

1st supplement to the



capital market prospectus according to Schedule A of the Capital Market Act 2019 of Bitpanda GmbH on the public offer of investments in the form of the Index product in the total amount of up to EUR 10 million (in words: EURO ten million) with the option to increase the total amount to EUR 30 million (in words: EURO thirty million) dated 08/05/2024

Translation Disclaimer: This document is a translation into English of the 1st Supplement to the Bitpanda Crypto BCI Prospectus which was issued in the German language and is provided solely for the convenience of English-speaking readers. The translation of this Supplement has not been edited or audited by the prospectus auditor (Grant Thornton Austria GmbH), and is in no way binding or affiliated with said auditor. The German version is the only prevailing and binding version. Neither Bitpanda nor any other party can be made liable for errors or ambiguity deriving from the English translation.

26/08/2025

This first supplement is currently under review by the prospectus auditor for accuracy and completeness. The unchecked version of the first supplement was published on 26 August 2025 on the issuer's website www.bitpanda.com and filed with Oesterreichische Kontrollbank AG (OeKB). Should the outcome of the review process result in changes to the text of the supplement, such changes will be published together with a note correcting the previous publication.

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1. Supplement to the capital market prospectus – non-binding summary

This 1st supplement amends the capital market prospectus of Bitpanda GmbH dated 8 May 2024 for the public offer of investments in the form of the Index product in the total amount of up to EUR 10 million (in words: EURO ten million) with the option to increase the total amount to EUR 30 million (in words: EURO thirty million), in particular in the points outlined below:

- Amendment and adaptation in the list of definitions and abbreviations: Updating company names and addresses
- Amendment and adaptation of the summary of the investment and the offer.
- Amendment and adaptation of the translated summary text: English Translation of the Summary
- Amendments to Chapter 1 – Risk factors, product liability risk of the prospectus
- Amendments to Chapter 3 - Information on the prospectus investment and inclusion of information on a new index in the prospectus
- Amendments to Chapter 4 - Information on the issuer
- Annex II - Bitpanda General Terms and Conditions (GTC) will be replaced by the updated product terms for the Bitpanda Index.
- The annual financial statements of Bitpanda GmbH for the 2023 financial year are provided as Annex III.

2. Amendments, additions and clarifications to the capital market prospectus

Important notes, terms and references in the capital market prospectus

The Issuer's capital market prospectus dated 8 May 2024 was filed with the registration office of Österreichische Kontrollbank Aktiengesellschaft (OeKB) on 8 May 2024. The capital market prospectus was published on the Bitpanda GmbH website on 8 May 2024 (www.bitpanda.com).

The 1st supplement is filed and published in the same way as the underlying capital market prospectus and will be made available to the public free of charge during the public offer period on the website of the issuer Bitpanda GmbH at www.bitpanda.com free of charge.

All terms defined in the capital market prospectus have the same meaning in this 1st supplement as in the capital market prospectus. The numbering of the headings of the 1st supplement is consecutive and does not correspond to the numbering of headings or chapters of the capital market prospectus. The capital market prospectus and the 1st

supplement are to be read and understood as a unit. Insofar as no amendments or additions are made to the capital market prospectus as a result of the following supplement, its provisions and, in particular, its risk information shall continue to apply unchanged.

Additions to the original wording of the capital market prospectus are emphasised in this supplement in the new wording by underlining and deletions are not marked separately.

Numerous risks described in the capital market prospectus, their significance and effects are described in more detail in particular in Chapter 1 (pp. 28 et seq.) of the capital market prospectus under the heading Risk factors and may have an adverse effect on the business, assets, financial position, liquidity and operating performance of the issuer and thus lead to a partial or total loss of the capital invested by the investors. The purchase of the Bitpanda Index product involves considerable risks, up to and including a possible total loss of the investment. Crypto-assets are highly volatile assets and their performance cannot be estimated. Therefore, only those customers should purchase the Index product who can economically bear a total loss of the investment.

The following amendments and adaptations relate to the capital market prospectus (according to Schedule A) of Bitpanda GmbH on the public offer of investments in the form of the Index product in the total amount of up to EUR 10 million with the option to increase the total amount to EUR 30 million dated 8 May 2024 (hereinafter "**the Prospectus**"), which is hereby supplemented or amended by the following amendments. The page references refer to the prospectus dated 8 May 2024.

2.1. Amendment and adaptation in the list of definitions and abbreviations

In the list of definitions and abbreviations, the following definitions of the prospectus (pp. 9 et seq.) are updated, whereby:

The definitions on page 9

BAM	BAM Bitpanda Asset Management GmbH, with registered office at Friedrich-Ebert-Anlage 36, 60325 Frankfurt a.M., Germany, registered with the district court of Frankfurt am Main under HRB 121696
BCI, Bitpanda Crypto Index, Bitpanda Index, Index product, Bitpanda Index	The Index product covered by the prospectus comprises the following Indices: BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders and BCI Meme Coin Leaders.

product or the investment	
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are replaced as follows:

BAM	BAM Bitpanda Asset Management GmbH, with registered office at <u>Dircksenstraße 4, 10179 Berlin</u> , Germany, registered with the district court of <u>Charlottenburg</u> under HRB 258842 B.
BCI, Bitpanda Crypto Index, Bitpanda Index, Index product, Bitpanda Index product or investment	The Index product covered by the prospectus comprises the following Indices: BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders and <u>BCI USA</u> .

The definition on page 10

Bitpanda Group	Bitpanda GmbH, Bitpanda Metals GmbH, Bitpanda Financial Services GmbH, Bitpanda Customer Care GmbH, Bitpanda Payments GmbH, Bitpanda Asset Management GmbH, Bitpanda Custody Ltd
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is replaced as follows:

Bitpanda Group	Bitpanda GmbH, Bitpanda Metals GmbH, Bitpanda Financial Services GmbH, <u>BP Group Services GmbH</u> , Bitpanda Payments GmbH, Bitpanda Asset Management GmbH, Bitpanda Custody Ltd
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Furthermore, the following new definition is added:

<u>BP Group Services GmbH</u>	BP Group Services GmbH, previously operating under the company name Bitpanda Customer Care GmbH
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2.2. Amendment and adaptation of the summary of the investment and the offer

Due to the introduction of a new index (see section 2.5 below), the section 'Summary of the investment and the offer' under the heading 'Investment' on page 15 of this prospectus will be amended and the information

"Bitpanda currently provides investors with eight indices (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders). These eight indices, including the compilation and corresponding updates, are purchased by Bitpanda from the index provider MarketVector as an external service provider. All indices included in this prospectus contain only crypto-assets."

will be replaced as follows:

"Bitpanda currently provides investors with nine indices (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders, BCI USA). These nine Indices, incl. the compilation and corresponding updates, are purchased by the index provider MarketVector as an external service provider on behalf of Bitpanda. All indices included in this prospectus contain only crypto-assets."

On page 16 of the prospectus, in the section 'Summary of the Investment and the Offer', under the heading 'Indices', the following information

"The Bitpanda Crypto Index follows the following indices in its eight versions (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders):

- *MVIS CryptoCompare Digital Assets 5 Index (MVDA5) (ISIN: DE000A2GGQM9)*
- *MVIS CryptoCompare Digital Assets 10 (MVDA10) (ISIN: DE000A2GGQF3)*
- *MVIS CryptoCompare Digital Assets 25 Index (MVDA25) (ISIN: DE000A2GGQL1)*
- *MVIS CryptoCompare Decentralized Finance Leaders Index (MVDFLE) (ISIN: DE000SL0D7U3)*
- *MVIS CryptoCompare Infrastructure Application Leaders Index (MVIALE) (ISIN: DE000SL0D7W9)*
- *MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index (MVMELE) (ISIN: DE000SL0D7Y5)*
- *MVIS CryptoCompare Smart Contract Leaders Index (MVSCLE) (ISIN: DE000SL0D703)*
- *MarketVectorTM Meme Coin Index (MEMECOIN) (ISIN:*

DE000SL0K625)"

will be replaced as follows:

"The Bitpanda Crypto Index tracks the following indices in its nine versions (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders, BCI USA):

- *MVIS CryptoCompare Digital Assets 5 Index (MVDA5) (ISIN: DE000A2GGQM9)*
- *MVIS CryptoCompare Digital Assets 10 (MVDA10) (ISIN: DE000A2GGQF3)*
- *MVIS CryptoCompare Digital Assets 25 Index (MVDA25) (ISIN: DE000A2GGQL1)*
- *MVIS CryptoCompare Decentralized Finance Leaders Index (MVDFLE) (ISIN: DE000SL0D7U3)*
- *MVIS CryptoCompare Infrastructure Application Leaders Index (MVIALE) (ISIN: DE000SL0D7W9)*
- *MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index (MVMELE) (ISIN: DE000SL0D7Y5)*
- *MVIS CryptoCompare Smart Contract Leaders Index (MVSCLE) (ISIN: DE000SL0D703)*
- *MarketVector™ Meme Coin Index (MEMECOIN) (ISIN: DE000SL0K625)*
- *MarketVector™ American Crypto Leaders Index (MAGA10) (ISIN: DE000A4AKXX3)*"

2.3. Amendment and adaptation of the translated summary text: English Translation of the Summary

Additions to the original wording of the prospectus are highlighted in the new wording by underlining, while deletions are not marked separately.

Due to the introduction of a new index (see section 2.5 below), the section 'Investment' in the 'English Translation of the Summary' on page 22 of the prospectus is amended and the wording

"Bitpanda currently provides investors with eight indices (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders). These eight indices, including the compilation and corresponding updates, are purchased by Bitpanda from the index provider MarketVector as an external service provider. All indices included in this prospectus contain only crypto-assets."

is replaced as follows:

"Bitpanda currently provides investors with nine indices (BCI5, BCI10, BCI25, BCI DeFi

Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders, BCI USA). These nine indices, including the compilation and corresponding updates, are purchased by Bitpanda from the index provider MarketVector as an external service provider. All indices included in this prospectus contain only crypto-assets."

In the 'English Translation of the Summary' on page 23 of the prospectus in the section 'Indices', the following information

"The Bitpanda Crypto Index follows the following indices in its eight versions (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders):

- MVIS CryptoCompare Digital Assets 5 Index (MVDA5) (ISIN: DE000A2GGQM9)
- MVIS CryptoCompare Digital Assets 10 (MVDA10) (ISIN: DE000A2GGQF3)
- MVIS CryptoCompare Digital Assets 25 Index (MVDA25) (ISIN: DE000A2GGQL1)
- MVIS CryptoCompare Decentralized Finance Leaders Index (MVDFLE) (ISIN: DE000SL0D7U3)
- MVIS CryptoCompare Infrastructure Application Leaders Index (MVIALE) (ISIN: DE000SL0D7W9)
- MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index (MVMELE) (ISIN: DE000SL0D7Y5)
- MVIS CryptoCompare Smart Contract Leaders Index (MVSCLE) (ISIN: DE000SL0D703)
- MarketVectorTM Meme Coin Index (MEMECOIN) (ISIN: DE000SL0K625)"

is replaced as follows:

"The Bitpanda Crypto Index follows the following indices in its nine versions (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders):

- MVIS CryptoCompare Digital Assets 5 Index (MVDA5) (ISIN: DE000A2GGQM9)
- MVIS CryptoCompare Digital Assets 10 (MVDA10) (ISIN: DE000A2GGQF3)
- MVIS CryptoCompare Digital Assets 25 Index (MVDA25) (ISIN: DE000A2GGQL1)
- MVIS CryptoCompare Decentralized Finance Leaders Index (MVDFLE) (ISIN: DE000SL0D7U3)
- MVIS CryptoCompare Infrastructure Application Leaders Index (MVIALE) (ISIN: DE000SL0D7W9)
- MVIS CryptoCompare Media & Entertainment (Metaverse)

Leaders Index (MVMELE) (ISIN: DE000SL0D7Y5)

- *MVIS CryptoCompare Smart Contract Leaders Index (MVSCLE) (ISIN: DE000SL0D703)*
- *MarketVector™ Meme Coin Index (MEMECOIN) (ISIN: DE000SL0K625)*
- *MarketVector™ American Crypto Leaders Index (MAGA10) (ISIN: DE000A4AKXX3)"*

2.4. Amendments to Chapter 1 – Risk factors, product liability risk of the prospectus

In Chapter 1 – Risk factors on page 39 of the prospectus under the heading '2.14. Product liability risk', the following sentence *"For example, the German version of this prospectus is binding, while the English version of the GTC is binding."* is deleted without replacement.

2.5. Amendments to Chapter 3 - Information on the prospectus investment and inclusion of information on a new index in the prospectus

In Chapter 3 - Information on the investment on page 43 of the prospectus under point 1.2 with the heading 'The index provider and the Indices in detail', the information

"1.2.1. Overview of the Indices

Investors can buy several crypto-assets with one click according to a predefined allocation key. The crypto-assets contained in the respective BCI and calculated according to the index methodology are acquired directly.

The (BCI) follows the following indices in its eight versions (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders):

- *MVIS CryptoCompare Digital Assets 5 Index (MVDA5) (ISIN: DE000A2GGQM9)*
- *MVIS CryptoCompare Digital Assets 10 (MVDA10) (ISIN: DE000A2GGQF3)*
- *MVIS CryptoCompare Digital Assets 25 Index (MVDA25) (ISIN: DE000A2GGQL1)*
- *MVIS CryptoCompare Decentralized Finance Leaders Index (MVDFLE) (ISIN: DE000SL0D7U3)*
- *MVIS CryptoCompare Infrastructure Application Leaders Index (MVIALE) (ISIN: DE000SL0D7W9)*
- *MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index (MVMELE) (ISIN: DE000SL0D7Y5)*
- *MVIS CryptoCompare Smart Contract Leaders Index (MVSCLE) (ISIN: DE000SL0D703)*

- DE000SL0D703)
- MarketVectorTM Meme Coin Index (MEMECOIN) (ISIN: DE000SL0K625)"

will be replaced as follows:

"1.2.1. . Overview of the Indices

Investors can buy several crypto-assets with one click according to a predefined allocation key. The crypto-assets contained in the respective BCI and calculated according to the index methodology are acquired directly.

The (BCI) follows the following indices in its nine versions (BCI5, BCI10, BCI25, BCI DeFi Leaders, BCI Infrastructure Leaders, BCI Metaverse Leaders, BCI Smart Contract Leaders, BCI Meme Coin Leaders, BCI USA):

- MVIS CryptoCompare Digital Assets 5 Index (MVDA5) (ISIN: DE000A2GGQM9)
- MVIS CryptoCompare Digital Assets 10 (MVDA10) (ISIN: DE000A2GGQF3)
- MVIS CryptoCompare Digital Assets 25 Index (MVDA25) (ISIN: DE000A2GGQL1)
- MVIS CryptoCompare Decentralized Finance Leaders Index (MVDFLE) (ISIN: DE000SL0D7U3)
- MVIS CryptoCompare Infrastructure Application Leaders Index (MVIALE) (ISIN: DE000SL0D7W9)
- MVIS CryptoCompare Media & Entertainment (Metaverse) Leaders Index (MVMELE) (ISIN: DE000SL0D7Y5)
- MVIS CryptoCompare Smart Contract Leaders Index (MVSCLE) (ISIN: DE000SL0D703)
- MarketVectorTM Meme Coin Index (MEMECOIN) (ISIN: DE000SL0K625)
- MarketVector™ American Crypto Leaders Index (MAGA10) (ISIN: DE000A4AKXX3)".

Furthermore, the information under point 1.2.2.

"1.2.2. Index provider Bitpanda currently provides investors with eight Indices. These eight indices, including the compilation and corresponding updates, are purchased by Bitpanda from the index provider MarketVector as an external service provider."

will be replaced as follows:

"1.2.2. Index provider Bitpanda currently provides investors with nine Indices. These nine

Indices, incl. the compilation and corresponding updates, are purchased by the index provider MarketVector as an external service provider on behalf of Bitpanda."

On page 54 of the prospectus, after point 1.2.10, the following new point 1.2.11 is inserted together with its heading:

"1.2.11. Bitpanda Crypto Index USA (BCI USA)"

The Bitpanda Crypto Index USA (also referred to as "BCI USA") described in this prospectus is based on the American Crypto Leaders Index (MAGA10) by MarketVector and tracks the performance of the ten largest and most liquid digital assets based in the United States of America (USA). As the USA is positioning itself as a global hub for crypto-assets and blockchain innovation, this index was developed by MarketVector to capture the growth potential of innovative projects based in the USA. The MAGA10 index was launched on 4 February 2025 with an underlying index value of 100.00 as at 31 December 2020 by MarketVector.

The American Crypto Leaders Index includes only the largest and most liquid crypto-assets based in the USA, based on the MarketVector™ Digital Assets 100 Index and requires an average daily trading value of at least USD 1 million for the current month. Stablecoins, meme coins and privacy coins are excluded as index components.

The weighting of the index components is limited to 30% per component: All components are ranked according to their market capitalisation. The maximum weighting for each component is 30%. If a component exceeds the maximum weighting, the weighting is reduced to the maximum weighting and the excess weighting is redistributed proportionally to all other index components. This process is repeated until no component has a weighting that exceeds the maximum weighting of 30%.

The index is published on the last business day of each month at 16:00:00 Eastern Time (New York local time), whereby the following review procedure is applied:

1. The selection list of components contains all current components (that fulfil the inclusion criteria) with an average daily trading value of at least USD 600,000 for the current month. Components of the MarketVector™ Digital Assets 100 Index that have an average daily trading value of at least USD 1 million for the current month and are classified as US-based are added to the selection list in order of size (from top to bottom) until a number of 20 is reached. Meme and privacy tokens are not permitted for the selection list. If there are not enough non-components that fulfil the liquidity criteria, additional components of the MarketVector™ Digital Assets 100 Index based in the USA according to liquidity (average daily trading value for the current month, from top to bottom) are added to the list until the list contains 20 digital assets.

2. The selection list is sorted in two different ways – by market capitalisation in descending order (the largest component is ranked "1") and then according to the average daily trading value of a month in descending order (the most liquid component is ranked "1"). These two rankings are added together.

3. In the next step, the selection list is sorted in ascending order according to the sum of the two rankings from step 2. If two components have the same ranking sum, the larger component is placed in first position.

4. The seven best digital assets qualify for selection.

5. The remaining 3 components are selected from the highest rated remaining index components that rank between 8th and 13th place.

6. If the number of selected components is still below 10, the highest valued digital assets are selected until the number of components equals ten. For all events that lead to removal from the index, the removed component is replaced by the highest rated non-component of the last review.

For all events that lead to deletion from the index, the deleted component is replaced by the component with the highest rank during the last review. The replaced component is added with the same weight as the deleted component. If an event results in the number of components being greater than ten, the smallest components by market capitalisation one day after the increase takes effect (if a price and the main network are available) will be removed until the number of components returns to 10.

Adjustments to the index components are announced four business days before the first business day of each month at 2300 CET.

The MarketVector™ American Crypto Leaders Index has the following identifiers: Index type ISIN DE000A4AKXX3."

The overview of other property rights on page 62 is supplemented by the following new point 3.2.5 after point 3.2.4:

"On 9 July 2025, a public offer was made in the form of a migration offer for existing holders of the BEST and/or PANTOS tokens via the Bitpanda platform. Holders of BEST and PANTOS tokens were able to exchange their tokens at a fixed a fixed conversion ratio for a new token called Vision ("VSN" or "VSN token") 1 BEST = 4.91 VSN; 1 PANTOS token = 0.89 VSN. This ratio was calculated on the basis of the average daily closing prices of BEST and PANTOS token over a period of 30 days, with this period ending on 25 March 2025. On 16 July 2025, the BEST and PANTOS token holdings of all Bitpanda users participating in the offer were merged into a wallet set up by Bitpanda and subsequently migrated by interaction with the VSN migrations smart contract on-chain migration) by

VSN and distributed to the participating Bitpanda users by crediting the respective wallets. VSN has launched an initial offering of 4,200,000,000 tokens with a protocol-based issuance model that allows for additional token issuance over time to support network growth and staking rewards. The token exists as an ERC20 token on the Ethereum blockchain, with the possibility of cross-blockchain transfer ("bridging"), generation ("minting") and destruction ("burning"). Bitpanda has published a whitepaper for the public offering of VSN on its website <https://www.bitpanda.com/en/legal/vsn-white-paper>."

On page 69 of the prospectus under point 12, after the text

"The issue volume of the investment covered by the prospectus is currently limited to EUR 10 million. There is an option to increase this to EUR 30 million upper limit). The subscription period ends at the latest when this upper limit is reached, unless the issue volume is further increased by means of a supplement in accordance with Section 6 KMG 2019 (see "Chapter 3.4.2 Total amount" for more details)."

the following sentence is added due to the assertion of the increase option:

"The issuer has exercised this increase option and increased the issue volume to EUR 30 million."

The following text under the heading Presentation of the acquisition price of the investment including all incidental acquisition costs on page 73 / 74

"If the price mark-ups are paid with BEST, a crypto-asset issued by Bitpanda as part of an Initial Coin Offering, investor discounts apply. These depend on the time of acquisition of the Index product and the price of BEST Bitpanda Ecosystem Token). For more details, see the descriptions of BEST tokens, such as the whitepaper, which is available on the Bitpanda homepage (www.bitpanda.com or <https://www.bitpanda.com/en/prices/bitpanda-ecosystem-token-best>)."

is replaced as follows:

"If the price mark-ups are paid with VSN, a crypto-asset issued by Bitpanda as part of an Initial Coin Offering, investor discounts apply. These depend on the time of acquisition of the Index product and the price of VSN Bitpanda Ecosystem Token). For more details, see the descriptions of VSN tokens, such as the whitepaper, which is available on the Bitpanda homepage at <https://www.bitpanda.com/en/legal/vsn-white-paper>."

2.6. Amendments to Chapter 4 - Information on the issuer

In Chapter 4, point 3.2 on pages 86 et seq. of the prospectus, the text

"3.2. Procuration

The following persons are authorised signatories of the issuer:

Name	Area of responsibility	Represents since	Other functions in addition to their activities at the Issuer
<i>Eric Demuth</i>	<i>Chief clerk</i>	<i>31.08.2023 (self-employed)</i>	<i>Not applicable</i>
<i>Paul Klanschek</i>	<i>Chief clerk</i>	<i>31.08.2023 (self-employed)</i>	<i>Not applicable</i>
<i>Fabian Reinisch</i>	<i>Chief clerk</i>	<i>31.08.2023 (self-employed)</i>	<i>Not applicable"</i>

will be replaced as follows:

"3.2. Procuration

The following persons are authorised signatories of the issuer:

<u>Name</u>	<u>Area of responsibility</u>	<u>Represents since</u>
<u><i>Fabian Reinisch</i></u>	<u><i>Chief clerk</i></u>	<u><i>31.08.2023 (self-employed)"</i></u>

2.7. Annex II - Bitpanda GTC

Der Anhang II - Bitpanda General Terms and Conditions (GTC) will be replaced by the updated product terms for the Bitpanda Index.

2.8. Annual financial statements of Bitpanda GmbH for the 2023 financial year

Der Jahresabschluss der Bitpanda GmbH für das Geschäftsjahr 2023 wird als Anhang III zur Verfügung gestellt.

3. Right of withdrawal for investors pursuant to Section 6 (2) of the Austrian Capital Market Act 2019 (Kapitalmarktgesetz – KMG 2019)

Any significant new factor or material mistake or inaccuracy relating to the information contained in the prospectus which could affect the assessment of the investments and which arises or is discovered between the time the prospectus is reviewed and the final closing of the public offer must be stated in a supplement (amending or additional information) to the prospectus. Where this 1st supplement contains important new factors or material mistakes or inaccuracies relating to the information contained in the prospectus which could affect the assessment of the investment, investors who have already agreed to purchase or subscribe to the investment before this 1st supplement was published shall have the right to withdraw their commitment within two working days of publication of the 1st supplement.

If the investors are consumers within the meaning of Section 1 (1) no. 2 of the Austrian Consumer Protection Act (KSchG), they have the right to withdraw within seven working days of publication of the supplement.

Pursuant to Section 21 (3) KMG 2019, withdrawal must be made in writing, whereby it is sufficient for the consumer to send a document containing their contractual declaration or that of the seller to the seller or their authorised representative who was involved in the contract negotiations with a note indicating that the consumer rejects the conclusion or continuation of the contract. It is sufficient if the withdrawal notice is sent within the relevant period.

Written notices of withdrawal can be sent to:

Bitpanda GmbH
Stella-Klein-Löw-Weg 17
A- 1020 Wien

Timely dispatch shall suffice to meet the deadline.

4. Signature of the provider and issuer and audit report of the prospectus auditor

4.1. Signature of the issuer and provider of the investment pursuant to section 5 (4) KMG 2019

This 1st supplement is signed pursuant to Section 5 (4) KMG 2019 by Bitpanda GmbH, with registered office at Stella-Klein-Low-Weg 17, A- 1020 Vienna, registered in the Commercial Register of the Commercial Court of Vienna under FN 569240v, as issuer and provider.

The issuer is responsible for this 1st supplement and declares that it has exercised the necessary care to ensure that the information given in this supplement is correct and complete to the best of their knowledge and that significant new factors and material mistakes or inaccuracies relating to the information contained in the capital market prospectus which could influence the assessment of the present investment have been added to or amended in this 1st supplement.

As issuer

Bitpanda GmbH

represented by the managing directors

Lukas Enzersdorfer-Konrad

Philipp Bohrn

Jonas Larsen

Vienna, 26 August 2025

4.2. Audit report of the prospectus auditor

We have checked this 1st supplement for accuracy and completeness pursuant to the documents provided by the issuer in accordance with the provisions of Section 7 (1) KMG 2019. The legal basis for this prospectus supplement is Section 6 KMG 2019. Pursuant to Section 6 (1) KMG 2019, any significant new factor or any material mistake or inaccuracy relating to the information contained in the prospectus which could affect the assessment of the investment and which arises or is discovered between the start and the final termination of the public offer must be stated in a supplement to the prospectus.

The investment is an entrepreneurial investment with corresponding risks and opportunities. Reference is explicitly made to the material risk descriptions in the capital market prospectus (chapter 1 – Risk factors) Even if they materialise only partially, the risks listed here may have an adverse effect on the assets, financial position and operating performance of the issuer and, on the part of the investors, can lead to a restriction in the ability to make repayments of the investment, up to and including the total loss of the invested capital.

Grant Thornton Austria Audit GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Gertrude-Fröhlich-Sandner-Straße 1, Top 13, 1100 Vienna, Austria, hereby declares as prospectus auditor pursuant to Section 7 (1) no. 3 KMG 2019, that the present 1st supplement to the capital market prospectus dated 8 May 2024 has been reviewed and found to be correct and complete. Together with the prospectus, the first supplement contains all information that enables investors to reach an informed judgement on the company's business, assets, financial position and operating performance, its development prospects and the rights, obligations, opportunities and risks associated with the investment offered.

As prospectus auditor

Vienna, on

Grant Thornton Austria Audit GmbH
Audit and tax consulting firm

Mag. (FH) Michael Szücs
Auditor and tax consultant

Annex II
Bitpanda GTC

PRODUCT TERMS

FOR THE PROVISION OF THE BITPANDA INDEX

VERSION 1.0.0

1 Introduction to these Product Terms

- 1.1 **General.** The following "Index Terms" set forth the additional terms and conditions applicable when you purchase or sell any amount of an Index (as defined below) on the Bitpanda Platform.

In addition to the provisions set forth in this document, the general provisions of your "User Agreement" and the "E-Token Terms" apply to your use of the "Bitpanda Platform" and any "Transaction" conducted on the Bitpanda Platform.

- 1.2 **Contracting Party.** The possibility to purchase an amount of an Index is provided by "Bitpanda GmbH" and any Transaction for an Index is entered into between (i) Bitpanda GmbH and (ii) you.
- 1.3 **Conflict of terms.** In the event of a conflict between the User Agreement, other Product Terms, and these Index Terms, these Index Terms shall prevail for providing services with regard to an Index.
- 1.4 **Definitions.** The "Definitions" shall have the meanings ascribed to them in the Annex (*Definitions*) to these Index Terms.

2 Overview

- 2.1 An "Index" means a basket of "Crypto-Assets" having one of a number of strategies which provide exposure to a certain Crypto-Asset sector or bracket of the Crypto-Asset market. The weighting of the allocation of the Crypto-Assets and the calculation and recalculation of the allocation of the Crypto-Assets in the Index is determined by external partners (third parties) who are independent of and outside the influence of Bitpanda. Bitpanda only carries out the rebalancing detailed below.

From time to time, certain Crypto-Assets may be excluded or removed from an Index and/or the allocation of a particular Crypto-Asset within an Index may be recalculated, whenever such removal or exclusion is deemed necessary to comply with legal restrictions (such as regulatory requirements) or to mitigate risks, that are to be reasonably expected to materialise in connection with such Crypto-Asset (for example, upon suspicion of fraud or market manipulation).

- 2.2 **Index Wallet.** Your holdings of amounts of an Index are recorded and displayed in separate "Index Wallets" in your Account.

3 Offer, Rebalancing

- 3.1 **Index Offer.** You can purchase or sell an amount of an Index by making a single "Offer" for an amount of an Index on the Bitpanda Platform. Each such Offer is deemed to be a request to:

- enter into multiple Transactions, with each Transaction being a purchase of a specific E-Token referenced by the selected Index in the amount which best reflects the relative allocation (as set from time to time during the Rebalancing) between the E-Tokens referenced by the selected Index; and
- authorise Bitpanda to perform regular Transactions, being purchases or sales of specific E-Tokens referenced by, or ceasing to be referenced by, the selected Index, to rebalance your holdings of E-Tokens purchased as part of a purchase of an amount of an Index such that, when taken together, your relative holdings of such E-Tokens best reflects the relative allocation (as set from time to time) between the E-Tokens referenced by the selected Index.

The specific process for Offers for the purchase or sale of E-Tokens, is set out in the User Agreement and the E-Token Terms.

- 3.2 **Rebalancing.** Each Index is adjusted from time to time based on changes in the crypto market and data calculated and provided by a third party. As part of this process, the constituent E-Tokens and their relative weightings in each Index are reviewed and, if necessary, rebalanced. This rebalancing happens in a predefined period (for example, at the end of each month). Rebalancing will be done no later than two Business Days after the end of a

period. Rebalancing creates corresponding Offers for the purchase and/or sale of E-Tokens, as described in Clause 3.1., which are shown in your Index Wallet.

- 3.3 **Rebalancing minimum size.** Offers required in relation to any rebalancing are only carried out if the purchase or sale of E-Token reaches a minimum size of EUR 10.
- 3.4 **Settlement.** Any Transaction may only be settled in E-Money
- 3.5 **Fees.** Each Transaction made during the purchase of the Index and during Rebalancing incurs fees as specified in the [Cost Transparency Document](#).

4 Limitations

- 4.1 **No availability of certain Assets.** Certain Crypto-Assets referenced by an Index may not be offered on the Bitpanda Platform, not even as "Index Only E-Token".

If a Crypto-Asset is not currently available on the Bitpanda Platform, we will aim to add it within a reasonable time, unless there are technical, legal or economic reasons not to.

- 4.2 If the integration of the respective Crypto-Asset has been successfully completed, the E-Token for this Crypto-Asset will be added to the corresponding Index Wallet as part of the next rebalancing at the price displayed on the Bitpanda Platform at the time of this rebalancing.

The extent to which new E-Token that were not previously available can be integrated on the Bitpanda Platform (meaning whether these E-Token can be traded/purchased on the Bitpanda Platform as "Integrated E-Token", "Trade Only E-Token" or Index Only E-Token) is decided on the basis of technical, legal and economic restrictions.

- 4.3 **No sale of individual E-Token underlying an Index.** The individual E-Tokens purchased through the Index and recorded in any Index Wallet cannot be sold individually unless the Index is terminated pursuant to Clause 5.2. The only way to sell the component parts of an Index is by selling part or all of your holdings of the Index itself.

- 4.4 **No Transfer of E-Tokens underlying an Index.** The individual E-Token purchased via an Index and recorded in the Index Wallet cannot be withdrawn, unless it is terminated pursuant to Clause 5.2.

5 Term and Termination

- 5.1 **Term.** Any Index may be terminated or discontinued at any time. In the event of a termination of any Index, you will receive a notice of termination for the respective Index by email with a notice period of at least 30 days; your contractual relationship with Bitpanda and any other Products remain unaffected.
- 5.2 **Termination and Claim.** In case of a termination of an Index pursuant to Clause 5.1, the E-Token can be transferred to the usual Bitpanda Wallet ("**Claim**"). In the event of a Claim, you will receive all underlying E-Tokens associated with your holdings to your E-Token Wallet.

Index Only E-Tokens are not eligible for Claim and will instead be sold and credited to your Wallet in E-Money.

Annex

Definitions

Definition	Meaning
Bitpanda GmbH	means Bitpanda GmbH, with its corporate seat in A-1020 Vienna, Stella-Klein-Löw Weg 17, registered with the commercial register of the commercial court Vienna under FN 569240v.
Claim	means your right to, in the event of a termination pursuant to Clause 5.1., to transfer your E-Tokens (excluding Index-Only E-Tokens) to the E-Token Wallet.
Crypto-Asset	means a digital representation of a value or of a right that is able to be transferred and stored electronically using distributed ledger technology or similar technology (as defined in Art 3 para 1 no 5 MiCAR).
Definitions	means the capitalized words used throughout the User Agreement and Product Terms that have a certain meaning, which is set out in this Annex.
E-Token	means the interface representation of Crypto-Assets on the Bitpanda Platform.
E-Token Terms	means the document E-Token Terms, which you can find here .
Index	means each product referred to as a 'Bitpanda Crypto Index' on the Bitpanda Platform, each being a method of purchasing, by way of a single action via the Bitpanda Platform, a basket of E-Tokens having one of a number of strategies which provide exposure to a certain Crypto-Asset sector or bracket of the Crypto-Asset market, as detailed further https://cdn.bitpanda.com/terms-and-conditions/bci-prospectus-bitpanda-en-latest.pdf
Index Only E-Token	means E-Token that are only included in an Index and may only be purchased or sold as part of a purchase or sale of an amount of an Index, and not individually. Deposits of Index Only E-Tokens from, and withdrawals of Index Only E-Tokens to, external wallets are not supported.

Integrated E-Token	means E-Token that can be purchased, sold, exchanged, and deposited from and withdrawn to external wallets on the Bitpanda Platform.
Index Terms	means this document.
Index Wallet	means your Wallet used exclusively for the storage of E-Tokens held through an Index.
Offer	means your binding offer to Bitpanda to trade a Supported Asset. Any Offer must be issued and confirmed in accordance with the Offer process set out in the User Agreement or applicable Product Terms.
Product Terms	means the entirety of the individual terms and conditions that shall apply for a specific product, which are set out in specific legal documents in our legal repository https://www.bitpanda.com/en/legal
Rebalancing	means the rebalancing of an Index, which is carried out at regular intervals based on changes in the market for Crypto-Assets and on data calculated and provided by a third party.
Trade Only E-Token	means E-Token that can only be purchased, sold, or exchanged for other Tokens available on the Bitpanda Platform. Deposits of Trade Only E-Tokens from, and withdrawals of Trade Only E-Tokens to, external wallets are not supported.
Transaction	means a contractual relationship that is the result of any Bitpanda Company accepting an Offer from you in accordance with the acceptance procedures set out in the User Agreement and the Product Terms.
User Agreement	means the document User Agreement and all Annexes and documents referred therein.

Annex III

Annual financial statements of Bitpanda GmbH for the 2023 financial year

Annual financial statements as at 31 December 2023

Balance sheet as at 31 December 2023

Appendix I/1

Bitpanda GmbH

ASSETS	Current Year	Prior Year
in EUR	31 December 2023	31 December 2022
A. Fixed assets	33,107,406.82	54,924,566.24
I. Intangible assets	19,408,123.33	7,992,987.17
1 Concessions, industrial property rights and similar rights as well as licences derived therefrom	119,685.61	161,479.48
2 Crypto currencies	19,288,437.72	7,831,507.69
II. Tangible assets	9,200,582.23	12,784,901.54
1 Land, similar rights and buildings, including buildings on third-party land	7,387,288.78	9,192,526.47
2. Other plants, furniture and fixtures	1,813,293.45	3,592,375.07
III. Financial assets	4,498,701.26	34,146,677.53
1 Investments in affiliated companies	4,498,701.26	33,996,677.53
2 Investments in associated companies	0.00	150,000.00
B. Current assets	398,827,301.33	368,366,485.69
I. Inventories	70,256,712.09	25,614,912.06
1 Crypto currencies	70,256,712.09	25,614,912.06
II. Receivables and other assets	41,008,336.36	61,265,260.39
1 Trade receivables	359,756.87	51,387.61
thereof with a maturity of more than one year	0.00	0.00
2 Accounts receivable from affiliated companies	11,231,979.98	41,573,735.69
thereof with a maturity of more than one year	0.00	0.00
3 Accounts receivable from shareholders	34,026.92	0.00
thereof with a maturity of more than one year	0.00	0.00
4. Other receivables and assets	29,382,572.59	19,640,137.09
thereof with a maturity of more than one year	242,929.74	424,017.90
III. Securities and investments	224,731,796.02	178,557,837.80
1. Other securities and investments	224,731,796.02	178,557,837.80
IV. Cash, cheques, cash equivalents	62,830,456.86	102,928,475.44
C. Prepaid expenses	7,222,141.74	3,237,109.11
D. Deferred tax assets	28,719,242.46	31,451,903.05
TOTAL ASSETS	467,876,092.35	457,980,064.09

Balance sheet as at 31 December 2023

Appendix I/2

Bitpanda GmbH

LIABILITIES

Current Year

Prior Year

in EUR

31 December 2023

31 December 2022

A. Shareholders' equity	-140,405,430.00	-162,134,402.67
I. Share capital called-up and paid-in	-48,093.40	-48,093.40
1 Subscribed share capital	-48,093.40	-48,093.40
II. Capital reserves	-130,357,336.60	-162,086,309.27
1. Restricted	-70,135,099.54	-162,086,309.27
2. Non restricted	-60,222,237.06	0.00
III. Revenue reserves	0.00	0.00
1. Statutory reserves	0.00	0.00
IV. Net profit	-10,000,000.00	0.00
B. Investment grants for fixed assets	-897,837.50	-1,205,667.50
C. Provisions	-37,894,612.41	-38,681,929.25
1 Provisions for taxes	-1,933,095.41	-358,354.69
2. Other provisions	-35,961,517.00	-38,323,574.56
D. Liabilities	-288,678,212.44	-255,958,064.67
1 Liabilities from user wallets	-279,769,253.39	-225,601,876.53
thereof with a maturity of up to one year	-279,769,253.39	-225,601,876.53
thereof with a maturity of more than one year	0.00	0.00
2 BEST liabilities	0.00	-14,130,704.43
thereof with a maturity of up to one year	0.00	-14,130,704.43
thereof with a maturity of more than one year	0.00	0.00
3 Trade payables	-4,577,498.46	-2,027,312.91
thereof with a maturity of up to one year	-4,577,498.46	-2,027,312.91
thereof with a maturity of more than one year	0.00	0.00
4 Accounts payable to affiliated companies	-2,949,335.40	-6,464,754.77
thereof with a maturity of up to one year	-2,949,335.40	-6,464,754.77
thereof with a maturity of more than one year	0.00	0.00
5. Other liabilities	-1,382,125.19	-7,733,416.03
thereof with a maturity of up to one year	-1,372,526.39	-7,717,754.83
thereof with a maturity of more than one year	-9,598.80	-15,661.20
thereof due to taxes	-899,140.82	-2,114,997.65
thereof with a maturity of up to one year	-899,140.82	-2,114,997.65
thereof with a maturity of more than one year	0.00	0.00
thereof due to social security	-117,935.15	-297,326.59
thereof with a maturity of up to one year	-117,935.15	-297,326.59
thereof with a maturity of more than one year	0.00	0.00
TOTAL LIABILITIES	-467,876,092.35	-457,980,064.09

Income Statement for the year from 1 January 2023 to 31 December 2023

Appendix I/3

Bitpanda GmbH

	Current Year	Prior Year
in EUR	from 1 January 2022 to 31 December 2023	from 1 January 2022 to 31 December 2022
1 Sales	2,287,557,455.72	2,315,832,486.06
2. Other operating income	54,476,848.76	50,124,409.62
a. Income from disposal and revaluation of fixed assets excluding financial assets	11,506,505.35	11,340,520.02
b. Income from reversal of provisions	0.00	8,957.00
c. Sundry	42,970,343.41	38,774,932.60
3 Costs of material and other purchased production services	-2,175,369,644.26	-2,272,503,240.35
a. Cost of materials	-2,169,758,636.90	-2,266,163,029.97
b. Cost of purchased services	-5,611,007.36	-6,340,210.38
4 Personnel expenses	-50,260,381.72	-37,385,608.45
a. Salaries	-40,682,995.09	-27,221,305.95
b. Social expenses for statutory social security and payroll related taxes and contributions	-8,562,898.37	-8,580,695.09
c. Sundry personnel expenses	-1,014,488.26	-1,583,607.41
5 Amortisation and depreciation	-4,210,928.95	-17,882,769.65
a. Intangible and tangible assets	-4,210,928.95	-17,882,769.65
6. Other operating expenses	-98,431,425.96	-155,942,319.45
a. Taxes, insofar they are not taxes on income	-1,115,748.58	-2,023,925.03
b. Sundry	-97,315,677.38	-153,918,394.42
7 Operating result	13,761,923.59	-117,757,042.22
8 Income from other securities and loans classified as financial assets	500,058.26	0.00
9. Other interest and similar income	635,192.57	412,053.07
10 Income from disposal and revaluation of financial assets and short-term securities	3,769,133.55	0.00
11 Expenses for financial assets and short-term securities	-150,000.00	-22,761,566.43
12 Interest and similar expenses	-155,854.21	-1,692,976.95
13 Financial result	4,598,530.17	-24,042,490.31
14 Earnings before taxes	18,360,453.76	-141,799,532.53
15 Income taxes	-4,713,244.16	25,758,291.39
thereof tax allocation arising from the prior year	212,065.58	83,589.03
16 Profit / loss for the year	13,647,209.60	-116,041,241.14
17 Spin-off of investments	-35,376,182.27	0.00
18 Release of capital reserves	31,728,972.67	116,042,829.46
19 Profit / loss carried forward	0.00	-1,588.32
20 Net profit	10,000,000.00	0.00

NOTES

In accordance with Section 236 UGB (Austrian Commercial Code)

(amounts in EUR)

A. GENERAL INFORMATION

B. GENERAL INFORMATION ON ACCOUNTING AND VALUATION METHODS, AND ESTIMATION UNCERTAINTIES

C. NOTES TO THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

D. OTHER INFORMATION

A. GENERAL INFORMATION

Bitpanda GmbH has its registered office in Vienna, Stella-Klein-Löw-Weg 17, 1020 Vienna. It is registered under the company register number FN 569240 v at the Vienna Commercial Court. The company is included in the consolidated financial statements of Bitpanda Group AG, Hardstrasse 201, 8005, Zurich, Switzerland.

B. GENERAL INFORMATION ON ACCOUNTING AND VALUATION METHODS

1. These financial statements have been compiled in accordance with the provisions of the Austrian Commercial Code (UGB) as amended.
2. The financial statements have been prepared in accordance with generally accepted accounting principles and the general objective of presenting a true and fair view of the Company's assets and liabilities, financial position and earnings position.
3. The accounting, valuation and disclosure of the individual items in the annual financial statements were carried out in accordance with the general provisions of Section 189 ff UGB and taking into account the supplementary provisions for corporations (Section 221 ff UGB). In particular, the principles of consistency of valuation and presentation, individual assessment, prudence and impartiality were taken into account (Section 201 UGB).

4. The financial statements have been prepared on a going concern basis.
After a challenging year in 2022, the management of Bitpanda GmbH, Vienna, has taken into account the significantly improved results in 2023 and expects a continued upward trend in the coming years. Management expects to maintain the current cost base, reflecting confidence in its ability to manage and increase profitability in a continuously improving industry environment after the 2022 downturn.
5. The principle of prudence was taken into account by only reporting profits released on the balance sheet date. All recognisable risks and impending losses were considered.
6. The assets held in trust for Bitpanda GmbH customers (cryptocurrency holdings) are not shown in the balance sheet, as Bitpanda GmbH is not the economic owner and accordingly does not bear the significant opportunities and risks of these assets.

Acquired intangible assets and property, plant and equipment were recognised at acquisition cost and, if subject to wear and tear, reduced by scheduled depreciation in accordance with Section 204 (1) UGB.

The crypto-asset holdings in the intangible assets are non-depreciable assets with a long-term retention period, which were written down to the lower value applicable on the balance sheet date in accordance with Section 204 (2) UGB in the event of a probable permanent reduction in value (see Chapter B point 1.2). If the reasons for the unscheduled depreciation cease to apply, the value is written up to a maximum of the original acquisition costs in accordance with Section 208 (1) UGB.

Scheduled amortisation was carried out on a straight-line basis. The useful life for the individual asset groups was:

Investment group	Useful life
Licences	3 to 5 years
Structural investments in third-party operating and office equipment	5 to 10 years
Operating and office equipment	3 to 7 years
Other plants	5 to 7 years
Office machines and IT equipment	3 years

Low-value assets with an individual acquisition value of up to EUR 1,000.00 were fully depreciated in the year of acquisition in accordance with Section 204 (1) UGB in conjunction Section 13 EStG.

Unscheduled depreciation was carried out on fixed assets if the fair value on the balance sheet date was lower than the book value.

The financial assets were recognised at acquisition cost or at the lower fair value in accordance with the mitigated lower of cost or market principle, see point 1.3.

Current assets were recognised at acquisition cost (Section 206 (1) UGB) and reduced by depreciation in accordance with Section 207 UGB.

Inventories were recognised at cost in accordance with the strict lower of cost or market principle (Section 206 (1) UGB in conjunction with Section 207 UGB).

The valuation of the inventories on the reporting date was carried out by comparing the market value on the reporting date with the average acquisition costs of the most recently added stocks of the individual crypto-assets in the inventory. For crypto-assets that are not traded directly in euros, acquisition costs were calculated in a simplified manner by converting the crypto-assets used at the daily rate on the reporting date - this also applies to crypto-assets that are only quoted in other crypto-assets (cross rates). Bitpanda users can earn weekly rewards through the Staking assets product. The expenses from staking rewards paid to customers are reported under the item cost of materials and the sales revenues result solely from the rewards earned by Bitpanda GmbH, Vienna from external exchanges. Revenue is based on the number of tokens received and their market value at that time. Bitpanda GmbH, Vienna also recognises transaction revenue from e-tokens held in custody for customers, as Bitpanda GmbH, Vienna acts as principal and not as agent. This results in gross recognition in the income statement.

Receivables and other assets were recognised at acquisition cost. In the valuation of receivables, recognisable and general risks were considered through individual devaluation (individual valuation). In 2023 as well as in 2022, there was no need to form a value adjustment for receivables in this context.

Other securities and shares include shares and ETFs ("exchange-traded funds") that are held in the company's own securities account and serve as collateral for the digital securities. Digital securities are tokens whose performance depends on underlying shares and ETFs and thus contain embedded derivatives. Digital securities are reported in the item Liabilities from user wallets.

In accordance with Section 206 UGB, acquired shares and ETFs were recognised at acquisition cost (at the market price at the time of the transaction) after each transaction. At the balance sheet date, in accordance with the AFRAC 15 statement, those shares and ETFs that form a valuation unit with the liabilities from digital securities were written down to the price of the average acquisition cost of the digital securities, as long as the market value was below this on the balance sheet date.

The shares and ETFs that did not form a valuation unit with the digital securities were recognised in accordance with the strict lower of cost or market principle (Section 206 (1) UGB in conjunction with Section 207 UGB) at the market price as of 31 December 2023.

As the holding of shares and ETFs are linked to digital securities, these were also reported as current in the same way as the liability.

According to AFRAC 15 Statement Derivatives and Hedging Instruments (UGB) TZ 28, the liabilities from digital securities (reported in the item Liabilities from user wallets) form a valuation unit with the shares and ETFs and fulfil the criteria according to AFRAC 15 TZ 41 (Critical Terms Match). Due to this fact, a separate recognition and measurement of the embedded derivative according to AFRAC 15 TZ 71b was waived. In accordance with Section 211 UGB, liabilities from digital securities were recognised at the settlement amount after each transaction. The settlement amount was derived from the market value of the underlying instrument (share or ETF).

As of the balance sheet date, in accordance with the AFRAC 15 statement, the liabilities from digital securities, which form a valuation unit with the shares and ETFs, were revalued to the price of the acquisition cost of the shares, as long as the market value was above this on the balance sheet date.

For liabilities from digital securities that have been covered by shares and ETFs within the framework of a valuation unit, a revaluation to the higher fair value on the reporting date was omitted as long as the average acquisition costs of the shares and ETFs exceeded the book value of the digital securities due to the lower of cost or market principle.

The liabilities from digital securities, which do not form a valuation unit with the shares and ETFs, were valued at the higher market price as of 31 December 2023, taking into account the maximum value principle.

Digital securities contracts are reported as a current liability, as the A-Token has no time limit, no maturity and no expiry date. Accordingly, the valuation unit also exists without a specific term.

Money market funds are money market funds that invest primarily in short-term, highly liquid debt instruments. They are used to achieve a higher potential return than traditional money market investments.

Market maker funds were recognised at acquisition cost in accordance with the strict lower of cost or market principle (Section 206 (1) UGB in conjunction with Section 207 UGB).

Deferred tax assets were recognised in accordance with Section 198 (9) and (10) UGB using the balance sheet-oriented concept based on the corporate income tax rate of 23% from 2024 (2023: 24%) (expected reversal of the temporary difference from 2024). The deferred taxes as of 31 December 2023 result from temporary differences between the tax and company-law valuations of provisions and from the tax loss carryforwards.

On the basis of a tax planning calculation for the years 2024-2028 derived from the corporate planning, which was also used as the basis for the corporate valuation (see Chapter B, section Other provisions), there is sufficient taxable income in the future, after reversal of the temporary differences on the liabilities and assets side, against which the tax loss carryforwards can be offset as of 31 December 2023.

Information on the Minimum Taxation Act (Section 238 (1) no. 3a UGB) The Minimum Taxation Act entered into force in Austria from the 2024 financial year. In other countries in which Bitpanda GmbH, Vienna is active, corresponding regulations based on the OECD/G20 GloBE model regulations have also been implemented. These ensure that groups of companies are subject to minimum taxation if the level of taxation is below the minimum tax rate of 15%. Bitpanda GmbH, Vienna, has assessed the potential risk on the basis of the annual financial statements of the Group companies, country-by-country reporting, tax returns and medium-term planning data. On this basis, no material tax expense is expected for Bitpanda GmbH, Vienna in Austria.

Other provisions were recognised in accordance with the principle of prudence for all risks identifiable on the balance sheet date and for liabilities of uncertain amount or reason, impending losses from pending transactions and for expenses that are necessary according to reasonable business judgement. They were recognised at the settlement amount.

A provision for the phantom stock plans (PSOP) was reported under other provisions.

Bitpanda GmbH, Vienna, introduced two phantom stock plans (PSOP I in 2017 and PSOP II in 2019). The programmes stipulate that eligible persons are entitled to receive a cash payment from Bitpanda GmbH, Vienna, under certain conditions.

A planning calculation of the income statement for the years 2024 to 2026 was used as the basis for the adjusted present value method used.

The planning assumptions were mainly influenced by the fact that the correlation between the Bitcoin price and the trading volume on Bitpanda GmbH, Vienna affects the platform's revenues.

Historical Bitcoin price data was used in the context of Bitpanda GmbH, Vienna KPIs to calculate correlations between volatility in the crypto market and the number of active users, as well as the amount traded per active user, to inform the planning.

A 3 phase model was used for the evaluation:

- Detailed Planning accounts from 2024 to 2026
- Rough planning for the convergence phase 2027 to 2033
- Growth phase according to Gordon/Shapiro from 2034 perpetuity

The cost of equity of 15.39% was derived using a capital market-oriented model with the following parameters:

- Risk-free interest rate: 2.68% for the 30-year German government bond
- Beta factor: 2.09 based on a peer group with similar business activities
- Market risk premium: 6.07%, which corresponds to a market return of 8.75%.

Of a possible range of EUR 1.0 billion to EUR 1.5 billion, a value of EUR 1.255 billion was used for the calculation.

The valuation method is appropriate and is applied consistently.

There is a vesting period (36 months in PSOP I and 48 months in PSOP II) during which the eligible person must remain active for Bitpanda GmbH, Vienna from the respective allocation date. For both programmes, a period of one year is defined as the "Cliff Period". The virtual share rights therefore accrue to the beneficiary over a period of 36 months and 48 months respectively, with 33.33% (PSOP I) or 10% (PSOP II) of the respective virtual nominal amount accruing after 12 months from the respective cut-off date. The remaining 66.66% accrues for the PSOP I programme and Panda Grant programme evenly on a monthly basis over a period of 24 months (PSOP I) after the expiry of the respective Cliff Period. The Panda Grant consists of a one-time grant (PSOP I) awarded to selected pandas to reward their continued influence and commitment. For the PSOP II programme, a further 20% will accrue at the end of the second vesting year, as well as 30% at the end of the third vesting year, evenly spread over a 12-month period, and the remaining 40% evenly spread over a fourth vesting year.

The total volume of virtual share rights available for both programmes corresponds to a virtual nominal amount of EUR 1,985.12 (PSOP I: EUR 992.56; PSOP II: EUR 992.56). The share programmes end in each case by resolution of the management with the approval of the general meeting, in which case the virtual share rights already granted remain unaffected, or with the full payment of the volumes provided for in the programmes.

For PSOP I, an adjustment of the framework conditions was made in 2022, which came into force retrospectively as of 1 January 2021.

From 1 January 2021, PSOP I contributions will only be granted once a year at the beginning of a month and will no longer be spread evenly over four quarters (employee's entry date if this falls on the 1st of a month or on the 1st of the following month).

The Cliff Period (1 year) and the vesting system (1/3 per year over a period of three years) remain unaffected by the amendment.

The average remaining term until vesting of all PSOP shares is 0.44 years for PSOP I, 1.58 years for Panda Grant and 1.53 years for PSOP II.

Liabilities were determined at the settlement amount, taking into account the principle of prudence, and valued according to the highest value principle.

FIAT liabilities to users were reported under the item Liabilities from user wallets. These relate to customer credit balances, so-called F-Tokens, which are linked to the currencies EUR, USD, GBP, CHF, PLN or TRY and were recorded in the respective underlying currency. These liabilities were reported as current, as they have an indefinite term.

Furthermore, liabilities from digital securities (see description under other securities and shares) were reported under this item.

This item also includes liabilities from Cash Plus and the leverage product. Both liabilities were valued at the higher market price as of 31 December 2023, taking into account the maximum value principle.

The liability from the leverage product is a contract for difference (CFD), which must be recognised as a derivative in accordance with AFRAC 15. The negative market value of the derivative was valued at the closing rate as of 31 December 2023 and is reported under the item Liabilities from user wallets. Any positive market value is not recognised due to the maximum acquisition cost principle.

Under BEST liabilities, performance obligations from the issuance of the BEST token 1.0 were reported as a separate item on the liabilities side. When the BEST token was redeemed or returned, the liability was reduced to the respective market value at the time of redemption or return. Furthermore, it was possible for the user to opt into the new BEST 2.0 system as a trade token starting on 16 December 2021. As of this date, BEST

2.0 tokens were classified and valued as other inventories (see chapter B on inventories). An approval of the new BEST 2.0 also led to a reduction of the performance liability from the BEST tokens in circulation.

All remaining liabilities for BEST 1.0 were released in 2023, as Bitpanda GmbH, Vienna, assumes that customers will no longer use BEST 1.0 as a voucher in accordance with AFRAC 32 margin no. 94.

Receivables in foreign currencies were valued at the ECB reference rate as of 31 December or at the lower acquisition rate.

Liabilities in foreign currencies were valued at the ECB reference rate as of 31 December or at the higher acquisition rate.

7. Critical accounting judgements and reasons for estimation uncertainties

In preparing the financial statements, judgements and estimates have been made that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Critical judgements in the application of accounting policies Information about judgements made in the application of accounting policies that have the most significant effect on the amounts

recognised in the financial statements is included in the following sections:

- Phantom stock plans (PSOP): assessment of possible obligations (provision) and company valuation as basis for the amount of the obligation
- The valuation of deferred taxes: an inherent uncertainty due to estimates of future tax events and developments

The above valuations incorporate management assumptions on the development of the crypto market. If these assumptions do not materialise, write-ups or write-downs may be necessary in future financial statements.

C. NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

1. A. Fixed assets

- 1.1. The development of fixed assets and the breakdown of annual depreciation and write-ups by individual items are shown in Appendix I to the Notes.
- 1.2. No extraordinary depreciation was recognised in the current year. In 2022, there was an extraordinary depreciation of EUR 22,262 thousand for the shares in affiliated companies (Bitpanda Custody Ltd) and for non-depreciable crypto-assets of EUR 12,746 thousand, which were reported under the item intangible assets. 2023 resulted in a write-up of EUR 11,472,783.94 for the non-depreciable crypto-assets.
- 1.3. There were no write-ups on financial assets in 2023 (2022: EUR 0 thousand).

- 1.4. The company held interests in the following companies as of the reporting date (Section 238 (1) no. 4 UGB):

Name and registered office of the company	Share %	Equity capital		Profit / loss for the year	
		current year 31.12.2023	prior year 31.12.2022	current year 1.1.2023-31.12.2023	prior year 1.1.2022-31.12.2022
Bitpanda Payments GmbH* Vienna	100	EUR 1,247,880.49	EUR 1,152 thousand	EUR 96,005.12	EUR 109 thousand
Bitpanda Metals GmbH * Vienna	100	EUR 1,950,571.48	EUR 1,606 thousand	EUR 344,254.85	EUR 1,153 thousand
Bitpanda Customer Care GmbH * Vienna	100	EUR 770,207.80	EUR 530 thousand	EUR 257,748.10	EUR 305 thousand
Bitpanda Financial Services GmbH * Vienna	100	EUR 589,454.45	EUR 414 thousand	EUR 175,221.11	EUR 92 thousand
Bitpanda Asset Management GmbH * Berlin	100	EUR 2,415,736.60	EUR 1,166 thousand	EUR 0.00	EUR 31 thousand
Bitpanda Issuance GmbH * Berlin	100	EUR 92,732.53	EUR 96 thousand	EUR -2,937.10	EUR 64 thousand
Bitpanda Technology UK Ltd * London	100	GBP 546,511.25	GBP 422 thousand	GBP 167,238.12	GBP 481 thousand
Bitpanda Technology sp. z.o.o. * Krakow	100	PLN 1,811,804.21	PLN 1,212 thousand	PLN 599,436.37	PLN 780 thousand
Bitpanda Teknoloji A.S. * Istanbul	100	TRY 36,106,574.44	TRY 11,658	TRY 26,382,145.49	TRY 9,152 thousand
BP 22 Pfandleihe GmbH * Linz (in liquidation)	100	EUR 34,578.66	EUR 35 thousand	EUR -421.34	EUR 0 thousand

* No final annual financial statements are currently available for these companies.

Spin-off of Pantos GmbH

Bitpanda GmbH, Vienna, spun off its 100% interest in Pantos GmbH to SASR BETA Neunundzwanzigste Beteiligungsverwaltung GmbH with retroactive effect from 31 December 2022 in accordance with KFS/RL 25 on the basis of the spin-off contract dated 26 September 2023. SASR BETA Neunundzwanzigste Beteiligungsverwaltung GmbH is a 100% subsidiary of Bitpanda Group AG, Switzerland and therefore a sister company of Bitpanda GmbH, Vienna. The spin-off was legally registered on 17 October 2023.

Spin-off of the UK subsidiaries

Bitpanda GmbH, Vienna, spun off its 100% interests in the following UK companies to SASR BETA Neunundzwanzigste Beteiligungsverwaltung GmbH with retroactive effect from 31 December 2022 in accordance with KFS/RL 25 on the basis of the spin-off contract dated 31 July 2023:

- Bitpanda Financial Services UK Ltd
- Bitpanda UK Limited
- Bitpanda Custody Ltd

The spin-off of the British companies was legally registered on 5 September 2023.

Carve-out of OneTrading (formerly Bitpanda Pro)

OneTrading Holding B.V. (formerly Bitpanda Pro Holding B.V.), Netherlands, holds the OneTrading subgroup, which operates the OneTrading Exchange (formerly Bitpanda Pro Exchange). As a result of the Series A investment made by OneTrading Holding B.V., which was completed on 31 March 2023, the interest held by Bitpanda GmbH, Vienna, was reduced from 100% to 49.99% in 2023.

Bitpanda GmbH, Vienna, spun off its remaining 49.99% interest in OneTrading Holding B.V. to BP 23 Pro Holding GmbH with retroactive effect from 31 December 2022 in accordance with KFS/RL 25 on the basis of the spin-off contract dated 26 September 2023. The spin-off was legally registered on 16 November 2023.

BP 23 Pro Holding GmbH is a 100% subsidiary of Bitpanda Pro 22 B.V., Netherlands, which in turn is a 100% subsidiary of Bitpanda Group AG, Switzerland.

The reduction in balance sheet equity due to the above-mentioned spin-offs is recognised in the income statement in item 20. Spin-off of investments.

2. Current assets

- 2.1. Securities and investments reported amounted to EUR 224,731,796.02 (2022: EUR 178,558 thousand) as of the balance sheet date. This item includes the shares and ETFs in the amount of EUR 138,424,846.80 (2022: EUR 109,514 thousand). The fair value (market value) of these shares and ETFs is EUR 149,767,405.05 (2022: EUR 87,977 thousand). For shares and ETFs that formed a valuation unit with the digital securities, there was a devaluation of EUR 526,006.72 (2022: EUR 1,432 thousand). The devaluation of shares and ETFs that did not form a valuation unit with the digital securities amounted to EUR 172,948.22 (2022: EUR 182 thousand). This item also includes money market funds amounting to EUR 86,306,949.22 (2022: EUR 68,998 thousand) and other securities amounting to EUR 0.00 (2022: EUR 46 thousand) as of the balance sheet date. The fair value (market value) of the money market funds amounted to EUR 86,902,208.20 (2022: EUR 69,186 thousand).

2.2. The development of deferred tax assets was as follows:

	Status 01.01.2023	Reversal	Allocation	Status 31.12.2023
Deferred tax assets	31,451,903.05	2,732,660.59		28,719,242.46
<i>thereof from loss carryforwards</i>	<i>30,295,219.67</i>	<i>2,750,721.98</i>		<i>27,544,497.69</i>

2.3. Receivables with a remaining term of more than one year were exclusively reported under the item receivables and other assets in the amount of EUR 242,929.74 (2022: EUR 424 thousand) as of the balance sheet date. In 2023, as well as in 2022, no income was included under other receivables and assets that will only become cash effective after the balance sheet date.

2.4. Receivables from affiliated companies include trade receivables of EUR 8,266,273.17 (2022: EUR 22,164 thousand) and other receivables of EUR 2,965,706.81 (2022: EUR 19,410 thousand) as of the balance sheet date.

3. Equity capital

3.1. In 2023, the voluntarily restricted capital reserve allocated in 2022 was reclassified as a non restricted capital reserve. For the development of equity, see Appendix II to the Notes.

4. Provisions

4.1. The Provisions for taxes broke down as follows as of the reporting date:

	Status 01.01.2023	Utilisation	Reversal	Allocation	Status 31.12.2023
	EUR	EUR	EUR	EUR	EUR
Provision for corporate income tax	358,354.69	358,354.69	0.00	1,933,095.41	1,933,095.41
	358,354.69	358,354.69	0.00	1,933,095.41	1,933,095.41

4.2. Other provisions relate to provisions for PSOP and other provisions as shown in the schedule of provisions.

The following table shows the development of phantom shares outstanding for PSOP I and PSOP II for each reporting period:

Number of PSOP shares 31.12.2023						
	01.01.2023 outstanding	granted	terminated	buyback	31.12.2023 outstanding	31.12.2023 thereof vested
PSOP I	675.76	77.03	-82.41	0	670.38	519.93
thereof Panda Grant	134.79	0	-42.18	0	92.61	46.25
PSOP II	165.55	58.21	-33.22	0	190.54	82.62
Total	841.31	135.24	-115.63	0	860.92	602.55

Number of PSOP shares 31.12.2022							
	01.01.2022 outstanding	Adjustment PSOP*	granted	terminated	buyback	31.12.2022 outstanding	31.12.2022 thereof vested
PSOP I	587.07	-72.46	209.66	-48.51	0	675.76	413.87
thereof Panda Grant	0	0	139.70	-4.91	0	134.79	0
PSOP II	245.48	-63.25	53.13	-69.81	0	165.55	64.23
Total	832.55	-135.71	262.79	-118.32	0	841.31	478.10

* The outstanding PSOP shares were adjusted due to a change in the PSOP plan setup as of 01.01.2022.

As a result of the PSOP programmes, there is a long-term provision including non-wage costs of EUR 19,663,307.16 as of 31 December 2023 (2022: EUR 17,623 thousand). The average remaining term until vesting of all PSOP shares is 0.44 years for PSOP I, 1.58 years for the Panda Grant and 1.53 years for PSOP II.

Based on the company valuation of approximately EUR 1.255 billion (2022: EUR 1.3 billion), the provision was adjusted in the financial year.

The provision for loan notes custody (earn out agreement) amounting to EUR 8,484,886.37 (2022: EUR 10,376 thousand) relates to payments for the purchase of Bitpanda Custody Ltd, which are based on the achievement of defined targets.

In addition, non-wage costs for employee bonuses amounting to EUR 2,115,218.10 (2022: EUR 1,655 thousand) were accrued under other personnel provisions.

The provisions for other include costs for the Financial Market Authority in the amount of EUR 1,488,102.98 (2022: EUR 1,541 thousand).

The other provisions were made up as follows as of the balance sheet date:

Description	Status 01.01.2023	Reversal	Utilisation	Allocation	Status 31.12.2023
PSOP	17,622,749.83	0.00	0.00	2,040,557.33	19,663,307.16
Loan Notes Custody	10,376,000.00	0.00	2,484,354.66	593,241.03	8,484,886.37
Holiday not yet taken	1,852,976.20	0.00	1,852,976.20	2,013,307.01	2,013,307.01
Other personnel provisions	1,986,861.90	0.00	360,707.47	987,020.16	2,613,174.59
Provision for auditors	221,500.00	0.00	221,500.00	316,320.00	316,320.00
Provision for BTS revenue share	0.00	0.00	0.00	268,791.88	268,791.88
Provision for unbilled services	4,435,847.70	0.00	4,435,847.70	1,051,527.01	1,051,527.01
Provision for other	1,827,638.92	277,435.94	0.00	0.00	1,550,202.98
Total	38,323,574.55	277,435.94	9,355,386.03	7,270,764.42	35,961,517.00

5. **Liabilities**

5.1. The item Liabilities from user wallets includes the credit balance of customers on FIAT wallets in the amount of EUR 95,483,672.31 (2022: EUR 113,237 thousand) as of the balance sheet date.

Furthermore, liabilities from digital securities or A-tokens in the amount of EUR 145,600,720.16 (2022: EUR 112,365 thousand), which represent financial contracts relating to shares and ETFs (financial contracts with embedded derivatives), were also reported under this item. The fair value (market value) of the digital securities amounted to EUR 150,544,086.73 (2022: EUR 88,532 thousand). The performance of the digital securities in the financial year corresponded to the performance of the underlying shares and ETFs held in the company's own securities account and classified as current assets. Shares and ETFs held served as hedging instruments for the digital securities.

In connection with liabilities from digital securities, which form a valuation unit with the shares and ETFs, there was an appreciation of EUR 550,150.70 (2022: EUR 91 thousand).

In connection with liabilities from digital securities, which do not form a valuation unit with the shares and ETFs, there was an appreciation of EUR 160,165.33 (2022: EUR 8 thousand).

Cash Plus, another new product launched in 2023, allows Bitpanda customers to regularly and automatically convert F-Tokens into A-Tokens with money market funds as the underlying asset via the Bitpanda platform at a specified time. Customers can choose the underlying asset from pre-selected money market funds for EUR, GBP and USD derivative contracts. The liabilities for Cash Plus amounting to EUR 30,462,444.38 (2022: EUR 0 thousand) are reported under the item Liabilities from user wallets.

Bitpanda GmbH, Vienna launched a product called Leverage in 2023. Leverage allows customers to trade with a higher leverage than the amount they have invested. The product range can be divided into 2 categories - long and short. Bitpanda GmbH, Vienna offers a 1.9X long product, which means that the customer's leverage is twice the amount of money originally invested. The short product does not offer a multiplier, but gives customers the opportunity to speculate on falling prices. The liabilities for leverage amounting to EUR 8,222,416.54 (2022: EUR 0 thousand) are reported under the item Liabilities from user wallets and also include the valuation effect as of the balance sheet date.

- 5.2. Liabilities to affiliated companies include trade payables of EUR 2,949,335.40 (2022: EUR 2,692 thousand) and other liabilities of EUR 0.00 (2022: EUR 3,750 thousand) as of the balance sheet date.
- 5.3. The total amount of liabilities with a remaining term of more than 1 year was EUR 9,598.80 as of the balance sheet date (2022: EUR 16 thousand).
- 5.4. As in the previous year, all liabilities had a remaining term of less than 5 years.
- 5.5. Expenses amounting to EUR 951,654.19 (2022: EUR 7,445 thousand) were recognised in the item other liabilities, which will only affect payments after the balance sheet date.

Profit and loss account

1.1. The breakdown of turnover according to areas of activity in the financial year is as follows:

	2023	2022
Areas of activity	EUR thousand	EUR thousand
Broker revenues	1,823,163	2,211,342
Commission income Leverage	3,304	0
Revenues External Exchange	390,211	27,590
Sales revenue BEST Token	43,375	62,221
Revenue Staking	21,651	3,820
Revenues from payment services	4,083	6,680
Intercompany sales revenue	1,770	4,179
Total	2,287,557	2,315,832

1.2. Cost of materials comprises mainly of costs in connection with broker sales and BEST Token sales.

1.3. Miscellaneous other operating expenses include the following categories:

	2023	2022
Category	EUR thousand	EUR thousand
Rental and licence expenses	19,750	17,773
Intercompany recharges	15,147	25,440
Loss from valuation of digital securities	10,670	4,834
Loss from valuation of shares and ETFs	12,058	7,824
Consultancy expenses	7,518	22,217
Staff leasing	5,539	19,820
Marketing effort	5,154	25,428
Expenses	2,045	2,978
Devaluation expense	846	11,085
Maintenance	1,133	2,978
Other*	17,456	13,541
Total	97,316	153,918

*The item Other includes the valuation of the derivative liability from Leverage (EUR 4,068 thousand) (2022: EUR 0 thousand) and Market Maker foreign currency losses (EUR 3,248 thousand) (2022: EUR 0 thousand).

- 1.4. Expenses for the auditor amounted to EUR 216,000.00 (2022: EUR 141 thousand) for the audit of the annual financial statements and EUR 18,000.00 (2022: EUR 53 thousand) for special services.
- 1.5. In the 2023 financial year, there were no transactions with related parties that were not customary in the market and were of a material scope.
- 1.6. Income taxes include expenses of EUR 4,713,244.16 (2022: EUR 25,758 thousand in income). This includes expenses from the reversal of deferred tax assets amounting to EUR 2,732,660.59 (2022: EUR 28,470 thousand allocation).

2. Other financial obligations

- 2.1. As of the reporting date, the total amount of other financial obligations from the use of property, plant and equipment not recognised in the balance sheet amounted to EUR 2,989,461.21 for the following financial year (2022: EUR 2,496 thousand) and for the next five years to EUR 7,446,014.55 (2022: EUR 8,044 thousand).

3. Off-balance sheet transactions

- 3.1. There are no transactions that are neither reported in the balance sheet nor required to be disclosed pursuant to Section 238 no. 10 UGB or Section 199 UGB from which material risks or benefits arise.

C. OTHER INFORMATION

1. The average number of employees (full-time equivalents) in the financial year (Section 239 (1) no. 1 UGB) was:

	2023	2022
Employees	435	592

2. Benefits to company employee pension funds amounting to EUR 358,845.94 were recognised in the income statement (2022: EUR 482 thousand) as of the balance sheet date.

3. Tax group

In the 2023 financial year, Bitpanda GmbH was the group parent of a tax group pursuant to Section 9 KStG with the following group members:

- Bitpanda Payments GmbH (09 368/2318)
- Bitpanda Metals GmbH (09 368/2300)
- Bitpanda Customer Care GmbH (12 786/5624)
- Bitpanda Financial Services GmbH (12 822/9580)

On 15 December 2022, a tax sharing agreement was signed for the tax group from the 2022 financial year onwards. The tax rate on which the group taxation agreement is based is 24% for FY 2023 (from FY 2024, the tax rate will be reduced to 23% in accordance with Section 22 (1) KStG). The tax group benefit defined in clause 3.3 of the tax sharing agreement is appointed to 80% among all profit-making and 20% among all loss-making taxgroup members.

4. Significant events after the balance sheet date

There are no other events after the balance sheet date that have a material impact on the 2023 financial statements.

5. Other

There is no obligation to establish a supervisory board.

The following directors were in office during the financial year 2023:

Eric Demuth, born 21.01.1987, resigned on 30.08.2023

Paul Klanschek, born 18.02.1990, resigned on 30.08.2023

Lukas Enzersdorfer-Konrad, born 18.10.1990, appointed on 31.08.2023

Jonas Larsen, born 12.06.1984, appointed on 31.08.2023

Mag. Philipp Bohrn, born 27.11.1982, appointed on 01.02.2024

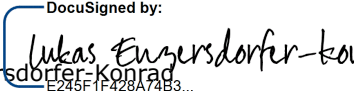
Pursuant to Section 242 (4) UGB, the remuneration of the members of the management is not disclosed.

Bitpanda GmbH, Vienna
FN 569240 v

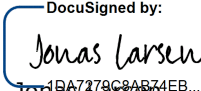
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As of 31 December 2023, Bitpanda GmbH, Vienna, was not required to prepare consolidated financial statements, as the subsidiaries are of immaterial significance (Section 249 (2) UGB). The company is included in the consolidated financial statements of Bitpanda Group AG, Hardstrasse 201, 8005, Zurich, Switzerland.

Vienna, on 09-04-2024

DocuSigned by:

Lukas Enzersdorfer-Konrad
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Vienna, on 09-04-2024

DocuSigned by:

Jonas Larsen
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Vienna, on 09-04-2024

Signed by:

Mag. Philipp Bohn
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Fixed asset schedule in accordance with Section 226 (1) UGB

	Acquisition cost				Accumulated depreciation				Net book value				
	Status	Additions	Reclassification	Disposals	Status	Status	Addition	Reclassification	Disposals	Write-up	Status	Status	Status
	1.1.23.				31.12.23.	01.01.2023					31.12.23.	31.12.22.	31.12.23.
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
A. Fixed assets													
I. Intangible assets													
Concessions, industrial property rights and similar rights													
as well as licences derived therefrom													
Crypto currencies	289,672.49	0.00	0.00	0.00	289,672.49	128,193.01	41,793.87	0.00	0.00	0.00	169,986.88	161,479.48	119,685.61
	22,712,454.47	0.00	0.00	15,853.91	22,696,600.56	14,880,946.78	0.00	0.00	0.00	-11,472,783.94	3,408,162.84	7,831,507.69	19,288,437.72
	23,002,126.96	0.00	0.00	15,853.91	22,986,273.05	15,009,139.79	41,793.87	0.00	0.00	-11,472,783.94	3,578,149.72	7,992,987.17	19,408,123.33
II. Tangible assets													
Land, similar rights and buildings													
including buildings on third-party land	11,631,615.14	596,081.26	0.00	0.00	12,227,696.40	2,439,088.67	2,401,318.95	0.00	0.00	0.00	4,840,407.62	9,192,526.47	7,387,288.78
Other plants, furniture and fixtures	5,803,014.53	78,022.12	0.00	916,860.62	4,964,176.03	2,210,639.46	1,481,115.11	0.00	-540,871.99	0.00	3,150,882.58	3,592,375.07	1,813,293.45
Low-value assets	0.00	286,701.02	0.00	286,701.02	0.00	0.00	286,701.02	0.00	-286,701.02	0.00	0.00	0.00	0.00
Prepayments and assets under construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	17,434,629.67	960,804.40	0.00	1,203,561.64	17,191,872.43	4,649,728.13	4,169,135.08	0.00	-827,573.01	0.00	7,991,290.20	12,784,901.54	9,200,582.23
III. Financial assets													
Investments in affiliated companies	57,148,539.13	17,901,302.75	0.00	70,160,845.45	4,888,996.43	23,151,861.60	0.00	0.00	-22,761,566.43	0.00	390,295.17	33,996,677.53	4,498,701.26
Investments in associated companies	150,000.00	0.00	0.00	150,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150,000.00	0.00
	57,298,539.13	17,901,302.75	0.00	70,310,845.45	4,888,996.43	23,151,861.60	0.00	0.00	-22,761,566.43	0.00	390,295.17	34,146,677.53	4,498,701.26
	97,735,295.76	18,862,107.15	0.00	71,514,407.09	45,067,141.91	42,810,729.52	4,169,135.08	0.00	-23,589,139.44	-11,472,783.94	11,959,735.09	54,924,566.24	33,107,406.82

in EUR

	Subscribed share capital	Restricted capital reserves	Non restricted capital reserves	Statutory reserves	Profit / loss	Total
As of 01.01.2023	48,093.40	162,086,309.27	0.00	0.00	0.00	162,134,402.67
Profit for the year	0.00	0.00	0.00	0.00	13,647,209.60	13,647,209.60
Spin-off loss	0.00	0.00	0.00	0.00	-35,376,182.27	-35,376,182.27
Reclassification of reserves	0.00	-91,951,209.73	91,951,209.73	0.00	0.00	0.00
Release of reserves	0.00	0.00	-31,728,972.67	0.00	31,728,972.67	0.00
As of 31.12.2023	48,093.40	70,135,099.54	60,222,237.06	0.00	10,000,000.00	140,405,430.00

MANAGEMENT REPORT

In accordance with Section 243 UGB (Austrian Commercial Code)

(amounts in EUR)

A. BUSINESS PERFORMANCE AND ECONOMIC SITUATION

1. Business structure and economic business environment

Bitpanda GmbH was founded in 2014 as a service provider related to virtual currencies. The main benefits of a user-friendly retail investment platform were convenience and secure access to crypto-assets for European retail investors with little experience, simplifying all the technical complexities related to investing and owning crypto-assets. Since then, both the industry and Bitpanda have evolved greatly. Crypto-assets have been widely adopted by early innovators and technology enthusiasts, while the underlying blockchain technology has been incorporated into several protocols. Furthermore, Bitpanda has already begun to use blockchain technology to lower the barriers to entry for other asset classes. The digitisation of stocks, metals and commodities makes them accessible to everyone 24/7. At the same time, Europeans increasingly understand the need to invest for their future. As a result, we are seeing retail investing take a trajectory similar to the US and UK, where retail investors are buying and trading short-, medium- and long-term investment opportunities across multiple asset classes. Driven by this trend, Bitpanda has become one of the leading investment platforms for crypto-assets and other digital assets in Europe. While Bitpanda's structure and business model were dominated by the broker platform in the early years, the company developed other solutions (e.g. Bitpanda Pro and Bitpanda Technology Solutions / Whitelabel) and thus became a key investment player.

At the core of the group structure is Bitpanda's DNA as a technology company with strong development expertise and a solid infrastructure. With the Bitpanda platform as the central element of the business model, the two sales channels Bitpanda.com and BTS are aimed at a wide range of customers. While Bitpanda.com is designed as a direct channel, BTS focuses on partnerships and a B2B2C approach. The core user segments are private individuals, companies and business customers.

Crypto industry

In 2023, the cryptocurrency market experienced a significant shift in dynamics after the turbulent events of 2022. Despite a 40% reduction in global crypto spot trading volumes compared to the previous year, the total market capitalisation of cryptocurrencies recovered significantly from USD 832 billion to USD 1,725 billion, primarily

driven by leading assets such as Bitcoin and Ethereum. The traditional equity markets reflected this recovery, with the S&P 500 and NASDAQ recording significant gains, although growth was mainly focussed on some technology companies. The market experienced volatility due to events such as the collapse of well-known banks, but the landscape began to stabilise towards the middle of the year. A turning point was the SEC's approval of eleven US Bitcoin Spot ETFs in early 2024, a decision that marked a significant change in the regulatory and investment landscape of cryptocurrencies. Although the initial reaction to these ETFs was mixed, Bitpanda sees this development as a positive step towards integrating digital assets into the traditional financial world, despite some compromises on the core benefits of cryptocurrencies.

The year 2023 marked a phase of cautious recovery and regulatory progress in the cryptocurrency market. Bitpanda observed a resurgence of interest in high-risk assets and the expectation of SEC approval of eleven US Bitcoin Spot ETFs, which will lead to higher trading volumes and increased crypto adoption in traditional financial sectors. Bitpanda's management is optimistic about its long-term potential to establish digital assets as a recognised asset class and to foster a synergy between traditional and digital financial products.

Economic environment

Aside from the increasing regulatory attention, we are still in a difficult macroeconomic phase despite the strong upturn in the prices of high-risk assets in recent quarters. The latest inflation report for December 2023 showed that US inflation rose slightly compared to previous months. General inflation was 3.4% in December, above the consensus estimate of 3.2%, and core inflation was 3.9%, also below the 4.0% consensus. Crucially, this was the lowest level of core inflation since September 2021.

Following the latest inflation report, the market does not currently expect any further interest rate increases. Fed funds futures are now pricing in a 93% probability that the Fed will start cutting interest rates in May 2024 and that the Fed funds rate will be below 4% by the end of 2024. Apart from the positive development of US inflation data, it remains to be seen whether the Fed will succeed in achieving the historically rather unlikely "soft landing", as significant uncertainty factors in the commercial property market and some difficulties with the expiry of the Bank Term Funding Programme remain (the BTFP was introduced in Spring 2023 to address the difficulties in the banking system, as mentioned above).

However, it is difficult to predict to what extent the USA, as the dominant market for high-risk assets, will enter a recession or not. The inverted yield curve has been warning of a downturn for some time, but the steepness we have seen recently is something that typically occurs around recessions.

Regardless of how the macroeconomic situation develops, the measures we have taken in recent months have created a structure that allows us, through strict

cost control and risk management while expanding our product portfolio, to be prepared for all eventualities.

Competition

Despite the excitement surrounding the impending approval of ETFs, the United States continues to present a complex regulatory environment for the cryptocurrency industry. With a global user base of more than half a billion, US regulators such as the SEC and CFTC maintain a strict approach that often results in enforcement actions against industry participants. In November 2023, the Department of Justice imposed a significant fine of USD 4.3 billion on Binance, one of the largest corporate fines in US history, for violations of anti-money laundering and sanctions laws. Changpeng Zhao, the CEO of Binance, agreed to plead guilty and resign, allowing the company to continue operations and avert a potential collapse. This solution is expected to have a positive impact on the market in the long term, as opposed to a sudden platform failure. However, Binance has already seen its market share decline from 60% to 38% in global trading volume.

In addition, other large crypto companies such as Kraken and Coinbase faced regulatory challenges. Kraken settled with the SEC for a USD 30 million payment and shut down its staking services, while Coinbase was charged with operating without proper registration and with problems related to its staking programme. The outcome of these cases remains uncertain, with expert opinions divided on the likelihood of Coinbase being able to fend off the charges. Bittrex's surprise announcement to shut down its US and global operations adds to the industry's regulatory uncertainties. These developments emphasise the need for clear and consistent crypto regulations and highlight why other jurisdictions may be more attractive to the crypto industry than the USA.

2. Business performance

Dynamic start to the year

Following the turbulence on the crypto market at the end of 2022, Bitpanda focused intensively on cost-cutting and restructuring measures in the first half of 2023. Over the course of the year, the company shifted its focus to the localisation, commercialisation and implementation of a new business strategy. This strategy emphasised the positioning of Bitpanda.com (B2C) in core markets (i.e. Germany, Austria, Switzerland, France) and the expansion of Bitpanda Technology Solutions (B2B2C) in Europe and possibly beyond. The aim was to establish Bitpanda as a market leader in retail investment and trading, to offer a unique user experience and to serve as an infrastructure provider for institutions.

Profitability

The restructuring measures that had to be taken in 2022 were extremely challenging for the entire organisation, but looking back, we can see that these measures were right and necessary. Through rigorous cost optimisation programmes and a strong focus on efficiency, performance improvements and automation, Bitpanda has succeeded in almost halving its cost base in 2023 compared to the previous year. The total trading volume of EUR 3.7 billion in 2023 was slightly below the previous year's level. In particular, Q4 2023 saw a strong improvement in market sentiment and an increase in price levels, making Q4 2023 one of the most profitable quarters for the Bitpanda Group since its foundation.

Growth of Bitpanda Technology Solutions

Following the conversion of the White Label/SaaS solution into Bitpanda Technology Solutions, Bitpanda has intensified its sales activities in the European markets. In January 2023, the service was launched in collaboration with N26, marking a significant expansion into various European countries. Throughout the year, Bitpanda established key partnerships and undertook co-operative projects, in particular with iCard (Bulgaria) and Plum (UK).

Introduction of the Leverage product

Bitpanda expanded its product portfolio in December 2022 with the successful launch of Leverage Trading. Building on this, the company rolled out an enhanced Contracts for Difference (CFD) offering in April 2023, enabling two-way trading for its entire European customer base.

Bitpanda Spotlight

Since its launch in March 2023, Bitpanda Spotlight has established itself as a popular platform for trading new and volatile crypto projects. Notable achievements include the listing of several new assets.

3. Branches

As of the balance sheet date, Bitpanda GmbH had a total of 10 branches throughout Europe, which are of immaterial significance in the annual financial statements of Bitpanda GmbH.

4. Significant events during the financial year*Bitpanda Pro Carve Out*

In order to create an independent and future-proof structure for Bitpanda Pro, the company was spun off and was able to conduct a Series A funding round in Q1/2023. Following the carve-out, the company successfully rebranded as One Trading with the clear vision of establishing One Trading as the leading regulated European crypto exchange. A set-up within the existing Bitpanda Group would not have offered the same growth opportunities for One Trading compared to the new independent structure,

which was the primary motivation for the spin-off. Following the Series A investment, the Bitpanda Group is a minority shareholder of One Trading.

BTS partnership with Raiffeisenlandesbank Niederösterreich-Wien Bitpanda reached an important milestone in 2023 by entering into a partnership with Raiffeisenlandesbank Niederösterreich-Wien, the first well-known credit institution partner for BTS. After several months of preparation, the cooperation went live in January 2024 and will offer Raiffeisen customers access to the world of digital assets via the BTS infrastructure solution.

5. Significant events after the financial year end

The MiCA (Markets in Crypto-Assets) Regulation provides the harmonised EU regulatory framework for crypto-assets. It aims to increase investor protection and contribute to the functioning of markets by providing legal certainty for innovations in distributed ledger technology. The bulk of the MiCA regulation entered into force at the beginning of 2025.

In response to new Austrian tax regulations that will come into effect on 1 January 2024, Bitpanda will automatically withhold taxes on certain crypto-related income for customers who have unlimited tax liability in Austria and remit the withheld tax amounts to the Austrian tax authorities. The tax deduction applies to taxable events, such as the sale of crypto-assets acquired on or after 1 March 2021, at a tax rate of 27.5%.

In the first quarter of 2024, Bitpanda introduced the Bitpanda Stock Option Plan (BSOP), which is intended to replace the Phantom Stock Option Plan (PSOP).

While employees entered into a contract with Bitpanda GmbH for the PSOP, the new allocations under the BSOP will be provided by Bitpanda Group AG from 1 January 2024. In addition, participants are encouraged to transfer their existing non-vested and vested PSOP allocations to the BSOP by 31 December 2023.

There are no other events after the balance sheet date that have a material impact on the 2023 financial statements.

6. Employee matters

The organisational structure of the company is concentrated on one operating location in Vienna, but there are further office locations in other (capital) cities in Europe (e.g. Paris, London, Berlin, Amsterdam, Milan, Barcelona, Krakow).

Special attention is paid to the health of the employees. Various projects and activities are aimed at proactive health management with a focus on information and prevention.

Comprehensive budget and training programmes are provided for continuing training and development. Great care is given in granting fringe benefits according to the individuals' circumstances

Bitpanda had an average of 435 employees in 2023 (2022: 592). Total personnel expenses amounted to EUR 50.2 million (2022: EUR 37.4 million).

7. Financial performance indicators (selected key metrics)

	Unit	2023	2022
<i>Affiliated companies</i>	<i>Number</i>	<i>10</i>	<i>22</i>
Net sales	EUR thousand	155,158	82,104
EBITDA ¹	EUR thousand	24,133	-137,968
<i>EBITDA margin</i>	<i>%</i>	<i>15.55%</i>	<i>N/A</i>
EBIT ¹	EUR thousand	19,922	-155,851
<i>EBIT margin</i>	<i>%</i>	<i>12.84%</i>	<i>N/A%</i>
Net loss / profit for the year	EUR thousand	13,647	-116,041
Balance sheet total	EUR thousand	467,876	457,980
Equity capital	EUR thousand	140,405	162,134
<i>Equity ratio</i>	<i>%</i>	<i>30.01%</i>	<i>35.4%</i>
Return on equity ²	<i>%</i>	<i>9.02%</i>	<i>N/A</i>
Debt capital ³	EUR thousand	326,573	294,640
<i>Debt ratio</i>	<i>%</i>	<i>69.80%</i>	<i>64.33%</i>
Return on assets ⁴	<i>%</i>	<i>3.87%</i>	<i>N/A</i>

¹ Allocation to the PSOP provision excluded

² Surplus after taxes in relation to average equity

³ Debt capital does not include any investment grants

⁴ Earnings before interest and taxes in relation to total capital (average balance sheet total)

Bitpanda continued to face several challenges in the financial year that had an impact on the company's earnings situation, particularly in the first half of the year. Revenues decreased accordingly from EUR 2,315,832 thousand to EUR 2,287,557 thousand due to the lower trading volume. Costs of material and purchased services decreased analogously from EUR 2,272,503 thousand to EUR 2,175,370 thousand, which is also related to the lower trading volume on the Bitpanda platform. The considerable savings in operating costs (personnel expenses, other operating expenses) generated a pre-tax result of EUR 18,360 thousand compared to EUR -141,800 thousand in the previous year.

It should be noted that the equity ratio nevertheless decreased insignificantly from 35.4% in 2022 to 30.0% in 2023. The reason for this is the spin-off loss due to the spin-offs described in the Notes, which also led to the shares in affiliated companies falling by EUR 29,498 thousand.

The balance sheet total changed from EUR 457,980 thousand in 2022 to EUR 467,876 thousand, which is mainly due to a higher inventory value as well as an increase in the value of crypto-assets held long-term due to the positive price development.

On the liabilities side, the liabilities from user FIAT wallets (including Cash Plus) increased by EUR 13,133 thousand, which is mainly due to the positive market development in the fourth quarter. As an offsetting item to the securities held as current assets, the liabilities from digital securities increased by EUR 32,625 thousand, which is due to an increase in volume.

B. EXPECTED DEVELOPMENT AND RISKS OF THE COMPANY

1. Expected development of the company

Bitpanda experienced significant growth in 2023 through targeted marketing investments and an increased commercial focus, demonstrating our ability to scale and increase market share. The next phase involves a concentrated effort to secure a dominant position as market leader in key regions: Germany, Austria, Switzerland and France. To achieve this goal, a sharp commercial focus and strategic investments are crucial. Our commitment extends to delivering a superior product, which requires a significant improvement in product and service quality to provide unrivalled value. By seizing a unique opportunity, we aim to scale our presence in the European market ahead of the launch of MiCA in 2025. Our overriding goal is to dominate Europe and establish a leading position in the identified target markets. With this mindset and approach, our next step will be to identify potential new target markets within and outside Europe and develop a strategy to further expand our strong and regulated platform.

Scaling efforts are being pursued through various sales channels. Bitpanda Technology Solutions (BTS) is strategically investing in the scalability of its infrastructure,

in addition to expanding sales activities to secure partnerships with leading European banks and connect financial institutions and FinTechs.

For Bitpanda.com, an increased focus on Germany is planned in order to utilise the licensing advantages until 2025. Targeted marketing efforts in the DACH region are aimed at increasing market share, with an additional focus on doubling market share in France in order to open up an untapped market. The localisation of services is central to our success in order to meet the diverse market requirements. This includes a steadfast commitment to improving product and service quality and ensuring the delivery of an exceptional user experience.

Given the regulatory challenges faced by Coinbase, Binance and Kraken in the USA, their move away from Europe has given Bitpanda the opportunity to strengthen its position in the European market. The upcoming implementation of MiCA in Europe poses challenges for new players, especially those from less regulated regions, and strengthens Bitpanda's advantage due to its strong compliance framework. This regulatory clarity and Bitpanda's strategic positioning are transforming Europe into a crypto hub of choice, providing Bitpanda with unique growth opportunities amid market consolidation and the challenges faced by global competitors. ☺

2. Company exposure to principal risks and uncertainties

Bitpanda understands the importance of proper risk management and a control environment to protect customers and support the growth of the business. The business model at Bitpanda is complex and involves many risks. The Group works across all areas to ensure that riskmanagement is a core part of Bitpanda's business processes.

Bitpanda has a risk management framework that outlines the risk universe, risk appetite, key processes and procedures and work instructions for Bitpanda employees. This also covers Bitpanda's internal control system and specifies that Bitpanda fully adopts the Three Lines of Defence model, with the Compliance department acting as the final line.. In addition, Bitpanda describes its governance approach, how risks are reported and how progress in managing them is tracked.

Risk management process

The Group follows a structured process for identifying, assessing and managing risks. This is developed by the Group Risk Management function and adopted by staff throughout the organisation. The process comprises five key steps:

1. Risk identification

Dynamic identification of all risk types in each part of the Group, with assigned risk owners and review by supervisors

2. Risk assessment

Estimation of the impact and likelihood of risks on an inherent and residual basis with initial mitigation proposals.

3. *Risk treatment and plan*

Determination of risk treatment and agreement on proposed mitigation plan with assigned risk owners.

4. *Risk mitigation measures*

Implementation of mitigation measures or compensatory controls already agreed by the risk owners and the mitigation plan.

5. *Risk monitoring*

Tracking and monitoring of mitigation plans on an ongoing basis to ensure that the desired risk treatment is achieved.

Main risks include market risk, compliance risk, financial risk, operational risk and information security and data risk.

Market risk

Market risk refers to the risk that changes in market prices - e.g. exchange rates, interest rates and equity prices - will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk positions within acceptable limits while optimising returns.

Exchange rate risk

Bitpanda has a foreign currency exposure of less than 10% (in CHF, GBP and USD) of its total assets. Changes in exchange rates may therefore have a negative impact on future financial costs, but they will be minor.

Interest rate risk

Our investment policy and strategy with respect to our cash holdings is to preserve capital and meet liquidity requirements without increasing risk. Our cash balances are allocated to our users. Changes in interest rates would have little impact on our interest income due to the short-term investment structure.

Market price risk of crypto-assets

Crypto-asset price risk could adversely affect our results of operations. In particular, the future profitability of the Company may depend on the market prices of our crypto-asset prices, which, together with our operating results, could fluctuate significantly from quarter to quarter. There is no guarantee that crypto-asset prices will reflect historical trends. A decline in the market price could have a material and adverse effect on our revenues, the net realisable value of our crypto-assets and our future cash flows. This could also affect the Company's liquidity and its ability to meet its ongoing obligations.

Compliance risk

This includes the risk of not complying with required laws, regulations and rules, which could lead to problems for our customers, losses for the company or reputational damage. Some of the Group's businesses are currently unregulated, while others operate in highly regulated environments. This means that the Group is exposed to many different, albeit

complementary, risks related to compliance with a wide range of laws and regulations in an increasing number of jurisdictions. Bitpanda's activities involve numerous customer transactions and therefore the Group may be exposed to criminal activity.

The Group works hard to comply with all established regulations and reduce the risk of financial misconduct in our asset classes and products. Bitpanda has zero tolerance for the loss of licences or regulatory conditions imposed by authorities that could limit Bitpanda's ability to support its customers. The Group's anti-financial crime practices go beyond what is required by regulators and are specifically designed to protect customers and the Group from the negative consequences of money laundering and terrorist financing.

Financial risk

Liquidity risk means that Bitpanda might not be able to meet short-term financial obligations and long-term liabilities. The Group has many different payment obligations under its business model in order to cover operating expenses in many areas of the Group. Bitpanda has developed policies that outline its methods for ensuring sufficient cash flows and available funding to support growth.

The main credit risk for the Group is the inability of its counterparties to meet their obligations. Bitpanda manages credit risk by working with banks and globally recognised market makers.

Bitpanda uses externally available information as well as its own qualifications to perform credit assessments of its partners as part of the due diligence process.

Operational risk

This refers to the risk of the Group suffering losses due to inadequate or failed internal processes and systems, or due to wrong actions by employees or external events. Bitpanda relies heavily on operational processes, IT and its system architecture, while ensuring that the right people are employed in the right roles. Occasionally, these systems and processes may not function as planned, may not be in line with their intended purpose, or may be disrupted due to unexpected events such as cybercrime or human error.

Bitpanda invests significantly in strong operational and control systems to ensure that it can continue to respond to unexpected events in a timely and structured manner.

Crypto-asset custody risk

When crypto-assets are held in custody, there is a risk of loss or theft of the private keys. Cyber threats such as hacking increase this risk. However, there are modern solutions to mitigate these risks. The decision between self-custody and third-party custody depends on individual needs and capabilities. Self-custody offers full control, but requires technical knowledge and the implementation of security measures. Bitpanda offers a secure third-party custody solution with high security standards. The platform uses a complex and secured system of hot, warm and cold wallets to reduce the risk of hacks. Secured warm and hot

wallets allow quick access, but only contain a small portion of the total assets to limit risks.

Information security and data risk

This refers to the risk of loss due to insufficient restriction of access to systems, data, misguided IT strategy, incomplete or inaccurate data in systems, including inadequate applications and inadequate or outdated technology infrastructure. As a digital asset trading platform, Bitpanda recognises that the threat of cyber security is an ongoing threat to the Group caused by access to systems or customers and their data. Bitpanda processes large amounts of customer data and must comply with specific data protection laws and regulations.

The investment in the digital platform is a primary objective and focuses heavily on building robust and secure technology that prevents data protection and security breaches.

Macroeconomic risks

Bitpanda is building a sustainable and resilient business model that customers can rely on for years to come. This means that Bitpanda can withstand potential downturns or significant risk areas. The operating environment and market conditions are already a high-risk environment.

Bitpanda fully recognises that there will continue to be areas of uncertainty, threats and potential vulnerabilities that could impact the Group:

- The regulatory environment is expected to change and evolve as macroeconomic conditions change. Events such as the pandemic have changed regulatory expectations, especially when the Group's operating model is still in flux.
- The ever-changing political landscape is a growing concern for Bitpanda, and the outcomes of ongoing conflicts in many parts of the world, including Europe, could have an impact on the customer base, not only in terms of the cost of living, but also the availability of funds.
- Asset volatility is expected to persist due to the unique nature of digital assets. The assets are more sensitive than conventional FX, which means Bitpanda will constantly iterate its risk models and rethink its strategy to limit losses.

Personnel risks

Staff risks are limited to a risk of failure of key persons, in particular the founder management of the company. It's the company's policy that key personnel should not be exposed to the same risks at the same time, limiting the extent of any failure scenarios

3. **Financial instruments, risks and strategies**

The company generally uses an internal control system to cover various internal and external risks. Qualified experts were engaged for the continuous development of this system and for the general establishment of an enterprise risk management system with corresponding corporate governance measures. A separate department was created in the finance division to actively manage treasury and market risk factors. The Operations & Risk department as well as the Compliance department are responsible for the ongoing monitoring of operational risk and the creation of corresponding governance guidelines as well as ensuring compliance with these guidelines. In addition, another new department, Regulatory Reporting, was created to take care of the transmission of data to the competent authorities and to ensure compliance with the required reporting regulations. Bitpanda's risk policy stipulates that all user funds on its platform are 100% covered by the corresponding assets and currencies.

Bitpanda GmbH attaches great importance to the conservative management of corporate risks in order to maintain the value of the business model as well as to achieving a sound market positioning.

Specifically, financial instruments (shares) are used as hedges for the Bitpanda stocks product. Bitpanda thereby enables customers to participate proportionately in individual equities and exchange traded funds (ETFs) by subscribing to Bitpanda Stocks. Bitpanda Stocks are classified as non-derivative host contracts containing embedded derivatives with indefinite maturity, no maturity date and no expiry date. The redemption of these shares is linked to the performance of the underlying shares and the ETF. Bitpanda is obliged to redeem the shares at any time at market value less costs.

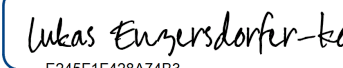
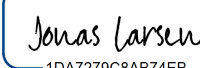
4. **Research and development**

Bitpanda GmbH does not conduct research, but does perform product development for the purpose of software development.

Vienna, on 09-04-2024

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