Valour Inc.

(Formerly Valour Structured Products, Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

For the period ended November 1, 2020 to June 30, 2021

(Expressed in USD)

INDEX

Valour Inc.

(Formerly Valour Structured Products, Inc.)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2021

(Expressed in USD)

	June 30, 2021	October 31, 2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	6,893,507	1,712,630
Other receivables against third parties	17,998	3,289
Digital assets at fair value through profit or loss	100,224,261	4,201
Investments at fair value through profit or loss	5,977,308	460,252
Other current assets	13,030	16,875
Prepaid expenses and accrued revenues	94,269	15,509
TOTAL CURRENT ASSETS	**113,220,373**	**2,212,756**
NON-CURRENT ASSETS		
Property, plant and equipment	8,305	6,148
Right-of-use assets	30,854	65,904
Goodwill	10,255	10,255
TOTAL NON-CURRENT ASSETS	**49,414**	**82,307**
TOTAL ASSETS	**113,269,787**	**2,295,063**

The accompanying notes form an integral part of these consolidated financial statements.

Valour Inc.

(Formerly Valour Structured Products, Inc.)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

June 30, 2021

(Expressed in USD)

	June 30, 2021	October 31, 2020
LIABILITIES		
CURRENT LIABILITIES		
Bank overdraft	112	0
Trade payables	0	18,166
Other payables	15,487	12,080
ETP holders payable	99,493,840	0
Other liabilities - related parties	5,517,104	1,455
Other liabilities - third parties	3,522	0
Accrued expenses and deferred income	309,866	64,557
Income tax liabilities	317	108
TOTAL CURRENT LIABILITIES	**105,340,248**	**96,366**
NON-CURRENT LIABILITIES		
Lease liabilities	30,854	65,904
TOTAL NON-CURRENT LIABILITIES	**30,854**	**65,904**
TOTAL LIABILITIES	**105,371,102**	**162,270**
SHAREHOLDERS' EQUITY		
Share capital	50,000	5,136
Share premium	2,722,241	2,770,990
Retained earnings (deficit)	5,126,444	(643,333)
TOTAL SHAREHOLDERS' EQUITY	**7,898,685**	**2,132,793**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**113,269,787**	**2,295,063**

The accompanying notes form an integral part of these consolidated financial statements.

Valour Inc.

(Formerly Valour Structured Products, Inc.)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended November 1, 2020 to June 30, 2021

(Expressed in USD)

	November 1, 2020 to June 30, 2021	Year ended October 31, 2020
REVENUES		
Income from digital assets holdings	951,873	0
Total Revenues	**951,873**	**0**
EXPENSES		
Salaries	(287,398)	(401,250)
Social security contributions	(35,715)	(52,449)
Travel and representation expenses	(243,125)	(18,543)
Other personnel related expenses	(2,622)	0
Personnel expenses	**(568,860)**	**(472,242)**
Infrastructure costs	(7,280)	(11,586)
Maintenance and repairs	(4,690)	(1,224)
Insurances, charges, permissions	(329)	(9,270)
Administrative expenses	(796,079)	(335,227)
Marketing and advertising expenses	(62,090)	(35,533)
Other operating expenses	**(870,468)**	**(392,840)**
OPERATING LOSS BEFORE DEPRECIATION, INTEREST AND TAXES (EBITDA)	**(487,455)**	**(865,082)**
Depreciation of property, plant and equipment	0	(1,537)
Depreciation of right-of-use assets	(35,430)	(35,496)
Depreciation, amortisation and impairment	**(35,430)**	**(37,033)**
Badwill	**0**	**1,193**
OPERATING LOSS BEFORE FINANCIAL PROFIT AND TAXES (EBIT)	**(522,885)**	**(900,922)**
Gain from disposals of investments at fair value through profit or loss	906,577	0
Gain from fair value adjustments of investments at fair value through profit or loss	5,698,216	0
Other financial income	0	74
Foreign currency exchange differences	0	48,068
Financial income	**6,604,793**	**48,142**
Financial expenses	(400,162)	(27,021)
Foreign currency exchange differences	40,012	0
Financial expenses	**(360,150)**	**(27,021)**

The accompanying notes form an integral part of these consolidated financial statements.

Valour Inc.

(Formerly Valour Structured Products, Inc.)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the period ended November 1, 2020 to June 30, 2021

(Expressed in USD)

	November 1, 2020 to June 30, 2021	**Year ended October 31, 2020**
Gain on digital assets disposals	2,555,971	324,851
Loss on digital assets disposals	(4,089,706)	(56,584)
Unrealized (loss) of fair value of digital assets	(21,571,510)	1,254
Loss from transactions of ETPs	(3,617,597)	0
Unrealized gain of fair value of ETP holders payable	27,293,899	0
Expenses from issuance of ETPs	(121,061)	0
Expenses from digial assets transactions	(396,186)	0
Income from digital assets and ETPs	**53,810**	**269,521**
NET INCOME / (LOSS) BEFORE TAXES	**5,775,568**	**(610,280)**
Taxes	(601)	(103)
NET INCOME / (LOSS) FOR THE PERIOD	**5,774,967**	**(610,383)**
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified to profit or loss		
Currency translation differences	(5,190)	(13,343)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	**(5,190)**	**(13,343)**
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	**5,769,777**	**(623,726)**

The accompanying notes form an integral part of these consolidated financial statements.

Valour Inc.

(Formerly Valour Structured Products, Inc.)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year period ended November 1, 2020 to June 30, 2021

(Expressed in USD)

	Share capital	Share premium	Retained earnings	Total
Balance at November 1, 2019	**1**	0	**(19,607)**	**(19,606)**
Loss for the year	0	0	(610,383)	(610,383)
Total other comprehensive loss	0	0	(13,343)	(13,343)
Total Comprehensive loss for the year	**0**	**0**	**(623,726)**	**(623,726)**
Shares issued during the year	5,135	2,770,990	0	2,776,125
Balance at October 31, 2020	**5,136**	**2,770,990**	**(643,333)**	**2,132,793**
Adjustment previous year	0	(3,885)	0	(3,885)
Reclassification	44,864	(44,864)	0	0
Balance at November 1, 2020	**50,000**	**2,722,241**	**(644,587)**	**2,128,908**
Loss for the period	0	0	5,774,967	5,774,967
Total other comprehensive loss	0	0	(5,190)	(5,190)
Total Comprehensive income / (loss) for the period	**0**	**0**	**5,769,777**	**5,769,777**
Balance as at June 30, 2021	**50,000**	**2,722,241**	**5,126,444**	**7,898,685**

The accompanying notes form an integral part of these consolidated financial statements.

Valour Inc.

(Formerly Valour Structured Products, Inc.)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended November 1, 2020 to June 30, 2021

(Expressed in USD)

	November 1, 2020 to June 30, 2021	**Year ended October 31, 2020**
CASH FLOWS FROM OPERATING ACTIVITIES		
Comprehensive income / (loss) for the period	5,769,777	(623,726)
Adjustments for:		
Adjustment re previous year	(3,885)	0
Interest and similar income	0	(74)
Interest and similar charges	400,162	27,021
Income taxes accrued	209	108
Depreciation and amortisation of property, plant and equipment	0	1,537
Depreciation and amortisation of right-of-use assets	35,430	35,496
Fair value adjustment of investments at fair value through profit and loss	(5,698,216)	0
Purchase of digital assets	(210,048,309)	(1,493,507)
Disposals of digital assets	86,812,622	3,166,398
(Gain) / loss on disposal of digital assets	1,533,735	(268,267)
Fair value adjustment of digital assets at fair value through profit and loss	21,571,510	(1,254)
Fair value adjustment of ETP holders payable	(27,293,899)	0
Other non-cash income and expenses	(89,618)	0
Operating cash (outflow) inflows before working capital changes	**(127,010,482)**	**843,732**
Changes in working capital, accruals and provisions:		
Decrease / (increase) in other receivables	(14,709)	(3,289)
Decrease / (increase) in other current assets	3,845	(16,875)
Decrease / (increase) in prepaid expenses and accrued income	(78,760)	(15,509)
Increase / (decrease) in deposits from banks	112	0
Increase / (decrease) in in-kind subscription received in advance	0	(1,517,814)
Increase / (decrease) in trade and other payables	(14,759)	8,908
Increase / (decrease) in other liabilities	5,519,171	1,455
Increase / (decrease) in accrued expenses and deferred income	245,309	64,557
Interest received	0	74
Interest paid	(400,162)	(27,021)
Net cash (outflow) / inflow from operating activities	**(121,750,435)**	**(661,782)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments at fair value through profit or loss	(302,200)	(460,252)
Disposals of investments at fair value through profit and loss	1,389,937	0
(Gain) / loss on disposal of investments at fair value through profit and loss	(906,577)	0
Purchase of property, plant and equipment	(2,157)	(7,685)
Additions right-of-use assets	0	(103,196)
Purchase of goodwill and participations	0	(10,255)
Net cash inflow from investing activities	**(179,003)**	**(581,388)**

Valour Inc.

(Formerly Valour Structured Products, Inc.)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the period ended November 1, 2020 to June 30, 2021

(Expressed in USD)

	November 1, 2020 to June 30, 2021	Year ended October 31, 2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares	0	5,135
Increase in share premium	0	2,770,990
Increase / (decrease) in lease liabilities	(35,050)	65,904
Sales of ETPs	235,149,142	0
Purchases of ETPs	(111,979,001)	0
(Gain) / loss on purchases of ETPs	3,617,598	0
Net cash inflow from financing activities	**126,752,689**	**2,842,029**
Net increase in cash and cash equivalents	**5,181,257**	**1,598,859**
Cash and cash equivalents as at beginning of the year	**1,712,630**	**111,975**
Effect of exchange rate differences on cash and cash equivalents	(380)	1,796
Cash and cash equivalents as at the end of the period	**6,893,507**	**1,712,630**

The accompanying notes form an integral part of these consolidated financial statements.

1. General Information

Valour Inc. (formerly Valour Structured Products, Inc.) (the "Company") was incorporated on June 18, 2019 under the Companies Law of the Cayman Islands as an exempted company with limited liability. The Company's intended operations consists of being an issuer of exchange-traded certificates linked to various digital currencies and the hedging thereof.

The Company's registered office is P.O. Box 10008, Willow House, Cricket Square, Grand Cayman, KY1-1001, Cayman Islands.

In October 2019, Valour Inc. purchased Catenafin AG, Zug and in June 2020, C de Geer 2 AB, Sweden.

As at June 30, 2021 and October 31, 2020, the Valour Group (the "Group") consisted of the following consolidated companies:

Entity	Domicile	Principal activities	Ownership
Valour Inc.	Cayman Islands	Trading & investment activities	Parent
Catenafin AG	Zug, Switzerland	Management services	100% Subsidiary
C de Geer 2 AB	Sweden	Marketing activities	100% Subsidiary

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the periods presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements of the Company were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB) applicable to the preparation of interim financial statements, including IAS 34 – Interim Financial Reporting. These financial statements should be read in conjunction with the annual audited financial statements for the year ended October 31, 2020, which was prepared in accordance with IFRS as issued by the IASB. Standards that are not relevant to the Group have not been disclosed.

These consolidated financial statements are presented in United States dollars ("USD"), which is the Group's functional and presentation currency.

The current accounting period is for the eight months period from November 1, 2020 to June 30, 2021. The previous accounting period is the twelve months ended October 31, 2020.

There are no other new or revised standards that have a material impact on the consolidated financial statements.

These consolidated financial statements of the Company were approved for issue by the Board of Directors on August 26, 2021.

2. Summary of significant accounting policies (continued)

2.2 Principles of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intragroup transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Foreign exchange gains and losses are presented in the statement of profit or loss, within finance costs.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

(c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

2. Summary of significant accounting policies (continued)

2.3 Foreign currency translation (continued)

(c) Group companies (continued)

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.4 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, 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 income tax is also 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 income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred 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.

2. Summary of significant accounting policies (continued)

2.5 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2.6 Impairment of assets

Goodwill that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested 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 of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

2.8 Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

2.9 Financial instruments

At the initial recognition of financial instruments, the Group classifies financial assets into the following categories: at fair value through profit or loss, amortised cost and fair value through other comprehensive income. The Group classifies financial liabilities into the following categories: designated at fair value through profit or loss and at amortised cost.

Financial instruments are classified according to their nature and use by the Group at the time of initial recognition. Financial instruments carried in the statement of financial position include loans to related parties. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The Group assesses, on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

2. Summary of significant accounting policies (continued)

2.9 Financial instruments (continued)

The fair value of a financial instrument is the amount at which the financial instrument could be exchanged in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. Fair value is based on active quoted market rates (bid for assets/ask for liabilities) prices. If there is no active market, fair value is based on prevailing market prices for instruments with similar characteristics and risk profiles or internal or external valuation models using observable market-based inputs. Fair value could be based on valuation models using unobservable inputs that are supported by little or no market activity.

Fair value measurement hierarchy:

In accordance with IFRS 7, "Financial Instruments: Disclosures", financial instruments measured at fair value are disclosed by the source of the inputs used in determining fair value. The hierarchy gives the highest priority to readily available unadjusted quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs when market prices are not readily available or reliable. The three levels of the hierarchy are described below:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the financial asset or financial liability is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement.

2.10 Investments and other financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's 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 other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2. Summary of significant accounting policies (continued)

2.10 Investments and other financial assets (continued)

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(d) Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(e) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.11 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. 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 amounts of the replaced parts are derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to recognise their cost less their residual values over their estimated useful lives, as follows:

2. Summary of significant accounting policies (continued)

2.11 Property, plant and equipment (continued)

- Leasehold improvements	Lifetime of the office lease contract
- Furniture and fixtures	5 years
- IT and telecommunication	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

2.12 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

(b) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

2. Summary of significant accounting policies (continued)

2.13 Digital assets

(c) Cryptocurrencies

The IFRS Interpretations Committee (the "Committee") published its agenda decision on Holdings of Cryptocurrencies in June 2019. The Committee concluded that IAS 2 – Inventories applies to cryptocurrencies when they are held for sale in the ordinary course of business, otherwise an entity should apply IAS 38 - Intangible Assets to holdings of cryptocurrencies. The Company has assessed that it acts in a capacity as a commodity broker trader as defined in IAS 2 - Inventories, in characterizing certain of its holdings as inventory, or more specifically, digital assets. If assets held by commodity broker-traders are principally acquired for the purpose of selling in the near future and generating a profit from fluctuations in price or broker-traders' margin, such assets are accounted for as inventory, and changes in fair value less costs to sell are recognized in profit or loss.

Digital assets consist of cryptocurrency denominated assets (see Note 10) and are included in current assets. Digital assets are carried at their fair value determined by the spot rate less costs to sell. The digital currency market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value; a significant change in the market prices for digital currencies would have a significant impact on the Company's earnings and financial position. Fair Value for Bitcoin, Cardano, Ethereum and Polkadot is determined by taking the price at 17:30 CET from Kraken and Coinbase exchanges. Fair value for the other digital assets is determined by taking the last closing price in the range (UTC time) from www.coinmarketcap.com.

Disclosure
The Group applies the disclosure requirements in the IFRS Standard applicable to its holding of cryptocurrencies. Accordingly, the Group applies the disclosure requirements in IAS 2 for holdings of cryptocurrencies. If an entity measures its holding in cryptocurrencies at fair value, IFRS 13 Fair Value Measurement specifies applicable disclosure requirements. In applying IAS 1 Presentation of Financial Statements, the Group discloses judgements that its management has made regarding its accounting for holdings of cryptocurrencies if those are part of the judgements that had a significant effect on the amounts recognised in the consolidated financial statements.

The Group has evaluated the impact of the Agenda Paper and has determined that cryptocurrencies with an active market should be classified as intangible assets and measured at fair value through other comprehensive income. In accordance with IAS 2, intangible assets that have an indefinite useful life are not subject to amortisation but are revalued annually, or more frequently if events or changes in circumstances indicate they might be impaired.

2.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Contributed equity

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

(All amounts are expressed in USD, unless otherwise indicated)

2.16 Operating expenses

Operating expenses are accounted for in the consolidated financial statements in the period to which they relate.

3. Critical accounting estimates and judgements

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period; while management believes that the amounts included in the consolidated financial statements reflect the Group's best estimates and assumptions, actual results could differ from those estimates.

4. Cash and cash equivalents

	June 30, 2021	October 31, 2019
Cash at banks	483,948	290,042
Cash at brokers	3,397,046	257,480
Cash at digital currency exchanges	3,012,513	1,165,108
Total cash and cash equivalents	**6,893,507**	**1,712,630**

5. Investments at fair value through profit or loss

	June 30, 2021	October 31, 2020
Abaxx Technologies Inc., Canada	56,026	273,355
DeFi Technologies Inc., Canada	2,904,116	-
3iQ Corporation, Canada	3,017,166	186,897
Total investments at fair value through profit or loss	**5,977,308**	**460,252**

The Group made investments in Abaxx Technologies Inc., a development stage financial technology business and global commodities exchange, through the purchase of a convertible debenture which was converted into 503,490 common shares on November 2020. The Group also purchased common shares in DeFi Technologies Inc, a company building shareholder value through building and managing assets in the decentralized finance sector. Both companies common shares trade on the Toronto-based stock exchange NEO. The Group also purchased common shares in 3iQ Corporation, a bitcoin and digital asset fund manager. 3iQ Corporation is not publicly traded and so the fair value as at June 30, 2021 reflects the share value at which the most recent sale of common shares was completed

Abaxx Technologies Inc. and DeFi Technologies Inc. are categorised as Level 1 within the fair value hierarchy. 3iQ Corporation is categorised as Level 3 within the fair value hierarchy.

As at June 30, 2021 the fair value of investments at fair value through profit and loss are equal to closing share price or most recent financing price. As at October 31, 2020 the fair values of investments at fair value through profit or loss are equal to their initial cost and therefore measured on this basis.

(All amounts are expressed in USD, unless otherwise indicated)

6. Key management personnel

The aggregate remuneration made to members of key management of Catenafin AG is set out below. There are no remuneration expenses incurred by other entities in the Group.

	November 1, 2020 to June 30, 2020	**Year ended October 31, 2020**
Short-term employee benefits	286,982	307,535
Post-employment benefits	36,131	15,917
Total	**323,113**	**323,452**

7. Related party transactions

7.1 Transactions with key management personnel

Remuneration paid to key management personnel for services rendered during the year and prior period has been disclosed in note 6.

7.2 Directors' fees

Fees paid to directors of the Company for services rendered during the year were $240,000 and are included within administrative expenses in the statement of profit or loss and other comprehensive income.

7.3 Other liabilities – related parties

As at June 30, 2021, the Company borrowed $5,517,104 from DeFi Technologies Inc, Valour's sole shareholder. The loans carried an interest rate of nil and are reviewed by both parties on a quarterly basis.

8. Property, plant and equipment

Cost:	IT and tele-communication	**Total**
Opening balance at November 1, 2019	-	**-**
Additions current year	7,685	7,685
Closing balance at October 31, 2020	**7,685**	**7,685**
Additions current period	2,157	2,157
Closing balance at June 30, 2021	**9,842**	**9,842**
Accumulated depreciation:		
Opening balance at November 1, 2019	-	**-**
Depreciation current year	1,537	1,537
Closing balance at June 30, 2021 October 31, 2020	**1,537**	**1,537**
Net book values:		
Opening balance at June 30, 2021	**8,305**	**8,305**
Closing balance at October 31, 2020	**6,148**	**6,148**

(All amounts are expressed in USD, unless otherwise indicated)

9. Leases

This note provides information for leases where the Group is a lessee.

The balance sheet shows the following amounts relating to leases:

	June 30, 2021	**October 31, 2020**
Right-of-use assets		
Property	30,854	65,904
Total Right-of-use assets	**30,854**	**65,904**
Lease liabilities		
Non-Current	30,854	65,904
Total Lease liabilities	**30,854**	**65,904**

Additions to the right-of-use assets during the year to October 31, 2020 were USD 103,196.

The statement of profit or loss shows the following amounts relating to leases:

	November 1, 2020 to June 30, 2020	**Year ended October 31, 2020**
Depreciation charge of right-of-use assets		
Property	35,430	35,496
Total depreciation charge of right-of-use assets	**35,430**	**35,496**

(All amounts are expressed in USD, unless otherwise indicated)

10. Digital assets at fair value through profit and loss

Cost:	Bitcoin	Ethereum	Polkadot	Cardano	Uniswap	Binance Coin	USDC	USDT	Total
Opening balance, November 1, 2019	**1,407,571**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,407,571**
Additions into scope of consolidation	-	-	-	-	-	-	-	-	-
Additions	1,493,507	-	-	-	-	-	-	-	1,493,507
Disposal proceeds	(3,166,398)	-	-	-	-	-	-	-	(3,166,398)
Gain on disposal	324,851	-	-	-	-	-	-	-	324,851
Loss on disposal	(56,584)	-	-	-	-	-	-	-	(56,584)
Closing balance, October 31, 2020	**2,947**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,947**
Additions	88,245,310	75,808,217	5,846,186	38,511,672	210	169	1,635,682	863	210,048,309
Disposal proceeds	(25,559,305)	(43,143,565)	(1,345,868)	(15,308,938)	-	(67)	(1,454,880)	-	(86,812,622)
Lending, fees and other income	87,674	(258)	2,455	-	-	-	-	-	89,871
Gain on disposal	2,215,764	339,435	773	-	-	-	-	-	2,555,971
Loss on disposal	(2,529,562)	(1,237,448)	(76,384)	(246,309)	-	(3)	-	-	(4,089,706)
Closing balance, June 30, 2021	**62,462,828**	**31,766,381**	**4,427,161**	**22,956,425**	**210**	**99**	**180,803**	**863**	**121,794,770**
Net book values:									-
Opening balance, November 1, 2019	**1,407,571**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,407,571**
Revaluation gain / (loss)	1,254	-	-	-	-	-	-	-	1,254
Closing balance, October 31, 2020	4,201	-	-	-	-	-	-	-	4,201
Revaluation gain / (loss)	(9,902,141)	(6,413,786)	(1,357,365)	(3,898,369)	(94)	(8)	-	-	(21,571,764)
Closing balance, June 30, 2021	**52,561,941**	**25,352,594**	**3,069,796**	**19,058,056**	**116**	**91**	**180,803**	**863**	**100,224,260**

Digital assets
As explained in Note 2, the Group classifies its holdings in digital assets as inventory and measures its holdings at fair value through profit and loss.

Valuation of cryptocurrencies
Fair value for Bitcoin, Cardano, Ethereum and Polkadot is determined by taking the price at 17:30 CET from Kraken and Coinbase exchanges. Fair value for the other digital assets is determined by taking the fair value is determined by taking last closing price in the range (UTC time) from www.coinmarketcap.com. The Directors may permit any other method of valuation to be used if they consider that such method of valuation better reflects fair value.

As at June 30, 2021 and October 31, 2020, the value of the cryptocurrencies were adjusted to the market value through a revaluation reserve in other comprehensive income.

11. Goodwill

The acquisition of C de Geer 2 AB, Sweden resulted in goodwill of USD 10,255.

12. Share capital

	Number of shares	**June 30, 2021**	**October 31, 2020**
Authorised:			
Shares with a par value of USD 0.0001 each	500,000,000	**50,000**	**50,000**
Issued:			
Shares with a par value of USD 0.01 each	100	-	-
Shares with a par value of USD 0.0001 each	51,359,900	**5,136**	**5,136**

38,859,900 issued shares with a par value of USD 0.0001 each were unpaid as at October 31, 2020 for which USD 3,886 has been recorded within other current assets as a receivable in the statement of financial position.

(All amounts are expressed in USD, unless otherwise indicated)

12. Risk Management

The Group was formed for the sole intended business of issuing exchange traded certificates and the hedging thereof. The Group's activities expose it to a variety of financial risks, including credit risk, liquidity risk, foreign currency risk, and market risk (including foreign currency risk). The Group's activities also expose it to risk factors relating to digital currencies.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty fails to meet its contractual obligations. The Group manages and control this credit risk by only lending to related parties and setting limits on the amount of risk they are willing to accept from the counterparties.

The Group manages credit risk exposed from receivables by monitoring reputation, credit ratings and limiting the aggregate risk to any individual counterparty. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty defaults rates. The allowance for expected credit losses on trade receivables and other financial assets is not considered to be material.

The carrying amount of financial assets represents the maximum credit exposure.

Financial Assets

	June 30, 2020	**October 31, 2020**
Cash and cash equivalents	6,893,507	1,712,630
Total financial assets	**6,893,507**	**1,712,630**

As at June 30, 2021 and October 31, 2020, cash is held at banks, brokers and digital currency exchanges (see Note 4). Management monitors the financial position of the digital currency exchange on a continuous basis.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient access to cash and cash equivalents to meet liabilities as they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation. The contractual maturities of financial liabilities, including accounts payable as at June 30, 2021 and October 31, 2020 are all due within 12 months.

(c) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the Group's functional currency. The Group may enter into transactions denominated in currencies other than its functional currency. Consequently, the Group is exposed to the risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Group's assets or liabilities denominated in currencies other than United States dollars. The Group's total net exposure to fluctuations in foreign currency exchange rates is disclosed in the table below.

(All amounts are expressed in USD, unless otherwise indicated)

12. Risk Management (continued)

(c) Foreign exchange risk (continued)

At June 30, 2021	**Monetary assets**	**Monetary liabilities**
Euro	6,457,037	(2,379,941)
Swiss Franc	-	(59)
Swedish Krona	2,77,214	(43)
Canadian Dollars	80,039	-
	6,814,290	**(2,380,043)**

At October 31, 2020	**Monetary Assets**	**Monetary Liabilities**
Euro	655,562	-
Swiss Franc	142,073	-
Swedish Krona	5,346	-
	802,981	

(d) Digital currency risk factors: Perception, Evolution, Validation and Valuation

A digital currency does not represent an intrinsic value or a form of credit. Its value is a function of the perspective of the participants within the marketplace for that digital currency. The price of the digital currency fluctuates as a result of supply and demand pressures that accumulate in the market for it.

Having a finite supply (in the case of many but not all digital currencies), the more people who want to own that digital currency, the more the market price increases and vice-versa.

The most common means of determining the value of a digital currency is through one or more cryptocurrency exchanges where that digital currency is traded. Such exchanges publicly disclose the "times and sales" of the various listed pairs. As the marketplace for digital currencies evolves, the process for assessing value will become increasingly sophisticated.

(e) Digital currency risk factors: Risks due to the technical design of cryptocurrencies

The source code of many digital currencies such as Bitcoin is public and may be downloaded and viewed by anyone. Despite this, there may be a bug in the respective code which is yet to be found and repaired, which may jeopardize the integrity and security of one or more of these networks.

Should miners for reasons yet unknown cease to register completed transactions within blocks which have been detached from the block chain, the confidence in the protocol and network will be reduced, which will reduce the value of the digital currency associated with that protocol.

Since the protocols for Bitcoin are public open source software, they could be particularly vulnerable to hacker attacks, which could be damaging for the digital currency market and may be the cause for investors to choose other currencies or assets to invest in.

12. Risk Management (continued)

(f) Digital currency risk factors: Ownership, Wallets

Rather than the actual Bitcoins (which are "stored" on the blockchain), a Bitcoin wallet stores the information necessary to transact Bitcoins. Those digital credentials are needed so one can access and spend the Bitcoins. Bitcoin uses public-key cryptography in which two cryptographic keys, one public and one private, are generated and stored in a wallet. There are several types of wallets:

- Hardware wallets are USB-like hardware devices with a small screen built specifically for handling private keys and public keys/addresses.

- Paper wallets are simply paper printouts of private and public addresses.

- Desktop wallets are installable software programs/apps downloaded from the internet that hold your private and public keys/addresses.

- Mobile wallets are wallets installed on a mobile device and are thus always available and connected to the internet.

- Web wallets are hot wallets that are always connected to the internet that can be stored in a browser or can be "hosted" by third party providers such as an exchange.

On the blockchain, Bitcoins are registered to public Bitcoin addresses which can only be "unlocked" by a corresponding private key. Bitcoin may be owned in fractions down to eight decimal places, one hundred millionth of a bitcoin, the smallest of which fraction is commonly referred to as a "satoshi".

It is paramount for any owner of cryptocurrencies to make sure that these assets are stored in the safest possible way and that private keys are kept as secret as possible in order to prevent loss, theft, infringement or other challenges that could result in the loss of control of the assets. Mistreatment of private keys and wallets is highly likely to result in the loss of a substantial part or all of the assets in question.

(g) Digital currency risk factors: Political, regulatory risk in the market of digital currencies

The legal status of digital currencies and inter alia Bitcoin varies between different countries. The lack of consensus concerning the regulation of digital currencies and how such currencies shall be handled tax wise causes insecurity regarding their legal status. As all digital currencies are as yet largely unregulated assets, there is a risk that politics and future regulations may negatively impact the market of digital currencies and companies operating in such market. Exactly how politics and future regulations may affect the market is impossible to know. However, future regulations and changes in the legal status of the digital currencies is a political risk which may affect the price development of the tracked digital currencies.

The perception (and the extent to which it is held) that there is significant usage of the digital assets in connection with criminal or other illicit purposes, could materially influence the development and regulation of digital assets (potentially by curtailing the same).

(h) Financial assets and liabilities

As at June 30, 2021 October 31, 2020 all the Group's financial assets and liabilities, other than investments at fair value through profit or loss, are carried at amortised cost, which is a reasonable approximation of their fair value.

13. Subsequent Events

On July 13, 2021, the Company changed its name to Valour Inc.