
Hilbert Group AB (publ)

Year end Report Q4 2024



Year-end Report Q4 2024 In Brief

FINANCIAL EVENTS

Fourth quarter

- Revenues amounted to KSEK 42,191.1 (KSEK 7,628.9)
- Operating profit/loss (EBIT) totaled KSEK -11,328.4 (KSEK -15,230.6)
- Results for the period were KSEK -1,431.6 (KSEK -22,924.2)
- Cash flow from operating activities amounted to KSEK -10,549.9 (KSEK -4,460.6)
- Earnings per share before and after dilution amounted to SEK 0.01 (SEK -0.37)

Full year January – December 2024

- Revenues amounted to KSEK 112,977.5 (KSEK 24,106.4)
- Operating profit/loss (EBIT) totaled KSEK -45,158.6 (KSEK -42,963.1)
- Results for the period was KSEK -38,769.3 (KSEK -48,870.4)
- Cash flow from operating activities amounted to KSEK -36,650.7 (KSEK -28,664)
- Earnings per share before and after dilution amounted to SEK -0.56 (SEK -0.83)

SIGNIFICANT EVENTS

During the fourth quarter and after the reporting period

- Hilbert Capital was selected by Stablecoin Issuer Reservoir as Collateral Source.
- Hilbert Capital achieves a target of \$300million (SEK3.3billion) AUM, a target which was set in 2022.
- Hilbert Group acquires renowned Digital Asset Manager Liberty Road Capital, a firm with a 5 year operating history and a strong track record running \$110million (SEK1.2billion) in assets under management. The acquisition is structured as an equity-only asset purchase with an earn out and up front component, whereby Hilbert Group acquires Liberty Road's asset management agreements, existing client relationships, all IP and key employees. This acquisition brings Russell Thompson as a new board member of Hilbert Group, at the closing of the acquisition.
- Hilbert Group announces Leadership Transition on 27 November, with Hilbert Capital CIO and ex Goldman Sachs veteran Barnali Biswal as the new CEO of the Group, effective 1 January 2025; and Niclas Sandstrom becoming a member of the Board of Directors, whilst remaining within a strategic and operative role within the Group. Niclas was elected as a member of the Board during an Extraordinary AGM on 20 December 2024.
- Hilbert Group announced that it will integrate Liberty's advanced AI technology on 11 December 2024; aiming to revolutionize Hilbert's trading and analytical capabilities on the asset management side and pave way for new user centric products on the Coin360 side.

- Russell Thompson was elected as new member of the Board on 20 December 2024, during the extraordinary General Meeting. Russell will enter the Board in conjunction with the closing of the acquisition of Liberty Road Capital.
- Hilbert Group announces a comprehensive reboot of Coin360.com. The reboot introduces an array of new advanced features, enhanced user interfaces and robust analytical tools designed to reinforce its position as a leading visual guide for digital asset market intelligence. Three new subscription tiers are to be introduced, which will generate new revenue streams for the website, on top of the existing advertising income.
- Hilbert Group AB announced Ashley Moore's appointment as Managing Director of Hilbert Capital on 7 January 2025. Ashley was a senior trader and head of execution services at the custody and brokerage firm Copper, and held various senior positions, including as an FX options broker at Cantor Fitzgerald and Tullet Prebon.
- Hilbert Group Announces Launch of Platform for Trading of Tokenized Equities and Popular Pre-IP Shares such as Space X, Open AI and Antrophic
- Hilbert Group AB announced on 13 February 2025 that Coin360.com has launched a Telegram Mini App to expand the Coin360 ecosystem and accelerate user growth and engagement.
- Hilbert Group announces Partnership with Leading Decentralised Finance (DeFi) Specialists - Private Pools Network

Financial overview

kSEK	Q424	Q423	Full year 2024	Full year 2023
Revenue	42,191.1	7,628.9	112,977.5	24,106.4
EBIT	-11,328.4	-15,230.6	-45,158.6	-42,963.1
Profit/loss for the period	-1,431.6	-22,924.3	-38,769.3	-48,870.4
Earnings per share	0,01	-0,37	-0,56	-0,83
Equity	27,861.3	33,472.7	27,861.3	33,472.7
Total assets	68,992.3	67,580.8	68,992.3	67,580.8
Equity/assets ratio, %	0.40	0.50	0.40	0.50

CEO's address

Dear Shareholders,

As I step into my role as CEO of Hilbert Group, I am both honored and energized by the opportunity to lead this exceptional organization into its next phase of growth and innovation. I want to express my sincere appreciation to **Niclas Sandstrom** for his leadership and vision, which have been instrumental in establishing a strong foundation for Hilbert's success.

Despite the evolving and dynamic market environment, Hilbert Group remains resilient, innovative, and committed to becoming the preferred "**Solution Partner**" for our clients. We are well-positioned to drive significant growth through a robust new product line, operational excellence, and the continued transformation of COIN360.

STRATEGIC PROGRESS & MARKET POSITION

Our Q4 2024 achievements mark key milestones in our growth trajectory. The transformative Liberty Road Capital acquisition, announced in November 2024, has expanded our assets under management to approximately USD 420M.

Meanwhile, the full deployment of the Xapo Byzantine BTC Credit Fund– now managing 3,250 BTC – demonstrates our ability to successfully scale innovative financial products.

The evolving U.S. regulatory landscape under President Trump suggests a more accommodative framework, further strengthens our confidence in sustained AuM growth throughout 2025.

KEY BUSINESS DEVELOPMENTS

Asset Management Division: Scaling Up with New Strategies

- Xapo Byzantine BTC Credit Fund has demonstrated impressive traction, currently yielding 4.02% with 3,250 BTC under management. As we prepare to extend access via Xapo's corporate banking platform to qualified global investors, we maintain our ambitious 2025 AUM target of USD 2 billion equivalent.
- The Liberty Road Capital integration is progressing exceptionally well, with deal completion expected before Q1 2025 end. This strategic acquisition, managing USD 110M with a 2/20 fee structure, significantly enhances our capabilities and revenue streams. Historically, the Liberty Road strategies have achieved 10%-20% net per annum with minimal drawdowns in any given month.
- In response to evolving market dynamics, particularly Bitcoin's sustained dominance, and client requests, we are implementing strategic enhancements across our fund suite:
 - Transitioning V30 into a sophisticated multi-strategy fund with a market-neutral bias, either Bitcoin-based or USD-denominated. This structure is

optimized for large allocators seeking low drawdowns and diversified, scalable returns.

- Introducing an enhanced V100 strategy with a substantial Bitcoin allocation alongside large cap Altcoins, the weights of which will be determined by a proprietary market regime indicator.
- Deploying our BTC-momentum strategy in both managed accounts and fund format. With two years of real-world testing, this strategy aims to capture BTC's upside while limiting drawdowns.
- Winding down V1 due to decreasing allocator demand amid a strengthening bull market.

Continuing development and testing of various proprietary strategies **Crypto Infrastructure Innovation:**

■ In December 2024, we launched a **revamped beta version of COIN360.com**, with significant improvements to user experience and platform capabilities. Our next steps for Q2 2025 include:

- Subscription-based services
- Advanced customizable features
- Community-driven content contributions

With steadily improving KPIs, we remain confident in achieving our **2025 revenue target of USD 10 million.**

■ **LAUNCH OF A360:** The World's First Compliant On-Chain Trading Protocol

One of the most exciting developments at Hilbert is the upcoming launch of A360, a decentralized trading platform for tokenized real-world assets (RWA). Developed in partnership with Galactica and CT.com, A360 will enable fully compliant, on-chain spot trading of tokenized real-world equities such as pre-IPO shares of OpenAI, SpaceX and Anthropocene etc.,. This initiative strengthens synergies between:

- Hilbert's Asset Management division
- COIN360's established digital user base
- A360's cutting-edge on-chain trading solutions

Looking Ahead: Strategic Priorities for 2025

As we chart the next phase of Hilbert's journey, my immediate priorities center on three core objectives:

- Achieving firm-wide cash flow positivity
- Elevating customer experience and engagement
- Driving operational efficiency

We will continue to execute our strategy while leveraging our core strengths:

- Technical & operational excellence
- A strong brand presence as a NASDAQ-listed crypto firm
- Deep expertise in both traditional finance and the crypto industry

The digital asset space presents compelling opportunities across - Crypto-native yield generation, Customized, scalable investment solutions and RWA-DeFi integration. We are strategically positioned to capitalize on these opportunities through:

- The Bitcoin Credit Fund (in partnership with Xapo)
- The new multi-strategy fund (with a dedicated Bitcoin share class)
- Continued innovation through Coin360 and A360

Closing Remarks

I am excited about Hilbert Group's trajectory and confident in our ability to navigate market dynamics while creating substantial value for our shareholders, employees, and clients. With our strategic acquisitions, product innovations, and operational excellence, we are uniquely positioned in the evolving digital asset landscape.

Thank you for your continued trust and support. I look forward to updating you on our progress as we drive Hilbert Group toward a highly scalable, innovative, and growth-focused future.

Sincerely,

Barnali Biswal

CEO, Hilbert Group

Chief Executive Team



Barnali Biswal
Chief Executive Officer,
Hilbert Group

Barnali has over two decades of experience in successfully trading risk-managed sizable portfolios for institutional investors globally. Barnali previously worked as Managing Director of Goldman Sachs running its high-yield credit trading business (\$1bn+ portfolio). Prior to joining Hilbert as Chief Investment Officer of Hilbert Capital, Barnali worked as Chief Investment Officer for quantitative multi-strategy crypto hedge fund Atitlan in London. Barnali stepped into the role of Chief Executive Officer of Hilbert Group effective 1 January 2025.



Dr. Niclas Sandström
Board Member &
Co-Founder, Hilbert Group

Niclas has over 20 years of experience in hedge funds and investment banks. Before co-founding Hilbert, he held senior roles in risk management and quantitative analysis. Niclas has been trading in cryptocurrency markets for more than six years. Previous employers include Finisterre Capital, Barclays Capital, and Credit Suisse First Boston. Niclas holds a Ph.D. in theoretical physics from Chalmers University of Technology. Niclas was appointed as Board Member of Hilbert Group on 20 December 2024.



Dr. Magnus Holm
Chief Investment Officer &
Co-Founder, Hilbert Group

Magnus has over 20 years of experience developing trading strategies and statistical- and risk models for betting systems. Magnus has been trading cryptocurrencies for the past seven years and leads the algorithmic trading program in Hilbert. He has co-authored several research papers with Dr. Hans-Peter Bermin, outlining the fundamental mechanisms behind the trading strategies that the firm deploys. Magnus holds a Ph.D. in theoretical physics from Chalmers University of Technology.



Sylvana Sciberras
Chief Financial Officer,
Hilbert Group

Sylvana has over 20 years of experience in hedge funds and financial services. She previously held roles as Head of Finance, General Manager, and Compliance Officer for the Finisterre Group. Sylvana is an accredited Auditor and has spent over a decade with Deloitte in senior roles; whereby she was also entrusted with the operations of the Audit Department. Sylvana holds a Bachelor of Accountancy (Hons) and a Bachelor of Commerce from the University of Malta.

New appointment



Dr. Hans-Peter Bermin

Chief Risk Officer,
Hilbert Group

Hans-Peter brings 20 years of experience from investment banks and hedge funds. Before Hilbert, he held senior roles at JPMorgan, Morgan Stanley, and Capula, leading risk management and product development teams within the fixed-income and equity space. Hans-Peter has been in the cryptocurrency markets for the last four years. Hans-Peter holds a Ph.D. in financial mathematics from Lund University and has recently co-authored several research papers with Dr. Magnus Holm.



Mark Adams

Chief Legal and Compliance Officer, Hilbert Group

Mark has over 15 years of legal experience and has been a lawyer, director, legal representative and company secretary at various market leading firms. Previous roles include: Head of Legal for William Hill International for over 3 years and General Counsel and Head of Compliance for The Multi Group Ltd where he was responsible for all legal, regulatory, data protection and corporate matters for the group's B2B and B2C businesses. Mark has a Masters in law, CIPP/E as well as numerous compliance qualifications.



Gijs Burgers

Chief Operating Officer,
Hilbert Group

Gijs Burgers has over ten years of boardroom consulting experience in the financial sector. He has been involved with cryptocurrencies since early 2013 and has worked non-stop for over ten years with blockchain technology. Before joining Hilbert, Gijs was a senior consultant and manager at strategy consulting company Innopay, a corporate strategist at APG, and he co-founded several companies in the fintech space, of which EQT-backed "Onramper" is the most prominent. Gijs holds two Master's degrees from Erasmus University Rotterdam and Tilburg University.



Ashley Moore

Managing Director,
Hilbert Capital (Asset Management)

Ashley has over 20 years of experience as a trader, broker, business and product developer. Before joining Hilbert Group, Ashley was senior trader and head of execution services at Copper where he helped established Copper as a global leader in digital infrastructure. Prior to Copper, Ashley held various senior positions, including as an FX options broker at Cantor Fitzgerald and Tullet Prebon.

Hilbert Group Investment Activities

Hilbert Group is a quantitative investment firm connecting institutions with the digital asset markets. Hilbert's primary focus is asset management. The firm manages a range of quantitative investment solutions on behalf of institutional investors. Hilbert investment team consists of experienced professionals with significant algo-trading-investment and risk management experience across digital and advanced markets.

Hilbert Group's main activity, asset management, is supplemented by proprietary trading and strategic balance sheet investments in block-chain related equity. These supplemental activities have been chosen because they all deal with the Company's core competencies, which are investment activity and the underlying data processing and analysis driving that activity. They also have strong synergies with asset management.

ASSET MANAGEMENT

Hilbert Capital is the firm's asset management business. It is operated as a traditional regulated fund business. More specifically, Hilbert Capital specializes in the investment management and risk management of quantitative investment solutions which generate attractive returns by taking advantage of both alpha and beta trading opportunities in digital asset markets. Investors in Hilbert Capital's investment solutions are predominantly institutions.

Hilbert Capital's revenue is generated by charging a fixed management fee as well as a performance-related fee relative to a high watermark on assets under management. With respect to the specific level of fees charged, Hilbert Group currently adheres to the "hedge fund model" which is typically 2 percent per annum in management fees and a 20 percent performance fee. For each Hilbert fund there are several investable share classes whose fee structures vary around the standard model, depending on the circumstances under which an investor enters.

Hilbert Group currently offers three investible funds:

Hilbert V100 Fund

- **Inception:** the strategy has been running with capital since April 2017. In January 2019, the fund employing this strategy was established and opened to external investors.
- **Description:** Hilbert V100 is a fully risk-on, long-only strategy. Its objective is to maximize returns with a drawdown tolerance in line with the broad crypto-currency market. Hilbert V100 employs a combination of quantitative trading techniques, such as volatility trading, long-short trading and market-making.

Hilbert V1 Fund

- **Inception:** the strategy has been running with capital since May 2022. In August

2022, the fund employing this strategy was established and opened to external investors in October 2022.

- **Description:** Hilbert V1 is a high alpha, low beta strategy. Its objective is to maximize returns within a drawdown tolerance of 10–12%. Hilbert V1 employs quantitative trading techniques, such as volatility trading, long-short trading, and market-making.

Hilbert V30 Fund

- **Inception:** the strategy has been running capital since May 2022. In May 2023, the fund employing this strategy was established and opened to external investors.
- **Description:** Hilbert V30 is a convex upside strategy. Its objective is to maximize returns within a drawdown tolerance of 10–20%. Hilbert V30 employs quantitative trading techniques, such as volatility trading, long-short trading and market-making.

Xapo Byzantine BTC Credit Fund

- **Inception:** launched on 16 September 2024
- **Description:** the Xapo Byzantine BTC Credit Fund (the Fund) is a Bitcoin yield strategy, enabling Bitcoin holders to co-invest alongside Xapo Bank in a unique and diversified portfolio of high-quality, scalable Bitcoin lending opportunities. The level of yield delivered to investors by the Fund will vary over time, dependent on available lending opportunities which meet the Fund's investment criteria. The current yield on the portfolio is approximately 4.02% with 3,250 BTC under management.

PROPRIETARY TRADING

Proprietary trading means trading part of Hilbert Group's own capital. Thus, this vertical is responsible for a portion of Hilbert Group's revenues not directly related client work. The objective of conducting proprietary trading is two-fold:

- To opportunistically deploy some of Hilbert's treasury to take advantage of favorable market environments. This type of deployment will only be done in highly liquid positions and will never utilize any net leverage.
- To test-drive the various strategies under development on real money before they get deployed into any of the investment funds.

The proprietary trading strategy is a mix of algorithmic/technical and discretionary/fundamental trading. The revenue will be generated solely through capital appreciation in the underlying portfolio.

Having proprietary trading and asset management under the same roof might imply potential challenges from a conflict-of-interest point of view. Hilbert Group assess this risk on a regular basis and will continue to adhere to best practices in this respect, with full disclosure to investors if it is deemed that this risk is materially present. The Group has made its first proprietary trade during the fourth quarter of 2021, with high-frequency trading following in the 2nd quarter 2022 and continuing thereafter. Refer to accounting principles Note 1, XVI. Cryptocurrencies.

EQUITY INVESTMENTS

Since inception, Hilbert Group has invested in three private companies within the blockchain ecosystem which the Group evaluates to offer attractive long-term growth potential and strategic synergies with the asset management activities. These investments are long-term, passive investments on Hilbert Group's balance sheet and are not related to the core asset management business. The investment process relies mostly on fundamental analysis of the underlying projects, technologies, and a thorough assessment of the quality and economic outlook of those projects.

As of 31 December 2024, Hilbert Group has the following investments on its balance sheet:

- (I) 60% majority stake in COIN360 Global Ltd. COIN360 Global Ltd, was acquired in July 2021. COIN360 Global Ltd, owns and operates COIN360.com and associated domains. COIN360.com is a live aggregator website for cryptocurrency exchange data such as prices, returns and trading volumes. It also offers users many types of lists and diagrams to track different metrics for currencies and exchanges. COIN360.com ranks globally among the largest websites for this type of crypto data. The business model for COIN360.com is advertising/affiliates based. In 2024, the Group has made significant investments in Coin360.com, launched a revamped beta versions of Coin360.com with significant improvements to user experience and platform capabilities; looking now at the implementing subscription bases services, advanced customizable features and community driven content contributions. In partnership with Galactica and CT.com, the Group is also looking forwarding to the upcoming launch of A360, a decentralised trading platform for tokenised real-word assets.

- (II) 2.7% stake in HAYVN, a global investment bank based in Abu Dhabi specializing in digital assets. HAYVN provides a regulated institutional grade digital currency platform that offers OTC trading, a digital asset payment solution and custody of digital assets. Hilbert Group and HAYVN will be strategic partners in terms of product development and distribution of fund products. In January 2023, HAVYN also launched its HAVYN 20 Digital Asset Index Fund and further expanded it's offering to Asset Management clients. In May 2023, HAYVN also obtained Virtual Asset Service Provider (VASP) license from the Lithuanian Financial Crime Investigation Service (FNTT), further strengthening global regulatory footprint. HAVYN has shifted it's ADGM licence status from active to inactive, confining its operations to its base in the Cayman Island. In December 2023 HAYVN's co-founder and CEO, Chris Flinos, stepped down and has since been replaced by the new CEO, Richard Crook. In the Annual Report 2023, Hilbert Group communicated that it is closely following the developments of HAVYN, and that were positive that the value of our investment is close to it's original book value of a \$1,000,000 (SEK10,041,600); this based on the PWER valuations we have been applying. Nonetheless in order to remove any judgement, bias and estimates in the valuation, we had at the time decided to write down this investment until further information emerges about the acquisition by DEUS X, and further potential litigation claims. In absence of that information the value is still held at nil as of 31 December 2024.

- (III) A stake in Kvanta AB (formerly known as Capchap). Current shareholding stands

at 4.35% following a share issue registered in April 2024. Kvanta AB offers equity management and corporate secretarial services on the blockchain. Kvanta's AB solution enables users to manage their share ledger, issuance of new shares, buying and selling of shares in private companies and other corporate actions on the blockchain. This means that the costly services currently provided by legal advisers can to a large degree be eliminated.

Financial overview

OCTOBER - DECEMBER 2024

Revenue and results

Revenue amounted to KSEK 42,191.1 (KSEK 7,628.9), of which KSEK 40,005.2 (KSEK 6,110.5) from Proprietary trading in cryptocurrencies, KSEK 1,545.2 (KSEK 889.2) from Fund management as a result of increase in AUM and market performance and KSEK 640.7 (KSEK 629.2) from Coin360, mainly related to Advertising income. Operating profit/loss amounted to KSEK -11,328.4 (KSEK -15,230.6), this following the deduction of total operating expenses and income of KSEK -53,519.6 (KSEK -22,859.5); mainly relating to cost of cryptocurrencies sold KSEK -40,005.2 (KSEK -6,110.5) and KSEK -13,514.3 (KSEK -16,749) relating to other expenses of which KSEK -4,278.5 (KSEK -4,107.9) are related to personnel expenses and KSEK -8,121.4 (-4,673.8) to other external expenses. Personnel expenses remained more or less in line with the comparative period. Other external expenses have increased as a result of an increase amongst others in marketing, PR and media, commissions and other professional cost. Depreciation, amortization and write-downs were higher in Q4 2023 due to an impairment charge related to COIN360 intangible assets, reflecting the uncertainty in timing for future cash flows. Other operating income and expenses KSEK 839.9 (KSEK -19) mainly reflects fair value adjustments of the crypto trading portfolio. Net Financial Items of KSEK 9,896.9 (KSEK -7,693.7) is mainly related to foreign exchange on Euro denominated bonds, euro bond interest, other interest charges, gain or loss on group companies foreign exchange translations and foreign exchange on other account balance. Result for the period amounted to KSEK -1,431.6 (-22,924.3) of which KSEK 531 (KSEK -19,762.2) is attributable to parent company shareholders and KSEK -1,962.5 (KSEK -3,162.2) to non-controlling interest.

Balance sheet and cashflow

Total assets of the Group amount to KSEK 68,992.3 (KSEK 67,580.8) of which KSEK 46,394.6 (KSEK 41,440.1) relate to intangible assets and the right of use of assets; latter relating to leased office premises which Hilbert entered into for a 7-year period in the amount of KSEK 5,109.4 (KSEK 5,685.3). Total equity amount to KSEK 27,861.3 (KSEK 33,472.7) of which KSEK 19,222.8 (KSEK 21,689.2) are attributable to parent company shareholders and KSEK 7,938.5 (KSEK 11,783.5) are attributable to non-controlling interest. Net cash flow from operating activities amounted to KSEK -10,549.9 (KSEK -4,460.6), net cash used in investing activities amounted to KSEK -2,235.8 (KSEK -348.1). Net cash generated from financing activities amounted to KSEK 19,538.9 (KSEK 15,041.3). At the end of the period Hilbert Group held KSEK 8,252.8 (KSEK 10,979.5) in cash and cash equivalents.

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

Hilbert Capital Selected by Stablecoin Issuer Reservoir as Collateral Source

On 2 October, 2024 Hilbert Capital, the asset management division of Nasdaq-listed Hilbert Group AB has announced that the asset manager has been tapped by Reservoir Protocol to use a tokenized version of Hilbert Capital's V1 fund as collateral. Reservoir aims for their stablecoin, rUSD to have a market cap of at least \$500million by year end. Leading research firm, Bernstein, estimates the stablecoin market to grow to \$5 trillion over the next 5 years.

Nick Garcia, CEO and founder of Fortunafi, the platform tokenizing the Hilbert V1 fund commented, Hilbert boasts an exceptional team with a first-class trading operation and will be instrumental in helping expand Reservoir's reach. Leveraging the power of blockchain technology, the relentless rise of tokenisation and stablecoins, as well as the success of Hilbert's V1 fund, we know this latest integration will be well received.

Hilbert Group CEO, Niclas Sandstrom: "We consider Reservoir to be one of the best operators in this space and we see a number of synergies which we are looking forward to develop as part of our partnership. This is a win-win in that Hilbert has established a new way of sourcing assets under management where we can grow alongside Reservoir's rUSD stablecoin. In return, Hilbert is responsible for generating a robust yield for a significant portion of protocol-assets under management. In crypto lingo, this is a DeFi-way of unlocking newfound demand and markets powering the Reservoir protocol. This is partly leveraging our crypto-native DNA from Coin360.com to become engaged in the ecosystem."

Hilbert Capital Achieves 2024 Asset Under Management Target of \$300 Million

Hilbert Capital, the asset management division of Hilbert Group announced on 14 November 2024, that it achieved its 2024 asset under management (AUM) target of \$300 million (SEK3.3 billion) – a target that was set in 2022.

Hilbert Group CEO Niclas commented, "Our pipeline looks promising and the market environment has improved substantially, positioning us well for continued growth in 2025."

Hilbert Group Acquires Renowned Digital Asset Manager Liberty Road Capital

On November 26, Hilbert Group AB announced that it has agreed to acquire the renowned digital asset Liberty Road Capital (LRC). The acquisition is structured as an equity-only asset purchase with an earn-out and up-front component, whereby Hilbert Group acquires Liberty Road's whole business – including all asset management agreements, existing client relationships, all IP and key employees.

The setup of the deal ensures that Hilbert retains all gross earnings from the acquired business. To this effect, Hilbert Group and Liberty Road have signed a binding term sheet. Closing is expected to take place imminently.

LRC has a 5-year operating history with a strong track record and runs \$110 million (SEK 1.2 billion) in assets under management (AUM). LRC is generating revenue through hedge fund fees and is profitable.

The acquisition also brings Russell Thompson, an industry-leading figure in hedge

fund and digital asset management, to Hilbert Group. Thompson co-founded LRC and in 2003 co-founded The Cambridge Strategy, a world class traditional hedge fund that peaked at \$3.5 billion in AUM before it was sold in 2018. Russell is widely regarded for his expertise in emerging market currencies, derivatives, and asset management.

Russel Thompson will be elected as a new board member of Hilbert Group. An EGM will be convened to take place in conjunction with closing of the acquisition. Shareholders in Hilbert Group controlling more than 60 per cent of the voting rights supports the election.

Hilbert Group CEO Niclas Sandström commented: “This acquisition complements Hilbert on multiple fronts. Russell brings unparalleled experience as a CIO and derivatives trader, as well as an extensive global network, which will significantly accelerate our business development. Moreover, incorporating LRC’s expertise in derivatives and AI-trading expands our range of strategies. In addition, LRC’s co-founders, Anna Dinescu and Tom Bowles, bring exceptional operational, tech, and quantitative expertise to help Hilbert advance its mission of becoming a world-leading digital asset manager.” Sandström continues: “As far as the deal structure goes, with earn-out and small up-front, it strongly aligns the interest of both parties even in a scenario where there is high volatility in the acquired future AUM”.

Russell Thompson, CEO of LRC, commented: “We are thrilled to join forces with Hilbert Asset Management, merging deep expertise in both fiat and crypto markets to deliver a best-in-class digital asset management experience for our investors. By 2025, I believe Hilbert will establish itself as a leading name in the digital asset space.”

LRC co-founder and CTO Tom Bowles highlighted the potential of the combined entity, adding that: “We are excited to fully scale our AI-trading capabilities in partnership with Hilbert.

Hilbert Group Announces Leadership Transition

On 27 November, Co-Founder Niclas Sandstrom announced Hilbert Capital CIO and ex Goldman Sachs veteran Barnali Biswal as the new CEO for the Group; Sandstrom will remain in a strategic role and operative role. Niclas Sandstrom stepped down from the CEO position as of 1 Jan 2025. The company’s board of Directors has appointed Barnali Biswal, previously serving as CIO of Hilbert Capital, as the new Chief Executive Officer for the Group.

Niclas Sandstrom continues to hold an operative role in the company and also become a member of the board at an EGM later this year. In his strategic capacity he will focus on corporate strategy, M&A, and Coin360 developments. Barnali Biswal joined Hilbert Group as CIO of Hilbert Capital in February 2024. Prior to that, she was CIO for Atitlan, a quantitative multi-strategy crypto hedge fund in London. Barnali was at Goldman Sachs in London for 14 years as Managing Director, running its European high-yield credit trading business.

Niclas Sandstrom commented; “I have served as CEO for the past five years, leading the journey from when co-founder Magnus Holm and I started out as just two ambitious entrepreneurs. The company is now at a point where it is about to truly enter a new chapter of that journey – both in terms of scale and in terms of how it will operate going forward. I have enjoyed working with Barnali over the past year and seen first-hand her strong and broad skillset in action. I am confident, as is the board, that she is the right person to lead the company day-to-day in the years to come, and I look forward to supporting her and our great team in my new strategic role, as a board

member and as a major shareholder.” Barnali Biswal commented: “I am honoured by the trust the founders and the Board have placed in me. I am excited to build upon the strong and adaptable foundation they’ve established and to collaborate closely with our talented team. Together, we will continue our hard work to deliver exceptional value to our customers and shareholders.

Hilbert Group Integrates Liberty AI to Redefine Digital Asset Management

On 11 December 2024, Hilbert Group announced that it will integrate Liberty’s advanced AI technology into the Hilbert ecosystem. The integration is aimed to revolutionise Hilbert’s trading and analytical capabilities on the asset management side and pave way for new user centric products on the Coin360 side.

Liberty AI has been at the forefront of leveraging cutting-edge technology in digital asset markets. By analysing millions of data points, Liberty AI generates predictive signals and trade ideas and highlights anomalies, offering unparalleled insights. The system’s ability to scan spot, futures, and options markets has been instrumental in identifying trading opportunities, and guiding LRC’s trading teams for execution.

Hilbert Group will also integrate Liberty AI into its Coin360 platform, delivering a transformative experience to users such as:

- **Hyper-Personalised Content:** Using generative AI, Coin360 will provide content tailored to individual user interests, enhancing engagement and retention.
- **Investment and Trade Scoring:** Liberty AI’s predictive capabilities will generate actionable scoring for any coin, equipping users with invaluable insights for investment decisions.
- **AI Trading Co-Pilot:** A future rollout will offer Coin360 users access to an AI-powered trading assistant, mirroring the sophisticated tools used by our trading teams on the asset management side.

Hilbert is currently exploring the potential of Liberty AI in market-making and other advanced trade-related services. These innovations will deepen the company’s footprint in digital asset markets while continuously evolving the user experience.

Resolutions at the extraordinary general meeting of Hilbert Group AB (publ)

On 20 December 2024, during the Extraordinary General Meeting of Hilbert Group AB (publ) Niclas Sandstrom and Russell Thompson were elected as new members of the Board. Niclas Sandstrom entered the Board immediately. Russell Thompson will enter the Board in conjunction with closing of the acquisition of Liberty Road Capital.

Hilbert Group Announces Comprehensive Reboot of Coin360.com

On 30 December 2024 Hilbert Group AB announced a comprehensive reboot of COIN360.com, its subsidiary dedicated to cryptocurrency market data and analytics, known for its iconic heatmap. The reboot introduces an array of new advanced features, enhanced user interfaces, and robust analytical tools designed to reinforce its position as a leading visual guide for digital asset market intelligence.

The COIN360 platform now features user-created content and tools that will be rated/moderated by the Coin360 community itself.

In connection, with the reboot, three new subscription tiers are to be introduced, and this will generate a new revenue stream for the website, on top of the existing

advertising income. COIN360.com currently has 2.2 million active users and 65 million page views so far this year.

Examples of the new features are:

- Fully customizable and shareable dashboards
- Multifunctional profiles with advanced portfolio management
- Web3 integration and NFT marketplace for user-created tools
- Integrated news and articles for real-time insights
- Gamified point system for engagement and rewards

In parallel to the user-created tools, a broad range of additional functionality will be rolled out over the months to come; including AI-predictors, trading assistants, strategy back-testing and an automatic reporting system, sourcing from the wallets users can connect to the website.

Niclas Sandstrom commented: “The website reboot represents a significant transformation. Our focus is on delivering greater value to the COIN360 community while capitalising on our expansive user base. By Q2 2025, we anticipate subscriptions will become our primary revenue stream. This reboot is just the beginning of COIN360.com’s evolution. Moving forward, the community itself will play a central role in creating content and tools. Additionally, we’re leveraging cutting-edge AI solutions from our Liberty Road acquisition to enhance the platform further.”

JANUARY – DECEMBER 2024

Revenue and results

Revenue amounted to KSEK 112,977.5 (KSEK 24,106.4), of which KSEK 103,199.5 (KSEK 17,910.7) from Proprietary trading in cryptocurrencies, KSEK 6,215.2 (KSEK 2,272.1) from Fund management as a result of increase in AUM and market performance and KSEK 3,562.7 (KSEK 3,923.7) from Coin360, mainly related to Advertising income. Operating profit/loss amounted to KSEK -45,158.6 (KSEK -42,963.1), this following the deduction of total operating expenses and income of KSEK -158,136.2 (KSEK -67,069.5); mainly relating to cost of cryptocurrencies sold KSEK -103,199.5 (KSEK -17,910.7) and KSEK -54,936.6 (KSEK -49,158.8) relating to other expenses of which KSEK -17,287.6 (KSEK -14,823) are related to personnel expenses and KSEK -29,813.9 (KSEK -22,329) to other external expenses. Personnel expenses increased mainly due to change in staff complement & ESOP when compared to the comparative period. Other external expenses have increased as a result of an increase amongst others in marketing, PR and media, commissions and other professional cost. Depreciation, amortization and write-downs were higher in Q4 2023 due to an impairment charge related to COIN360 intangible assets, reflecting the uncertainty in timing for future cash flows. Other operating income and expenses KSEK -84.8 (KSEK 1,762.2) mainly reflects fair value adjustments of the crypto trading portfolio. Net Financial Items of KSEK 6,389.4 (KSEK -5,944.4) is mainly related to foreign exchange on Euro denominated bonds, euro bond interest, other interest charges, gain or loss on group companies foreign exchange translations and foreign exchange on other account balance. Result for the period amounted to KSEK -38,769.3 (KSEK -48,870.4) of which KSEK -33,975.1 (KSEK -43,328.7) is attributable to parent company shareholders and KSEK -4,794.2 (KSEK -5,541.8) to non-controlling interest.

Balance sheet and cashflow

Total assets of the Group amount to KSEK 68,992.3 (KSEK 67,580.8) of which KSEK 46,394.6 (KSEK 41,440.1) relate to intangible assets and the right of use of assets; latter relating to leased office premises which Hilbert entered into for a 7-year period in the amount of KSEK 5,109.4 (KSEK 5,685.3). Total equity amount to KSEK 27,861.3 (KSEK 33,472.7) of which KSEK 19,222.8 (KSEK 21,689.2) are attributable to parent company shareholders and KSEK 7,938.5 (KSEK 11,783.5) are attributable to non-controlling interest. Net cash flow from operating activities amounted to KSEK -36,650.7 (KSEK -28,664.0), net cash used in investing activities amounted to KSEK -6,049.8 (KSEK -3,115.0). Net cash generated from financing activities amounted to KSEK 39,928.5 (KSEK 42,408.2). At the end of the period Hilbert Group held KSEK 8,252.8 (KSEK 10,979.5) in cash and cash equivalents.

SIGNIFICANT EVENTS AFTER THE FOURTH QUARTER

Hilbert Group Hires Senior Copper Executive Ashley Moore as Managing Director of Hilbert Capital

Hilbert Group AB, announced on 7 January 2025 the appointment of Ashley Moore as Managing Director of Hilbert Capital.

Ashley has over 20 years of experience as a trader, broker, business- and product developer. Before joining Hilbert Group, Ashley was senior trader and head of execution services at the custody- and brokerage firm Copper, where he helped establish Copper as a global leader in digital infrastructure. Prior to Copper, Ashley held various senior positions, including as an FX options broker at Cantor Fitzgerald and Tullet Prebon.

Barnali Biswal, CEO of Hilbert Group, commented: “We are thrilled to welcome Ashley to Hilbert Group. Ashley embodies a rare combination of deep expertise in product development, trading combined with an extensive global professional network.” Barnali continues: “Ashley will lead the efforts to expand and refine our product offerings and will be instrumental in further scaling Hilbert’s offerings in key markets globally. His addition reflects our commitment to delivering innovative solutions for our clients.”

Commenting on his new role, Ashley said: “Joining Hilbert Group is an exciting opportunity to be part of a team that is reshaping the digital asset landscape. With Hilbert’s robust investment strategy and forward-looking approach, I am eager to contribute to the development of products and trading strategies that meet the evolving needs of institutional investors.

Hilbert Group Announces Launch of Platform for Trading of Tokenized Equities and Popular Pre-IP Shares such as SpaceX, OpenAI and Antropic

On 7 February 2025 Hilbert Group announced that Hilbert Group, together with its subsidiary COIN360.com and partners CoinTelegraph and CT.com and Galactica.com, are aiming to revolutionize Real-World Asset (RWA) tokenization on-chain in a fully compliant fashion. What this means is that people will be able to buy and sell tokenized equities and popular pre-IPO stocks, such as SpaceX and OpenAI, using crypto – in a decentralized manner. This enables fractional ownership and increased liquidity for previously restricted investment opportunities.

Hilbert Group introduces A360 (A as in asset) which is the world's first crypto protocol designed for fully compliant on-chain spot trading of real-world equities and pre-IPO shares. In short, A360 is bridging real-world assets to decentralized finance. The new platform's growth will be accelerated by COIN360.com's large user base of 7 million visits per month. A link to the A360 website including the whitepaper, can be found here.

A key building block in the platform is Galactica's Identity Virtual Machine (IVM), a cutting edge Web3 identity and compliance framework that ensures end-to-end legal adherence without compromising security or privacy. In other words, Galactica's technology retains privacy while offering fully regulated on-chain transactions.

Barnali Biswal, Hilbert Group CEO, commented "Tokenization of RWAs is the fastest growing area within crypto right now. It removes many of the inefficiencies around trading, settlement and audit etc. intrinsic to traditional finance rails. There is a reason Larry Fink, CEO of Blackrock, recently commented that tokenization could be 100x bigger than Bitcoin and why Boston Consulting Group estimates that the market value of tokenized assets could reach \$16 trillion by 2030. We see many new potential revenue streams in these RWA solutions, bridging Web3 and Traditional Finance which is extremely exciting. We will provide more information about this project in the weeks to come."

Mike Sarvodaya, Co-founder and CEO of Galactica commented: "We are absolutely thrilled to build this platform together with Hilbert Group and revolutionize how tokenized real-world assets will be transacted on-chain, in a regulatory compliant way."

Hilbert Group Expands COIN360 with New Telegram Mini App

On 13 February 2025, Hilbert Group AB announced that COIN360.com has launched a Telegram Mini App to expand the COIN360 ecosystem and accelerate user growth and engagement.

Drawing on the success of community-driven platforms like Hamster Kombat, which reached over 300 million monthly active users at its peak, the COIN360 Mini-App leverages similar engagement mechanics to captivate audiences, encourage active participation and sustain long-term user interest.

As a standalone application, the Mini App directs users through structured quests, prompting actions like visiting specific web pages or exploring new COIN360 and A360 features. Every such action generates points that can be exchanged for rewards later on, for example air drops of cryptocurrency and free subscriptions on COIN360. This targeted approach not only increases conversion but also boosts brand awareness and loyalty.

Furthermore, the COIN360 Mini App is designed to evolve, and the community input will shape its direction, reinforcing user-centric development. By connecting COIN360's web platform, A360, and mobile users seeking a gamified crypto experience, the Mini App provides a unified brand journey—helping the community access essential tools and insights across various entry points, such as traditional websites, apps and social media.

Barnali Biswal, Hilbert Group CEO, commented: "The COIN360 Mini App is the type of multi-purpose gamified marketing that has proven to be very effective for creating engagement in a fun and very simple way. It takes the user along a journey where there are concrete rewards to be had in exchange for interaction with various parts of the COIN360 and A360 ecosystems."

Hilbert Group Announces Partnership with Leading Decentralised Finance (DeFi) Specialists – Private Pools Network

On February 19, Hilbert Group AB has entered into a strategic partnership with Private Pools Network (PPN) to build and launch A360, a cutting-edge decentralized exchange (DEX) on Hilbert Group’s RWA platform.

Private Pools Network brings a wealth of expertise to the table, having developed a fully functioning, code-audited automated market-maker that goes beyond standard DEX capabilities. Its core features include:

- Sophisticated balancing mechanisms with automatic rebalancing to improve capital efficiency for liquidity providers.
- A built-in module designed to arbitrage cross-exchange price discrepancies, enhancing liquidity and price stability within the A360 ecosystem.
- Proprietary methodologies that protect liquidity providers through revenue-sharing and market-making incentives.

Barnali Biswal, Hilbert Group CEO, commented “Everything is coming together. We’ve already secured regulatory compliance and privacy functions through our partnership with Galactica. Now, by joining forces with Private Pools Network, we’re building the decentralized marketplace itself. By integrating the Private Pools Network functionality with that of Galactica, A360 will become the most advanced and compliant RWA DEX on the market—ushering in a new era where DeFi meets TradFi on equal terms.”

Bernardo Marques, CEO and CTO of Private Pools Network, added: “Hilbert Group’s vision for the tokenization of real-world assets aligns perfectly with our mission to deliver enterprise-grade DeFi technology. Our proven automated market-making engine and advanced trading pool asset management will enable A360 to reshape how institutions and individuals trade real-world assets, changing global finance forever. We’re thrilled to be working with Hilbert on this.”

SHAREHOLDERS 2024-12-31

Owner	HILB A	HILB B	Capital	Votes	Verified
Magnus Holm & companies	1,684,300	8,125,220	15.04%	17.62%	09/08/2024
Niclas Sandström & companies	1,180,250	6,941,957	12.45%	13.23%	07/03/2023
Frode Foss Skiftesvik & companies	3,264,800	1,757,299	7.70%	24.28%	31/12/2022
Derivat Invest AS	850,000	2,256,259	4.76%	7.59%	31/12/2022
Red Acre Holdings Ltd.	—	2,022,000	3.10%	1.43%	31/12/2022
Hans Peter Bermin	419,050	1,421,681	2.82%	3.96%	23/12/2024
F2 Funds & Financial Funds	—	1,750,000	2.68%	1.23%	23/12/2024
Erik Nerpin	—	1,590,000	2.44%	1.12%	23/07/2024
Nordnet Livsforsking AS	—	1,553,655	2.38%	1.10%	23/12/2024
Storstad AS	—	1,041,948	1.60%	0.74%	23/12/2024
Thierry Pudet	207,400	550,522	1.16%	1.85%	31/12/2022
Tigerstanden AS	—	1,000,000	1.53%	0.71%	23/12/2022
Edvin Austbo	—	888,889	1.36%	0.63%	23/12/2024
Others*	894,200	25,830,890	40.97%	24.53%	23/12/2024
Total	8,500,000	56,730,320	100.00%	100.00%	

Source: Source: Monitor Sweden adjusted for *. Due to administrative reasons there is currently a discrepancy between the registered number of shares in the company register maintained by the Swedish Companies Registration Office and the share register maintained by Euroclear Sweden.

OTHER INFORMATION

Risks and uncertainties

Hilbert Group faces a number of risks and uncertainties that may directly or indirectly impact operations. These uncertainties include risk factors particularly related to trading of digital assets as well as regulatory and legal risks, as the digital assets industry is largely unregulated or lightly regulated in most countries. For a more detailed description of risks and uncertainties, refer to the Hilbert Group Company Description dated October 21, 2021, available on www.hilbert.group.

Share Capital and Formation of Hilbert Group

Hilbert Group was formed in 2021 when the current parent company, Hilbert Group AB, acquired HC Holding Limited (a Company incorporated & registered under the laws of Malta with Company Registration Number C89451) and its wholly owned subsidiaries, also carrying out a private placement of shares and warrants whereby Hilbert Group raised KSEK 88,000. Hilbert Group AB was a dormant company which had not conducted any business from its formation to its acquisition of HC Holding Limited.

Prior to the acquisition of HC Holding Limited, Hilbert Group carried out a private placement of KSEK 88,000. The private placement was made in the form of 8,800,000 units. The issue price for one unit was SEK 10. One unit included one B-share and one warrant of series 2021/24, "TO 1B". Each warrant entitled the holder to subscribe for one new B-share in the Company. The exercise price was SEK 15 during the period 1 October 2021 – 31 October 2022, and SEK 20 during the period 1 November 2022 – 31 October, 2024.

A total of 10,700,000 warrants were outstanding on the expiration date 31 October 2024.

Condensed consolidated statement of comprehensive income

kSEK	Q424	Q423	Full year 2024	Full year 2023
Revenue	42,191.1	7,628.9	112,977.5	24,106.4
Cost of cryptocurrency sold	-40,005.2	-6,110.5	-103,199.5	-17,910.7
Other external expenses	-8,121.4	-4,673.8	-29,813.9	-22,329.0
Personnel expenses	-4,278.5	-4,107.9	-17,287.6	-14,823.0
Depreciation, amortization and write-downs	-1,954.3	-7,948.3	-7,750.4	-13,769.1
Other operating income and expenses	839.9	-19.0	-84.8	1,762.2
Operating profit/loss	-11,328.4	-15,230.6	-45,158.6	-42,963.1
Financial items, net	9,896.9	-7,693.7	6,389.4	-5,944.4
Profit before income tax	-1,431.6	-22,924.2	-38,769.3	-48,907.4
Income tax expense	—	-0.1	—	37.0
Profit/loss for the period	-1,431.6	-22,924.3	-38,769.3	-48,870.4
Profit/loss is attributable to:				
Parent company shareholders	531.0	-19,762.2	-33,975.1	-43,328.7
Non-controlling interests	-1,962.5	-3,162.2	-4,794.2	-5,541.8
	-1,431.6	-22,924.3	-38,769.3	-48,870.4
Other comprehensive income				
Items that may be reclassified to profit or loss (net of tax):				
Exchange differences on translation of foreign operations	-6,659.2	3,325.4	-5,996.4	2,545.1
Net other comprehensive income that may be reclassified to profit or loss	-6,659.2	3,325.4	-5,996.4	2,545.1
Items that will not be reclassified to profit or loss (net of tax):				
Net gain/loss on equity instruments designated at fair value through other comprehensive income	-22.0	-10,897.2	-3,490.6	-10,897.2
Net other comprehensive income that will not be reclassified to profit or loss	-22.0	-10,897.2	-3,490.6	-10,897.2
Other comprehensive income, net of tax	-6,681.2	-7,571.8	-9,487.0	-8,352.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-8,112.8	-30,496.1	-48,256.2	-57,222.6
Total comprehensive income is attributable to:				
Parent company shareholders	-6,929.7	-26,333.0	-44,411.2	-51,308.5
Non-controlling interests	-1,183.2	-4,163.2	-3,845.0	-5,914.1
	-8,112.9	-30,496.1	-48,256.2	-57,222.6
Earnings per share				
Basic profit/loss for the period attributable to parent company shareholders	0.01	-0.37	-0.56	-0.83
Diluted profit/loss for the period attributable to parent company shareholders	0.01	-0.37	-0.56	-0.83
Number of shares at period-end	65,230,320	55,595,995	65,230,320	55,595,995
Weighted number of shares before and after dilution	64,395,595	54,024,505	60,717,477	52,218,802

Condensed consolidated balance sheet

kSEK	31 December 2024	31 December 2023
ASSETS		
Non-current assets		
Equipment	1,482.6	1,721.3
Right-of-use assets	5,109.4	5,685.3
Intangible assets	41,285.2	35,754.9
Other non-current assets	1,024.8	4,250.4
Total non-current assets	48,902.0	47,411.9
Current assets		
Inventory of cryptocurrencies	5,400.8	5,221.9
Other receivables	2,597.0	1,815.8
Receivables from related parties	3,839.9	2,151.8
Cash and cash equivalents	8,252.8	10,979.5
Total current assets	20,090.4	20,168.9
TOTAL ASSETS	68,992.3	67,580.8
EQUITY AND LIABILITIES		
Equity		
Equity, parent company shareholders	19,922.8	21,689.2
Non-controlling interests	7,938.5	11,783.5
Total equity	27,861.3	33,472.7
Non-current liabilities		
Lease liability	4,831.5	5,422.3
Total non-current liabilities	4,831.5	5,422.3
Current liabilities		
Convertible bond	26,890.5	23,539.9
Lease liability	1,093.9	701.7
Other payables	4,071.5	1,785.2
Accrued expenses and deferred revenue	4,243.7	2,659.1
Total current liabilities	36,299.5	28,685.9
TOTAL EQUITY AND LIABILITIES	68,992.3	67,580.8

Condensed consolidated statement of changes in equity

KSEK	Attributable to parent company shareholders				Total	Non-controlling interest	Total equity
	Share capital	Other paid-in capital	Other reserves	Retained earnings			
Balance at 31 December 2022	2,440.0	86,110.0	1,251.8	-38,220.0	51,581.8	17,697.6	69,279.5
New share issues	339.8	20,860.2	—	—	21,200.0	—	21,200.0
Transaction costs related to share issues	—	-620.1	—	—	-620.1	—	-620.1
Value of conversion rights	—	259.7	—	—	259.7	—	259.7
Stock options IFRS 2	—	576.2	—	—	576.2	—	576.2
Comprehensive income	—	—	-7,979.8	-43,328.7	-51,308.5	-5,914.1	-57,222.6
Balance at 31 December 2023	2,779.8	107,186.0	-6,728.0	-81,548.7	21,689.2	11,783.5	33,472.7
Balance at 31 December 2023	2,779.8	107,186.0	-6,728.0	-81,548.7	21,689.2	11,783.5	33,472.7
New share issues	481.7	40,235.3	—	—	40,717.0	—	40,717.0
New share issues in progress	—	504.0	—	—	504.0	—	504.0
Stock options IFRS 2	—	1,423.8	—	—	1,423.8	—	1,423.8
Comprehensive income	—	—	-10,436.1	-33,975.1	-44,411.2	-3,845.0	-48,256.2
Balance at 31 December 2024	3,261.5	149,349.1	-17,164.1	-115,523.7	19,922.8	7,938.5	27,861.3

Fair value on grant date 1 July 2023 of incentive scheme ESOP 2023 stock options vested during the period is presented as Other paid-in capital.

Condensed consolidated statement of cash flows

	Q424	Q423	Full year 2024	Full year 2023
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/loss before tax	-1,431.6	-22,924.3	-38,769.3	-48,907.4
Adjustments for items not affecting cash	3,391.7	9,995.5	10,696.6	18,849.5
Taxes paid	—	-0.1	—	-87.1
Cash flow from operating activities before changes in working capital	1,960.2	-12,928.9	-28,072.7	-30,145.0
Changes in working capital				
Inventory	—	4,334.0	—	4,334.0
Receivables	-1,566.6	-2,233.3	-2,007.9	-3,057.5
Payables	-10,943.4	6,367.6	-6,570.2	204.5
Cash flow from changes in working capital	-12,510.0	8,468.3	-8,578.0	1,481.0
Net cash flow from operating activities	-10,549.9	-4,460.6	-36,650.7	-28,664.0
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of equipment	-23.6	-37.4	-116.0	-554.0
Net proceeds from/purchase of intangible assets	-2,212.3	-310.7	-5,933.9	-2,561.0
Net cash used in investing activities	-2,235.8	-348.1	-6,049.8	-3,115.0
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital	19,496.0	15,500.0	40,696.0	21,200.0
Principal elements of lease payments	42.9	-458.7	-767.5	-1,424.6
Proceeds from convertible loan	—	—	—	22,632.7
Net cash generated from financing activities	19,538.9	15,041.4	39,928.5	42,408.2
Cash flow for the period	6,753.2	10,232.7	-2,772.0	10,629.2
Foreign currency translation, cash and cash equivalents	36.4	-49.7	45.3	-37.9
Cash and cash equivalents at beginning of the period	1,463.2	796.5	10,979.5	388.2
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	8,252.8	10,979.5	8,252.8	10,979.5

Condensed parent company income statement

kSEK	Q424	Q423	Full year 2024	Full year 2023
Revenue	511.0	430.3	2,015.2	1,750.3
Other external expenses	-3,505.9	-2,528.2	-14,676.9	-10,975.6
Personnel expenses	-1,464.4	-1,366.9	-5,987.7	-4,773.1
Depreciation and amortisation	-1.4	-1.4	-5.7	-5.7
Other operating expenses	-9.1	-42.7	-157.9	340.0
Operating profit/loss	-4,469.9	-3,508.9	-18,813.1	-13,664.2
Financial items, net	6,540.2	-6,430.8	3,413.2	-4,921.8
Profit before income tax	2,070.3	-9,939.7	-15,399.9	-18,586.0
Income tax expense	—	—	—	37.1
Profit/loss after tax	2,070.3	-9,939.7	-15,399.9	-18,549.0

Hilbert Group AB's activities are focused on group management services, group accounting and fund investor relations. The company employs 3 (4) people. Revenue for the fourth quarter as well as the full year 2024 comprises recharge of certain personnel expenses to subsidiaries. The increase in other external expenses in the current year/reporting period is mainly due to an increase in recharges from related entities, an increase in costs specific to public relations and media; and other professional fees.

The increase in personnel expenses for the quarter as well as for the full year 2024 is mainly related to the ESOP 2023 incentive scheme, for which vesting started on grant date 1 July 2023. Refer to note 1 of this report for further information. The AGM on 24 May 2024 resolved to amend the terms and conditions for vesting of the options under ESOP 2023. The implication of the amendment is that one third of the number of allotted options vests each year during the term of the options and that the options can be exercised for subscription of new shares after vesting. Refer to the Financial Overview section and Note 1 of this report for further information about the amendment. The amendment of service conditions did not have any financial effect on this reporting period (Quarter 4 2024); however an increase in ESOP expenses by KSEK 271.4 from the date of the amendments up to this reporting period has been registered by Hilbert Group AB; due to the amendment and increase in allotment of the options.

On 28 April 2023, Hilbert Group AB concluded and signed the financing of a Euro denominated 10% fixed rate Convertible bond of EUR 2 million. Refer to the Financial Overview section of this report for further information. Financial net for the fourth quarter 2024 mainly pertains to accrued interest, currency translation effects on the Euro denominated Convertible bond, and credit loss provision, as well as currency translation effects on receivables on group companies denominated in USD. Similarly Financial net for the comparative period 2023 pertains to the aforementioned save for credit loss provisions. Further information about the financing is presented in note 3 of this report.

During the fourth quarter 2024, Hilbert Group has carried out a directed issue of 4,444,445 B-shares at a subscription price of SEK 4.50. Proceeds from the directed issue amount to SEK 20 million before related transaction costs. The main part of the directed issue (approx. SEK 19 million) was resolved by the Board of Directors based on an authorization by the Annual General Meeting. The remaining part of the directed issue (approx. SEK 1 million) was subscribed by the Board member Frode Foss-Skiftesvik (together with another investor). This part was subject to approval by an extraordinary general meeting on 18 October 2024. Refer to the Financial Overview section for further details about these share issues.

On 26 November 2024, Hilbert Group announced the acquisition of the renowned digital asset manager Liberty Road Capital. The acquisition is expected to be completed imminently. The deal is structured in an accretive earn-out structure, the up-front purchase price consists of 2,727,264 newly issued B-shares, corresponding to four (4) per cent of Hilbert Group's share capital. In addition, the acquisition involves a 50/50 revenue split on Liberty Road's business over the next two years. For more information about the deal, refer to the Financial Overview section of this report.

Condensed parent company balance sheet

kSEK	31 December 2024	31 December 2023
ASSETS		
Non-current assets		
Equipment	2.9	8.6
Shares in subsidiaries	2,900.0	2,900.0
Total non-current assets	2,902.9	2,908.6
Current assets		
Receivables from group companies	120,055.8	87,022.0
Other receivables	190.4	162.5
Cash and cash equivalents	8,102.3	10,232.2
Total current assets	128,348.5	97,416.7
TOTAL ASSETS	131,251.4	100,325.3
EQUITY AND LIABILITIES		
Shareholders' equity	100,548.2	73,303.2
Current liabilities		
Convertible bond	26,890.5	23,539.9
Other payables	1,017.7	1,511.4
Accrued expenses	2,795.1	1,970.7
Total current liabilities	30,703.2	27,022.0
TOTAL EQUITY AND LIABILITIES	131,251.4	100,325.3

Notes

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Accounting principles

This note describes the comprehensive basis of preparation which has been applied in preparing the consolidated financial statement, as well as the accounting policies for specific areas applied by Hilbert Group AB (publ) and the Group in which Hilbert Group AB (publ) is the Parent company.

Hilbert Group AB's city of residence is Stockholm, Sweden. The terms "Hilbert Group", the "Group" or the "Company" refers, depending on the context, to Hilbert Group AB (publ) (corporate ID No. 559105-2948) or the consolidated Group in which Hilbert Group AB (publ) is the Parent company and its subsidiaries. Enumerated amounts presented in tables and statements may not always agree with the calculated sum of the related line items due to rounding differences. The aim is for each line item to agree with its source and therefore there may be rounding differences affecting the total when adding up the presented line items.

II. Basis of preparation

This Q4 2024 report complies with the provisions of IAS 34, and the report for the Parent Company has been prepared pursuant to the provisions of the Swedish Annual Accounts Act and RFR 2. In addition to the financial statements, disclosures under IAS 34.16A also appear in other parts of the interim report. The application of the accounting policies is consistent with their application in the Annual report for the financial year 2023, unless otherwise stated below.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

III. Consolidation

Subsidiaries are fully consolidated from the date on which the Group achieves control and continues to be consolidated until the date that such control ceases. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or

similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Upon consolidation, inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets, liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

IV. Segment reporting

The chief operating decision maker (CODM) for Hilbert Group comprises Group management, as it is the Group management team who evaluates the Group's balance sheet and performance and make strategic decisions. The management bases its decisions on the Group in its entirety when allocating resources and assessing performance. Internal reporting is also based on the performance of the Group as a whole. Given the above, the assessment is that Hilbert Group has one operating segment, which comprises the Group as a whole.

For information about revenue per geographical area, refer to note 2. Funds managed by Hilbert Group; Hilbert V100 (HV100), Hilbert V1 Fund (HV1), Hilbert V30 Fund (HV30), and XAPO Byzantine BTC Credit Fund, from which fund management fees are received. Hilbert also registered the Hilbert Liberty Fund on October 2024 from which fund management fees are received. There are no major customers, individually or as a group. Proprietary trading with cryptocurrencies is executed on crypto exchanges where the buyer is not known to the seller.

V. Business combinations and goodwill

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and

- fair value of any pre-existing equity interest in the subsidiary.

It is determined that a business has been acquired when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process, or it significantly contributes to the ability to continue producing outputs. An acquisition that does not meet the criteria is identified as an acquisition of a group of assets that do not constitute a business.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred
 - amount of any non-controlling interest in the acquired entity, and
 - acquisition-date fair value of any previous equity interest in the acquired entity
- over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration that is classified a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If a business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

VI. Asset Acquisitions

An asset acquisition is an acquisition of an asset or a group of assets that does not constitute a business. For such acquisitions, constituting net assets without significant processes, the acquisition cost is allocated to the identifiable assets and liabilities based on their relative fair values at the date of the acquisition. Transaction costs are added to the purchase price of the acquired net assets when assets are acquired.

For such asset acquisitions, holdings of non-controlling interest are measured according to the same principles as for business combinations, except the inclusion of goodwill.

VII. Foreign currency translation

The Group's consolidated financial statements are presented in Swedish krona (SEK),

which is also the Parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

(i) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

(ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Swedish krona at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

SEK	2024		2023	
	Closing	Average	Closing	Average
USD	11.0299	10.5658	10.0416	10.6128

VIII. Asset and liabilities current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle
 - held primarily for the purpose of trading
 - expected to be realised within twelve months after the reporting period or
 - cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in the normal operating cycle
- held primarily for the purpose of trading
- due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

IX. Offsetting financial instruments

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

X. Fair value measurement

The Group measures financial instruments such as equity investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted market prices at the end of the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter financial instruments) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

XI. Equipment

Equipment is initially recorded at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

■ Computer equipment	5 years
■ Furniture and Fittings	5 years
■ Leasehold Improvements	7 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

XII. Leases

The Group assesses at contract inception whether a contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Group is only a party to contracts in which the Group is a lessee.

i) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). Periods covered by an extension option a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

■ Office	7 years
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The right-of-use assets are also subject to impairment testing.

ii) Lease liabilities

At the commencement date of the lease, lease liabilities measured at the present value of lease payments to be made over the lease term are recognised. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The incremental borrowing rate applied to measure lease liability is 3.67% for the offices premises for which the commencement date has occurred during 2022.

Variable lease payments that are not included in the measurement of the lease liability are recognised in profit or loss in the period in which the event or condition that triggers payment occurs.

XIII. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination or as a group of assets is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding but capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with indefinite useful lives, such as brand names and cryptocurrencies, are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. An acquired asset is capitalised on the basis of the costs incurred to acquire and bring

to use the specific asset.

Amortisation is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

- Technology acquired as an asset 5 years
- Website development 3–5 years
- Software licenses 3 years

Costs associated with maintaining intangible assets are recognised as an expense as incurred.

XIV. Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use
- its intention to complete and its ability and intention to use the asset
- how the asset will generate future economic benefits
- the availability of resources to complete the asset
- the ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

XV. Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

XVI. Cryptocurrencies

Cryptocurrencies not included in Hilbert Group's proprietary trading portfolio are reported as intangible assets with indefinite useful life and are thus not amortised. Cryptocurrencies in the proprietary trading portfolio are initially measured at cost and subsequently at fair value less costs to sell based on quoted market prices and classified as inventory.

With effect from April 2022, Hilbert Group commenced trading of cryptocurrencies on its own account (proprietary trading) applying a mix of algorithmic/technical and discretionary/fundamental trading.

Cryptocurrency previously reported as intangible assets have been transferred to a trading portfolio.

Hilbert Group's assessment is that the establishment of an accounting policy for inventory of cryptocurrencies is not a change in accounting policy but the application of a new accounting policy for transactions that did not occur prior to April 2022, or were immaterial before that point in time.

Inventory of cryptocurrency is recognised at fair value less costs to sell. Changes in

fair value are recognised as other operating income and expenses in the statement of comprehensive income.

XVII. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

XVIII. Equity instruments

The Group's equity instruments are not held for trading. At initial recognition, the equity instruments are measured at fair value, and subsequently at fair value through other comprehensive income (FVOCI). Only dividend income is recognised in profit or loss, whereas all other gains and losses are recognised in OCI without reclassification to profit or loss on derecognition. Transaction costs of are expensed in profit or loss.

XIX. Receivables

Receivables comprise amounts due from customers for services performed in the ordinary course of business. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less expected credit losses.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, receivables are grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles and historical credit losses of the Group.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments.

Impairment losses on receivables are presented within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

XX. Short Term investment

Short Term investments represents investments made by the Group in the Hilbert Fund's. These investments are expected to liquidate within one year and are valued at Fair Value.

XXI. Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at face value. In the statement of cash flows, cash and cash equivalents include deposits held with banks.

XXII. Liabilities

Trade payables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method.

XXIII. Convertible Bond

Convertible bond is initially recognised at fair value, net of transaction costs incurred. Convertible bond are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the Convertible bond using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the loan. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Convertible bond are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

XXIV. Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

XXV. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

XXVI. Reserves in equity (other reserves)

Reserves comprise:

- fair value reserve of assets at fair value through other comprehensive income
- translation reserve including exchange rate differences arising on translation to Swedish krona (SEK) of foreign operations' financial statements prepared in the currency used in the economic environment where the respective company operates (functional currency). The Parent company and the Group prepare financial statements in SEK

XXVII. Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Pension plans

Currently, there are no pension plans within the Group.

(iii) Compensation in case of dismissal

A provision is recognised in connection with redundancies of staff only if the entity is formally obliged to terminate an employment relationship before the normal date or when benefits are made as an offer to initiate voluntary resignation.

(iv) Employee share-based payment/Employee Stock Option Plan

In 2023 Hilbert Group AB (publ) resolved to implement an Employee Stock Option Plan ("ESOP 2023") for the employees and consultants in Hilbert Group AB (including its subsidiaries). ESOP 2023 is a program under which the Participants are granted, free of charge, stock options to acquire B-shares in Hilbert Group AB. As resolved by the Annual General Meeting in June 2023, the stock options are subject to vesting over a three-year period in accordance with the terms and conditions.

The Annual General Meeting held on 24 May 2024 resolved to amend the terms and conditions for vesting of the options. The options shall vest over a three-year period. One third of the options vest one year after grant. A further one-third of the options vest two years from grant. The remaining third of the options vest three years after grant. For vesting to take place at any given time, it is required that the participant, with certain exceptions, is still employed by Hilbert Group (or, in the case of consul-

tants, still provides services to Hilbert Group). The amendment occurred during the second quarter 2024.

The first tranche of the Options was granted as of 1 July 2023, (the Grant Date). Each option entitles the holder to acquire one B-share in Hilbert Group AB at a price of 150 percent of the volume weighted average price of the Hilbert Group B-share on Nasdaq First North during the ten trading days preceding the grant date. Exercise price is 6.4 SEK per B share. When vested, the Options are exercisable. If the participant is no longer employed/provides services to Hilbert Group at the expiry of a vesting period, the Options become null and void. The options may be exercised for the acquisition of shares after vesting, i.e. by one third each year during the term of the Options. The Options shall be exercised for subscription of new shares no later than three months after the expiration of the three-year total vesting period, i.e. no later than 30 September 2026.

Options are not transferable and may not be pledged. In the event of a public takeover, significant asset sale, liquidation, merger or any other such transaction affecting Hilbert Group, the Options will vest in their entirety following completion of change in control.

Hilbert Group has the right to change these terms and conditions to the extent required by law, court ruling, government decision or agreement of if otherwise, in Hilbert Group's reasonable judgement for practical reasons it is appropriate or necessary and the Participant's rights are not impaired in any material respect.

Set out below are the summaries of options granted under the plan.

	2024
	No of options
As at 1 January	2,160,750
Granted during the period	339,250
Exercised during the period	—
Forfeited during the period	—
As at 31 December	2,500,000

No options expired during the periods covered by the above tables.

The assessed fair value of the options at grant date 1 July 2023 was 1.6 SEK. The fair value at grant date is independently determined using the Black-Scholes model.

The model inputs for the options granted during the second quarter 2023 included:

- (a) Exercise price: 6.41 SEK per B-share;
- (b) Grant date: 1 July 2023
- (c) Expiry date: 30 June 2026
- (d) Share price at grant date: 1.6 SEK
- (e) Expected volatility price of the shares: 75 %
- (f) Risk free interest rate: 3 %
- (g) Expected dividend yield: nil

The expected price volatility is based on the historic volatility adjusted for any expected changes to future volatility due to publicly available information.

Participants of the option program are responsible for any tax in connection with the allocation of the Options, vesting of options, exercise of options and sale of shares acquired by the Participants through the exercise of the Options. Hilbert Group is responsible for social security fees and similar taxes and charges that Hilbert Group (and its subsidiaries) shall bear as employer/client of the Participant.

XXVIII. Revenue from contracts with customers

Revenue is recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the services to be provided.

For fixed-price advertising contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. An output method, based on contract time elapsed, is used for measuring the services transferred.

Asset management and performance fee are recognised at a point in time; management fee and performance fee are accrued on a monthly basis, and crystallise on a monthly and quarterly basis, respectively.

XXIX. Dividend

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws of Sweden, a distribution is authorised when it is approved by a general meeting of shareholders. A corresponding amount is recognised directly in equity.

NOTE 2

REVENUE FROM CONTRACTS WITH CUSTOMERS

KSEK	Q424	Q423	Full year 2024	Full year 2023
Fund management fees	1,545.2	889.2	6,215.3	2,272.1
Advertising income	640.7	629.2	3,562.7	3,923.7
Sales of cryptocurrency	40,005.2	6,110.5	103,199.5	17,910.7
Total	42,191.1	7,628.9	112,977.5	24,106.4

Timing of revenue recognition

KSEK	Q424	Q423	Full year 2024	Full year 2023
At a point in time	41,560.1	7,003.7	109,462.3	20,222.6
Over time	631.0	625.2	3,515.2	3,883.8
Total	42,191.1	7,628.9	112,977.5	24,106.4

Revenue by country of group company incorporation

KSEK	Q424	Q423	Full year 2024	Full year 2023
Cayman Islands	41,550.4	6,999.7	109,414.8	20,182.8
British Virgin Islands	640.7	629.2	3,562.7	3,923.7
Total	42,191.1	7,628.9	112,977.5	24,106.4

NOTE 3

CONVERTIBLE BOND

On 28 April 2023 Hilbert Group AB concluded and signed the financing of a Euro denominated 10% fixed rate convertible bond of EUR 2 million, equivalent to SEK 22.2

million approximately. The bond is for a term of three years and is due to be repaid in 2026, or earlier in full redemption price upon the occurrence of certain events; namely Change of Control, Event of Default, Insolvency, Qualified Financing and Free cashflow generation as per the agreed terms of contract (as further detailed below). The bond is secured by a pledge over certain Hilbert Group assets.

The interest is payable on maturity of the bond, i.e., after three years. On the maturity date Hilbert Group shall pay the nominal amount of the loan, accrued interest and a premium equal to 100 per cent of the nominal amount of the loan. The loan will become due and payable prematurely if Hilbert Group at any time during the three-year term of the loan raises six million Euro or more in a new issue of shares. In such case, the lenders under the loan facility may choose between repayment of the nominal amount plus accrued interest but without a premium on the nominal value or to convert the loan amount to B-shares. The subscription price shall be the lower of SEK 9 and the issue price in the new issue of shares of EUR 6 million or more. Such conversion of the loan to shares will be carried out through a new issue with payment by set-off of the loan which requires approval by Hilbert Group's shareholders.

The face value of the bond issued amounted to KSEK 22,655.2 and the value of conversion rights amounted to SEK 259,700.

The initial fair value of the liability portion of the bond was determined using a market interest rate of 11% for an equivalent non-convertible bond at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option and recognised in shareholders' equity, net of income tax, and not subsequently remeasured.

The convertible bond, as of 31 December 2024 amounting to kSEK 26,890.5 (KSEK 23,539.9), is presented as current. Management has and will continue to focus its efforts to settle the convertible bond prematurely, assuming a 12-months period after the reporting date.

Interest expense for the fourth quarter amounted to SEK 622,911 (SEK 612,541) and to SEK 2,569,199 (SEK 1,602,423) for the twelve months period. Starting May 2024, the interest expense is calculated applying the 10% fixed interest rate to the liability component and compounded interest. For earlier periods, the interest expense was calculated by applying the effective interest rate of 10.5% to the liability component.

The fair values are not materially different from their carrying amounts, since the interest payable on those convertible bonds-liability portion is short-term with expected settlement date after within the 12-month period of the reporting date of this quarter.

NOTE 4

FAIR VALUE MEASUREMENT

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

31 December 2024		Level 1	Level 2	Level 3	Total
Investments	Equity securities	—	—	1,024.8	1,024.8
Intangible assets	Cryptocurrencies	524.1	—	—	524.1
Inventory	Cryptocurrencies	5,400.8	—	—	5,400.8
31 December 2023		Level 1	Level 2	Level 3	Total
Investments	Equity securities	—	—	4,250.4	4,250.4
Intangible assets	Cryptocurrencies	1,522.3	—	—	1,522.3
Inventory	Cryptocurrencies	5,221.9	—	—	5,221.9

For Equity investments, an income approach is applied for assessing fair value. Future income and expenses for the entity are converted to a current discounted amount, reflecting current market expectations about those future amounts.

There were no transfers between levels 1, 2 and 3 during the periods presented.

For information about the fair value hierarchy levels and inputs used, refer to the 2023 Annual report

NOTE 5

PLEGDED ASSETS AND CONTINGENT LIABILITIES

The parent company Hilbert Group AB (publ) has pledged all shares in the wholly owned subsidiary HC Holding Ltd as collateral against the EUR 2 million convertible bond agreement concluded during the second quarter 2023, refer to Note 3 above for information about the convertible bond. Assets pledged on 31 December 2024, as well as at year-end 2023 also comprised KSEK 50.0 of cash and cash equivalents held by Hilbert Group AB.

On 31 December 2024, neither the parent company nor any other Hilbert Group company has pledged any other assets and there are no contingent liabilities. The same applied for the comparison periods in this report.

Declaration by the Board of Directors and the CEO

The Board of Directors and CEO confirm that this Interim Report provides a true and fair view of the parent company and the Group's operations, financial position and results for the period concerned.

Stockholm, 28 February 2025
Board of Directors

Erik Nerpin
Chairman

Frode Foss-Skiftesvik
Board member

David Butler
Board member

Stuart Connolly
Board member

Tim Grant
Board member

Niclas Sandström
Board Member

Barnali Biswal
CEO

The report has not been reviewed by the Company's auditors.

Other information

FINANCIAL CALENDAR

Annual Report 2024	2 May 2025
Interim Report Q1	30 May 2025
Interim Report Q2	29 Aug 2025
Interim Report Q3	28 Nov 2025

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