities have been delivered in CREST. As a result, each transaction does not settle until both parties have fulfilled their contractual obligations.

Amounts outstanding in respect of positions yet to settle are disclosed in notes 7 and 8.

### (f) *Market Risk*

Market risk is the risk that changes in market prices (such as digital asset prices) will affect the Company's income or the value of its financial instruments held or issued.

The value of the Company's liability in respect of the Digital Securities fluctuates according to the Digital Asset prices and the risk of such change in price is managed by the Company by holding Digital Assets in the same quantity as its liability. As this is based on the Contractual values, the Company bears no residual risk from a



## 12. Financial Risk Management (continued)

### (f) Market Risk (continued)

change in the price of Digital Assets (held to support the Digital Securities). Refer to note 8 for the further details regarding fair values. However, there is an inherent risk from the point of view of holders as the price of the Digital Assets and the value of the Digital Securities may vary widely due to, amongst other things, changing supply or demand for Digital Assets, government and monetary policy or intervention and global or regional political, economic or financial events.

The market price of Digital Securities is (and will remain) 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. This is highlighted in note 8, and below under the Fair Value Hierarchy.

### (g) Geopolitical Risk

The Board continues to monitor and assess the impact of geopolitical conflicts on the Company's portfolio operations and valuation and will take any further actions needed or as required under the terms of the Prospectus, as facts and circumstances are subject to change and may be specific to investment strategies and jurisdictions. Whilst it is not currently possible to predict future market conditions and therefore determine if any further action may be required on any other classes of Digital Securities, the action that may be required includes, but is not limited to, temporarily not accepting applications for Digital Securities, temporarily suspending Digital Securities from trading on Stock Exchanges or a compulsory redemption of Digital Securities. The Company has not initiated any of these further actions to date. Any such action will be undertaken in accordance with the constitutive documents of the Digital Securities.

### (h) Sensitivity Analysis

IFRS 7 requires disclosure of a sensitivity analysis for each type of market risk to which the entity is exposed to at the reporting date, showing how profit or loss and equity would have been affected by a reasonably possible change to the relevant risk variable.

The Company's obligations and liability in respect of Digital Securities relates to its contractual obligations to issue and redeem Digital Securities in exchange for Digital Assets as determined by the Entitlement of each class of Digital Security on each trading day. The fair value of each creation and redemption of Digital Securities is recorded using the Quoted Price on the transaction date. As a result, the Company's contractual and economic liability in connection with the issue of Digital Securities is matched by movements in the value of the corresponding Digital Asset. Consequently, commercially the Company does not have any net exposure to market price risk.

The profit or loss, and other comprehensive income would be impacted by movements in the Quoted Price. Using past performance as a best estimate for future performance, the directors consider the greatest percentage change in the daily price for the last trading year and believe this is the best guide for the sensitivity in each Digital Asset. As such, even though the price of a Digital Asset between the start of the year and the end of a reporting year may vary considerably, such change is expected to occur over a period of time and cannot be forecasted with any certainty. The table below indicates the highest daily recorded change in the Quoted Price of the Digital Asset and Digital Securities for the year ended 31 December 2024.

**12. Financial Risk Management (continued)***(h) Sensitivity Analysis (continued)*

Digital Assets	% Sensitivity	Favourable	% Sensitivity	Adverse
Bitcoin	8%	85,910,702	(8 %)	(85,910,702)
Ethereum	20%	36,802,775	(20%)	(36,802,775)
Bitcoin Cash	43%	540,446	(43%)	(540,446)
Litecoin	18%	255,816	(18%)	(255,816)
Solana	14%	11,102,424	(14%)	(11,102,424)
Cardano	37%	3,623,047	(37%)	(3,623,047)
Polkadot	37%	1,317,364	(37%)	(1,317,364)
Avalanche	17%	242,875	(17%)	(242,875)
Chainlink	19%	358,129	(19%)	(358,129)
Ripple	42%	95,842,154	(42%)	(95,842,154)
<b>Total change</b>		<b>235,995,732</b>		<b>(235,995,732)</b>

Digital Security	% Sensitivity	Favourable	% Sensitivity	Adverse
WisdomTree Physical Bitcoin	(8%)	(83,290,988)	8%	83,290,988
WisdomTree Physical Ethereum	(20%)	(34,388,937)	20%	34,388,937
WisdomTree Physical Cardano	(37%)	(2,380,070)	37%	2,380,070
WisdomTree Physical Solana	(14%)	(9,162,481)	14%	9,162,481
WisdomTree Physical Polkadot	(37%)	(906,893)	37%	906,893
WisdomTree Physical XRP	(42%)	(88,536,082)	42%	88,536,082
WisdomTree Physical Crypto Mega Cap Equal Weight	(14%)	(1,845,033)	14%	1,845,033
WisdomTree Physical Crypto Market	(21%)	(2,484,510)	21%	2,484,510
WisdomTree Physical Crypto Altcoins	(23%)	(6,421,756)	23%	6,421,756
		<b>(229,416,750)</b>		<b>229,416,750</b>

The sensitivity is linear, and the following table summarises the impact movements in the Quoted Price of the Digital Assets in relation to US Dollars and the Market Price of the Digital Securities as at 31 December 2024, with all other variables held constant, on the profit or loss and other comprehensive income for the period:

	Profit or (Loss) USD	Other Comprehensive Income USD
<b>Favourable Price Movement:</b>		
Digital Assets	12,698	235,983,034
Digital Assets Held in Respect of Management Fees		113,113
Digital Securities	(229,416,750)	-
Management Fees Payable	(113,113)	-
	<b>(229,517,165)</b>	<b>236,096,147</b>
<b>Adverse Price Movement:</b>		
Digital Assets	(109,637,638)	(126,358,094)
Digital Assets Held in Respect of Management Fees	-	(113,113)
Digital Securities	229,416,750	-
Management Fees Payable	113,113	-
	<b>119,892,225</b>	<b>(126,471,207)</b>

**12. Financial Risk Management (continued)***(h) Sensitivity Analysis (continued)*

The table below indicates the highest daily recorded change in the Quoted Price of the Digital Asset and Digital Securities for the year ended 31 December 2023.

**Digital Assets**

	% Sensitivity	Favourable	% Sensitivity	Adverse
Bitcoin	17%	52,691,582	(17%)	(52,691,582)
Ethereum	14%	7,813,924	(14%)	(7,813,924)
Bitcoin Cash	30%	127,114	(30%)	(127,114)
Litecoin	28%	135,919	(28%)	(135,919)
Solana	34%	12,784,531	(34%)	(12,784,531)
Cardano	24%	939,135	(24%)	(939,135)
Polkadot	16%	124,047	(16%)	(124,047)
Avalanche	20%	87,238	(20%)	(87,238)
Polygon Matic	26%	150,450	(26%)	(150,450)
Cosmos	19%	43,839	(19%)	(43,839)
		<b>74,897,779</b>		<b>(74,897,779)</b>

**Digital Security**

	% Sensitivity	Favourable	% Sensitivity	Adverse
WisdomTree Physical Bitcoin	(17%)	(52,148,660)	17%	52,148,660
WisdomTree Physical Ethereum	(14%)	(7,599,841)	14%	7,599,841
WisdomTree Physical Cardano	(24%)	(611,158)	24%	611,158
WisdomTree Physical Solana	(34%)	(12,432,866)	34%	12,432,866
WisdomTree Physical Polkadot	(16%)	(52,060)	16%	52,060
WisdomTree Physical Crypto Mega Cap	(16%)	(482,504)	16%	482,504
Equal Weight				
WisdomTree Physical Crypto Market	(23%)	(1,458,006)	23%	1,458,006
WisdomTree Physical Crypto Altcoins	(25%)	(1,145,262)	25%	1,145,262
		<b>(75,930,357)</b>		<b>75,930,357</b>

The sensitivity is linear and the following table summarises the impact movements in the Quoted Price of the Digital Assets in relation to US Dollars and the Market Price of the Digital Securities as at 31 December 2023, with all other variables held constant, on the profit or loss and other comprehensive income for the period:

	Profit or (Loss)	Other Comprehensive Income
	Audited USD	Audited USD
<b>Favourable Price Movement:</b>		
Digital Assets	333,123	74,564,656
Digital Assets Held in Respect of Management Fees	-	73,030
Digital Securities	(75,930,357)	-
Management Fees Payable	(73,030)	-
	<b>(75,670,264)</b>	<b>74,637,686</b>
<b>Adverse Price Movement:</b>		
Digital Assets	(8,133,199)	(66,764,581)
Digital Assets Held in Respect of Management Fees	-	(73,030)
Digital Securities	75,930,357	-
Management Fees Payable	73,030	-
	<b>67,870,188</b>	<b>(66,837,611)</b>

## 12. Financial Risk Management (continued)

### (i) Capital Management

The primary objective of the Company's capital management policy is to ensure that it maintains sufficient resources for operational purposes. The capital being managed is the Stated Capital as presented in the Statement of Changes in Equity, Retained Earnings and the Revaluation Reserve, as presented in the Statement of Changes in Equity, are not considered managed capital as (other than the impact of Management Fees) these balances relate to unrealised gains and losses on Digital Assets (held to support the Digital Securities) and Digital Securities, which are reversed on a subsequent redemption of the Digital Securities and the related transfer of Digital Assets and will therefore not be realised. The Company is not subject to any capital requirements imposed by a regulator and there were no changes in the Company's approach to capital management during the period.

The Company's principal activity is the issue and listing of Digital Securities. These securities are issued and redeemed as demand requires. The Company holds a corresponding amount of Digital Assets which matches the total liability of the Digital Securities issued. ManJer supplies or arranges the supply of all management and administration services to the Company and pays all management and administration costs of the Company, including Trustee and Custodian Fees. In return for these services the Company pays a Management Fee, which under the terms of the service agreement is equal to the aggregate of the Management Fee and order fees earned.

As all Digital Securities on issue are supported by an equivalent amount of Digital Assets held by the Custodian and the running costs of the Company were paid by ManJer, the directors of the Company consider the capital management and its current capital resources are adequate to maintain the ongoing listing and issue of Digital Securities.

### (j) Fair Value Hierarchy

The levels in the hierarchy are defined as follows:

- Level 1 fair value based on quoted prices in active markets for identical assets.
- Level 2 fair values based on valuation techniques using observable inputs other than quoted prices.
- Level 3 fair values based on valuation techniques using inputs that are not based on observable market data.

Categorisation within the hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement of each relevant asset/liability.

The Company is required to utilise the available on market price as the Digital Securities are quoted and actively traded on the open market. Therefore, Digital Securities are classified as Level 1 financial liabilities.

The Company holds Digital Assets to support the Digital Securities. Digital Assets are revalued to fair value using the Quoted Price. Digital Assets are classified as a level 1 asset, as the value is from actively traded quoted prices.

The Management Fees Payable is valued by converting the Digital Assets accrued and payable into the functional currency by application of the Quoted Price on the period end date, and is therefore classified as a Level 2 financial liability.

## 12. Financial Risk Management (continued)

### (j) Fair Value Hierarchy (continued)

The categorisation of the Company's assets and liabilities are as shown below:

	Fair Value as at 31 December 2024 USD	Fair Value as at 31 December 2023 USD
Level 1 – Liabilities, Digital Securities	1,509,118,143	414,639,031
Level 2 – Liabilities, Management Fees Payable	675,271	377,438
	<b>1,509,793,414</b>	<b>415,016,469</b>
<b>Level 1 – Assets</b>		
Digital Assets	1,541,065,323	410,208,861
Digital Assets Held in Respect of Management Fees	675,271	377,438
	<b>1,541,740,594</b>	<b>410,586,299</b>

The Digital Securities are recognised at fair value upon initial recognition and measured at fair value in line with the Company's accounting policy. The Digital Assets (held to support the Digital Securities) are recognised at cost upon initial recognition and revalued to fair value in line with the Company's accounting policy. Transfers between levels would be recognised if there was a change in the accounting policies adopted or should there be changes in circumstances that prevented public information in respect of Level 1 inputs from being available. Any such transfers would be recognised on the date of the change in circumstances that cause the transfer. There were no transfers or reclassifications between Levels for any of the assets or liabilities during the period.

## 13. Ultimate Controlling Party

In accordance with the disclosure requirements of IFRS the directors have determined that no entity meets the definition of ultimate controlling party. The holder of issued equity shares is Electa Target HoldCo Limited, a Jersey registered company. WisdomTree Inc is the ultimate controlling party of Electra Target HoldCo Limited.

## 14. Events Occurring After the Reporting Period

The following significant events occurred after the reporting period:

- Management Fee Reduction for WisdomTree Physical Bitcoin Securities:**  
Effective from 3 February 2025, the management fee for the WisdomTree Physical Bitcoin Securities was reduced from 0.35% to 0.25%.
- Launch of WisdomTree Physical CoinDesk 20:**  
On 19 February 2025, the company successfully launched a new product, the WisdomTree Physical CoinDesk 20. This product is designed to track the performance of the CoinDesk 20 index, which measures the performance of the largest 20 cryptocurrencies in the market. Notably, the company will be tracking 16 out of the 20 coins included in the CoinDesk 20 index.
- Increase in Staking Target for WisdomTree Physical Ethereum:**  
Effective from 11 February 2025, the company increased the staking target for WisdomTree Ethereum to 60%.
- Change in WisdomTree Physical Bitcoin Management fee percentage:**  
Effective March 26, 2025, the fee is reduced to 0.15% for the rest of the year. It will revert to 0.25% in January 2026.

There have been no further significant events that have occurred since the end of the reporting period up to the date of signing the Financial Statements which would impact on the financial position of the Company.

## 15. Non-GAAP and Non-Statutory Information

As a result of the mismatch in the valuation of Digital Assets (held to support the Digital Securities) and Digital Securities (as disclosed in notes 7 and 8) the profits and losses, and comprehensive income of the Company presented in the Statement of Profit or Loss and Other Comprehensive Income reflect gains and losses which represent the movement in the cumulative difference between the value of the Digital Assets and the price of Digital Securities. The Statement of Changes in Equity also reflects the fair value movements on both the Digital Assets (held to support the Digital Securities) and the Digital Securities.

These gains or losses on the difference between the value of the Digital Assets (held to support the Digital Securities) and the price of Digital Securities would be reversed on a subsequent redemption of the Digital Securities and transfer of the corresponding Digital Assets. Furthermore, each class of Digital Security is issued under limited recourse arrangements whereby the holders have recourse only to the relevant Digital Assets (held to support the Digital Securities) and not to the digital assets of any other class of Digital Security or to the Company.

The Company has entered into contractual obligations to issue and redeem Digital Securities in exchange for Digital Assets as determined by the Entitlement of each class of Digital Security on each trading day. As described in note 8, the Company's contractual liability in respect of Digital Securities is determined by applying the Quoted Price of the underlying Digital Asset to the Entitlement of the Digital Security and the total number of Digital Securities in issue.

The mismatched accounting values are as shown below:

	Year Ended 31 December 2024 USD	Year Ended 31 December 2023 USD
Net Gain Arising on Fair Value of Digital Assets through Other Comprehensive Income	608,872,342	117,647,712
Net (Loss) and Reversal of loss Arising on Fair Value of Digital Assets through Profit or Loss	(797,159)	110,399,544
Net Gain/ (loss) Arising on Fair Value of Digital Securities through Profit or Loss	(571,697,833)	(233,350,789)
	<b>36,377,350</b>	<b>(5,303,533)</b>

To reflect the commercial results, the Company has presented below a non-GAAP and non-Statutory Statement of Profit or Loss, Total Comprehensive Income and Statement of Changes in Equity for the period which reflect an Adjustment from Market Value of Digital Securities to Value represented by underlying Digital Assets, together with those gains or losses being transferred to a separate reserve which is deemed non-distributable.



**15. Non-GAAP and Non-Statutory Information (continued)***(a) Non-GAAP and Non-Statutory Statement of Profit or Loss and Other Comprehensive Income*

	Year Ended 31 December 2024 USD	Year Ended 31 December 2023 USD
<b>Profit or Loss</b>		
Income	6,892,046	2,739,935
Expenses	(6,892,046)	(2,739,935)
<b>Result Before Fair Value Movements</b>	<b>-</b>	<b>-</b>
Net Loss Arising on Fair Value of Digital Securities	(571,697,833)	(233,350,789)
Net Loss Arising on Fair Value of Management Fee Payable	(193,772)	(97,589)
Net (Loss) and Reversal of loss Arising on Fair Value of Digital Assets	(797,159)	110,399,544
<b>Loss for the Year</b>	<b>(572,688,764)</b>	<b>(123,048,834)</b>
<b>Other Comprehensive Income</b>		
<b>Items that may not be Reclassified Subsequently to Profit or Loss:</b>		
Net Gain Arising on Fair Value of Digital Assets	608,872,342	117,647,712
Net Gain Arising on Fair Value of Digital Assets Held in Respect of Management Fees	193,772	97,589
<b>Other Comprehensive Income for the Year</b>	<b>609,066,114</b>	<b>117,745,301</b>
<b>Total Comprehensive Income/(loss) for the Year</b>	<b>36,377,350</b>	<b>(5,303,533)</b>
Adjustment from Market Value of Digital Securities to Value represented by underlying Digital Assets	(36,377,350)	5,303,533
<b>Adjusted Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>

## WisdomTree Issuer X Limited

## Notes to the Financial Statements (Continued)



## 15. Non-GAAP and Non-Statutory Information (continued)

## (b) Non-GAAP and Non-Statutory Statement of Changes in Equity

	Stated Capital USD	Retained Earnings USD	Revaluation Reserve USD	Non-distributable Reserve USD	Total Equity USD
<b>Adjusted Opening Balance at 01 January 2023</b>	<b>2</b>	<b>(402,453)</b>	<b>402,453</b>	<b>-</b>	<b>2</b>
<i>Loss for the Year</i>	-	(123,048,834)	-	-	(123,048,834)
<i>Other Comprehensive Income for the Year</i>	-	-	117,745,301	-	117,745,301
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>(123,048,834)</b>	<b>117,745,301</b>	<b>-</b>	<b>(5,303,533)</b>
Issue of Shares	-	-	-	-	-
	<b>2</b>	<b>(123,451,287)</b>	<b>118,147,754</b>	<b>-</b>	<b>(5,303,531)</b>
<b>Non-GAAP Adjustments</b>					
Movement on Fair Value of Digital Assets transferred to Non-distributable Reserve through Profit and Loss	-	(110,399,544)	-	110,399,544	-
Movement on Fair Value of Digital Assets transferred to Non-distributable Reserve through Other Comprehensive Income	-	-	(117,647,712)	117,647,712	-
Movement on Fair Value of Digital Securities transferred to Non-distributable Reserve	-	233,350,789	-	(233,350,789)	-
Adjustment from Market Value of Digital Securities to Value represented by underlying Digital Assets <sup>3</sup>	-	-	-	5,303,533	5,303,533
<b>Adjusted Closing Balance at 31 December 2023<sup>4</sup></b>	<b>2</b>	<b>(500,042)</b>	<b>500,042</b>	<b>-</b>	<b>2</b>

<sup>3</sup> This represents the difference in movement between the Value of Digital Assets (held to support the Digital Securities) and the price of Digital Securities for each reporting date.

<sup>4</sup> The residual balances in Retained Earnings and the Revaluation Reserve represent the cumulative fair value movements of Digital Assets Held in Respect of Management Fees, compared to the cumulative fair value movements arising on Management Fee Payables.



**WisdomTree Issuer X Limited****Notes to the Financial Statements (Continued)****15. Non-GAAP and Non-Statutory Information (continued)***(c) Non-GAAP and Non-Statutory Statement of Changes in Equity (continued)*

	<b>Stated Capital USD</b>	<b>Retained Earnings USD</b>	<b>Revaluation Reserve USD</b>	<b>Non-distributable Reserve USD</b>	<b>Total Equity USD</b>
<b>Adjusted Opening Balance at 01 January 2024</b>	<b>2</b>	<b>(500,042)</b>	<b>500,042</b>	<b>-</b>	<b>2</b>
<i>Loss for the Year</i>	-	(572,688,764)	-	-	(572,688,764)
<i>Other Comprehensive Income for the Year</i>	-	-	609,066,114	-	609,066,114
<b>Total Comprehensive Loss for the Year</b>	<b>-</b>	<b>(572,688,764)</b>	<b>609,066,114</b>	<b>-</b>	<b>36,377,350</b>
Issue of Shares	-	-	-	-	-
	<b>2</b>	<b>(573,188,806)</b>	<b>609,566,156</b>	<b>-</b>	<b>36,377,352</b>
<b>Non-GAAP Adjustments</b>					
Movement on Fair Value of Digital Assets transferred to Non-distributable Reserve through Profit and Loss	-	797,159	-	(797,159)	-
Movement on Fair Value of Digital Assets transferred to Non-distributable Reserve through Other Comprehensive Income	-	-	(608,872,342)	608,872,342	-
Movement on Fair Value of Digital Securities transferred to Non-distributable Reserve	-	571,697,833	-	(571,697,833)	-
Adjustment from Market Value of Digital Securities to Value represented by underlying Digital Assets <sup>5</sup>	-	-	-	(36,377,350)	(36,377,350)
<b>Adjusted Closing Balance at 31 December 2024<sup>6</sup></b>	<b>2</b>	<b>(693,814)</b>	<b>693,814</b>	<b>-</b>	<b>2</b>

<sup>5</sup> This represents the difference in movement between the Value of Digital Assets (held to support the Digital Securities) and the price of Digital Securities for each reporting date.

<sup>6</sup> The residual balances in Retained Earnings and the Revaluation Reserve represent the cumulative fair value movements of Digital Assets Held in Respect of Management Fees, compared to the cumulative fair value movements arising on Management Fee Payables.