
WINTERMUTE TRADING LIMITED

**CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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WINTERMUTE TRADING LIMITED

COMPANY INFORMATION

Directors

E Gaevoy
S D Harrison
J Liew
V Samko

Registered number

10882520

Registered office

3rd Floor 1 Ashley Road
Altrincham
Cheshire
WA14 2DT

Independent auditors

Harris & Trotter LLP
Chartered Accountants & Statutory Auditors
64 New Cavendish Street
London
W1G 8TB

WINTERMUTE TRADING LIMITED

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WINTERMUTE TRADING LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Introduction

The directors present their strategic report for Wintermute Trading Limited ("the Company") and its subsidiaries (collectively the "Group") for the year ended 31 December 2021.

Business review

The Company is an independent proprietary trading company, incorporated under the laws of the United Kingdom.

The Group is a leading liquidity provider for digital assets and one of the largest algorithmic market makers globally covering all major exchanges and trading platforms. The Group is also at the forefront of research & development and innovation in crypto, supporting liquidity of new products and new trading platforms.

Subsequent to the reporting date, the Company has been registered by the UK Financial Conduct Authority in relation to AML-CTF regime for crypto firms.

For the year ended 31 December 2021 and for the foreseeable future, the principal activity of the Group is to trade on its own account.

Financial position and performance

The financial position of the Group as at 31 December 2021 is shown in the statement of financial position on page 12, with trading results shown in the statement of comprehensive income on page 11 and the statement of cash flows on page 18.

The Group has produced profits of USD 581,974k (2020: USD 22,477k) from net revenue of USD 818,538k (2020: USD 40,443k). Administrative expenses were USD 122,521k (2020: USD 15,510k). The net profit after tax margin for the year was 71% (2020: 56%). The total assets of the Group as at 31 December 2021 were USD 2,587,571k (2020: USD 222,261k).

The Group grew significantly in 2021 driven by favourable market conditions and wider expansion. The directors consider that the Group's underlying performance has met expectations in line with its continued growth.

The Group's costs grew in line with expectations during the year and the directors consider these costs to be appropriate given the profitability and levels of business activity during the year.

WINTERMUTE TRADING LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Consideration of the interests of key stakeholders

The board of directors ("the Board") is committed to ethical business conduct and expects the highest standards of integrity to be followed by the Directors and all employees. The Directors are satisfied that they have acted in accordance with their S.172(1) duty and have taken decisions likely to promote the success of the Group for the benefit of its members, having regard (amongst other matters) to factors (a) to (f) of S.172(1) of the Companies Act 2006. Discussed below are some examples of how the Board have had regard to the matters set out in sections 172(1)(a)-(f) when discharging their section 172 duties.

The Board regularly assesses the effectiveness of the Group's governance arrangements and its growth and business strategies. In arriving at these decisions, the Board has assessed the likely consequences of any decision in the long term, the need to foster the Group's business relationships with suppliers and other counterparties, the impact of the Group's operations on the broader community, the desirability of the Group maintaining a reputation of the highest standards of business conduct, and the need to act fairly between stakeholders of the Group.

The following paragraphs further summarise how the Board fulfilled their duties with respect to s.172.

Employees and shareholders:

The Board promotes a positive and inclusive culture and believes in equal opportunities and people's development. The Group's policy is to appoint staff entirely based on merit and fully in accordance with current legislation.

At the direction of the Board, all the relevant technology equipment was provided to the employees to enable effective remote working that was required as a result of the Covid-19 pandemic. Moreover, relevant training and development opportunities were provided throughout the year.

The Board consults and informs the shareholders in accordance with the best governance practices.

Business relationships:

Business relationships with trading counterparties are encouraged by the Board while maintaining the highest standards of conduct and complying with all applicable rules and regulations.

Suppliers:

The Board promotes a policy of paying the suppliers of the Group with no undue delays in order to strengthen the Group's business relationships with suppliers. The Group's standard payment terms are 30 days from the date of an invoice.

Wider community:

The Board is keen to support the innovation and decentralization of finance. The company also supports the development and education of the next generation of talent in blockchain by conducting developer events and providing informational sessions to UK's university students.

WINTERMUTE TRADING LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Principal risks and uncertainties

The Board meets periodically to set out and review the Group's risk profiles across the risks facing the Group: market risk, counterparty credit risk, liquidity risk and operational risk. The Group monitors its potential risk exposure on an on-going basis. Where relevant, some of the risks are monitored in real time. Where this is not relevant or practical, these are monitored on a daily, weekly or monthly basis. Further information on the types and management of the main risk types is given below.

Market risk

Market risk is defined as the risk of loss arising from an adverse move in the value of assets or liabilities. The risk is managed through appropriate hedging strategies and implementation of prudent risk limits.

Counterparty credit risk

Counterparty credit risk is the risk of loss due to a counterparty failing to discharge its obligations. The Group manages its assets across exchanges and other institutions to minimise exposure to any one counterparty. Relevant due diligence is performed on all new and existing counterparty relationships to identify any specific risks.

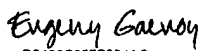
Liquidity risk

Liquidity risk is the risk that the Group will fail to meet its financial obligations as they fall due. The principal liabilities are the loan repayments. The Group continuously monitors the maturity profile of short term borrowing and make sure any obligation is repayable on demand and the anticipated cash outflows needed to settle these obligations are considered to approximate to the carrying amount shown on page 16

Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Group manages operational risk through internal controls that are embedded within business processes and are designed to ensure the Group remains compliant with applicable rules and regulations.

This report was approved by the board and signed on its behalf.

DocuSigned by:

.....D942PC857B304AG.....

E Gaevoy
Director

Date: 07-Apr-2022

WINTERMUTE TRADING LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to \$581,974k (2020 - \$22,477k).

No ordinary interim dividends were paid during 2021.

Directors

The directors who served during the year were:

E Gaevoy
S D Harrison
J Liew
V Samko

Going Concern

The financial statements have been prepared on the going concern basis of accounting. The directors have a reasonable expectation that the Group has adequate means to implement its growth plans, continue in operational existence and meet its liabilities as they fall due for the foreseeable future. In reaching this conclusion the directors have prepared financial forecast extending to June 2023 which shows excess of liquid resources to meet the Group's liabilities as they fall due.

WINTERMUTE TRADING LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Future developments

The board is dedicated in developing a sustainable framework for growth that will enable the Group to continue to trade profitably. The Group will continue to engage in propriety trading.

Engagement with suppliers, customers and others

The Board are satisfied that they have acted in accordance with the Companies (miscellaneous reporting) Regulations 2018 schedule 7.11B(1) requirements and have taken decisions having had regard to the need to foster the Company's business relationships with key stakeholders. For the details under this requirement please refer to "Consideration of the interests of key stakeholders" section under strategic report.

Streamlined energy and carbon reporting

According to the requirements of the UK government's Streamlined Energy and Carbon Reporting (SECR) policy, the Company's SECR disclosures for the year ended 31 December 2021 are shown below. Comparative information is not required in the first year of reporting. The Group's greenhouse gas emissions were as follows:

	2021
Emissions from purchased electricity (tCO ₂ e) (Scope 2)	18
Emissions from combustion of gas (tCO ₂ e)	nil
Total gross tCO ₂ e emissions	<u>18</u>

The above calculations were based on total energy consumption of 84,600 kWh and the UK government published greenhouse gas reporting conversion factors for 2021.

The Intensity ratio for 2021 is 3.74 kg CO₂e per square foot of floor space.

Matters covered in the Group Strategic Report

The Group has chosen in accordance with Companies Act 2006, s. 414C (11) to set out in the Group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch 7 to be contained in the director's report. It has done so in respect of:

- Review of the Group's results and performance.
- Financial instruments, principal risks and uncertainties facing the Group.
- Indication of the likely future developments in the business of the Group.
- Indication of research and development activities of the Group.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

WINTERMUTE TRADING LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

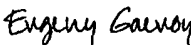
Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Harris & Trotter LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

.....CB420C957B304AC.....
E Gaevoy
Director

Date: 07-Apr-2022

WINTERMUTE TRADING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINTERMUTE TRADING LIMITED

Opinion

We have audited the financial statements of Wintermute Trading Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard 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.

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 Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

WINTERMUTE TRADING LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINTERMUTE TRADING LIMITED
(CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

WINTERMUTE TRADING LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINTERMUTE TRADING LIMITED
(CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the industry in which it operates. We determined that the following laws and regulations were most significant: Modern Slavery Act 2015, FRS 102 and the Companies Act 2006.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making enquiries of management.
- We challenged assumptions and judgments made by management in its significant accounting estimates.

We did not identify any key audit matters relating to irregularities, including fraud.

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

WINTERMUTE TRADING LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINTERMUTE TRADING LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Auditors' 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.



N Newman (Senior Statutory Auditor)

for and on behalf of
Harris & Trotter LLP

Chartered Accountants & Statutory Auditors

64 New Cavendish Street
London

W1G 8TB

Date: 07/04/22

WINTERMUTE TRADING LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$000	As restated 2020 \$000
Net trading revenue		818,538	40,443
Administrative expenses		(122,521)	(15,510)
Operating profit	4	<u>696,017</u>	<u>24,933</u>
Tax on profit	9	(114,043)	(2,456)
Profit for the financial year		<u><u>581,974</u></u>	<u><u>22,477</u></u>
Foreign exchange reserve		-	1,280
Other comprehensive income for the year		-	<u>1,280</u>
Total comprehensive income for the year		<u><u>581,974</u></u>	<u><u>23,757</u></u>
Profit for the year attributable to:			
Owners of the parent Company		<u>581,974</u>	<u>22,477</u>
		<u><u>581,974</u></u>	<u><u>22,477</u></u>
Total comprehensive income for the year attributable to:			
Owners of the parent Company		<u>581,974</u>	<u>23,757</u>
		<u><u>581,974</u></u>	<u><u>23,757</u></u>

The notes on pages 20 to 37 form part of these financial statements.

WINTERMUTE TRADING LIMITED
REGISTERED NUMBER: 10882520

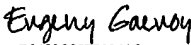
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 \$000	2020 \$000
Fixed assets			
Intangible assets	10	10,917	-
Tangible assets	11	750	133
Investments	12	5,957	197
		<u>17,624</u>	<u>330</u>
Current assets			
Inventory	13	2,125,973	156,189
Debtors: amounts falling due within one year	14	10,097	15,572
Cash at bank and in hand	15	433,877	50,170
		<u>2,569,947</u>	<u>221,931</u>
Creditors: amounts falling due within one year	16	<u>(2,003,223)</u>	<u>(178,513)</u>
Net current assets		566,724	43,418
Total assets less current liabilities		584,348	43,748
Creditors: amounts falling due after more than one year	17	(21,278)	-
Provisions for liabilities			
Net assets excluding pension asset		563,070	43,748
Net assets		563,070	43,748
Capital and reserves			
Called up share capital	20	-	-
Share premium account	21	28,111	24,031
Foreign exchange reserve	21	1,280	1,280
Profit and loss account	21	533,679	18,437
Equity attributable to owners of the parent Company		563,070	43,748
		<u>563,070</u>	<u>43,748</u>

WINTERMUTE TRADING LIMITED
REGISTERED NUMBER: 10882520

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

D9420C957B304AC.....
E Gaevoy
Director

Date: 07-Apr-2022

The notes on pages 20 to 37 form part of these financial statements.

WINTERMUTE TRADING LIMITED
REGISTERED NUMBER: 10882520

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

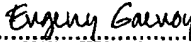
	Note	2021 \$000	As restated 2020 \$000
Fixed assets			
Intangible assets	10	10,917	-
Tangible assets	11	735	133
Investments	12	10,968	197
		<u>22,620</u>	<u>330</u>
Current assets			
Inventory	13	1,792,432	156,189
Debtors: amounts falling due within one year	14	258,572	15,572
Cash at bank and in hand	15	306,402	50,170
		<u>2,357,406</u>	<u>221,931</u>
Creditors: amounts falling due within one year	16	(1,825,333)	(178,513)
Net current assets		<u>532,073</u>	<u>43,418</u>
Total assets less current liabilities		<u>554,693</u>	<u>43,748</u>
Creditors: amounts falling due after more than one year	17	(21,277)	-
Net assets excluding pension asset		<u>533,416</u>	<u>43,748</u>
Net assets		<u><u>533,416</u></u>	<u><u>43,748</u></u>
Capital and reserves			
Called up share capital	20	-	-
Share premium account	21	28,111	24,031
Foreign exchange reserve	21	1,280	1,280
Profit and loss account	21	504,025	18,437
		<u>533,416</u>	<u>43,748</u>

WINTERMUTE TRADING LIMITED
REGISTERED NUMBER: 10882520

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

The Company has elected to take exemption under section 408 of the Companies Act 2006 from presenting the Parent Company Statement of Comprehensive Income. The Company profit for the financial year was \$526,005k (2020: 22,477k).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

.....
D9420C957B304AC...
E Gaevoy
Director

Date: 07-Apr-2022

The notes on pages 20 to 37 form part of these financial statements.

WINTERMUTE TRADING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital \$000	Share premium account \$000	Foreign exchange reserve \$000	Profit and loss account \$000	Equity attributable to owners of parent Company \$000	Total equity \$000
At 1 January 2020 restated	-	-	-	(515)	(515)	(515)
Comprehensive income for the year	-	-	-	22,477	22,477	22,477
Profit for the year	-	-	-	22,477	22,477	22,477
Change in presentational currency	-	-	1,280	-	1,280	1,280
Purchase of own shares	-	-	-	(3,525)	(3,525)	(3,525)
Shares issued during the year	-	24,031	-	-	24,031	24,031
At 1 January 2021	-	24,031	1,280	18,437	43,748	43,748
Comprehensive income for the year	-	-	-	581,974	581,974	581,974
Profit for the year	-	-	-	581,974	581,974	581,974
Purchase of own shares	-	-	-	(66,732)	(66,732)	(66,732)
Shares issued during the year	-	4,080	-	-	4,080	4,080
At 31 December 2021	-	28,111	1,280	533,679	563,070	563,070

The notes on pages 20 to 37 form part of these financial statements.

WINTERMUTE TRADING LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital \$000	Share premium account \$000	Foreign exchange reserve \$000	Profit and loss account \$000	Total equity \$000
At 1 January 2020	-	-	-	(515)	(515)
Comprehensive income for the year				22,477	22,477
Profit for the year	-	-	-	22,477	22,477
Change in presentational currency	-	-	1,280	-	1,280
Purchase of own shares	-	-	-	(3,525)	(3,525)
Shares issued during the year	-	24,031	-	-	24,031
At 1 January 2021	-	24,031	1,280	18,437	43,748
Comprehensive income for the year				552,320	552,320
Profit for the year	-	-	-	552,320	552,320
Purchase of own shares	-	-	-	(66,732)	(66,732)
Shares issued during the year	-	4,080	-	-	4,080
At 31 December 2021	-	28,111	1,280	504,025	533,416

The notes on pages 20 to 37 form part of these financial statements.

WINTERMUTE TRADING LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 \$000	2020 \$000
Cash flows from operating activities		
Profit for the financial year	581,973	22,477
Adjustments for:		
Depreciation of tangible assets	147	24
Taxation charge	114,043	2,525
(Increase) in inventories	(1,969,782)	(156,189)
Decrease/(increase) in debtors	5,474	(15,572)
Increase in creditors	113,866	17,093
New trading loans	1,714,738	158,729
Corporation tax (paid)/received	(96,659)	235
Net cash generated from operating activities	<u>463,800</u>	<u>29,322</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	(10,917)	-
Purchase of tangible fixed assets	(764)	(143)
Purchase of unlisted and other investments	(5,760)	(197)
Net cash from investing activities	<u>(17,441)</u>	<u>(340)</u>
Cash flows from financing activities		
Issue of ordinary shares	4,080	24,031
Repurchase of own shares	(66,732)	(3,525)
Net cash used in financing activities	<u>(62,652)</u>	<u>20,506</u>
Net increase in cash and cash equivalents	<u>383,707</u>	<u>49,488</u>
Cash and cash equivalents at beginning of year	50,170	37
Foreign exchange gains and losses	-	645
Cash and cash equivalents at the end of year	<u><u>433,877</u></u>	<u><u>50,170</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	433,877	50,170
	<u><u>433,877</u></u>	<u><u>50,170</u></u>

WINTERMUTE TRADING LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	At 1 January 2021 \$000	Cash flows \$000	At 31 December 2021 \$000
Cash at bank and in hand	50,170	383,707	433,877
Debt due within 1 year	(158,729)	(1,714,737)	(1,873,466)
	<u>(108,559)</u>	<u>(1,331,030)</u>	<u>(1,439,589)</u>

The notes on pages 20 to 37 form part of these financial statements.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Wintermute Trading Limited ("the Company") is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 10882520). The company's registered office address is 3rd Floor 1 Ashley Road, Altrincham, Cheshire, United Kingdom, WA14 2DT.

The principal activity of Company is that of proprietary trading.

The group consists of Wintermute Trading Limited and all of its subsidiaries.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Changes in functional and presentation currency

With effect from 01 January 2021, the Group's functional and presentational currency changed from Sterling to US Dollars, given that the standard valuation of crypto assets is denominated in US Dollars. The Group believes that the change in presentation currency will afford users and other stakeholders a clearer understanding of the Group's performance over time.

As a result of this change in accounting policy, the comparatives are restated in US Dollars using the following procedures:

- assets and liabilities are translated into US Dollars at closing rates of exchange.
- trading results are translated into US Dollars at the rates of exchange prevailing at the dates of transaction or average rates where these are a suitable proxy.
- share capital, share premiums and other reserves are translated at historic rates prevailing at the dates of transactions.
- differences arising from the retranslation of the above procedures have been presented in the currency translation reserve, a component within shareholders' equity.

2.4 Going concern

In determining the appropriate basis of preparation of the accounts, the directors are required to consider whether the Group has adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of the accounts.

The Group's business activities, together with factors that are likely to affect its future development, financial performance and financial position and the main financial risks that impact the Group's performance are set out in the Strategic and Directors Report.

The directors have prepared forecasts and have a reasonable expectation that the Group has adequate resources to continue operational existence for the foreseeable future. For this reason, the going concern assumption has been adopted when preparing the financial statements.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'administrative expenses'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

2.6 Net trading revenue

Net trading revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the net trading revenue can be reliably measured. Net trading revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Net trading revenue comprises profits and losses derived from dealings in cryptocurrencies and digital assets as principal of transactions in digital assets and after direct trading expenses.

The profits and losses from dealings in cryptocurrencies and digital assets include unrealised profits and losses at the period end as assets held are included at market value. The directors consider this to be necessary to show a true and fair view as the Group is operating in highly active markets.

Interest income and expense, on all trading assets and liabilities are considered to be incidental to the Group's trading operations and are presented with all other changes to the fair value of trading assets and liabilities in net trading income.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised directly in equity is also recognised directly in equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets consisting of digital assets held for investment are determined to have an indefinite useful economic life. These assets are therefore not amortised but reviewed and tested for impairment on a regular basis.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	10%
Office equipment	-	33%
Computer equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.13 Inventory

The inventory held by the company consists of various cryptocurrencies and digital assets held at the balance sheet date. Inventory is measured at fair value.

Cryptocurrencies are held for sale as part of the group's ordinary activities are measured at fair value through profit or loss. This comprises of holding inventory at fair value less costs to sell, which provides a more relevant measure of the Group's performance. As the Group operates in an active market where sales can be achieved at published prices from a number of active sources, resulting in a store of readily realisable value at the balance sheet date, fair value is a more relevant measure.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Financial instruments

The Group enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities that comprise investments in equity and debt securities, trade and other debtors and creditors, loans from third parties, trade and other receivables, cash and cash equivalents and trade and other payables.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both the period of revision and future periods.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Operating profit

The operating profit is stated after charging:

	2021 \$000	2020 \$000
R&D costs charged as an expense	69,734	9,431
Employee costs	44,486	3,358
	<u> </u>	<u> </u>

5. Auditors' remuneration

	2021 \$000	2020 \$000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	288	-
	<u> </u>	<u> </u>
Fees payable to the Group's auditor and its associates in respect of:		
Taxation compliance services	12	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

6. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2021 \$000	Group 2020 \$000	Company 2021 \$000	Company 2020 \$000
Wages and salaries	100,443	12,628	99,313	12,628
Social security costs	13,727	137	13,727	137
Cost of defined contribution scheme	50	24	37	24
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>114,220</u>	<u>12,789</u>	<u>113,077</u>	<u>12,789</u>

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Employees	36	12	34	12
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Directors' remuneration

	2021 \$000	2020 \$000
Directors' emoluments	31,125	2,278
	<u>31,125</u>	<u>2,278</u>

Remuneration of \$22,517k (2020 - \$1,581k) was allocated to the highest paid director in relation to the year ended 31 December 2021.

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to \$2k (2020 - \$1k).

8. Interest payable and similar expenses

	2021 \$000	2020 \$000
Other loan interest payable	56,991	3,767
	<u>56,991</u>	<u>3,767</u>

9. Taxation

	2021 \$000	2020 \$000
Corporation tax		
Current tax on profits for the year	108,093	2,456
	<u>108,093</u>	<u>2,456</u>
Foreign tax		
Foreign tax on income for the year	5,950	-
	<u>5,950</u>	<u>-</u>
Total current tax	<u>114,043</u>	<u>2,456</u>
Taxation on profit on ordinary activities	<u>114,043</u>	<u>2,456</u>

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 \$000	2020 \$000
Profit on ordinary activities before tax	<u>696,017</u>	<u>24,933</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	132,242	4,737
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	32	-
Capital allowances for year in excess of depreciation	(153)	(27)
R&D claim	(17,319)	(2,254)
Effect of overseas tax rates	(802)	-
Other differences leading to an increase (decrease) in the tax charge	43	-
Total tax charge for the year	<u><u>114,043</u></u>	<u><u>2,456</u></u>

Factors that may affect future tax charges

The budget on 3 March 2021 announced that the rate of corporation tax will remain at 19% until 1 April 2023 when it will increase to 25%.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Intangible assets**Group**

	Digital assets \$000
Cost	
Additions	10,917
At 31 December 2021	<u>10,917</u>
Net book value	
At 31 December 2021	<u>10,917</u>
<i>At 31 December 2020</i>	<u>-</u>

Company

	Digital assets \$000
Cost	
Additions	10,917
At 31 December 2021	<u>10,917</u>
Net book value	
At 31 December 2021	<u>10,917</u>
<i>At 31 December 2020</i>	<u>-</u>

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Tangible fixed assets**Group**

	Fixtures and fittings \$000	Office equipment \$000	Computer equipment \$000	Total \$000
Cost or valuation				
At 1 January 2021	-	12	150	162
Additions	41	52	671	764
At 31 December 2021	<u>41</u>	<u>64</u>	<u>821</u>	<u>926</u>
Depreciation				
At 1 January 2021	-	1	27	28
Charge for the year on owned assets	3	15	130	148
At 31 December 2021	<u>3</u>	<u>16</u>	<u>157</u>	<u>176</u>
Net book value				
At 31 December 2021	<u>38</u>	<u>48</u>	<u>664</u>	<u>750</u>
At 31 December 2020	<u>-</u>	<u>11</u>	<u>122</u>	<u>133</u>

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Tangible fixed assets (continued)**Company**

	Fixtures and fittings \$000	Office equipment \$000	Computer equipment \$000	Total \$000
Cost or valuation				
At 1 January 2021	-	12	150	162
Additions	41	48	660	749
At 31 December 2021	<u>41</u>	<u>60</u>	<u>810</u>	<u>911</u>
Depreciation				
At 1 January 2021	-	1	27	28
Charge for the year on owned assets	3	15	130	148
At 31 December 2021	<u>3</u>	<u>16</u>	<u>157</u>	<u>176</u>
Net book value				
At 31 December 2021	<u>38</u>	<u>44</u>	<u>653</u>	<u>735</u>
At 31 December 2020	<u>-</u>	<u>11</u>	<u>122</u>	<u>133</u>

12. Fixed asset investments**Group**

	Unlisted investments \$000
Cost or valuation	
At 1 January 2021	197
Additions	5,760
At 31 December 2021	<u>5,957</u>

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Fixed asset investments (continued)**Company**

	Investments in subsidiary companies \$000	Unlisted investments \$000	Total \$000
Cost or valuation			
At 1 January 2021	-	197	197
Additions	5,011	5,760	10,771
At 31 December 2021	<u>5,011</u>	<u>5,957</u>	<u>10,968</u>

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Wintermute Asia PTE Ltd	24 Eam Kiam Place, Singapore (429115)	Proprietary trading	Ordinary	100%
1Jane Ltd	South Church St. Uglan House, George Town, Grand Cayman, Cayman Islands	Proprietary trading	Ordinary	100%

Indirect subsidiary undertaking

The following was an indirect subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
2Jane Ltd	South Church St. Uglan House, George Town, Grand Cayman, Cayman Islands	Dormant	Ordinary	100%

All of the above subsidiaries have been included in the consolidation of these financial statements.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Inventory

	Group	Group As restated	Company	Company As restated
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Digital assets held for sale	2,125,973	156,189	1,792,432	156,189
	<u>2,125,973</u>	<u>156,189</u>	<u>1,792,432</u>	<u>156,189</u>

14. Debtors

	Group	Group As restated	Company	Company As restated
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Trade debtors	-	14,655	-	14,655
Amounts owed by group undertakings	-	-	252,701	-
Other debtors	8,032	767	3,838	767
Prepayments and accrued income	2,065	150	2,033	150
	<u>10,097</u>	<u>15,572</u>	<u>258,572</u>	<u>15,572</u>

15. Cash and cash equivalents

	Group	Group As restated	Company	Company As restated
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Cash at bank and in hand	433,877	50,170	306,402	50,170
	<u>433,877</u>	<u>50,170</u>	<u>306,402</u>	<u>50,170</u>

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Creditors: Amounts falling due within one year

	Group	Group As restated	Company	Company As restated
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Other loans	1,873,466	158,729	1,699,133	158,729
Trade and other creditors	55,417	1,924	54,035	1,924
Amounts owed to group undertakings	-	-	4,499	-
Corporation tax	20,074	2,691	14,124	2,691
Accruals and deferred income	54,266	15,169	53,542	15,169
	<u>2,003,223</u>	<u>178,513</u>	<u>1,825,333</u>	<u>178,513</u>

17. Creditors: Amounts falling due after more than one year

	Group	Group As restated	Company	Company As restated
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Accruals and deferred income	21,278	-	21,277	-
	<u>21,278</u>	<u>-</u>	<u>21,277</u>	<u>-</u>

18. Loans

Analysis of the maturity of loans is given below:

	Group	Group As restated	Company	Company As restated
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Amounts falling due within one year				
Other loans	1,873,466	158,729	1,699,133	158,729
	<u>1,873,466</u>	<u>158,729</u>	<u>1,699,133</u>	<u>158,729</u>

An amount of \$78,918k is secured by way of fixed and floating charges on the intellectual property of the Company.

At the issue date of the financial statements the charge has been satisfied.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Financial instruments

	Group 2021 \$000	Group 2020 \$000	Company 2021 \$000	Company 2020 \$000
Financial assets				
Financial assets measured at fair value through profit or loss	<u>449,349</u>	<u>65,789</u>	<u>543,282</u>	<u>65,789</u>
Financial liabilities				
Financial liabilities measured at fair value through profit or loss	<u>2,052,731</u>	<u>163,859</u>	<u>1,837,768</u>	<u>163,859</u>

Financial assets measured at fair value through profit or loss comprise cash at bank, trade and other debtors and investments.

Financial liabilities measured at fair value through profit and loss comprise bank and other loans, trade and other creditors, corporation tax due, accruals and OTC creditors quoted at market price at the year end date.

20. Share capital

	2021 \$000	2020 \$000
Allotted, called up and fully paid		
7,110,299 (2020 - 7,813,365) Ordinary shares shares of £0.00001 each	0.101	0.110
2,620,207 (2020 - 2,702,891) Series A shares shares of £0.00001 each	0.033	0.034
2,018,810 (2020 - 1,887,493) Series B shares shares of £0.00001 each	0.027	0.025
112,472 (2020 - 100,472) Growth Shares shares of £0.00001 each	0.001	0.001
	<u>0.162</u>	<u>0.170</u>
Allotted, called up and partly paid		
3,294,298 (2020 - 1,966,520) Ordinary (£0.00001 paid) shares of £0.00001 each	<u>0.039</u>	<u>0.025</u>

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Share capital (continued)

The Company made the following share issues in the year:

- 1,540,885 £0.00001 Ordinary shares issued with an aggregate nominal value of \$17.62 and an average premium of \$1.80 per share resulting in total cash consideration of \$24,629.54 of which 85,243 shares were fully paid, leaving 1,455,642 shares partly paid.
- 12,000 £0.00001 Growth Shares with an aggregate nominal value of \$0.12 issued and received at par.
- 131,317 £0.00001 Series B Shares issued with an aggregate nominal value of \$1.75 with an average premium of \$9.91 per share resulting in total cash consideration received of \$1,300,939

£0.00001 Ordinary shares, £0.00001 Series A shares & £0.00001 Series B Shares all carry the right to attend and speak at general meetings and vote on written resolutions. £0.00001 Ordinary (£0.00001 paid) shareholders have no right to attend and speak at general meeting or vote on written resolutions until they have satisfied in full the full amount outstanding on their shareholding. £0.00001 Growth Shares hold no right to attend, speak or vote at general meetings.

£0.00001 Series A shares & £0.00001 Series B Shares hold preference rights above all other share classes with £0.00001 Series B Shares holding the highest preference.

21. Reserves

Share premium account

Included in the share premium account are all amounts paid for shares above their nominal value.

Capital redemption reserve

Included in the capital redemption reserve are the nominal value of shares repurchased.

Foreign exchange reserve

Included in the foreign exchange reserve are the variances arising from the change in presentation currency from GBP to US Dollars, effective as of 01 January 2021.

Profit and loss account

Comprises current and previous years retained profits and losses.

22. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to \$50k (2020: \$28k). Contributions totalling \$297k (2020: \$6k) were payable to the fund at the reporting date and are included in creditors.

WINTERMUTE TRADING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

23. Related party transactions

In the year, a director entered into an arm's length (2% annual interest rate) unsecured loan arrangement with the Company for the amount of \$500k falling due within one year. At the year end, \$501k (2020: \$nil) remained outstanding. The full amount of the loan was repaid after the year end.

At the year end, a balance of \$30,796k (2020: \$4,353k) was due to directors of the Company.

The company issued 1,610,602 (2020: 111,992) £0.0001 Ordinary (partly paid) shares to directors, at a premium, for which only nominal consideration was received. At the year end \$2,340k (2020: \$161k) remained outstanding from directors. The full amount was repaid after the year end.

The Company has taken advantage of the exemption in FRS102 Section 33.1A not to disclose transactions with wholly owned group entities.